

T H E C A B I N E T
S T A T E O F F L O R I D A

Representing:

DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES
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,
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Reported by:
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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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DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES
(Presented by JIM KARELS)

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P R O C E E D I N G S

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(Commenced at 9:25 a.m.)

GOVERNOR CRIST: Members, we have a visitor with us today, Sheila Anderson, who wanted to address us briefly. With your indulgence, Ms. Anderson, please feel free to take the podium.

MS. ANDERSON: Thank you, Governor and members of the Cabinet. One of the legacies you all can leave to all Floridians as you complete this term of office is to institute a formal agenda item for all Cabinet meetings at which private citizens can address you directly without having to go through agencies and aides.

It used to be the case in Florida, and somewhere or another it got lost in the shuffle. And I'm here today to ask each of you, if you need to do it as an agenda item, to put it on your next agenda and create a brief period at every Cabinet meeting for such input.

I have a very brief list of items I'd like to bring to your attention that I think need agenda time. One of them is what seems to be an off-the-record effort by OPPAGA to do a study without a budget approval, which I think the CFO

1 should look into. But, again, it's not on the
2 agenda, so I don't believe that you could take
3 action today. I'd like to have you consider
4 eliminating the collegial Department of Revenue
5 authority that you have and create one Cabinet
6 position responsible for DOR.

7 And I'd like to bring to your attention the
8 need for enforcement mechanisms around the state.
9 Taxpayers are not getting fair Value Adjustment
10 Board hearings, even with all the efforts being
11 made, because there is no enforcement mechanism.

12 So when you renew the executive director's
13 contract, which I believe comes up in a month or so,
14 I think there are some questions you should be
15 asking and some answers you should be getting on
16 what the agency is doing or failing to do to protect
17 taxpayers on your behalf and for all of us. Thank
18 you.

19 GOVERNOR CRIST: Thank you very much. Thank
20 you for being here today. CFO Sink, did you have --

21 CFO SINK: Yes. Governor, I'd like to
22 introduce a special guest, my son, Bert McBride.
23 It's also his 23rd birthday, and he just finished a
24 distinguished football career at Stanford University
25 and has come back home to Florida. So we're glad --

1 I'm glad to have him with me today.

2 (Applause)

3 GOVERNOR CRIST: Good of you to be with mom in
4 the home stretch. And, Commissioner Andrew Gillum,
5 it's a pleasure to have you with us today, too.
6 Thank you, sir.

7 As you know, Commissioner Fred Dunphy has
8 submitted his resignation as a Parole Commissioner
9 effective January 4th, 2011. Accordingly, we need
10 to appoint an individual to fill the remainder of
11 his term.

12 Per our request at the August 10 Cabinet
13 Meeting, the Parole Qualifications Committee held a
14 public meeting earlier this month and nominated
15 three individuals from over 150 applicants. The
16 three candidates are Cassandra Jenkins, Mario
17 Theodore and Vincent McNally. Please make your
18 selection on the ballots that are in front of you.

19 CFO SINK: Governor, could I just comment --

20 GOVERNOR CRIST: You certainly can, of course.

21 CFO SINK: -- that this appointment today will
22 be our Cabinet's fourth chance to put some diversity
23 upon the Parole Commission Board. And we have an
24 excellent opportunity to do that. And I'm going to
25 be casting my vote for Cassandra Jenkins. She was a

1 candidate off of the last -- for the last vacancy.
 2 But she has an incredible distinguished career with
 3 FDLE, a master's degree and bachelor's in
 4 criminology, and just is very highly qualified. And
 5 I think that she has the attributes that we're
 6 looking for in a commissioner, very concerned about
 7 the victims' rights and victims' opinions when we
 8 address these issues.

9 And I just think that she's just convinced me
 10 that she's an outstanding candidate. And I will be
 11 casting my vote for her and will be kind of righting
 12 a wrong, which I think is we just haven't had the --
 13 we haven't had any diversity on the Parole
 14 Commission.

15 GOVERNOR CRIST: In light of that -- and I
 16 agree with you. I think that I am persuaded to make
 17 a motion that we by acclamation appoint Cassandra as
 18 the new member of the Parole Commission and make a
 19 little history today. I think with your
 20 appointment, if it goes through with my
 21 colleagues -- and stay tuned, I think it will -- it
 22 will be an all female commission for the first time
 23 in the history of Florida.

24 So I made a motion. Is there a second?

25 COMMISSIONER BRONSON: Second.

1 GOVERNOR CRIST: Any objections? Show it
2 adopted. Congratulations to you.

3 (Applause)

4 GOVERNOR CRIST: Would you like to say a few
5 words? You've certainly earned the right to speak.

6 MS. JENKINS: Good morning, Governor, Cabinet
7 members. First I want to give the honor and glory
8 to God for allowing me to be here and for helping me
9 to get to this point so far. I want to thank my
10 family and close friends, who are all here in
11 support of me, for being here and supporting me and
12 for their encouragement.

