

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:

DIVISION OF BOND FINANCE
DEPARTMENT OF REVENUE
DEPARTMENT OF VETERANS' AFFAIRS
DEPARTMENT OF LAW ENFORCEMENT
ADMINISTRATION COMMISSION
FLORIDA LAND AND WATER ADJUDICATORY COMMISSION
POWER PLANT AND TRANSMISSION LINE SITING BOARD
BOARD OF TRUSTEES, INTERNAL IMPROVEMENT TRUST FUND
STATE BOARD OF ADMINISTRATION

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,
December 7, 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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P R O C E E D I N G S

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(Agenda Items Commenced at 9:40 a.m.)

GOVERNOR CRIST: On to Bond Finance. Ben Watkins. Good morning, Ben.

MR. WATKINS: Good morning, Governor, Cabinet members.

GOVERNOR CRIST: How are you?

MR. WATKINS: Very well. Thank you. Item Number 1 is approval of the minutes of the November 9th meeting.

CFO SINK: Move it.

COMMISSIONER BRONSON: Second.

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

MR. WATKINS: Item Number 2 is a resolution which authorizes the defeasance or the prepayment of Tampa-Hillsborough County Expressway Authority Bonds that we had previously issued on their behalf.

GOVERNOR CRIST: Is there a motion on Item 2?

COMMISSIONER BRONSON: Move for approval of Item 2.

ATTORNEY GENERAL McCOLLUM: Second.

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

1 MR. WATKINS: Item Number 3 is a report of
2 award on the competitive sale of \$169.8 million in
3 Lottery Revenue Refunding Bonds. The bonds were
4 awarded to the low bidder at a true interest cost of
5 approximately 2.85 percent. The transaction was
6 executed for debt service savings, generating gross
7 savings of \$16.4 million, or on a present value
8 basis, 13.7 million, or seven and a half percent of
9 the bonds being refunded.

10 ATTORNEY GENERAL McCOLLUM: Move Item 3.

11 COMMISSIONER BRONSON: Second.

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

14 MR. WATKINS: And lastly Item 4 is the report
15 of award on the competitive sale of \$200 million in
16 PECO bonds. This was a new money bond issue for
17 school construction. The bonds were awarded to the
18 low bidder at a true interest cost of approximately
19 4.30 percent.

20 COMMISSIONER BRONSON: Motion for approval of
21 Item 4.

22 CFO SINK: Second.

23 GOVERNOR CRIST: Moved and seconded. Show it
24 approved without objection.

25 CFO SINK: Governor?

1 GOVERNOR CRIST: Yes.

2 CFO SINK: Let me just make a comment very
3 briefly about the Division of Bond Finance, because
4 as Ben has been up here for these last four years,
5 which I think we would all agree is the most
6 difficult financial markets in the history of our
7 country, time and again, we've seen \$10 million
8 savings for the State, \$30 million savings for the
9 State.

10 Well, all of a sudden, if you added up all the
11 savings that he has been able to generate for the
12 State in taking advantage of this historically low
13 interest rate market, it is adding up to hundreds
14 and hundreds and hundreds of millions of dollars of
15 benefit, which we never see, but they're there.

16 And it's been an incredible effort in part, and
17 to award these competitive or negotiated situations,
18 we truly have gotten the best deal for the State, I
19 believe, every time. And I just think that we, once
20 again, have to thank you and your staff, which is
21 not very numerous, for these hundreds of millions of
22 dollars of savings that you have brought back to the
23 people of the state of Florida.

24 GOVERNOR CRIST: Hear, hear. Thank you very
25 much.

1 MR. WATKINS: Thank you, and thank you,
2 Governor. And I also want to reciprocate and thank
3 you all for the privilege of serving for the past
4 four years and for the leadership and the
5 stewardship that you have provided for us and for
6 the citizens of the state. And for that, thank you
7 very much.

8 GOVERNOR CRIST: Thank you, Ben.
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1 GOVERNOR CRIST: Department of Revenue, Lisa
2 Vickers. Good morning.

3 MS. VICKERS: Good morning. Item 1, request
4 approval of the minutes from the September 28th
5 meeting.

6 COMMISSIONER BRONSON: Motion for approval of
7 Item 1.

8 ATTORNEY GENERAL McCOLLUM: Second.

9 GOVERNOR CRIST: Moved and seconded. Show the
10 minutes approved without objection.

11 MS. VICKERS: Item 2 is my performance contract
12 for the 2010-2011 year. I just wanted to start out
13 by saying it has been a privilege to serve the
14 citizens of the state of Florida and you in the role
15 of executive director for the Department of Revenue
16 for the last three years.

17 Our challenge has been to increase performance
18 while reducing our budget and conserving resources
19 during these difficult economic times. And serving
20 citizens at a time when they are under financial
21 strain is sometimes difficult when you're running a
22 revenue agency that's trying to collect taxes and
23 child support.

24 We have been able to show significant
25 performance improvements in the last three years.

1 And that is certainly the result of the 5,100
2 employees that work for the Department of Revenue
3 and serve you.

4 I just wanted to highlight a few of the
5 performance improvements that we've shown. In the
6 area of child support enforcement, we've actually
7 increased child support collections from
8 1,300,000,000 to over 1,400,000,000 in the last
9 three years. The result of increasing collections
10 has positive benefits for the State as well because
11 we are able to earn increased incentive dollars. In
12 Child Support Enforcement we've been able to
13 increase our incentive dollars paid by the federal
14 government for our performance from almost
15 26 million to nearly 29 million in the last three
16 years annually.

17 We've also been able to increase our support
18 order establishment. A dollar of child support
19 cannot be collected until we establish orders for
20 our parents who are trying to collect child support.
21 We've been able to increase our support order
22 establishment by over 25 percent in the last three
23 years.

24 In General Tax Administration, we've also seen
25 increases. We've been able to reduce our accounts

1 receivable balance to 1.7 percent. Industry
2 standard for that type of activity in accounts
3 receivable is two percent. So that's a significant
4 improvement in our performance. And we have
5 increased our audit collections from 196 million
6 annually to over 257 million annually. That's a
7 significant performance improvement.

8 I talked about the fact that we have 5,100
9 employees. In the area of Property Tax, our
10 smallest program in the Department of Revenue, we
11 only have 170 employees. That represents
12 three percent of our agency. They have taken on
13 significant responsibilities in the last few years
14 as citizens have become more concerned with property
15 taxes, millage levying and the value adjustment
16 board process. And so without any increases in that
17 staffing, they have taken on significant new roles.

18 In the area of decreasing costs, I wanted to
19 point out that we've been able to achieve
20 significant savings in our lease costs. This has
21 allowed us to absorb some of our lease increases.
22 Statewide we've been able to reduce our lease square
23 footage by 180,000 square feet. Some of you are
24 aware of our new campus out on Capital Circle. We
25 were able to achieve lease square footage savings of

1 about 40,000 square feet by moving to that campus.
2 Moving 2,100 employees from 16 different facilities
3 in Tallahassee to that one three-building campus, we
4 will save approximately \$1 million annually in lease
5 and utility savings.

6 We've also been able to decrease our travel
7 budget by over 40 percent, and we collapsed two of
8 our support programs, our executive support program
9 and our administrative program together, and
10 eliminated 19 positions. So I think our focus has
11 been on increasing performance and achieving
12 significant savings.

13 With respect to our performance measures, I did
14 want to just point out a few areas where we're below
15 standard. In the area of Property Tax, one of the
16 things that we do in Property Tax is we -- our
17 primary function in Property Tax is to approve the
18 level of assessment for our property appraisers.
19 And there the goal is to achieve a level of
20 assessment of at least 90 percent. The standard was
21 95.6 percent of classes. Our actual for '09-'10 was
22 91.7 percent of classes. That is probably directly
23 related to the volatility in the real estate market.

24 What happens is we come in and we look at how
25 they assess the property and how they appraised it.

1 And we're using tests that are based primarily on
2 sales data. And because there is less sales data as
3 a result of the slow-down of the real property
4 market, our tests may not be following the market as
5 closely as the property appraisers are. And so some
6 of those standards are coming back at less than
7 90 percent. But that's still a very high
8 performance there.

9 And in the area of child support, I would just
10 point out again, while I did mention that we
11 increased our order establishment by over
12 25 percent, the demand on our services is increasing
13 beyond what we are able to keep up with. And so we
14 are below standard in the percent of cases with
15 ordered support and the percent of current support
16 collected.

17 Just to give you some rough idea, the normal
18 trend was for us to receive 10,000 new cases a month
19 that needed a support order established. That's now
20 risen to 12,000 cases a month. So while we're
21 increasing our performance, it's difficult to keep
22 up with that increased demand during this difficult
23 economy. And that is our performance contract.

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

25 CFO SINK: Move it.

1 ATTORNEY GENERAL McCOLLUM: Second.

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

4 MS. VICKERS: Item 3 is the Department's
5 long-range program plan. And I won't go back over
6 performance measures, although that is primarily
7 what you find in a long-range program plan. What I
8 will mention, though, is our outlook on the future
9 in terms of the Department's strategies.

10 As you know, the Department of Revenue is
11 organized by business process. This has allowed us
12 to really operate the Department very efficiently
13 and benchmark against other private sector
14 industries to show performance achievements and
15 reduce our resources and become more efficient.

16 Our operations, I think, are showing great
17 performance increases. Our focus over the next few
18 years will be on some of our administrative
19 processes. It's very difficult. A lot of private
20 sector organizations are not even able to really
21 look at some of the functions that they do
22 administratively in a business process management
23 organization. And so it's hard to benchmark against
24 other organizations.

25 But the areas that we're focusing on, again,

1 leasing, you've seen us achieve significant
2 increases in leasing, the leasing area. Purchasing,
3 we're really trying to look across the agency to
4 leverage our purchasing. And I know this is
5 something that we need to look across the state in
6 terms of leveraging the State's buying power in the
7 purchasing area.

8 Training, the Department does a significant
9 amount of operational training, but we also do
10 training that is typical of every agency, so we want
11 to look at consolidation there and ways to leverage
12 the resources of the State as a whole in the
13 training area.

14 We celebrated our 40th anniversary in 2009 like
15 a lot of other agencies did. And I think what it
16 really highlights is that the State as a whole has
17 not looked at the structure of state agencies in a
18 long time. We certainly are very different today
19 than we were 40 years ago. And through technology,
20 there are some of those administrative processes
21 that are performed in every agency right now in a
22 very duplicative fashion that we can certainly look
23 forward to achieve greater savings in the future.

24 Other areas that we will focus on, of course,
25 is managing our compensation. As we try and reduce

1 our budget and try and manage our workforce
2 resources, we want to make sure that we are keeping
3 good employees by making sure that our wages are
4 competitive, our wage and benefit package is
5 competitive in certain areas so that we can reduce
6 turnover and training costs.

7 Also in this item is the capital improvement
8 plan. We talked about the Southwood facility. That
9 really has been the major focus of the capital
10 improvement plan over the last few years. But,
11 again, I would just mention that while the average
12 lease costs have increased by about 3.2 percent over
13 the last decade, which is about a \$6 million
14 increase, we've been able to absorb those increases
15 through lease reductions statewide.

16 Our strategy has been to come up with
17 standardized space allocations for all of our
18 service centers, really tighten up our space,
19 eliminate some of our service centers in our less
20 productive areas where -- some of our smaller areas
21 where we have less citizen traffic, and try and
22 continue to survive within our lease allocation,
23 even though costs are increasing. There's really
24 not anything significant in the capital improvement
25 plan beyond continued reductions as we try to absorb

1 those costs.

2 ATTORNEY GENERAL McCOLLUM: Governor, if I
3 might. I move this item. But in doing so, I just
4 want to comment that, Lisa, you and our office have
5 worked a lot together over the last four years, and
6 I really appreciate the time and the energy and the
7 quality of work out of your office and you. And
8 while we talk about all these things in very dry,
9 abstract terms this morning that you're presenting
10 to us, these are real people working for you who do
11 a great job overall, and we've enjoyed very much
12 that relationship, in litigation and other ways.
13 And you have a great team. You just do. So I move
14 Item 3, Governor.

15 GOVERNOR CRIST: Very good.

16 COMMISSIONER BRONSON: Second.

17 GOVERNOR CRIST: Moved and seconded. Show it
18 approved without objection. I would also take the
19 opportunity to welcome the General-Elect Pam Bondi
20 to us this morning. Thank you so much for being
21 here.

22 CFO SINK: Governor, can I just mention --
23 thank you, Lisa, for your report -- that our
24 department has started work on ways in which the
25 Department of Revenue, who has a very inexpensive

1 way to collect receipts in this state, has been
2 working with the Department of Financial Services to
3 take over or assume some, if not all, the
4 responsibilities of collection of receipts into the
5 Department.

6 And you mentioned this, but I think there is an
7 opportunity all over state government to potentially
8 centralize receipt collection, just like a
9 corporation would do, in a place like the Department
10 of Revenue that has very sophisticated checks and
11 balances, receipt handling procedures at far, far
12 less expense than we can all do on our own. So I'm
13 very glad and hope you will pursue that in the
14 coming administration, working with the governor's
15 agencies as well as the Cabinet agencies.