13 I want to also thank you, Governor Crist, you,
14 Attorney General McCollum, you, Commissioner
15 Bronson, and you, CFO Sink, for voting for me and
16 for selecting me. I feel it an honor to further my
17 service to the great people of this great state of
18 Florida.

19 It's an opportunity to continue to further my
20 service to the people, and it's also an opportunity
21 for us to continue to look at striking that balance
22 between public safety, which is always foremost in
23 my mind, but we also have to make sure the victims
24 continue to have a voice in this process, but we
25 also want to make sure that we have the opportunity

1 for those people who have corrected their behaviors
2 and have learned from what they've done to be able
3 to come out and be productive members of their
4 communities, but also hopefully be responsible
5 taxpaying members of this great state.

6 So thank you for your confidence. I will
7 continue to work hard and to do everything in my
8 ability to make sure this state continues its
9 efforts. Thank you again.

10 GOVERNOR CRIST: Thank you. Congratulations.

11 (Applause)

12 (Photographs taken)

13 GOVERNOR CRIST: Our next Cabinet meeting will
14 be Tuesday, November the 9th.

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1 GOVERNOR CRIST: And now we'll hear from the
2 Department of Agriculture & Consumer Services, Jim
3 Karels.

4 Representative Alan Williams, when did you
5 sneak in?

6 MR. WILLIAMS: I'm here to support my
7 constituent.

8 GOVERNOR CRIST: God bless you. It worked.
9 Good to see you. Morning, Jim.

10 MR. KARELS: Good morning, Governor,
11 Commissioner, CFO and Attorney General.

12 GOVERNOR CRIST: Don Brown is here? Insurance
13 man, where's Don? Morning, Don. Forgive me, Jim.
14 I won't interrupt you again.

15 MR. KARELS: On the Department of Agriculture &
16 Consumer Services' agenda for today, Item Number 1
17 are the minutes, submittal and approval of minutes
18 of the May 25th, 2010, and the June 8, 2010, Cabinet
19 meetings.

20 GOVERNOR CRIST: Is there a motion?

21 COMMISSIONER BRONSON: Motion to approve Item
22 1.

23 ATTORNEY GENERAL McCOLLUM: Second.

24 GOVERNOR CRIST: Moved and seconded. Show the
25 minutes approved without objection.

1 MR. KARELS: Item Number 2 is the acquisition
2 of the Tiger Lake Ranch, Rural & Family Lands
3 Protection Program easement. The request is
4 consideration of, one, an option agreement to
5 acquire 1,763.5 acres of perpetual conservation
6 easement over lands lying within the Tiger Lake
7 Ranch project of the Department of Ag & Consumer
8 Services, Division of Forestry's Rural & Family
9 Lands Protection Program, from Cary D. Lightsey, and
10 Layne L. Lightsey individually and as trustee of the
11 Marnel R. Lightsey irrevocable trust. And, two,
12 item two is designation of DACS, Division of
13 Forestry, as the monitoring agency for this
14 easement.

15 This easement is located in Polk County.
16 Consideration value for this easement is \$3,967,875.
17 This acquisition was negotiated by DACS/DOF under
18 the Rural & Family Lands Program. Upon approval,
19 this is the fourth perpetual easement or
20 conservation easement proposed for this acquisition
21 under the Rural & Family Lands Program, totaling
22 3,565.5 acres preserved under the program so far.

23 Tiger Lake Ranch is a 1,563.5-acre (sic)
24 cow-calf operation, along with 200 acres of citrus
25 lying on the southern end of Tiger Lake in Polk

1 County. The ranch is owned by the Lightsey family,
2 is comprised of a large acreage of improved and free
3 range pasture, together with virtually undisturbed
4 natural areas that provide habitat for numerous
5 species, listed species, but also many neotropical
6 birds and game species.

7 The Lightseys have been recognized both
8 statewide and nationally for their ranching
9 achievements and their environmental stewardship
10 achievements and excellence. In addition, though,
11 the Lightseys have been friends of the Division of
12 Forestry in the fire protection end for many years,
13 as we work very closely through that area of Polk
14 County.

15 The Lightseys originally settled in South
16 Carolina in the 1730s, and they've been in the cow
17 industry for 12 generations, finally migrating to
18 the great state of Florida through Georgia in the
19 1850s. The Lightsey family is interested in
20 pursuing an agricultural protection easement because
21 of the desire to see the land worked for six
22 generations to continue to produce cattle, provide
23 jobs and pay taxes.

24 The family is agreeing to protect and manage
25 the land in perpetuity in accordance with the

1 attached easements. And if I can, I'd like to ask
2 Cary and Layne Lightsey to come up and just briefly
3 speak to you.

4 GOVERNOR CRIST: Sure. Good morning.

5 LAYNE LIGHTSEY: Good morning. He didn't leave
6 a whole lot for me to say. But we are fifth
7 generation Floridians, have been in the cattle
8 business for a long time. And, you know, we realize
9 it's important, I believe, to preserve our Florida's
10 natural assets. I think Agriculture does as good a
11 job of that as anybody does. And -- but even though
12 as important as that is, I believe another important
13 part of our job is to make sure that our family buys
14 into that.

15 And so we're trying to encourage our children,
16 our grandchildren, to buy into that. And so far
17 we've been successful. We let our children work
18 with us on the ranch. We're excited about that. So
19 hopefully this will continue for generations down
20 the road.

21 We appreciate Florida, the State of Florida
22 working with us on this and look forward to working
23 with the Division of Forestry. We already do
24 another project with them already that we've had.
25 We've worked well with them. And I'll let my

1 brother give his input.

2 CARY LIGHTSEY: One thing we're really proud
3 of, this is 85 percent of our ranch land now that's
4 under easement. And our family for generations left
5 40 percent of our land native. And a lot of people
6 questioned why we did that. And we wanted to give a
7 place for the wildlife to live and endangered
8 species and a place for our grandchildren and
9 great-grandchildren to have a place to hunt and fish
10 and enjoy the wildlife.

11 And it's kind of paying off now that we've
12 preserved that land. And I really believe a hundred
13 years from now our great-great-grandchildren in the
14 state of Florida and the citizens of Florida are not
15 going to say, you know, why did they preserve that
16 pristine land? Now we've got all that clean air and
17 recharge area and home for our endangered species.
18 I don't think they're going to question it. I think
19 they're going to appreciate y'all's vision for the
20 future of this state.

21 GOVERNOR CRIST: Great. Thank you so much.

22 COMMISSIONER BRONSON: Governor, I'd like to
23 move Item 2.

24 ATTORNEY GENERAL McCOLLUM: Second.

25 GOVERNOR CRIST: Moved and seconded. Show it

1 approved without objection.

2 COMMISSIONER BRONSON: Governor, also, if I
3 could.

4 GOVERNOR CRIST: Commissioner.

5 COMMISSIONER BRONSON: If I could get Jim
6 Karels to give us an update on the fire season and
7 the potential for this year.

8 GOVERNOR CRIST: Of course.

9 MR. KARELS: And if I can --

10 GOVERNOR CRIST: We need some rain, Jim.

11 MR. KARELS: -- Commissioner, just before that,
12 and for CFO, if you go back to our first -- our
13 first Rural & Family easement was the Evans Ranch
14 property. And one of your requests was that we do
15 review and do an inspection of our perpetual
16 easements each year.

17 We did the first one, came up on the first
18 year. We did it in conjunction with St. Johns River
19 Water Management District. It came out excellent.
20 They're doing a fantastic job. They've actually
21 added -- if you remember, that was the sturgeon
22 ranch or the farming, ranching and sturgeon
23 industry. And they've added additional tanks.
24 They've added shade. They're building on their
25 sturgeon production there. So they're looking at

1 and moving ag forward in the state.

2 Next year we will come with a full list and a
3 full report. This was just one easement. Wanted to
4 make sure that you knew we did -- we did that.

5 COMMISSIONER BRONSON: And let me add
6 something, too, Governor, while I'm at it. They're
7 also considering, as part of their process,
8 alternative fuels. So they're going to add a
9 whole -- another component to that operation now
10 that will benefit the people of the state. So I
11 think it's turned out to be a very good acquisition.

12 MR. KARELS: Okay. The fire issue -- and today
13 it may look like there is no issue. With it just
14 barely drizzling, I think I got five-hundredths at
15 my house yesterday. But the statewide drought index
16 is 505. That goes, as most of you know, one to 800.
17 Anything -- really anything above 500 to that 800
18 number, which is almost impossible to reach, is
19 significant drought, significant dryness in the
20 state.

21 We went through an extremely wet year and a wet
22 spring and summer. And then the last half of the
23 summer and the fall has been extremely dry. And a
24 La Niña event moved in. We've talked about before,
25 when we get a La Niña event that increases the

1 hurricanes, it also increases the fire threat in the
2 state significantly. And that's documented all the
3 way back to the 1950s.

4 We're looking at, Southeast-wide, maybe the
5 worst fire season we're looking at since the 1950s.
6 Our peak fire conditions in Florida tend to go from
7 June -- from January to June, and then they peak in
8 that March, April, May, June and sometimes July
9 period. And we're starting now in October.

10 We are where we would be normally if it was a
11 dry, somewhat dry year, January or February. We're
12 now already at that point in October. So we're
13 looking at nine, ten months minimum of probably some
14 very significant fire conditions.

15 Talking to the Lightseys this morning, they're
16 already burning 60 and 70 days ahead right now, they
17 said, this week, trying to get a little bit of
18 prescribed burning in on their ranch, because they
19 know, and they're seeing the drought, that they
20 won't be able to burn in two months.