16 MS. VICKERS: The State has invested
17 significantly in our remittance processing. We
18 process over \$29 billion annually of just the taxes
19 administered by the Department. We also administer,
20 we also process an additional \$5.8 billion on behalf
21 of other state agencies because our business process
22 related to remittance processing has
23 state-of-the-art equipment, is very efficient and is
24 the lowest cost alternative in many cases for state
25 agencies who have smaller remittance processing

1 operations.

2 Item 4 is the legislative budget request. The
3 Department is requesting a budget of 527 million for
4 the upcoming year. This represents a 1.3 percent
5 increase on recurring allocation. But when that's
6 coupled with reductions that we're likely to take,
7 our budget will likely remain flat or even decrease.

8 I just wanted to point out a few of the issues
9 that are in our legislative budget request. It is
10 very conservative. Most of it is to restore some of
11 the funding from last year that was shifted in order
12 to meet some of the general revenue requirements
13 from a recurring standpoint.

14 In CSE, we're requesting the restoration of
15 about 2.5 million that was displaced as a result of
16 the American Recovery and Reinvestment Act. There
17 the State used some nonrecurring dollars in the
18 state budget and freed up recurring dollars. So
19 we're asking for that to be restored. About a
20 million dollars to cover in Child Support, increased
21 fees that the State covers on behalf of custodial
22 parents for child support enforcement. Because of
23 our increased caseloads, we'll have some additional
24 fees that need to be covered. And about a million
25 dollars to fund 25 CSE positions that were funded on

1 a nonrecurring basis last year. Again, this was to
2 try and balance that recurring/nonrecurring need.
3 So we're looking for the recurring funding there.

4 In GTA, our General Tax Administration program,
5 we also have the same 25 positions who were funded
6 with nonrecurring dollars last year in order to meet
7 budget deficits. We're asking for those to be
8 funded with recurring dollars on an ongoing basis,
9 and about 500,000 for increased postal costs. And
10 that is our legislative budget request.

11 CFO SINK: Move approval.

12 COMMISSIONER BRONSON: Second.

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

15 MS. VICKERS: Item 5 is our legislative
16 concepts for next year. And here we cover all areas
17 of the Department. First and foremost we're
18 requesting some changes to the provisions on using
19 volunteers in agencies. We want to try to use
20 volunteers at the Department to handle some of the
21 work that volunteers would be most suitable for,
22 like some of the interviews and paperwork filling
23 out that citizens do in child support.

24 But one of the issues we have is because the
25 Department has access to so much confidential and

1 sensitive information, we need to be able to spend
2 funds to do background checks on volunteers that we
3 might use. And so we're looking to change the law
4 to allow us to use money to do background checks if
5 we're going to use volunteers in the areas where
6 sensitive data may be located.

7 In the area of child support, here our concepts
8 are really just trying to tighten up and clarify
9 some provisions in law and address some recent
10 issues that are very administrative in nature. And
11 in General Tax Administration, our concepts are
12 focused on trying to improve our enforcement tools.

13 I did want to spend just a little bit of time
14 talking about our property tax administration
15 concepts, because I think those are the ones where
16 we've received the most public comment in terms of
17 the concepts. We go through a pretty lengthy
18 process, when we're going to go to the Legislature
19 and ask for changes, of trying to get public
20 comment.

21 And in the area of property tax oversight,
22 while we have a number of issues that are really
23 just related to improving the mechanics of
24 exemptions and taking care of some administrative
25 issues, we did focus quite a bit of time on the

1 value adjustment board process.

2 In recent years the Legislature has asked the
3 Department to take a more active role in trying to
4 gain uniformity in the value adjustment board
5 process. As you will recall, you approved a pretty
6 lengthy rewrite of rules that apply to the value
7 adjustment boards, to try and get that uniformity in
8 all 67 counties. Before some of the most recent law
9 changes, citizens were experiencing a lot of
10 variations when they would challenge their property
11 assessments in those forums.

12 We're not quite there yet in fixing this
13 system. We've been able to put out the standardized
14 rules. We've put out training for all special
15 magistrates. But there are -- the expectations I
16 think for this process are very high, and the
17 interests are sort of struggling against each other.

18 From the local government side, I mean, they
19 really feel like the State is coming in and maybe
20 stepping over their bounds and getting involved in a
21 very local process. From the citizen side, they
22 still see the ABs not following all of the rules and
23 procedures. And so there is a lot of concern
24 regarding that uniformity and even compliance with
25 the new laws.

1 In this package what we've tried to do is focus
2 on some of the issues we've heard the most about;
3 evidence exchange, trying to really clarify some of
4 the provisions in the evidence exchange. There's an
5 old provision that used to require that people wait
6 four hours for their hearing or else they weren't
7 considered to have waited long enough. It was back
8 from the old days when you couldn't go to court
9 unless you had exhausted your administrative
10 remedies. That's no longer the case. But that
11 language still exists in law. So in some places
12 citizens are told that it's okay if they have to
13 wait up to four hours before their hearing will be
14 heard in front of a VAB.

15 But some of the areas I think that we received
16 the most comment on related to enforcement by the
17 Department of those rules and some of the
18 confidentiality provisions, General, that we
19 actually asked for an opinion on. And in that area
20 we don't feel that we should ask for more
21 enforcement authority. What we've done is we've
22 asked for the ability to create a procedural score
23 card. This would allow us to evaluate the boards so
24 that there would be some peer review and there would
25 be some pressure for them to improve their

1 conformity to the rules.

2 I think it's been suggested that we also get
3 taxpayers to provide some feedback on that process.
4 We think that's a good thing. But ultimately the
5 Legislature may have to look at some sort of
6 enforcement mechanism, whether it's the Department
7 of Revenue or maybe through DOAH, so that when
8 citizens feel that those rules are not being
9 followed, there is some appeal mechanism.

10 In the area of confidentiality of tax
11 information, we requested an attorney general
12 opinion, and we received an informal opinion that I
13 think was very accurate, stating that the
14 Legislature needed to come back and give some more
15 guidance on whether taxpayers' documents are
16 confidential in the VAB process and whether property
17 appraisers -- when taxpayers give their records to
18 property appraisers, they're confidential in the
19 hands of the property appraiser, and there's some
20 question as to whether the property appraiser can
21 then, on his own initiative, submit those in the VAB
22 process to defend his appraisal. And so we're
23 looking to get that clarified as well.

24 But, overall, we realize this is a process
25 that's getting better, and we've seen great

1 improvement. But there's still, like I said, a lot
2 of struggle, high expectations and much needed
3 improvement, I think, before the confidence and
4 trust in this process is restored to the citizens.

5 ATTORNEY GENERAL McCOLLUM: Move Item 5.

6 CFO SINK: Second.

7 COMMISSIONER BRONSON: Second.

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

10 MS. VICKERS: Item 6 requests approval of some
11 rule amendments. These are basically the annual
12 updates to our forms. There's not really anything
13 significant in these rules in terms of the changes
14 we made. We did review the new provisions of House
15 Bill 1565 to make sure that we were in compliance
16 with the rules we're bringing forward to you today.
17 We did pull two rules from our rule package that we
18 feel we need to go back and take through that
19 process. But these rules are just very technical
20 updates to our forms.

21 CFO SINK: Move approval.

22 COMMISSIONER BRONSON: Second.

23 GOVERNOR CRIST: Moved and seconded. Show it
24 approved without objection.

25 MS. VICKERS: And finally Item 7 is also

1 requesting approval to file and certify for adoption
2 proposed changes to general tax rules for 2010, and
3 these reflect legislative changes that were made in
4 the last session.

5 COMMISSIONER BRONSON: Move Item 7.

6 ATTORNEY GENERAL McCOLLUM: Second.

7 GOVERNOR CRIST: Moved and seconded. Show it
8 approved without objection. Thank you, Lisa.

9 MS. VICKERS: All right. Thanks. I know it
10 was a lengthy agenda.

11 GOVERNOR CRIST: You did great.

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1 GOVERNOR CRIST: Veterans' Affairs, General
2 Milligan.

3 MR. MILLIGAN: Good morning, Governor and
4 Cabinet. A lot like Revenue's presentation, this
5 may be a little dry. But I have to tell you --

6 GOVERNOR CRIST: You thought that was dry?

7 MR. MILLIGAN: I have to tell you that this may
8 be the toughest job I've ever had, basically because
9 the men and women that we're responsible for cannot
10 take care of themselves. The veterans. If we don't
11 take care of them, they don't get taken care of, and
12 so it's a tough job.

13 Item 1 is the minutes from the Cabinet meeting
14 of August 26. Recommend approval.

15 ATTORNEY GENERAL McCOLLUM: I move Item 1.

16 COMMISSIONER BRONSON: Second.

17 GOVERNOR CRIST: Moved and seconded. Show the
18 minutes approved without objection.

19 MR. MILLIGAN: Item 2 is the quarterly report
20 for the period from July 1 to September 30, 2010.
21 The performance measures covering the activities of
22 the Department meet established standards. Of note,
23 occupancy rates for the homes was greater than
24 98 percent of beds available, which is an
25 extraordinary achievement by the staff of the homes.

1 We recommend acceptance.

2 COMMISSIONER BRONSON: Move Item 2.

3 CFO SINK: Second.

4 ATTORNEY GENERAL McCOLLUM: Second.

5 GOVERNOR CRIST: Moved and seconded. Show it
6 approved without objection.

7 MR. MILLIGAN: The following four policy
8 initiatives are our legislative proposals for the
9 2011 session. The first proposal relates to the
10 establishment of Operation New Dawn in Florida
11 Statute. As you know, the global war on terrorism
12 has focused on two primary theaters of operation,
13 Operation Iraqi Freedom and Operation Enduring
14 Freedom. While Operation Enduring Freedom continues
15 in Afghanistan, Operation Iraqi Freedom ended with
16 the cessation of U.S. combat role on midnight August
17 31. Operation New Dawn began at 12:01 September
18 1st. This requires changes to two sections of
19 Florida law that pertain to federal and state
20 veterans' benefits.

21 The second proposal amends existing law and
22 relates to Gold Star parents being eligible for
23 lifetime entry into Florida state parks without
24 charge. And by the way, Reach Across America was
25 yesterday, recognizing a number of Gold Star parents

1 from this area, and it was a very moving event.

2 The third proposal would make August 7 of each
3 year Purple Heart Day in Florida. As you know, the
4 Purple Heart is awarded to those killed or wounded
5 in combat by hostile action of an armed enemy.

6 The fourth proposal would establish a Veterans'
7 Hall of Fame to honor Floridians who have provided
8 exemplary service to our state while being honorably
9 discharged from the military service. No funding is
10 requested for this. Four other states currently
11 have halls of fame; Ohio, Arizona, Connecticut and
12 New York. We've been in contact with them and have
13 gotten some good insight on how to pull that
14 together.

15 We request approval to proceed in the
16 legislative process with these four proposals.

17 ATTORNEY GENERAL McCOLLUM: I move Item 3.

18 COMMISSIONER BRONSON: Second.

19 GOVERNOR CRIST: Moved and seconded. Show it
20 approved without objection.

21 MR. MILLIGAN: Item 4 is our legislative budget
22 request for 2011-2012 fiscal year. In your packet
23 there are two substantive slides. For the most
24 part, this is a continuation budget, with the
25 exception of emerging needs in our state veteran

1 homes and benefits for veterans, the proposed
2 request totaling 345,000 in general revenue and a
3 request for authorization to spend an additional
4 5 million from our Veteran Homes Trust Fund. Slide
5 one reflects the continuing and the budget proposals
6 for 2011 and 2012 fiscal year.

7 COMMISSIONER BRONSON: Motion for approval of
8 Item 4.

9 MR. MILLIGAN: Well, slide two is another part
10 of that, Commissioner. And, again, the veterans'
11 home program shows the largest need, and I
12 appreciate you moving it, and I'll just continue on.

13 GOVERNOR CRIST: And second by the general?

14 ATTORNEY GENERAL McCOLLUM: I second it.

15 GOVERNOR CRIST: Show it approved without
16 objection.

17 MR. MILLIGAN: Now I've got to figure out where
18 I am, since we have moved along rapidly.

19 GOVERNOR CRIST: According to my notes, you've
20 concluded.

21 MR. MILLIGAN: Just about. It certainly looks
22 like it, doesn't it?

23 GOVERNOR CRIST: Well done.

24 MR. MILLIGAN: I want to really convey my
25 personal thanks for the professional relationship

1 that we have enjoyed over many years, going back to
2 Senate days and obviously my time as controller and
3 opportunities to again serve the State. And I have
4 thoroughly enjoyed my relationship, my professional
5 relationship with all of you.

6 GOVERNOR CRIST: God bless you, General. Thank
7 you very much. Merry Christmas to you and your
8 family.

9 CFO SINK: General and Governor.

10 GOVERNOR CRIST: CFO.

11 CFO SINK: Can I just -- I just have a couple
12 of brief wrap-up things here on the Veterans'
13 Affairs.

14 MR. MILLIGAN: Uh-oh.

15 CFO SINK: No, no trouble. All good news. One
16 is that through the efforts of General Milligan and
17 it really started under Admiral Collins and the
18 Department of Motor Vehicles, Julie Jones, veterans
19 are now able to check off, when they apply for a
20 driver's license renewal or registration, that I am
21 a veteran and I would like to receive information
22 about veterans' benefits, because we know that it's
23 estimated as much as \$2 billion in unclaimed
24 benefits for veterans are not taken advantage of
25 here in the state of Florida.