21 Conditions, Commissioner, we had I-10 close
22 this week because of a fire in Escambia County for
23 almost 12 hours, the southbound lanes. Heavy fuels,
24 Ivan, all the stuff that was knocked down from
25 Hurricane Ivan kept us from being able to put that

1 fire out quickly. We lost some structures in
2 Flagler County just the other day.

3 And the conditions are moving quickly to a very
4 severe fire season. And it's something we need to
5 look at and be prepared for. We move out of the
6 hurricane season. If we don't get any tropical
7 weather, we'll be right in the wildfire conditions,
8 high wildfire conditions, and a busy season.

9 And we're getting prepared for it. We did a
10 lot of prescribed burning last year, and we're
11 probably going to be very limited this year because
12 we're going to be fighting the fires rather than
13 lighting the prescribed fires. Questions?

14 GOVERNOR CRIST: Thank you, Jim.

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1 GOVERNOR CRIST: Board of Trustees, Mimi Drew.

2 MS. DREW: Good morning, Governor, members of
3 the Cabinet.

4 GOVERNOR CRIST: Good morning, Secretary.

5 MS. DREW: Item 1 is submittal of the minutes
6 from the August 10, 2010, Cabinet meeting.

7 GOVERNOR CRIST: Is there a motion on the
8 minutes?

9 CFO SINK: Move it.

10 COMMISSIONER BRONSON: Second.

11 GOVERNOR CRIST: Moved and seconded. Show the
12 minutes approved without objection.

13 MS. DREW: Thank you. Item 2 is a request for
14 consideration of an application for modification of
15 an existing five-year sovereignty submerged lands
16 lease on the St. Johns River in Duval County, to
17 increase the preempted area from 176,720 square feet
18 to 228,294 square feet, for an existing 69-slip
19 private docking facility.

20 The increase equals 51,574 square feet. There
21 is no increase in slips. Consideration results in
22 \$36,969.46 in lease fees. The request is in order
23 to build a 750-linear-foot floating concrete wave
24 attenuator located 30 feet waterward of an existing
25 perimeter dock. The proposed attenuator would be

1 anchored to the river bottom using anchor blocks and
2 chain attachments. The project was noticed and no
3 objections have been received. Any questions?

4 GOVERNOR CRIST: Is there a motion on Item 2?

5 CFO SINK: Move it.

6 ATTORNEY GENERAL McCOLLUM: Second.

7 GOVERNOR CRIST: Moved and seconded. Show it
8 approved without objection.

9 MS. DREW: Thank you. Item 3, I'm quite
10 excited to present this item, actually. We're
11 requesting consideration of an option agreement to
12 acquire 399.5 acres under the Department of
13 Environmental Protection's Division of Recreation
14 and Parks' State Park Additions and Inholdings
15 project.

16 We very much appreciate the help of the Nature
17 Conservancy in helping us with this land
18 acquisition. It's a very important piece of the
19 Silver River State Park. It is an inholding on our
20 list. Consideration is for \$1.165 million, which is
21 91 percent of the approved value.

22 The parcel is recognized in the management plan
23 for the Silver River State Park. It's located
24 within the Heather Island/Ocklawaha River Florida
25 Forever Project. It's bounded by County Road 314,

1 which will allow us to much better manage that piece
2 of property for things like fire control and other
3 issues of land management.

4 Once acquired, the property would be managed by
5 our park as an addition to that park. We have folks
6 here from the Nature Conservancy with us today if
7 there are any questions for them. Otherwise, I
8 would just ask if there are any questions I can
9 answer for you.

10 ATTORNEY GENERAL McCOLLUM: I'd move Item 3.

11 COMMISSIONER BRONSON: Second.

12 CFO SINK: Second.

13 GOVERNOR CRIST: Moved and seconded. Show it
14 approved without objection.

15 MS. DREW: Thank you. Item 4, status update of
16 the emergency response efforts to protect Florida's
17 shoreline from the Deepwater Horizon oil spill
18 incident in the Gulf of Mexico. CFO Sink has asked
19 us specifically to invite the researchers who have
20 been involved in this effort, and I'm really pleased
21 today that we have actually two people who have been
22 involved directly in that.

23 I'd like to introduce Dr. Ross Ellington, who
24 is a professor of biological science and associate
25 vice-president for research at FSU, who is also the

1 chair of the academic task force, Dr. Ross
2 Ellington. And then Dr. Shirley Pomponi is with us
3 today, and she is an affiliate professor at the
4 Florida Atlantic University, president and chief
5 executive officer, office of the Harbor Branch
6 Oceanographic Institution, and serves on the Florida
7 Institute of Oceanography's Executive Committee.

8 She has been involved in all facets of the
9 ranking, reviewing and selecting of 27 research
10 projects that received funding from the \$10 million
11 fast-track grant.

12 And with that, I'm going to turn it over to Dr.
13 Pomponi and allow her to take you through the
14 presentation and answer any questions you might
15 have.

16 MS. POMPONI: Thank you, Secretary Drew. Good
17 morning, CFO Sink, General McCollum, Commissioner
18 Bronson. I'm happy to be here this morning. It's
19 an exciting time for us ocean scientists, even in
20 light of this environmental disaster. For those of
21 you who are not familiar with Florida Institute of
22 Oceanography, it is one of three academic
23 infrastructure support organizations that are set up
24 to provide support for the academic and research
25 community in the state of Florida.

1 The mission specifically of the Florida
2 Institute of Oceanography is to provide underlying
3 support structure, research facilities, integration
4 of educational activities, research vessels,
5 laboratory facilities for our state universities.

6 And it consists of 20 members. All of our
7 state universities are members of the Florida
8 Institute of Oceanography, as well as private
9 universities, University of Miami, Eckerd College,
10 Florida Institute of Technology, Mote Marine
11 Laboratory as well, so there -- and then the
12 Department of Environmental Protection and Fish and
13 Wildlife Research Institute are also members. So
14 it's a comprehensive group of members, all involved
15 in academic and research in ocean science.

16 The Florida Institute of Oceanography does
17 operate two research vessels that have been used,
18 well, for many years, but also used more recently
19 and very intensely over the last few months to
20 conduct research in the Gulf of Mexico. The
21 Research Vessel Weatherbird and the Research Vessel
22 Bellows.

23 And in addition to that, there are two other
24 FIO member institutions that have research vessels
25 that have been operating in support of research

1 activities in response to the Deepwater Horizon oil
2 spill. The University of Miami owns and operates
3 the Research Vessel Walton Smith, and Florida
4 Atlantic University, Harbor Branch, owns and
5 operates the Research Vessel Seward Johnson.

6 I had the opportunity to go out on the Seward
7 Johnson this summer for about a month doing some
8 baseline assessments along the West Florida shelf.
9 And I'm very pleased to report that we had -- there
10 were no visible signs of oil in the areas that we
11 studied when we were out there in July.

12 So when the oil spill happened in April,
13 Chancellor Brogan formed the Oil Spill Academic Task
14 Force. It's chaired by Dr. Ellington, who was
15 already introduced this morning. And all the 11
16 state universities and five private universities and
17 two marine institutes are members of the Oil Spill
18 Academic Task Force, and it's hosted by Florida
19 State University.

20 They've set up a website to try and coordinate
21 the activities, the expertise that's available.
22 It's a clearinghouse, so that if someone needs
23 information about the oil spill, about baseline
24 assessments of the environment, they can go to that
25 website and get information about it. So it's

1 really sort of served as kind of an integrating
2 infrastructure for the academic and research
3 community in the state of Florida.

4 And then Governor Crist asked the Florida
5 Institute of Oceanography back in, I think it was
6 May, to determine the research and monitoring needs
7 for the state of Florida. And, Governor, thank you
8 for asking BP for \$100 million up front to
9 kick-start our response to the spill.

10 BP, in I guess it was late May, early June,
11 announced that they were going to make available
12 \$500 million specifically for research related to
13 the oil spill. And I believe Secretary Drew will
14 talk about that when I'm finished with my
15 presentation. This is to be allocated according to
16 the terms of their announcement about the funding
17 over a ten-year period of time.

18 BP invited a number of scientists, not only
19 from the Gulf states but around the country, to come
20 to a meeting in Louisiana in early June. I
21 participated in that meeting, as did Bill Hogarth
22 from USF, Florida Institute of Oceanography, and
23 actually there were several members of the Florida
24 academic community there, representatives from Mote,
25 from FSU, from Miami as well.

1 At that time they announced their plan to set
2 up four to five centers that are focused on a
3 scientific theme, and that they would also form an
4 advisory committee, which they subsequently did. I
5 believe there are six members of that advisory
6 committee. They're planning on expanding it to ten.

7 And at that time, at that meeting, the
8 scientific community -- there were probably about 25
9 or 30 members of the scientific community, primarily
10 from the Gulf states regions but also from around
11 the rest of the country, but really articulated the
12 need for some fast-track funds.

13 It was great that BP was going to provide the
14 500 million, but they really needed some money to
15 get started right away and get out and assess the
16 impacts of the oil spill. And, in fact, BP agreed
17 to this. They agreed to set aside about 50 million,
18 and Florida Institute of Oceanography was able to
19 get 10 million of that. And then we acted pretty
20 quickly to get our fast-track program up and
21 running.

22 Our original plan was to put six and a half
23 million dollars into a competitive grant program.
24 We knew that we were going to need ship time. So we
25 were going to allocate \$2 million, in addition to

1 the research funding, for ship time, about \$600,000
2 worth of equipment for the ships. We needed to
3 upgrade some of the equipment on the ships. And
4 then we assumed at that time a 10 percent overhead,
5 but we were able to negotiate a lower overhead than
6 that, which was probably not a good thing for USF,
7 but it was good for the research community because
8 we're actually getting more money out in direct
9 funds for the research and response.