1 And when they started the program last summer,
2 I think, in excess of 30- to 40,000 more names have
3 really come into the Department of Veterans'
4 Affairs. The challenge has been that e-mails are
5 provided, which they can send information via e-mail
6 with no additional cost. The question is many
7 veterans, of course, the older ones, may not have
8 e-mail addresses.

9 And, General Milligan, it's my understanding
10 that through the efforts of the foundation, which
11 you had worked on starting up previously, you have
12 found the funding up to a certain amount to be able
13 to begin to send snail mail to many of these
14 veterans who may not be aware of their multiple
15 benefits. And the stories that have been coming in
16 have been just fantastic. So that's one thing that
17 I'm happy that you're going to be able to continue.

18 Secondly, obviously, General Milligan, as you
19 alluded to, served not only as the comptroller of
20 the State, but when I came in as the CFO, he agreed
21 to come out of retirement and serve as the State's
22 insurance consumer advocate. And then within a
23 year, when we had challenges and a vacancy at the
24 State Board of Administration, he stepped up to do
25 that job. And now you've stepped up to do the

1 Veterans' Affairs. I don't know where you're going
2 to go next.

3 MR. MILLIGAN: Home.

4 CFO SINK: I'm sure June likes that.

5 GOVERNOR CRIST: Ditto.

6 CFO SINK: But, finally, there has been a
7 suggestion that -- many people have been talking
8 about an appropriate memorial or recognition of
9 Admiral Collins, who met an untimely death. And a
10 suggestion has been passing around, I think, at the
11 staff level that perhaps we, as a cabinet, could
12 send a letter to the state Department of
13 Transportation and Hillsborough County and the City
14 of Tampa suggesting that they might find a road or a
15 boulevard or a street to rename in the honor of
16 Admiral Collins in his hometown, to recognize him.

17 And I would -- I'd like to make a motion that
18 our staffs work on preparing a letter of request on
19 behalf of this Cabinet to these entities to ask them
20 to consider naming a street or a road in honor of
21 Admiral Collins.

22 GOVERNOR CRIST: I'll second your motion.
23 Without objection, show it approved.

24 MR. MILLIGAN: Thank you, CFO Sink, and I know
25 it will be well received by Hillsborough, and I know

1 they will take action on it.

2 CFO SINK: Thank you.

3 MR. MILLIGAN: Thank you.

4 GOVERNOR CRIST: General, thanks. Merry
5 Christmas.

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1 GOVERNOR CRIST: Department of Law Enforcement,
2 Commissioner Bailey.

3 MR. BAILEY: Good morning.

4 GOVERNOR CRIST: Morning, sir.

5 MR. BAILEY: I have four items on your agenda
6 this morning. The first is the minutes of our
7 September 28th meeting.

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

10 COMMISSIONER BRONSON: I move Item 1.

11 ATTORNEY GENERAL McCOLLUM: Second.

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

14 MR. BAILEY: The second item is the final
15 adoption of Proposed Rule 11D-2.005. That's the
16 methamphetamine bill. It implements the Florida law
17 providing an electronic monitoring system for our
18 retailers. Not only does this take the place of the
19 current paper logs, but it is no cost to state or
20 local governments. With your approval today, this
21 will go into effect next month.

22 ATTORNEY GENERAL McCOLLUM: I move Item 2.

23 This is really a very constructive thing you've been
24 doing, and it's just great to see it in its final
25 rule state for us. Thank you.

1 COMMISSIONER BRONSON: Second.

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

4 CFO SINK: Governor, could I just ask a
5 clarifying question? Was there an evaluation of the
6 cost to the businesses of implementing this rule?

7 MR. BAILEY: As we responded to the letter that
8 came from your offices and others, there is no cost
9 to the businesses of our state. It's a no impact.
10 As a matter of fact, it helps -- again, because
11 they're disposing of paper, pen and pencil logs and
12 going to an electronic system, that it's costing
13 them nothing.

14 CFO SINK: So they'll be able to replace.

15 MR. BAILEY: They are replacing, yes.

16 CFO SINK: Okay. Good. Thank you.

17 GOVERNOR CRIST: Good question.

18 MR. BAILEY: Item 3 is our quarterly
19 performance report for the first quarter of this
20 fiscal year. You will have noted that our
21 performance remains strong, but I do want to point
22 out to you several significant things have happened
23 during this quarter. Our DNA database, in addition
24 to its usual hits, which, ladies and gentlemen, are
25 approaching almost 400 hits per month now on that

1 database, two major cold cases were solved; one, a
2 violent sexual attack in Seminole County in 2004 and
3 a homicide in Hillsborough County from '92. That
4 system is doing exactly what it was designed to do,
5 and it's doing it well.

6 In partnership with the Attorney General's
7 Office of Statewide Prosecution, we arrested ten
8 individuals as part of a criminal mortgage fraud and
9 identity fraud syndicate in Dade and Broward
10 Counties. And so far the count is that it was an
11 \$8 million fraud and growing.

12 In partnership with local law enforcement, we
13 arrested 18 individuals as part of a North Florida
14 prescription drug trafficking ring, and our focus of
15 that investigation is now switching from the
16 traffickers to the doctors and pharmacists involved
17 in that case.

18 And in partnership with Attorney General
19 McCollum's office, we arrested eight former
20 high-ranking hospital officials on a variety of
21 felony charges as part of our investigation of
22 Trinity Community Hospital in Jasper and affiliated
23 clinics in Columbia, Hamilton and Suwannee Counties.

24 And finally, in partnership with the United
25 States Marshals Service, we arrested three suspects

1 at a Minnesota campground for a triple homicide in
2 Suwannee County. I'd be happy to answer any
3 questions on our first quarter report.

4 ATTORNEY GENERAL McCOLLUM: Governor?

5 GOVERNOR CRIST: Yes, General.

6 ATTORNEY GENERAL McCOLLUM: I'd just like to
7 comment that Mr. Bailey's team has been
8 extraordinary in working with the Attorney General's
9 Office. He cited one or two instances here. But
10 it's just been a regular collaboration, and
11 oftentimes the people involved, your officers and
12 ours, don't get the credit they are due.

13 You're giving a quarterly report just
14 highlighting a couple, but there are many other
15 instances in which there's just constant work. And
16 FDLE as a whole has done a superb job under your
17 administration. I've observed it. Our team works
18 with you firsthand. And so it's with great pleasure
19 and personal satisfaction, as well as knowing for
20 the people of Florida, that I would move Item 3.

21 COMMISSIONER BRONSON: Second.

22 GOVERNOR CRIST: Moved and seconded. Show it
23 approved without objection.

24 MR. BAILEY: Thank you. Item 4 is our
25 legislative budget request. As you've seen from us

1 in the past two years, the request is very
2 conservative. We do have two issues where we are
3 requesting new funds. The first is \$918,000 to
4 continue the expansion of the DNA database to
5 include all felons. The second is for \$2.7 million
6 to replenish the Criminal Justice Standards and
7 Training Trust Funds and the sweeps that have
8 happened over the last two years.

9 And then we're asking for authority to accept
10 grant funds to the tune of 4.5 million from the
11 National Instant Criminal Background Check System
12 Improvement. That's a federal mouthful. That's a
13 Department of Justice grant. And to accept a
14 \$560,000 grant from the federal Department of
15 Transportation to enhance our toxicology services to
16 deal with impaired drivers.

17 GOVERNOR CRIST: Any questions? Is there a
18 motion on Item 4?

19 CFO SINK: Move it.

20 ATTORNEY GENERAL McCOLLUM: Second.

21 GOVERNOR CRIST: Moved and seconded. Show it
22 approved without objection. And, Commissioner, let
23 me publicly thank you for your great leadership,
24 echoing the comments of the General. You have done
25 an extraordinary job at the Florida Department of

1 Law Enforcement and truly appreciated by the people
2 of Florida and your current governor. Thank you so
3 much.

4 MR. BAILEY: It's been a pleasure to work with
5 each of you, and I wish you the best in your next
6 endeavors. Thank you.

7 GOVERNOR CRIST: Thank you, Commissioner.
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1 GOVERNOR CRIST: Administration Commission, Ted
2 Mannelli. Good morning.

3 MR. MANNELLI: Morning, Governor and Cabinet.
4 I'm Ted Mannelli, and I'm here to present the
5 agendas for the Administration Commission and the
6 FLAWAC. The Administration Commission has got two
7 items on it. The first is approval of the minutes
8 for the November 9th meeting.

9 GOVERNOR CRIST: Is there a motion on the
10 minutes?

11 CFO SINK: Move it.

12 ATTORNEY GENERAL McCOLLUM: Second.

13 GOVERNOR CRIST: Show it approved without
14 objection.

15 MR. MANNELLI: Thank you. The remaining item
16 on the agenda is consideration of the Department of
17 Community Affairs' report detailing the progress of
18 the Florida Keys in achieving certain tasks leading
19 to the eventual de-designation of the Keys as an
20 area of critical state concern.

21 As you recall, last year the Commission
22 authorized staff to present legislative proposals to
23 the 2010 Legislature to extend the deadline for
24 meeting certain advanced sewage treatment levels and
25 to modify the process for evaluating progress made

1 by local governments in achieving tasks.

2 Consensus legislation was passed by the 2010
3 Legislature, and DCA is now ready to recommend the
4 rules to be adopted for Monroe County, City of
5 Marathon, the Village of Islamorada.

6 Commission staff is recommending four actions
7 by the Commission. First, to continue the
8 designation of the Florida Keys as an area of
9 critical state concern and to accept DCA's report
10 finding that Monroe County and the City of Marathon
11 have achieved substantial progress in completing
12 tasks, but finding that the Village of Islamorada
13 has not achieved substantial progress in the area of
14 wastewater treatment, of planning and construction
15 and financing, and to require the Village of
16 Islamorada to submit a report concerning wastewater
17 financing to the Commission and to DCA by June 1st,
18 2011.

19 Secondly, to direct staff to prepare the 30-day
20 report, which would detail the work tasks that need
21 to be completed in the next 12 months. Thirdly, to
22 approve for publication and adoption Rules 28-20.130
23 and 28-20.140 for Monroe County, Rules 28-18.100,
24 28-18.200 and 28-18.300 for the City of Marathon and
25 Rules 28-19.300 and 28-19.310 for the Village of

1 Islamorada, if after publication no changes to the
2 rules are needed, and also to authorize DCA to hold
3 a hearing on behalf of the Commission if such a
4 hearing is requested.

5 Lastly, we're requesting DCA to be authorized
6 to file the aforementioned rules with the
7 Legislature pursuant to Chapter 2010-279, Laws of
8 Florida, which is House Bill 1565.

9 We have five speakers here this morning. We
10 have Mr. Charlie Gauthier of the Department of
11 Community Affairs, who will present a summary of the
12 report, Mr. Shaw Stiller, also of the Department of
13 Community Affairs, who will present the proposed
14 rules and explain to you why it's important to move
15 forward with those at this time and to explain DCA's
16 evaluation of the need to submit them to the
17 Legislature for ratification. Mr. Geoffrey Mansfield
18 of the Department of Environmental Protection and Mr.
19 Gerald Briggs of the Department of Health are here
20 to answer questions if any arise.

21 In addition to Mr. Gauthier and Mr. Stiller,
22 Mayor Heather Carruthers of Monroe County and Mayor
23 Michael Reckwerdt of Village of Islamorada will also
24 present to the Commission. And, lastly, Ms. Debbie
25 Harrison of the National Parks Conservation

1 Association will make a presentation. If there are
2 no questions, I'll ask Mr. Gauthier to step to the
3 podium.

4 GOVERNOR CRIST: Very good.

5 MR. GAUTHIER: Good morning, Governor, members
6 of the Cabinet. My name is Charles Gauthier. It's
7 an honor to appear here before you. The Florida
8 Keys has been designated an area of critical state
9 concern since the 1970s. The designation was due to
10 the exceptional environmental values, the
11 sensitivity of the environment, the vulnerability to
12 natural disaster.

13 At the outset of the program, the focus was on
14 putting in place comprehensive plans and land
15 development regulations. As the years have passed,
16 the program has shifted toward a work plan, a work
17 plan established by the Governor and Cabinet. That
18 work plan addresses hurricane evacuation, meeting
19 some very important statutory clearance time
20 requirements, habitat protection, stormwater,
21 wastewater, as well as some other matters.

22 Each year we appear here before the
23 Administration Commission with a report regarding
24 progress by the local governments, the annual
25 report, Monroe County, the Village of Islamorada and

1 the City of Marathon.

2 The work program is adopted by Rule 28-20, an
3 Administration Commission rule. It has been
4 supplemented the last two years by 30-day reports
5 pursuant to Chapter 380 that you have issued. Our
6 detailed annual report, which was included for the
7 agenda package, is here. It is very detailed, I'll
8 tell you. A very important work plan component
9 relates to wastewater treatment. I'll tell you it's
10 probably the most challenging aspect of the Florida
11 Keys work program.

12 A little bit of background. In 1999 the
13 Florida Legislature took strong action. The Florida
14 Legislature adopted Chapter 99.195. That required
15 advanced waste treatment in Monroe County for
16 wastewater. It provided that existing package
17 plants, onsite treatment systems must be upgraded by
18 the year 2010 to meet best available treatment
19 standards.