10 So what we did was we put together a request
11 for proposals, and we identified five major areas
12 and, again, kind of consistent with what we knew BP
13 was going to be setting up in terms of their
14 priorities as well. So we wanted to determine
15 what -- we asked for responses, proposals
16 specifically addressed to one of these five areas;
17 the fate and effects of the spill and the
18 dispersants, baseline assessments and also impact
19 assessments of the communities, an integrated
20 coastal and ocean observing system, in other words,
21 get some efforts out there to implement buoys and
22 sensors so that we can monitor our environment on a
23 real-time basis continually over the long-term so
24 that we can predict, we can monitor, we can do some
25 forecasting as well.

1 Data management, as you can imagine, would be
2 very important, so we want to make sure that we're
3 gathering the data, integrating the data and it's
4 available, it's available to the resource managers,
5 it's available to the decision-makers. So that was
6 one of the other areas. And then, of course,
7 mitigation strategies and restoration strategies.

8 We -- I was a little worried. I thought we
9 were going to get about 750 proposals. To my great
10 relief, we got only 233 proposals. We had,
11 remember, \$10 million. They asked for over
12 \$60 million.

13 So we wanted to do this quickly. There was
14 some debate on how we would review these proposals
15 to make sure that we got a fair, unbiased peer
16 review of the proposals. But we knew that we were
17 also time-constrained, and we wanted to be able to
18 get the scientists out into the field right away.

19 So what we opted to do, rather than sending the
20 proposals outside of the state of Florida for peer
21 review by mail that might take several months, we
22 put together a committee, an advisory committee that
23 we believed is representative of our ocean science
24 community in the state of Florida. And I'm not
25 going to read the names, but you'll see that they're

1 broadly representative. We tried to achieve
2 diversity as much as we could, and always and -- you
3 know, we have some ground rules that we established.
4 And I'll talk about that in a few minutes just to
5 tell you how we avoided conflict of interest.

6 We agreed upon criteria that we would use to
7 rank the proposals. We wanted to make sure that
8 they were appropriate in the scope of work, that it
9 was something that was truly urgent that needed to
10 be addressed right away rather than long-term
11 studies.

12 The time frame, we told the scientists that
13 they had to propose studies that could be completed
14 within two years. We stressed the importance of
15 collaboration. In fact, FIO is set up to encourage
16 integration and collaboration, economies of scale,
17 if you will, and taking advantage of synergies and
18 collaboration areas so we don't overlap.

19 The project focus, of course, was one of the
20 criteria. The qualifications of the investigators,
21 the cost-effectiveness of the project that was
22 proposed, we wanted to make sure that they weren't
23 proposing to work in an area that was not
24 immediately affected.

25 And then we also -- we asked the reviewers to

1 look at and evaluate how well the proposal could
2 be -- if there were other proposals that were
3 similar and if there were opportunities to merge or
4 combine some of these projects.

5 There was concern about conflict of interest
6 because all of -- there were proposals submitted, I
7 believe, from the organizations from which each one
8 of these members of the advisory committee came, so
9 we wanted to make sure we would avoid conflicts of
10 interest.

11 No reviewer was allowed to review or deliberate
12 on any proposal in which he or she was involved as
13 an investigator, or if they had a colleague or a
14 collaborator or if it was from their institution,
15 they actually had -- they did not get those
16 proposals to review, and they had to excuse
17 themselves from the room when the discussions were
18 conducted about the proposals.

19 Each reviewer got about 45 proposals to review
20 in a very short period of time. They did an
21 outstanding job. So they got these by e-mail. They
22 reviewed the proposals, and then they met for a
23 period of two days to discuss -- they ranked them
24 and to discuss the proposals.

25 They selected 23. And then we -- the executive

1 committee met with the advisory committee. We
2 discussed the other highly ranked proposals, went
3 down the list, and then the executive committee
4 decided -- we recommended adding four more
5 proposals, more projects to the mix, to round out
6 the balance. I will tell you that most of the
7 proposals that we got dealt with baseline impacts
8 and impacts of the spill. By far, that was the
9 greatest number of proposals.

10 We then took that package of 27 proposals to
11 our membership and discussed it at the FIO council
12 meeting, and the members approved the package. And
13 then we -- the executive committee and the
14 membership asked FIO Director Bill Hogarth to go
15 back to the principal investigators and try and get
16 the budgets down, because the actual -- actually,
17 the budgets for all of the proposals we approved
18 came in a couple million dollars over the
19 10 million, and we had to get down to about
20 9 million, actually less than that, because we
21 wanted to include ship time as well.

22 So Dr. Hogarth did a really good job of
23 negotiating with all of the principal investigators.
24 As a result of that, we were able to award over
25 \$7 million in research and over \$2 million in ship

1 time in support of that research. And I will tell
2 you that the ship time was an issue because we had
3 way more days requested than we could support. And
4 so we worked very hard with the scientists to see if
5 they would -- could collaborate and piggyback on
6 missions. And so we've got a number of cruises that
7 have multiple missions and integration and
8 collaboration.

9 All of the -- the crew schedule is posted on
10 the FIO website as well. And let's see what else.
11 We have about \$400,000, so well under the 10 percent
12 in direct cost rate for the University of South
13 Florida and FIO administrative support. And all of
14 the funds were awarded via subcontracts from the
15 University of South Florida.

16 In the middle of September we gathered all the
17 principal investigators together. They gave
18 presentations on their projects, and it was an
19 opportunity for all of us to learn what each other
20 had proposed to do, was planning on doing, and we
21 also identified opportunities for collaboration as
22 well. So it was a very worthwhile meeting.

23 We made arrangements with the National Oceanic
24 and Atmospheric Administration, and the data that
25 are gathered -- it's required that the data be made

1 publicly available, and the data will be made
2 available on the NOAA website and I also believe on
3 DEP and FWC's databases as well.

4 I'm not going to go through the list of
5 projects. You've got them, I believe, on your
6 handouts. They range anywhere from a little over
7 100,000 to about \$900,000. We didn't plan it this
8 way, but every member organization that submitted a
9 proposal actually got a project funded. And I think
10 that speaks to the excellence that we have in each
11 of our member institutions. And I'd be happy to
12 entertain any questions that you have now.

13 GOVERNOR CRIST: Any questions? Thank you very
14 much. Great presentation. That concludes our
15 meeting.

16 ATTORNEY GENERAL McCOLLUM: Governor --

17 GOVERNOR CRIST: I'm sorry. General.

18 ATTORNEY GENERAL McCOLLUM: -- before you go,
19 I'd like to make a comment on the Deepwater oil
20 spill, just on the basis of what's going to happen
21 this week, before we break up. You have a, as you
22 know, an economic recovery task force. And I
23 believe that Ken Feinberg is going to appear before
24 that task force later this week. As you know, our
25 office and Jim Smith and Bob Butterworth, former

1 attorney generals that you've appointed, we've
2 appointed together, have been meeting on that claims
3 process. And as a result of that, I think there are
4 some concerns that need to be addressed and you need
5 to be aware of.

6 First of all, November 23rd is a kind of cutoff
7 date. That's the day when the emergency claims
8 facility protocol ends for the Gulf Coast claims,
9 and there needs to be a final protocol.

10 So far, we've seen no draft of that, though we
11 hear it's in progress. As you may recall, there are
12 quite a few issues regarding that, that our office
13 has met with both Mr. Feinberg and most recently
14 with BP representatives over. One of those is the
15 question of interim payments. It is our belief and
16 our hope that in the final protocol, the three-year
17 provision that's in the Oil Pollution Act will be
18 abided by and that they will allow three years of
19 interim claims to be made. But that has not been
20 very clear from Mr. Feinberg, and we hope he
21 clarifies that this week when he comes here in the
22 final presentation.

23 Also, there's a huge question about so-called
24 proximate cause, that is, how close are you to the
25 oil spill, does that come into any effect with

1 respect to whether or not a claim is valid or not
2 valid. The latest discussions we've had with Mr.
3 Feinberg and with BP indicate they still consider
4 proximate cause a factor in all this, although Mr.
5 Feinberg has indicated that for Florida claims, he
6 did not anticipate in the future that he was going
7 to have proximate cause as a consideration in terms
8 of the final decision-making. Somebody could have a
9 convention, you know, in Miami that got canceled.
10 Pretty clearly that claim is valid. And there are
11 any number of other issues like that to be decided.

12 But the biggest concern that I have that I
13 again want to raise to your attention as we go
14 forward in this, is that we still have a lot of
15 claims that are not processed as we'd like them to
16 be. The Gulf Coast claims facility has paid out
17 \$535 million to Floridians to date. That's good
18 news. The bad news is that every day another couple
19 thousand or more claims they fall behind.

20 Over 13,000 Florida claims are under review.
21 Another 28,000 claims where the Gulf Coast claims
22 facility says additional documentation is needed
23 exist, although they're rarely told, the claimants,
24 what's missing. So it's a big problem. And we have
25 urged BP specifically to see if they couldn't

1 provide some folks that -- attorneys maybe that
2 would help, maybe those who don't have attorneys to
3 help with these.

4 A very big concern over the fact that initially
5 we thought and you thought that all of the claims
6 filed with BP would just be automatically
7 transferred over to Mr. Feinberg's facility.
8 Instead, as you know, they have to file a separate
9 claims form that's rather complicated.

10 A lot of those people, thousands, tens of
11 thousands who filed originally with BP have never
12 filed another claim with the Gulf Coast claims
13 facility. So there have been some hardship cases.
14 I know our office alone has found 56 hardship,
15 financial hardship cases, and specifically bore down
16 on those, and I think 52 of those have now been
17 paid. But many more, I'm sure, especially out in
18 the Panhandle, of the private sector, have hardship
19 claims that they have not gotten satisfied.