20 In 2008 when we stood here before you as part
21 of our annual report, you directed that the
22 Department work with the local governments to
23 develop a construction schedule, a more detailed
24 construction schedule for wastewater that would be
25 adopted by rule.

1 As we went out and conducted public workshops,
2 along with DEP and Department of Health and the
3 local governments, it became clear to everyone that
4 the local governments would be unable to finance and
5 construct the wastewater systems by that 2010
6 deadline. Therefore, last year, the 2009 report,
7 you directed that we place this rule in abeyance,
8 that you also accepted consensus legislation.

9 That legislation went on to the Florida
10 Legislature. And in the 2010 session the
11 Legislature did extend the waste treatment deadlines
12 until 2015. So we've had a very significant shift
13 in the work program, giving additional time on
14 wastewater treatment.

15 Our annual report does address the other
16 substantive areas; hurricane evacuation, protection
17 of habitat, hammocks, tropical hammocks, stormwater
18 management. In general, I'll say I'm very, very
19 pleased to report to you that we've made very good
20 and sometimes excellent progress during the past
21 year in the Florida Keys, especially Monroe County
22 and Marathon.

23 We did provide recommendations to you and your
24 staff. We reviewed the Administration staff
25 recommendations and are comfortable with them. With

1 me today, should you have detailed or technical
2 questions, I have Barbara Powell and Rebecca Jetton
3 with the Department, and also the Department's
4 general counsel, Shaw Stiller, has a few comments on
5 rule development.

6 MR. STILLER: Good morning, Governor and
7 members of the Cabinet. Again, Shaw Stiller,
8 general counsel for the Department of Community
9 Affairs. As Mr. Gauthier has just pointed out, this
10 is the culmination of an effort begun under your
11 direction in 2008 to put in place rules, a work plan
12 for the Florida Keys, Monroe County and the two
13 cities, to give them a path for de-designation as
14 areas of critical state concern.

15 There was a recognition in 2008 that the
16 existing rules are obsolete. There's a need for new
17 rules. There's a need for accountability, and there
18 is a need for predictability, a road map for these
19 jurisdictions to achieve the work plan.

20 Following your direction in 2008 we've
21 conducted six separate workshops on the rules. As
22 Mr. Gauthier pointed out, it became evident in 2008
23 that we could not meet the -- the then existing
24 legislative 2010 deadline for advanced wastewater
25 treatment in the Keys. Under your direction and

1 with consensus of all the stakeholders, we went to
2 the Legislature and got legislation from the 2010
3 session that pushed the deadline for advanced
4 wastewater treatment from 10 to 15.

5 And we're here today with rules that have
6 been -- that contain tasks that have been agreed
7 upon by all the parties and are consistent with the
8 2010 legislation. As you are all very familiar
9 with, rule-making is a very process-intensive
10 undertaking. We've supplied you with a timeline
11 that we believe we can meet to get these rules in
12 place.

13 As you're aware and you heard earlier, there
14 are new requirements in place due to the passage of
15 the committee substitute for House Bill 1565, now
16 codified as Laws of Florida 2010-279. The most
17 significant of these new requirements is that if a
18 certain threshold is met, in this case if a rule has
19 a cumulative indirect, indirect impact on
20 transactional costs of \$1 million over five years,
21 then that rule must be submitted to the Legislature
22 for ratification.

23 We have analyzed these rules and come to the
24 preliminary conclusion that they indeed will have an
25 impact in excess of \$1 million over five years, and

1 therefore these rules will need to be submitted to
2 the Legislature for ratification before they can
3 become effective.

4 The reason we have the timeline before you
5 today, which includes a request for authorization to
6 send to the Department of State for publication
7 tomorrow the notice for these rules, is we feel it
8 very important that these rules get to the 2011
9 Legislature for ratification. If there is any
10 further delay, given the timeline, given the
11 processes in Chapter 120 for rule-making, it is
12 apparent to us that the rules will not make it to
13 the 2011 Legislature but will wait till the 2012
14 Legislature. In effect, we'll lose an entire year,
15 when we're already on a rather short time span to
16 meet the 2015 deadline.

17 So with that, we're seeking the Commission's
18 authorization for publication of the rules, to
19 submit them to the 2011 Legislature for
20 ratification. And, again, these rules will come
21 back to the Governor and Cabinet in May for adoption
22 following legislative ratification. Thank you.

23 GOVERNOR CRIST: Thank you. CFO?

24 CFO SINK: Yeah. I have a couple of questions.
25 One is the -- it was acknowledged that the 2010

1 deadlines were not going to be met, extended to
2 2015. Do the parties believe that they can, in
3 fact, achieve the requirements by 2015 and there is
4 going to be funding available and the processes are
5 in place to achieve success by then?

6 MR. GAUTHIER: That question is in front of us.
7 I also want the local governments to get up and
8 speak. The work program, we drive ourselves toward
9 that. The area where I feel least comfortable is
10 with the Village of Islamorada. The Village of
11 Islamorada needs to form their plan. So whether
12 that 2015 deadline will be met or not will all
13 depend on how well we perform the next four years.

14 CFO SINK: And the second question is related
15 to the new rule-making process. What if the
16 Legislature, which seems to me there's a better than
17 even chance because the Legislature has so many
18 bills to review and lots of things can happen that
19 are unpredictable in the Legislature, what if the
20 Legislature does not take action to reaffirm these
21 rules? Then where are we?

22 MR. GAUTHIER: If we were to proceed without
23 the updated rules, there would be a loss of clarity.
24 There would be a loss of accountability. The rules
25 do identify what is to be accomplished and when it

1 is to be accomplished. In lieu of rules, the
2 Administration Commission, under the statute, can
3 issue 30-day reports, with tasks. So in a much
4 lesser fashion, there is a way to set direction year
5 by year. It's less clear. It's less accountable.

6 CFO SINK: Okay. Thank you.

7 MR. GAUTHIER: Thank you.

8 MR. MANNELLI: Mayor Carruthers of Monroe
9 County.

10 GOVERNOR CRIST: Good morning, Mayor.

11 MS. CARRUTHERS: Good morning, Governor and
12 Cabinet members. First, on behalf of the people of
13 Monroe County, I would like to add our thanks to
14 your considerable service over the past many years
15 and thank you especially for not forgetting about
16 us, the southernmost county in the state of Florida.
17 Thanks for the opportunity to speak today. I'm
18 Heather Carruthers, the current mayor of Monroe
19 County and a commissioner from Key West, District 3.

20 I'd like to introduce the colleagues who have
21 accompanied me this morning. Commissioner Sylvia
22 Murphy from Key Largo is here. Our staff is
23 represented by our Assistant County Attorney Bob
24 Schillinger, by our director of growth management,
25 who is primarily responsible for the excellent

1 report that DCA gave us this year, Christine Hurley,
2 and by our CEO, Roman Gastesi.

3 It's been a very busy year in the Keys. We
4 evaluated over 3,000 individual parcels of land
5 through a DCA tier review committee to determine the
6 environment sensitivity of those parcels and their
7 proper classification within our tier system. We've
8 worked with state agencies and professionals in the
9 field of hurricane evacuation modeling to update
10 demographic parameters and behavioral patterns,
11 outlining the most current and professionally
12 accepted assumptions to be used for evacuation
13 modeling. We come with a soundtrack, too. And
14 we'll continue to work with DCA on an MOU with the
15 county and municipalities to determine the final
16 parameters to be used in our evacuation model.

17 We evaluated habitat clearing limits across
18 jurisdictions to identify land development code
19 amendments required to bring parity throughout the
20 Keys for land clearing regulations. We acquired 35
21 tier one, tier two and ROGO administrative relief
22 parcels of land.

23 In terms of wastewater, our plans and design
24 for the Cudjoe regional system are progressing. The
25 Duck Key treatment plant upgrade and expansion is

1 currently underway. And we have bids for the
2 collection system at Duck Key that have been
3 received and are currently being reviewed.
4 Twenty percent of the homes in the Key Largo
5 district are connected to central sewer.

6 Seventy-three percent of the homes in the Big
7 Coppitt area have been connected. We've acquired an
8 EPA grant for decentralized systems and have
9 developed a work plan for installation, maintenance
10 and monitoring of onsite systems in those areas that
11 are so rural central wastewater is simply
12 impractical. And we've received Community
13 Development Block Grant money for income-qualified
14 home owners to help fund their sewer connections.

15 As has already been stated, our greatest
16 challenge continues to be extension of centralized
17 wastewater treatment to rural areas of the Keys, and
18 we hope that our partners in state government can
19 continue to help us fund the half-billion-dollar
20 project that is a seemingly insurmountable hurdle
21 for a linear county of just 75,000 people. Whether
22 through appropriation of the approved Mayfield grant
23 or by supporting us in other efforts to establish
24 different funding sources, we hope we can continue
25 to count on folks here in Tallahassee for assistance

1 to fulfill our wastewater mandate. We are committed
2 to doing so.

3 We're very proud of the effort that our staff
4 has made to advance the work plan that ultimately
5 could lead to the removal of our designation as an
6 area of critical state concern. But having said
7 that, by and large the people of the Keys believe
8 that the spirit of that designation has served us
9 well.

10 We applaud and encourage those aspects of the
11 critical concern designation that help us protect
12 our unique environment and balance any growth within
13 a framework of preserving those very things that
14 make Monroe County a singular and exceptional region
15 of the great state of Florida.

16 So, again, thank you for this opportunity. We
17 appreciate the relationship that we have developed
18 with DCA and are very pleased with their
19 recommendation, and it's nice to see you all.

20 GOVERNOR CRIST: Thank you, Mayor. Good to see
21 you.

22 MR. MANNELLI: Mayor Reckwerdt.

23 MR. RECKWERDT: Good morning, Governor and
24 fellow Cabinet members.

25 GOVERNOR CRIST: Good morning.

1 MR. RECKWERDT: My name is Michael Reckwerdt.
2 I'm the mayor of Islamorada. First of all, we
3 appreciate the DCA's acknowledgment and report that
4 we've completed two out of the four criteria, being
5 land acquisition and habitat protection. We've
6 worked very diligently on these.

7 Of the two remaining, one being hurricane
8 evacuation, this is a regional issue which we
9 participate and involve ourselves in. However,
10 being a regional issue, we have little ability to
11 control its final outcome, although we work with the
12 County with great vigor. We do, however, have
13 control of our wastewater construction
14 implementation.

15 We are not as far as we wish to be or as you
16 wish we were. The Village has encountered many
17 difficulties in the initial design and construction
18 phases. We've realized that we have an issue, that
19 it hasn't worked out well for us, and we're
20 addressing that. We've begun negotiations with Key
21 Largo Wastewater to handle all of our wastewater
22 effluent and to be able to pump to key Largo, which
23 would be a more environmentally sound program than
24 individual plants on individual islands, thus
25 enabling us to take advantage of the capacity in Key

1 Largo and develop better economy of scale.

2 By the end of this year, we will have a
3 design/build/operate and finance agreement set up
4 for vendors to come in. We believe that a
5 public/private partnership is the only way to move
6 this forward and to accomplish meeting the 2015
7 criteria.

8 The staff recommendations before you today are
9 to commence the rule-making process. The draft rule
10 which you are being asked to file for adoption
11 contains a construction plan which will not reflect
12 nor coincide with the new design/build/operate and
13 finance criteria that we are proceeding to move
14 forward with. There may be changes needed in the
15 final rule before it's adopted.

16 With that caveat, we suggest you ratify the
17 staff's recommendation and allow us to continue to
18 move forward. Thank you.

19 GOVERNOR CRIST: Thank you, Mayor. Thank you
20 so much.

21 MR. MANNELLI: Ms. Debbie Harrison with the
22 National Parks Conservation Association.

23 GOVERNOR CRIST: Good morning, Debbie.

24 MS. HARRISON: Thank you very much. For the
25 record, my name is Debbie Harrison. I'm here on

1 behalf of National Parks Conservation Association.
2 And it's very bitter-sweet for me to be here today
3 after many, many years of being involved with the
4 Governor and Cabinets and the Administration
5 Commission. It's not often that I have to say
6 goodbye to the entire group of you in one foul
7 swoop.

8 So I wish, for those of us who have come up
9 from the Keys and for those of us who are here in
10 Tallahassee, we could all raise a toast of hot
11 chocolate with whipped cream and say, let's have a
12 good 2011. Thank you so much, each and every one of
13 you for the tremendous policies and actions and
14 progress that you have brought us through in Florida
15 during a most difficult economic period.

16 I particularly want to thank you, Governor
17 Crist, for the opportunity you gave me to work with
18 the climate and action team. It was one of the most
19 exciting processes, sets policy recommendations,
20 working with the broad array of people with very
21 different interests coming to some very important
22 conclusions that I hope at some point are put back
23 on the table and revisited because they are where we
24 need to go in the Sunshine State.

25 Talking about sunshine, we're actually here

1 talking about Monroe County and the Florida Keys,
2 and I am here to speak in support of the
3 recommendations of the Department of Community
4 Affairs. As you've heard from the mayor of Monroe
5 County, something that has not always been the case,
6 when we used to hang DCA secretaries in effigy in
7 the Florida Keys, we now love you and we love the
8 area of critical state concern designation in Monroe
9 County, and it is working.