20 So while I want to commend what we just heard
21 this morning, the scientific research, the long-term
22 effect on Florida, we need to know. We obviously
23 have government claims yet to file that go directly
24 to BP, not to this Gulf Coast claims facility. And
25 we discussed those as well with BP the other day,

1 how they're going to handle it, et cetera.

2 But it is of concern. I know there are a lot
3 of other things we're talking about here in Cabinet
4 and so forth. But the claims process still remains
5 somewhat difficult for us as a state, and a lot of
6 people are suffering. So I wanted to bring it up
7 with you, in light of the fact that we are going to
8 see the economic recovery team meet this week and
9 Mr. Feinberg is going to appear.

10 I'm not sure what he's going to say, but I'm
11 hopeful that he's going to corroborate that he's
12 changed his position on several of these things, and
13 maybe at some point he'll give us more people on the
14 ground in Florida rather than everything going to an
15 800 number, which is very confusing to claimants, to
16 call up and they can't find answers that they expect
17 to find, that I know you and others of us on this
18 Cabinet have found over the past few weeks is very,
19 very difficult.

20 But those meetings have been ongoing, a lot of
21 good discussions, but those are the salient points.
22 And I just wanted to bring them up before Thursday.

23 GOVERNOR CRIST: Thank you very much, General.
24 Appreciate that. Any other -- Commissioner?

25 COMMISSIONER BRONSON: One spot of good news

1 is, seeing all the problems with all the third-party
2 negotiations, as you know, we sent out our letter,
3 and I discussed this at the last meeting. Over a
4 ten-year period, we went through a number of weeks
5 of meeting directly with BP on what it's going to
6 cost us to do food safety testing for oil, oil
7 residue and potential for some of the dispersant,
8 which we don't have all of those from FDA yet.

9 We did come to an agreement that was announced
10 yesterday afternoon. BP will pay \$10 million for
11 seafood testing over the next three years and
12 10 million for the confidence level, building back
13 hopefully the economic impact that's happened to our
14 seafood industry and those related to the tens of
15 thousands of jobs.

16 And if any oil problems arise within that three
17 years, the trigger gets set as soon as waters are
18 closed, and another three years will take effect
19 with another 10 million for each of those issues.

20 So we believe, by dealing directly with BP, we
21 have managed to not get in the quagmire of all this
22 third-party negotiations, and now we're going to
23 have a food safety situation along with FDA. Now,
24 this does not consider FDA's issues with BP. BP is
25 going to have to pay those, for what FDA testing was

1 done. This is strictly the State of Florida.

2 I saw what was going to happen with the economy
3 and the fact that the legislature is going to have a
4 tough time coming up with that money. So this will
5 be on a reimbursement plan, and we will turn in the
6 work that we have done. BP will pay that, so we
7 don't have to worry about the legislature coming up
8 with the money and the taxpayers paying for those
9 tests.

10 So BP was going to pay directly for that and
11 the marketing to get that 25 percent that are still
12 lost in our seafood sales back and put more people
13 back to work at the coast. And I have to tell you,
14 I allowed those who are with BP who came with us,
15 sat down in those meetings and worked this issue
16 out. There are still a lot of issues they have to
17 cover, but at least our food safety issues are taken
18 care of.

19 GOVERNOR CRIST: Great. Thank you. CFO?

20 CFO SINK: Yeah, I just want to add -- thank
21 you, General McCollum, because, you know, I've heard
22 the same problems and the same issues, and I just
23 want to encourage you to be, as I know you will be,
24 very, very tough. Mr. Feinberg's handling of the
25 claims has not been to any of our liking.

1 And I think some of us probably saw the big
2 article about Keith Overton at the TradeWinds Hotel
3 that was written up in the *New York Times* this
4 weekend. And to extend forth an argument that just
5 because a motel was in the Keys or on St. Pete Beach
6 was not impacted by this is just absurd and
7 ridiculous.

8 And, unfortunately, I heard a comment last
9 night from somebody who said that he thought the
10 people in the Panhandle had an "Oh, poor me"
11 attitude. And you know there's just nothing further
12 from the truth. So, please, fight hard and be
13 tough.

14 ATTORNEY GENERAL MCCOLLUM: Well, the law is
15 the law, CFO, and we know it says that results from,
16 it doesn't matter how far away it is. If it's a
17 loss that results from this big disaster out there,
18 BP and Mr. Feinberg need to pay it.

19 CFO SINK: Right.

20 GOVERNOR CRIST: Very good. Thank you, CFO,
21 General, Commissioner. I think we're done.

22 (Whereupon, the meeting was concluded at 10:15
23 a.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF LEON)

I, Jo Langston, Registered Professional Reporter, do hereby certify that the foregoing pages 4 through 40, 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 12th day of November 2010.

JO LANGSTON
Registered Professional Reporter