10 Finally we are seeing cooperation among the
11 communities and the municipalities, working hand in
12 hand, following the steps that we have in
13 collaboration laid out and moving forward in a very
14 progressive fashion to try to achieve those goals by
15 2015.

16 The one recommendation I would make is that
17 when we look at the progress that's been made by the
18 City of Marathon, which is one of the most
19 economically deprived areas in the Florida Keys, and
20 when we look at Monroe County being able to
21 accomplish 73 percent of the wastewater
22 infrastructure in Big Coppitt Key, which is clearly
23 the most economically deprived island in the Florida
24 Keys, it makes me wonder how the Village of
25 Islamorada, which has the highest per capita income

1 in the Florida Keys, is not leading the way.

2 And I feel that there have been many missteps
3 along the way. And I would recommend, as a part of
4 the package that you send forward, that you do move
5 forward with decreasing their permit allocation by
6 20 percent, as has been done in the past with Monroe
7 County when progress has not been made, as a message
8 that we are very serious about the 2015 date and
9 it's time to move forward expeditiously.

10 With that, I again thank you and I wish you all
11 the best, and I thank you again very much for what
12 you've done for the state of Florida.

13 GOVERNOR CRIST: Thank you very much, Debbie.

14 MR. MANNELLI: Governor and Cabinet, that
15 concludes our speakers. If there are no additional
16 questions, the Commission requests approval of the
17 staff recommendations.

18 CFO SINK: I move approval.

19 ATTORNEY GENERAL McCOLLUM: Second.

20 GOVERNOR CRIST: Moved and seconded. Any
21 further comment? Show it approved without
22 objection.

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25

1 GOVERNOR CRIST: Florida Land and Water
2 Adjudicatory Commission.

3 MR. MANNELLI: Thank you, Governor. I'm still
4 Ted Mannelli.

5 GOVERNOR CRIST: Yes, sir.

6 MR. MANNELLI: And I'm presenting the FLWAC
7 agenda.

8 GOVERNOR CRIST: Great.

9 MR. MANNELLI: There's only one item on today's
10 agenda. It's a notice to the Commission and the
11 public that four appeals are being transmitted to
12 the Division of Administrative Hearings for
13 assignment to an administrative law judge. This is
14 for information only. No formal action is required
15 by the Commission at this time. If there are no
16 questions, that would conclude the FLWAC agenda.

17 GOVERNOR CRIST: Thank you very much.
18 Appreciate it.

19 MR. MANNELLI: Thank you, sir.

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1 GOVERNOR CRIST: The Siting Board, Mimi Drew.
2 Thank all of you who came up from the Keys today.
3 Appreciate your hard work --

4 CFO SINK: And travel.

5 GOVERNOR CRIST: -- and travel. It's not easy.

6 MS. DREW: Good morning, Governor, members of
7 the Cabinet.

8 GOVERNOR CRIST: Good morning.

9 MS. DREW: The first item on the Siting agenda
10 is submittal of the minutes from August 11th, 2009.

11 GOVERNOR CRIST: Is there a motion on the
12 minutes?

13 CFO SINK: Move it.

14 ATTORNEY GENERAL MCCOLLUM: Second.

15 GOVERNOR CRIST: Moved and seconded. Show the
16 minutes approved without objection.

17 MS. DREW: Thank you. Item 2 is consideration
18 of a final order to grant full and final
19 certification to the Gainesville Renewable Energy
20 Center, LLC, for the construction and operation of
21 the Gainesville Renewable Energy Center, known as
22 GREC. GREC is an electrical generating facility
23 which will utilize renewable energy in the form of
24 woody biomass from sustainable forests as its fuel.

25 The facility is proposed to be collocated with

1 the existing Gainesville Regional Utilities
2 Deerhaven plant. The plant as proposed will
3 generate approximately 100 megawatts of electricity.
4 The project received an affirmative determination of
5 need from the Public Service Commission on
6 June 28th, 2010. The determination has been
7 appealed to the Florida Supreme Court and is
8 pending. DEP has issued an air quality permit. The
9 draft permit is challenged at DOAH, and we're
10 waiting for recommended final order on that.

11 This type of project is consistent with the
12 path laid out by Governor Crist's 2007 executive
13 orders encouraging the State to move toward
14 renewable energy generation to promote energy
15 diversity and security. In addition, the project
16 will create a peak of 426 jobs during the
17 construction period of the GREC, as well as 44
18 full-time jobs at the facility once it's in
19 operation.

20 It's estimated that 450 to 500 additional jobs
21 will be created in the surrounding areas to support
22 biomass fuel supply activities. The project will
23 result in positive economic benefits for the City of
24 Gainesville, the City of Alachua, Alachua County and
25 surrounding areas through employment opportunities,

1 increased revenue from direct local property tax
2 payments and sales tax from the purchase of goods
3 and services for the construction and operation of
4 GREC.

5 I'd like to recognize several elected officials
6 here today from the City of Gainesville, if you
7 could just wave your hand. Gainesville Mayor Craig
8 Lowe, Gainesville Mayor Pro Tem Jeanna Mastrodicasa,
9 Gainesville City Commissioner Thomas Hawkins,
10 Gainesville City Commissioner Warren Nielsen.

11 This type of project is very consistent with a
12 number of initiatives that we've seen come forward
13 from the Governor as well as from Commissioner
14 Bronson. Before we hear from the speakers, I'm
15 asking Toni Sturtevant of our Office of General
16 Counsel to address some procedural constraints just
17 so that you know some things about sitting as the
18 Siting Board on this issue.

19 MS. STURTEVANT: Good morning.

20 GOVERNOR CRIST: Good morning.

21 MS. STURTEVANT: I'm Toni Sturtevant, and I am
22 part of the DEP legal team that normally advises the
23 Office of Siting Coordination, and I represented the
24 Department and that office in the certification
25 hearing for site certification for the GREC facility

1 below.

2 I wanted to address you this morning to talk to
3 you about one really important point of law under
4 the Power Plant Siting Act, which is that the issues
5 that are properly before you this morning are
6 limited to those issues that were brought up in the
7 site certification proceeding below and the issues
8 addressed by the administrative law judge in his
9 order. It's below there.

10 I wanted to mention that the findings of fact
11 in that order cannot be rejected if competent and
12 substantial evidence exists in the record to support
13 those findings. Furthermore, the parties to the
14 site certification hearing, including the single
15 intervenor in that proceeding below, stipulated to
16 limit the issues in that hearing to a list of seven
17 issues.

18 And you have that list of seven issues as part
19 of the ALJ's recommended order. It's on page four
20 of the recommended order, which I believe is page 35
21 of Attachment 2 in your packets, and we have it up
22 on the screens here. I'm not going to read out each
23 of those seven issues, but I thought it might be
24 useful for you to have those issues before you as
25 you listen to the speakers that are here to talk

1 about this.

2 You may hear some things about a couple of
3 other proceedings related to this matter that are
4 separate from the site certification that you're
5 being asked to consider today. These are the Public
6 Service Commission determination of need, which is
7 currently under appeal. The fact that the
8 Commission's need determination is under appeal is
9 not relevant to us here. That final order is final,
10 and there's no automatic stay of that because it is
11 on appeal.

12 There is also an additional air construction
13 permit that is a permit that will be dealt with by
14 the Department because it is part of the federally
15 approved air program. And that permit is also the
16 subject of a separate proceeding, which will have a
17 final order entered on it by the Department rather
18 than by the Siting Board. And that was the issue I
19 wanted to address with you.

20 GOVERNOR CRIST: Thank you.

21 MS. DREW: We have a number of speakers here
22 today from both sides who would like to be heard.
23 And in light of the number of speakers and as a
24 courtesy to everyone who has taken the time to come
25 to the meeting, I'm asking each of the presentations

1 to take no more than 25 minutes for each side, and
2 I'm going to ask the principal on each side to
3 manage however they would like their speakers to
4 come up.

5 So at this time I'm asking David Dee, who is
6 representing GREC's interest, to come up and begin
7 that process.

8 MR. DEE: Governor, members of the Cabinet, my
9 name is David Dee. I'm an attorney with the law
10 firm of Young, Van Assenderp here in Tallahassee.
11 I'm here on behalf of the applicant, Gainesville
12 Renewable Energy Center, LLC, and its parent
13 corporation, American Renewables.

14 As you've heard, we've got approximately 30
15 people who are here to speak in support of this
16 project. Now, as a courtesy to you and in light of
17 the time constraints that you're working under, we
18 have agreed to limit the speakers to four. Craig
19 Lowe, the mayor of Gainesville, will speak, followed
20 by the Mayor Pro Tem, Ms. Jeanna Mastrodicasa, Jim
21 Gordon, the chief executive officer of American
22 Renewables, and then Susan Glickman, the senior
23 representative of the Southern Alliance for Clean
24 Energy.

25 We do have these other speakers who are here.

1 I'm going to provide you with a list of those
2 speakers so that you can review it at your leisure.
3 It includes notable members of the business
4 community, the timbering community and other notable
5 interests in Gainesville, including Manley Fuller
6 from the Florida Wildlife Federation.

7 All of those people are here to speak. They've
8 agreed to hold their time and hold their comments as
9 a courtesy. But I would like them to be recognized.
10 So if all of you that are supporting the project
11 would please stand at this time so that you can be
12 recognized. They will be available to answer
13 questions. They'll be available to respond to
14 whatever comments you might have. But we're going
15 to ask them simply to hold their comments.

16 I also am going to hold my comments. I'm going
17 to introduce the mayor and sit down. After the
18 people who have comments in opposition to the
19 project have spoken, I'd like to come back for a few
20 minutes to address anything that they might have
21 said. So at this time, if Mayor Lowe would come up.

22 GOVERNOR CRIST: Good morning, Mayor. How are
23 you?

24 MR. LOWE: Good morning, Governor and members
25 of the Cabinet. Thank you so much for allowing me

1 to speak to you on this important topic. After much
2 analysis and extensive citizen input, I've supported
3 the contract to bring biomass energy to Gainesville,
4 both as a city commissioner and now as mayor. Every
5 city commissioner and both mayors serving since 2005
6 have supported this project. There's only one
7 commissioner that has been -- that is too new to
8 have voted for it, but he has offered a letter of
9 support, Commissioner Warren Nielsen.

10 By approving this project, you will move
11 Florida forward towards energy independence by
12 supporting a locally supplied, sustainable,
13 renewable fuel source shown to be plentiful in eight
14 independent studies. This project implements strict
15 standards to protect forests. The fuel used in the
16 project is currently burned in the field without any
17 air pollution controls in place, or allowed to rot;
18 in either case, releasing greenhouse gases.

19 This project is a result of a seven-year
20 discussion that included 37 public meetings, dozens
21 of workshops and much public outreach, the result of
22 which was rejecting additional coal in favor of
23 biomass. This project adds a new fuel source to our
24 generation mix, which is currently two-thirds coal
25 and one-third natural gas. This protects customers

1 from rising costs, since biomass is the most
2 effective long-term choice currently available in
3 Florida.

4 At a time when Florida faces 10 percent
5 unemployment and communities see eroding tax bases
6 due to declining property values, this project will
7 create more than 500 jobs and add \$5.5 million in
8 tangible property taxes. Dr. Julie Harrington of
9 Florida State University estimated economic benefit
10 of more than \$31 million to the region, keeping
11 money in our local economy instead of it going out
12 of state or overseas.

13 Reviewed and approved by more than a dozen
14 government agencies, this project has garnered
15 support of a wide variety of groups, including the
16 Florida Wildlife Federation, the Florida Farm
17 Bureau, the Southern Alliance for Clean Energy, the
18 Florida Forestry Association and more.

19 It is critical that this project move forward
20 without delay so our citizens can reap economic
21 benefits and also capture \$200 million in federal
22 funds if it stays on schedule. I respectfully ask
23 that you approve site certification for the
24 Gainesville Renewable Energy Center and allow this
25 project to move forward. Thank you for your service

1 to our state.

2 GOVERNOR CRIST: Thank you, Mayor.

3 MS. MASTRODICASA: Good morning.

4 GOVERNOR CRIST: Hi.

5 MS. MASTRODICASA: Good morning, Governor and
6 members of the Florida Cabinet. My name is Jeanna
7 Mastrodicasa. I am the mayor-commissioner pro tem
8 of Gainesville. And thank you very much for
9 allowing me to address you.

10 I personally voted to support the contract to
11 bring biomass energy to Gainesville and maintain my
12 commitment to bring reliable, renewable energy to
13 our community. As Mayor Lowe has mentioned, our
14 community has been discussing future energy needs
15 for seven years. And there have been more than 35
16 public meetings and workshops, and we have explored
17 everything, solar to coal, everything in between.
18 We talked about different types of technologies I
19 had never even heard of before. But we decided to
20 go forward with a local renewable option, biomass.

21 When I think back about all the public
22 meetings, the wide range of support was very
23 important to me. And we've had support from the
24 Gainesville area Chamber of Commerce, and Mr. Eric
25 Godet is here today with them. The Southern

1 Alliance for Clean Energy, our legislative
2 delegation, the North Central Florida Regional
3 Planning Council. We've had all kinds of support
4 from a wide range of citizens.

5 And the reason is the project brings something
6 of value to everybody. From a customer's
7 standpoint, it provides a reliable source of
8 electricity at a reasonable price and an opportunity
9 to gain some energy independence by becoming less
10 reliant on fossil fuels imported from other states.
11 From an environmental standpoint, the biomass plant
12 will be fueled by a plentiful, sustainable and local
13 supply of leftover clean wood waste. Currently much
14 of the wood waste is landfill left to rot or burn
15 openly in the fields without any air controls.

16 The biomass plant will instead transform this
17 material into electricity using state-of-the-art air
18 quality controls that meet or better all federal and
19 state air quality standards. As a result, the air
20 quality in our community will actually improve with
21 the addition of this plant.

22 And finally, from an economic standpoint, this
23 project will bring a \$31 million a year boost to the
24 region from ongoing operations. It's expected to
25 create more than 700 new jobs in the region.

1 Currently our area has 14,000 individuals
2 unemployed, and that has increased three times from
3 three years ago. And we have a unique opportunity
4 to change that.

5 This is a great project for our customers, our
6 region and our state. For these reasons and for in
7 particular the importance of timeliness, we must
8 capture the nearly \$200 million in federal funds. I
9 respectfully request that you approve the site
10 certification for the Gainesville Renewable Energy
11 Center and allow this project to move forward
12 without further delay. Thank you for your time.

13 GOVERNOR CRIST: Thank you.

14 MR. GORDON: Governor Crist and members of the
15 Cabinet, thank you for allowing me to speak today.
16 My name is Jim Gordon. I'm CEO of American
17 Renewables. Governor Crist, for the past three
18 years we have been working closely with Gainesville
19 Regional Utilities and the city commissioners of
20 Gainesville and the citizens to bring this project
21 forward and create an important new source of energy
22 for the region and the state of Florida.

23 This project embodies the leadership in
24 renewable energy and climate initiatives that you
25 and your Cabinet have been working on during your

1 administration. The project will not only enhance
2 energy security and independence by using a local
3 and abundant waste wood resource, but it will also
4 be a sustainable economic development opportunity.

5 The prior speakers talked about the 700 jobs
6 that will be created during the operations and
7 maintenance of this project. But the initial
8 economic impact will create, according to Dr. Julie
9 Harrington from Florida State University, over a
10 thousand jobs. And that is because during the
11 construction period, the three-year construction
12 period, we will have 400 skilled craftsmen working
13 to construct this facility. So I would urge you,
14 Governor, so that we can have an opportunity to tap
15 into the federal economic stimulus funds that are
16 available through the American Recovery Act, I would
17 respectfully ask you and the Cabinet to approve the
18 site certification certificate. Thank you very
19 much.

20 GOVERNOR CRIST: Thank you, Jim.

21 MS. GLICKMAN: Good morning. I'm Susan
22 Glickman. I'm here on behalf of the Southern
23 Alliance for Clean Energy. I also am a consultant
24 to the Natural Resources Defense Council and have
25 worked on clean energy issues for about a decade.

1 As you all know, and there's been an enormous
2 amount of leadership from the members of this
3 Cabinet, Governor and Cabinet, on this issue, this
4 is an extremely important conversation that we're
5 having today. And, of course, we're here to talk
6 about the Gainesville Renewable Energy Center and
7 the biomass proposal, but there's really more to it
8 than that.

9 According to the Florida Solar Energy Center,
10 Florida sends \$15 billion out of state every year
11 for fuels to generate electricity. And that figure
12 is closer to 60 billion when you look at
13 transportation fuels. So it's obvious that this
14 discussion and your action here today is a
15 recognition that we really need to keep some of
16 those energy dollars right here at home.

17 And a lot of people don't remember, but
18 Gainesville Regional Utilities was pretty darn close
19 to selecting a coal-fired power plant to build. So
20 this is a real departure from the direction that we
21 were going in, and the governor had an awful lot to
22 do with that at that time.

23 But with over 60 percent of its energy from
24 dirty, aging and coal-fired plants, it's really
25 important that GRU shift to a sustainable, renewable

1 and baseload generation option -- and that's
2 important to remember, that biomass is baseload
3 generation -- and that this, the Gainesville
4 Renewable Energy Center is a big step in that
5 direction.

6 Southern Alliance for Clean Energy supports
7 this project that will create 100 megawatts of
8 energy and power 70,000 homes with clean woody
9 biomass, because, yes, it will cut harmful air
10 pollution, but more importantly, it's going to
11 support economic development in the region, create
12 new jobs and keep dollars by recirculating dollars
13 in local and regional economy.

14 You've just heard about the \$46 million that's
15 going to be spent during the construction period,
16 some 400 jobs. I heard a couple of different job
17 figures, but up to a thousand jobs, with permanent
18 employment, 144 people at the plant and 160 in
19 forestry and trucking jobs as well.

20 Sadly, some sceptics continue to perpetuate
21 falsehoods about the environmental merits of
22 biopower, much to the detriment of the environment
23 in the long haul because they're stalling these
24 important projects.

25 The Gainesville Renewable Energy Center is

1 unique from other proposed biopower projects
2 throughout the country, making it a very important
3 precedent for smart bioenergy development. Burning
4 biomass in a power plant does emit some pollution.
5 However, ten times more particulates are released by
6 the current field burning of the biomass that will
7 then be used for the fuel.

8 And if you compare emissions from Gainesville's
9 existing coal plant and the proposed biomass plant,
10 it shows that per unit of energy generated, the
11 biomass plant will produce only 42 percent of the
12 total particulates and only 10 percent of the
13 nitrogen oxides, which is the smog precursor, and
14 about three percent of SO2 emissions as well. So
15 it's very, very important.

16 The Gainesville Regional Energy Center has
17 selected a combination of technologies that uses a
18 fluidized bed combustion and filtering technology
19 and ensures that it will have lower emissions of
20 sulfur dioxide, nitrous oxides and particulate
21 matter than a coal plant would have, which also has
22 arsenic and mercury and lead.

23 So this is very, very important to keep these
24 dollars, and GRU has really gone to set
25 unprecedented requirements to ensure that the

1 supplies of woody biomass are as environmentally
2 benign as possible, and they are paying a premium
3 for Forest Stewardship Council certification.

4 So I will wrap up with that. And on behalf of
5 Southern Alliance for Clean Energy and other clean
6 energy proponents, the Forestry Association, the
7 Florida Farm Bureau, the Florida Wildlife Federation
8 and the Florida Landowners Association, this biomass
9 plant will reduce pollution, save money, create jobs
10 and help to provide a cleaner, safer and sustainable
11 Florida. Thank you very much.

12 MS. DREW: Next we have Sarah Hayter
13 representing the intervenors.

14 MS. HAYTER: Dear Governor and members of the
15 Cabinet, my name is Sarah Hayter, and I'm here today
16 on behalf of Tom Bussing, the intervenor in the site
17 certification hearing. Thank you for the
18 opportunity to comment during today's Siting Board
19 meeting and final meeting of the Cabinet. I have a
20 short statement to make to begin with, and then
21 Mr. Bussing is going to follow me up, and then I'll
22 provide some concluding remarks.

23 We greatly appreciate the opportunity and time
24 that we've been given to make these comments today.
25 Please note that we are not here to re-litigate the

1 issues that were discussed in the site certification
2 hearing. I am here, though, to bring to your
3 attention one very important issue. With all due
4 respect, it is our position that this meeting today
5 is premature. We believe the Board is not yet in a
6 position to make the decision today and the Board is
7 justified in delaying their decision until certain
8 prerequisites required by law have been met.

9 Despite the various reasons that the proponents
10 have given you for approving certification today,
11 you haven't been told that certain decisions for
12 this final hearing have not yet been made; namely,
13 the air pollution permit, also known as the PSD
14 permit.

15 I want to bring it to the Board's attention
16 that both Florida Statute and administrative rule
17 expressly direct the Board to take certain criteria
18 into consideration when issuing certification.
19 Administrative rule requires that the Board's final
20 order address provisions of Section 403.509(3) of
21 Florida Statutes. The statute expressly states that
22 the Board shall consider whether the facility will
23 comply with applicable nonprocedural requirements of
24 agencies. This includes the PSD permit, in which a
25 final order has yet to be rendered.

1 As your agenda plainly indicates, that permit
2 was challenged. My client, Mr. Bussing, is one of
3 the intervenors. And the ALJ has yet to render the
4 recommended order. Additionally, in the site
5 certification hearing, Administrative Law Judge
6 Meale reserved consideration of air quality issues
7 and conditioned the certification on the receipt of
8 the PSD permit.

9 The PSD permit is not a separate consideration
10 that final certification can be conditioned upon.
11 Florida Statute Section 403.508 directs that the PSD
12 permit be conducted in conjunction with the
13 certification hearing. The statute clearly states
14 that it's the intent of the Legislature that those
15 federal permitting processes, i.e., the PSD permit,
16 be closely coordinated with the certification
17 process and that if there's a conflict between the
18 certification process and federal procedures, the
19 federal requirements will control. The PSD permit
20 is part and parcel of the entire certification, and
21 without it, the certification must be denied.

22 As of right now, the applicant has yet to
23 receive all the prerequisite approvals to allow this
24 Board to either approve or deny the application. If
25 the Board were to issue a final order predicated on

1 this application as it stands today, it couldn't
2 possibly support a finding that all of the
3 nonprocedural requirements of agencies have been
4 met, for the simple reason that's stated in your
5 agenda. The PSD permit challenge is not yet final.

6 I'd like my client, Tom Bussing, now to speak.
7 He was the intervenor in the site certification
8 hearing as well as the PSD hearing, and he's going
9 to make some comments.

10 MR. BUSSING: Good morning, Governor Crist,
11 members of the Cabinet. As a predicate for why I
12 have taken such a great interest and sustained
13 interest in this matter, I served as mayor of
14 Gainesville and consistently maintained the no-build
15 option is the right option for Gainesville.
16 Conservation of energy is the cheapest form of
17 electrical power.

18 I did petition and was granted standing in the
19 hearing, the site certification hearing. And what I
20 found was that I was denied the opportunity to
21 present evidence from the Public Service Commission
22 hearing by a motion in limine. Specifically, I
23 wanted to bring in the financial risk that the
24 ratepayers will be exposed to by this project.

25 The Public Service Commission finding showed

1 that, quote, the only scenario where the GREC
2 project would become the most cost-effective
3 alternative would be if pending legislation
4 regarding CO2 emissions is enacted. Final order of
5 the Public Service Commission, page six. This is
6 not going to happen, and therefore the risk to the
7 ratepayers will become an actuality and be very
8 destructive to the utility and the City of
9 Gainesville.

10 Florida Statutes 403.509(3)(g) states that in
11 your decision you must consider, serve and protect
12 the broad interest of the public. And potential
13 bankruptcy of our utility and city is not in the
14 interest of the public. The impending financial
15 disaster for the city and the ratepayers when this
16 project fails should be considered in the site
17 certification.

18 The Public Service Commission is, according to
19 Florida Statutes 403.519, the exclusive forum for
20 the determination of need. But that cannot mean
21 preventing the Siting Board from taking into
22 consideration the financial risks and other matters
23 that affect the broad interest of the public,
24 without disturbing the Public Service Commission's
25 specific decision on need. It is a question of

1 balancing the risk versus the need. This Board has
2 the obligation to balance the risk against the need.
3 The Public Service Commission found no need for
4 capacity and merely endorsed this as a fuel
5 diversity, reliability, et cetera, secondary
6 criteria. And this was not allowed to be introduced
7 in evidence, and that was an error on the part of
8 the administrative law judge.

9 With regard to the air permit hearing -- and I
10 was also an intervenor in that matter -- no
11 recommended final order has been filed for the air
12 pollution permit. And there's good reason for this
13 to still be pending. A cursory look at the air
14 pollution permit application demonstrates that not
15 only is this proposed biomass incinerator not clean
16 and green, it is being squeezed through in legal
17 permitting loopholes. The hearing record
18 demonstrates a broad pattern of regulatory avoidance
19 by the applicant.

20 Hazardous air pollutants. The permit
21 application stated that hazardous air pollution
22 emissions would exceed 100 tons per year. Any
23 facility emitting 25 or more tons per year requires
24 maximum achievable control technology. By July of
25 2010 the number of tons per year had been changed to

1 24.7 tons per year, thus avoiding the BACT process.

2 For sulfur dioxides, nitrogen oxides, best
3 available control technology is required for major
4 sources of these pollutants, and the permit
5 application countenanced that. However, by July of
6 2010 this major pollution source disappeared on
7 paper, by substituting for pollution which the
8 ratepayers had invested \$140 million in pollution
9 control equipment, and the applicant claimed an
10 illegal offset because these are not two facilities
11 under common control, which the law requires. But
12 BACT, best available control technology, was avoided
13 for sulfur dioxides and nitrogen oxides, despite the
14 physical presence of this source.

15 Particulate matter 2.5, smaller than 2.5
16 microns. USEPA, Region 4, in communication with
17 Florida DEP, August 2010, stated that PM 2.5 must be
18 controlled by best available control technology.
19 FDEP countered in the hearing that this federal EPA
20 regulation had not been implemented by the Florida
21 Legislature, despite being almost three years old as
22 a federal rule, and will not be enforced.

23 And if DEP agrees with this, how about Florida
24 Statutes 403.161, which states that citizens of
25 Florida will not be subjected to harmful pollution

1 unless it is controlled by other sections of 403?
2 If DEP is not regulating PM 2.5, then Florida
3 Statutes 403.161 should give a blanket protection to
4 the population from this harmful pollution. This
5 21st century plant should not be permitted under
6 obsolete rules that are certain to be overridden by
7 an exasperated USEPA as soon as next year.

8 Groundwater usage. There is no consumptive use
9 permit issued for this plant, these massive
10 withdrawals from the aquifer. Again, on paper, this
11 huge water use is coming from a 1970s permit held by
12 the neighboring coal plant which gave much more
13 water than it needed. That water has been left in
14 the ground, not consumed for over 30 years under
15 this over-generous permit. Now it will be consumed.
16 But we pretend there is no new withdrawal from the
17 aquifer.

18 This pattern of regulatory avoidance hangs like
19 a dark cloud over the permitting process. Lastly,
20 diesel truck emission was a subject we tried to
21 bring up at FDEP because these are these trucks with
22 20 tons of wood barreling into Gainesville, 150 to
23 200 per day. FDEP refused to consider the effects
24 of that diesel pollution and stated that federal EPA
25 does not require consideration of non-stationary

1 pollution in the PSD process. And they proposed not
2 to deal with it at all, to the detriment of the
3 public. How about 403.161 again?

4 A simple mathematical analysis, using middle
5 school arithmetic skills, demonstrates that the
6 diesel pollution density increases by a minimum
7 factor of 28 times as high as the 50,000 trucks per
8 year converged within 10 miles of the plant site.
9 And on top of that, when they arrive with the
10 turning, braking, start-up, backing up, we can
11 anticipate creating another spike in the diesel
12 emissions in this urban area.

13 In addition, there should be anticipated at
14 least \$3 million in annual cost to pay for that
15 diesel fuel and imported petroleum product compared
16 to negligible pollution from a gas pipeline that
17 just brings natural gas to a clean burning plant, or
18 even the occasional coal train supplying the
19 existing power plant.

20 So, in conclusion, I support and agree with the
21 remarks of counsel. This is premature for a
22 decision by the Siting Board for all the reasons
23 that have been stated, and I ask you to please let
24 the issues mature and pass this on. Thank you.

25 GOVERNOR CRIST: Thank you very much.

1 MS. HAYTER: Governor Crist and members of the
2 Cabinet, I'm just going to wrap up and state that
3 there are clearly several important outstanding
4 legal issues that are unresolved and that are going
5 to, in fact, set the policy of this state. We
6 believe it would be prudent and beneficial to delay
7 the decision and allow the next cabinet to weigh the
8 full body of evidence once it has been completed.

9 Thank you for your attention. Now, since this
10 is an open meeting, a meeting open to the public,
11 there's members of -- individuals here today to
12 speak on their own behalf. And I've been asked to
13 introduce them. So that's the next -- the next
14 speaker will be Diane Deevey.

15 CFO SINK: Excuse me, Governor.

16 GOVERNOR CRIST: Yes.

17 CFO SINK: Mimi, could you just clarify? I
18 know we gave time limits to each side. I just want
19 to be sure that we're managing our time fairly.

20 MS. DREW: I'll be happy to do that. If you'll
21 see this timer right here, 11 minutes are left for
22 the --

23 MS. DEEVEY: For the entire group?

24 MS. DREW: Correct.

25 MS. DEEVEY: Thank you very much.

1 MS. DREW: Thank you.

2 MS. DEEVEY: One thing we neglected to do was
3 to have the people who are here opposing the biomass
4 plant in the audience stand up for you. I'd like to
5 ask them to do that now.

6 GOVERNOR CRIST: Thank you for coming.

7 MS. DEEVEY: Thank you very much. My name is
8 Diane Deevey. I am a scientist. I would have liked
9 to discuss with you some very critical issues that
10 indicate that use of biomass in this country is
11 going to promote global warming and increase CO2
12 emissions to the atmosphere in the short-term, in
13 which we have to respond by reducing them, but there
14 are other people -- there are other points that Tom
15 couldn't make that I think are very critical to the
16 reasons that you should probably reject this.

17 One of them is that the citizens have not been
18 allowed to know any details of the deal that was cut
19 with American Renewables. We don't know the
20 contract. We were never told the cost of anything.
21 We were never told how much they pay each month.
22 And we were given some estimates of the impact on
23 bills, but those clearly reflect only about a third
24 of the total monthly cost of the contract. We can
25 tell that from other things they said.

1 We guess that it's going to cost, over the
2 30-year project, more than \$2.3 billion. That's an
3 educated guess based on the fact that the same
4 company is building an identical generator for
5 Austin, Texas, and they will contract for 20 years
6 of energy, and their cost is going to be
7 2.3 billion. So I think ours is at least that much.

8 I don't think any community should ever sign a
9 contract for such a massive amount of money without
10 letting its citizens know every detail that is
11 critical about that decision. But that's what
12 happened in Gainesville.

13 The previous speaker has mentioned the risks.
14 The risks are enormous. I will not go into them.
15 But the Public Service Commission said that all the
16 risks of this contract are on the ratepayers. The
17 utility will survive, but maybe the city won't if
18 the costs get really too high. But -- sorry. Okay.
19 We've talked about -- a little bit about secrecy.
20 The project -- the process was not transparent. We
21 have, for example, no citizen participation
22 basically beginning at the first point at which they
23 began to discuss the contract, which turned out to
24 be the contract with American Renewables.

25 The commissioners were told they couldn't even

1 talk about it to each other because the details were
2 confidential, and they could never discuss it with
3 any of the citizens, and indeed they never did. I
4 think that's wrong, and it's a violation of every
5 concept of transparency that we have.

6 Another point is the issue about the need. We
7 don't need it. GRU has a minimum reserve
8 requirement, margin requirement of 15 percent, based
9 on the peak demand every year. Now, you don't have
10 the peak demand very often. It happens one hour.
11 In 2006 this utility had a peak demand of 264 --
12 464 megawatts. But 90 percent of a year it was less
13 than 400. So if you've got 15 percent, you have a
14 lot. But GRU has four times that much, 60 percent.
15 There's no need at all for this utility. And as one
16 of the commissioners said, if you are saying there's
17 no need for it right now, then why am I even looking
18 at it? That's a quote from a PSC commissioner. I
19 think I will stop now and let others talk about some
20 other issues. Thank you.

21 GOVERNOR CRIST: Thank you.

22 MS. HAYTER: The next speaker is December
23 McSherry.

24 MS. McSHERRY: Governor Crist and members of
25 the Florida Cabinet, thank you for this opportunity

1 to come in today.

2 GOVERNOR CRIST: What's your first name?

3 MS. McSHERRY: December McSherry.

4 GOVERNOR CRIST: How appropriate.

5 MS. McSHERRY: It's my birthday today.

6 GOVERNOR CRIST: Get out of here. Happy
7 birthday. That's great.

8 MS. McSHERRY: My family and I have owned and
9 operated a large farm and cattle ranch for 40 years
10 in Alachua County. Half our farm is a restored
11 longleaf pine forest. We have knowledge about
12 growing trees, forages, grain and a variety of
13 crops. We practice soil and water conservation and
14 have provided a very large wildlife habitat on our
15 farm.

16 I am here because this proposed power plant
17 will add new significant hazardous air pollutants
18 that may damage our crops, cattle, our forests and
19 our community. Burning wood is not clean. It is
20 not green. It is not sustainable.

21 As I understand the Siting Act, it is the
22 policy of the State to ensure that the operation of
23 electrical power plants will produce minimal adverse
24 effects on human health, the environment, the
25 ecology of the land and its wildlife and the ecology

1 of state waters and their aquatic life. It is the
2 intent of this policy to seek courses of action that
3 will fully balance that operation with the broad
4 interests of the public.

5 The intent is to seek courses of action that
6 are based on the premise to effect a reasonable
7 balance between the need for the facility and the
8 environmental impact, including air and water
9 quality, fish and wildlife and the water resources
10 of the state. I appear before you today to request
11 that you deny approval of the siting of this
12 hundred-megawatt wood-burning power plant in
13 Gainesville.

14 The Environmental Protection Agency has
15 concluded that carbon dioxide and five other
16 greenhouse gases are a danger to public health and
17 welfare. Gainesville should not add this new
18 pollution to our air or deplete our potable water
19 sources.

20 In agreement, Governor Crist signed an
21 executive order, 07-127, for immediate actions to
22 reduce greenhouse gas emissions within Florida. He
23 signed this in July of 2007. This power plant is
24 not carbon neutral and would greatly increase
25 greenhouse gases into our atmosphere. This biomass

1 plant would burn two tons of wood per minute and
2 would spew almost twice as much carbon dioxide as
3 the coal plant. The estimated two billion pounds of
4 carbon dioxide every year would accelerate global
5 warming.

6 An estimated 1,225 large diesel trucks
7 delivering the wood weekly would add serious air
8 pollution, cause traffic problems and be a financial
9 burden for the taxpayers to maintain the local
10 roads. A new power plant is not necessary. GRU has
11 60 percent overcapacity in electric supply. Most
12 utilities have 15 percent extra capacity.

13 The existing power plants operated by GRU are
14 capable of supplying customers for at least another
15 30 to 40 years. There have been expensive
16 investments to replace components, parts for the
17 seven combustion turbines. Fourteen million have
18 been budgeted for the Deerhaven two-unit turbine
19 improvement project to replace boiler drum, water
20 wells, super heaters, reheaters, the economizer and
21 the associated headers. All these improvements
22 provide additional continuous capacity. To drop
23 those would cause a loss.

24 Ratepayers have invested another 141 million in
25 an air quality control system completed in May 2009

1 to meet regulatory requirements. It is bad policy
2 to strand these assets and a financial burden to us
3 ratepayers. If GRU does need new power, they can
4 consider constructing combined cycle boilers at the
5 Deerhaven plant for an additional 30 megawatts.
6 That's a wiser choice.

7 GRU has also expanded the J.R. Kelly Power
8 Plant to allow for load growth in downtown
9 Gainesville. This power plant is efficient, clean,
10 cost-effective. Customers are paying 36 percent
11 less for natural gas fuel with the reduced purchase
12 gas adjustment. Major overhaul expenditures for the
13 J.R. Kelly plant are included in the capital budget.
14 The expected retirement of this plant is 2051.

15 Please save us ratepayers. We cannot afford
16 the increased rates to pay for a new power plant.
17 These policy considerations required under Florida
18 law I believe compel this Board to deny this
19 request. Thank you very much.

20 GOVERNOR CRIST: Of course. Thank you.

21 MS. HAYTER: I see there's two minutes and 20
22 seconds left on the clock, and the Cabinet is ready
23 to wrap this up. There's a list of individuals that
24 I have that want to speak, so I just want to put it
25 on record that they probably won't have a chance to

1 make any comments. But I'll call Michael Canney
2 next to speak.

3 MR. CANNEY: Thank you, Governor Crist and
4 members of the Cabinet, for allowing us the
5 opportunity. I'll try to be really brief. I don't
6 need to repeat what's been said by Dr. Bussing and
7 the other people who spoke. I second everything
8 that they did say. I am concerned about all of
9 those issues. I am asking you also to reconsider
10 approving this plant today because I think it's
11 premature.

12 I have a personal interest in the decision. My
13 home is about seven miles from the Deerhaven
14 facility, where the project is scheduled to be
15 built. I've been in the area for quite a while. I
16 went to school in the sixties in Gainesville. I
17 plan to be here for quite a while and am concerned
18 about air quality. I'm concerned about the water
19 and all the other public health issues that we need
20 to consider when we're doing these things.

21 And the street I live on is actually a busy
22 highway, a major truck route, which both major roads
23 in Alachua, even though there are schools on them
24 and, you know, a dense downtown area, we have a
25 steady stream of trucks already going by, and this

1 would add another 130 to who knows how many trucks
2 on our roads every day. So that is a concern, the
3 air quality, not just from the plant but also from
4 the diesel pollution.

5 There's no time to go into all the other
6 concerns that I have right now, but I would like to
7 reiterate that there is no need that has been
8 determined for this plant, and there won't be any
9 need by GRU for increased capacity for a number of
10 years.

11 There will be an increase in air pollution.
12 And I think the rosy picture that's being painted is
13 not really accurate. As it's been stated, the
14 carbon emissions from this plant, which are supposed
15 to be carbon neutral because they'll be repaid at
16 some point in the future, is not really accurate. I
17 have my doubts about the fuel supply being
18 sustainable without adding to it from -- the water
19 consumption of 1.4 million per day is definitely a
20 huge concern when we're talking about the state of
21 the aquifer and our water supply.

22 There are other options. And a \$500 million
23 project would create jobs no matter what you spend
24 the money on. So saying that this would create jobs
25 is great, but anything you spend \$500 million on

1 would create jobs. So I really would like to say
2 you should delay this decision until the rest of the
3 permits have been issued and until the road has been
4 cleared for the certification by the Supreme Court
5 and by the resolution of the air permit. So today I
6 ask you to protect the public interest by not taking
7 action on this. Thank you.

8 GOVERNOR CRIST: Thank you.

9 MS. HAYTER: There's a list of people that
10 haven't had an opportunity to speak, including Jo
11 Beaty, Maria Parsons, Maria Minnow and I'm sure
12 others that stood in the audience whose name I was
13 not given. I will instruct them to submit their
14 comments in writing if they would like them to be
15 recognized. And thank you for your time. They
16 believe they have a right to speak, so I'm not here
17 on their behalf.

18 MS. MINNOW: May I have permission to speak
19 before the Governor and Cabinet?

20 GOVERNOR CRIST: What is your name?

21 MS. MINNOW: My name is Maria Minnow. I'm an
22 environmental biologist and a health practitioner.

23 CFO SINK: Governor?

24 GOVERNOR CRIST: Yes.

25 CFO SINK: If you're inclined to permit them to

1 speak, I think that you should limit their comments
2 to a certain period of time. We have --

3 MS. MINNOW: I have a brief statement.

4 CFO SINK: -- such a long agenda. I
5 understand, but we have such an incredibly long
6 agenda today. But I think that you should be given
7 some instruction from the Governor as to whether you
8 have one minute to speak or two minutes to speak, so
9 that you stay within the time frame. Otherwise
10 we're going to be permitting every one of the other
11 20 people on the other side to get up and speak
12 within the time frame as well.

13 MS. MINNOW: I don't think that's going to be a
14 problem, but I would like to speak.

15 GOVERNOR CRIST: We certainly appreciate that.
16 I'm going to defer to you, Mimi, because I think you
17 had set up and established sort of a time frame for
18 each side.

19 MS. DREW: I did.

20 GOVERNOR CRIST: And if you could remind us
21 what that time frame was and where we are as it
22 relates to that.

23 MS. MINNOW: Okay. Thank you. I'd like to be
24 on the record as being cut off then.

25 GOVERNOR CRIST: You've not been cut off, with

1 all due respect.

2 MS. DREW: We did establish a time frame, and
3 the GREC folks have exceeded the time frame. Two
4 minutes are left on -- I'm sorry. The intervenors
5 have exceeded the time frame. There are two minutes
6 left on the GREC side. They've asked to wrap up.
7 What I suggest, Governor, since these people are
8 here, is that we make sure -- maybe they just read
9 their name into the record and state they're opposed
10 and leave it at that, because I think -- I think
11 that that's only fair to do.

12 GOVERNOR CRIST: I would agree.

13 MS. DREW: Can you do that, please? Just
14 state --

15 GOVERNOR CRIST: Surprise.

16 MS. DREW: If you can't do that, I would
17 suggest --

18 MS. MINNOW: I would like to say that this is
19 not green energy. Biomass incineration has
20 unacceptable health risks. And I would like to ask
21 you to reject the siting of the biomass plant, and I
22 would like to make a wish that the people who are
23 promoting this knew a little bit more about the
24 environmental health. Thank you, Governor and
25 Cabinet.

1 GOVERNOR CRIST: You're quite welcome. Thank
2 you for coming.

3 MS. MINNOW: Thank you very much.

4 GOVERNOR CRIST: Of course.

5 MS. PARSONS: Good afternoon, Governor Crist
6 and Commission. Maria Parsons, resident of
7 Gainesville. And, Governor, I have called your
8 office many times regarding a lot of issues,
9 especially the Cabot-Koppers superfund site. And I
10 am here as an individual today. And, you know,
11 Gainesville is home to the great Gator, University
12 of Florida.

13 GOVERNOR CRIST: Careful. You've got some
14 Noles here.

15 MS. PARSONS: Well, that isn't my problem.

16 GOVERNOR CRIST: But you're right, they are
17 great.

18 MS. PARSONS: And also they are Gator Nation,
19 and appropriately called so since they have 55,000
20 students and over 32,000 employees. But yet we have
21 a major cancer inside our city, which is the
22 Cabot-Koppers superfund site. And I agree with
23 Governor Lowe -- I mean Commissioner Lowe that we
24 have -- we have a problem with our -- excuse me. A
25 lot of people in our community are dying because of

1 dioxins. You know that because I've called you.
2 The issue is that we do not need additional dioxins,
3 PHA, as people are calling themselves refugees.
4 Yes. People are leaving their home. I'll take you
5 personally. I invite you to give you a tour so that
6 you can come and see our abandoned homes, with homes
7 that have dioxin levels of over 1,150. People are
8 sick. People are dying. People are scared.

9 And no one at all levels of government have
10 been there for us. So, therefore, I am pleading
11 with you, I am appealing to your sense of humanity.
12 I am appealing to your sense of compassion. Please
13 do not approve this.

14 Gainesville does not need more dioxins, more
15 contamination. Our aquifer is being contaminated as
16 we speak. This is the drinking water of the entire
17 state of Florida, plus two other states. We're
18 talking about our soils are contaminated, our creeks
19 are contaminated. And it has to come from you guys.
20 You need to step up to the plate and you need to
21 defend us. This is why we elected you. We're
22 looking for leaders. Thank you so very much,
23 Governor Crist, and I expect you to do something for
24 us. I expect this panel to defend the citizens for
25 a change. No more dioxin. No power plant, please.

1 Thank you.

2 GOVERNOR CRIST: Thank you very much.

3 MS. DREW: Just state your name and only one
4 minute, please.

5 MS. BEATY: My name is Jo Beaty. I'm an active
6 community citizen, and I am here to talk to you
7 about how the public press has been perverted. The
8 Sunshine Laws have been violated. If you'll allow
9 me to, I can read you Mr. Ed Regan's own testimony
10 where he -- may I read that? Is that --

11 GOVERNOR CRIST: Yes, ma'am.

12 MS. BEATY: -- an affirmative? Okay. Thank
13 you.

14 CFO SINK: Excuse me, Governor.

15 GOVERNOR CRIST: Yes.

16 CFO SINK: I just want to know. Is this a
17 ten-minute thing?

18 MS. BEATY: I don't think so. I'm trying to go
19 through it pretty quickly. I've got --

20 CFO SINK: Governor -- Mimi, are you permitting
21 one minute?

22 MS. DREW: I'm permitting one minute. That's
23 what I've asked every one to do, one minute, because
24 every minute we add here, we add to the GREC side.

25 CFO SINK: Thank you.

1 GOVERNOR CRIST: Please continue.

2 MS. BEATY: I hope you will continue to take
3 care of a citizen's ability to have government in
4 the sunshine. Mr. Regan, when he was asked about
5 the process, what happened at the May 7th meeting
6 2009, which is a meeting at which an already signed
7 contract was ratified, and Mr. Regan says, I imagine
8 you're referring to, with respect to the PPA -- that
9 was the city commission meeting where prior to the
10 meeting I believe two weeks in advance we provided a
11 fairly comprehensive package of information that was
12 published along with the agenda and staff
13 recommendation. And when the time elapsed there was
14 a meeting. We made our presentation. There was a
15 discussion. This is -- prior to that meeting, there
16 were conversations, numerous conversations, and I
17 don't know when they started, between the general
18 manager and his commissioners -- not the public, his
19 commissioners, that's my -- on a one-by-one basis
20 being appropriate for his job. I know, I
21 accompanied him on many of those occasions. So
22 there was a general very vibrant conversation with
23 the city commission. The full PPA was made
24 available to them at the time, and I am also aware
25 that for the last few months the general manager was

1 telling the commissioners how things were shaping up
2 and how it was looking and explaining the terms and
3 conditions. Our general manager understands that
4 this is a major, major commitment. Although he had
5 full authorization to sign a contract and get on
6 with it, he felt it was very important the
7 commission be apprised of the changes that we had
8 made in the structure, and the fact that there had
9 been some really major market changes that affected
10 some of the economic analysis, and those market
11 changes were changes in the fuel markets and changes
12 in the cost to build power plants, so when he signed
13 the contract so that everybody would know what the
14 deal was, subject to ratification by the commission.
15 Everybody but the public, I may add. GREC's
16 claims -- I'm out of time? You're going to cut me
17 off?

18 I ask you please to defend the government in
19 the sunshine. I ask you to please wait and let the
20 public process play out and please either deny this,
21 which I now understand maybe you can't do, but at
22 least postpone consideration of this until the
23 public has had their chance for government in the
24 sunshine. Thank you very much.

25 GOVERNOR CRIST: Thank you for coming.

1 MR. MARKLE: Whitney Markle. I'm the
2 conservation chairman for the Suwannee-St. Johns
3 Sierra Club group. We cover 15 counties in Florida,
4 ranging from Jasper to Chassahowitzka, a pretty
5 large group. We cover four river systems, Suwannee,
6 St. Johns, Ocklawaha and the Withlacoochee. And
7 that's our main concern. Here's my point. I'm
8 going to make it real brief.

9 We know that GRU is planning to sell over half
10 of that new energy to the growing, overgrown
11 southern counties in South Florida where they've
12 already drained all the water. And our concern is
13 that grid of pipelines that's going to drain our St.
14 Johns and our Ocklawaha, which should have been
15 restored in 1975. We're very concerned about that,
16 and that's our concern at the Suwannee/St. Johns
17 Sierra Club. Thank you very much.

18 GOVERNOR CRIST: Thank you, sir.

19 MR. COOPER: Governor, members of the Cabinet.
20 My name is Curtis Cooper. I'm a business owner and
21 a multiple ratepayer in Gainesville, Florida. I'm
22 glad to be here, but I'm kind of upset that I had to
23 come, honestly. I came to the PSC meeting back in
24 April and saw that. And I thought government was
25 about honesty and integrity, the sharing of good

1 ideas to shape sound decisions. But what we've seen
2 with this issue is nothing of the sort. At the PSC
3 meeting in April we heard from Charles Bronson and
4 timber company representatives. They said in an
5 economic slow-down time, it would be a good way to
6 supplement income with the plant.

7 My contention is that the City of Gainesville
8 hasn't really known all of the ends and outs of the
9 plant and what exactly environmentally the effects
10 are going to be on our local timber areas around. I
11 think that if the people of Gainesville were aware
12 that the timber industry intends to cut trees to
13 feed the plant, they would never be behind it,
14 especially tied to the fact that we will be required
15 to sell the bulk of the power to other cities.

16 Now, to cut down local forests to fuel other
17 municipalities, I know for a fact that they wouldn't
18 be behind that. And it has been smoke-screened
19 locally. Thank you for your time. I would just ask
20 to please reconsider this. And, Governor Crist, I
21 really appreciate your approach to green industry
22 and what you're doing. I really do. But I really
23 think that this is too big for our area and
24 unneeded. Thank you.

25 GOVERNOR CRIST: Thank you, sir.

1 MS. DREW: We have a two-minute wrap-up from
2 GREC, from David Dee.

3 GOVERNOR CRIST: Sure.

4 MR. DEE: Governor, Members of the Cabinet,
5 nine different agencies have reviewed the local,
6 regional and state issues associated with this
7 project. The Department of Environmental
8 Protection, the Fish and Wildlife Conservation
9 Commission, Department of Transportation, the Water
10 Management District and others have all reviewed
11 this project from top to bottom. Each and every one
12 of those agencies have recommended approval.

13 The citizens had the opportunity to raise their
14 issues with the administrative law judge. He held
15 four days of hearing to consider the evidence and
16 the testimony concerning the merits under the Power
17 Plant Siting Act. He held another four days of
18 hearings to consider the merits concerning the air
19 pollution permit for this project.

20 The administrative law judge then joined the
21 agencies in recommending approval of this project.
22 The reason the agencies and the administrative law
23 judge have recommended approval is because this
24 facility will use state-of-the-art control
25 technology to ensure that the emissions and impacts

1 are minimized. It was a well-designed project
2 coming into the permitting process. But at the
3 request of DEP, additional air pollution control
4 systems were added that cost a minimum of
5 \$17 million.

6 The Water Management District determined that
7 the project would not have adverse impacts on any
8 rivers, lakes or springs in the area, but
9 nonetheless encouraged us to add a reclaimed water
10 pipeline to further reduce the potential for
11 impacts. That was an additional cost of over
12 \$2 million that has been accepted by this project.

13 With regard to greenhouse gas emissions, we had
14 letters of recommendation from Mr. James Hansen, the
15 leading expert on climate change in this country.
16 We have been given over 62 pages of conditions and
17 restrictions by the various agencies that we have to
18 comply with. This project will comply and GREC is
19 committed to comply with all of the conditions and
20 every restriction that has been posed by every
21 agency that's reviewed this project.

22 ATTORNEY GENERAL McCOLLUM: May I ask a
23 question, Governor?

24 GOVERNOR CRIST: General, of course.

25 ATTORNEY GENERAL McCOLLUM: One of the

1 witnesses on the other side said that this plant
2 would emit twice as much carbon as a coal-burning
3 plant. You're saying to us that's not true?

4 MR. DEE: Yes, sir. There's been a raging
5 national debate about biomass and greenhouse gas
6 emissions. We've done studies to evaluate that
7 issue. It is clear that this project will be carbon
8 neutral at worst and is expected to be a carbon
9 sink. That is one of the reasons why I believe
10 Mr. Hansen has recommended approval of this project.

11 ATTORNEY GENERAL McCOLLUM: Thank you.

12 MR. DEE: You've heard many comments about the
13 proceedings of the Public Service Commission and
14 with regard to the PSD permit in this case. The
15 Governor and Cabinet have routinely recommended
16 approval of projects while other permit applications
17 were pending. They did it last year with regard to
18 the Levy Nuclear Power Plant. They did it the year
19 before with regard to the West County project
20 proposed by Florida Power & Light.

21 In 2001, then Commissioner Crist and
22 Commissioner Bronson recommended approval of a
23 project while the Public Service Commission's
24 determination was up on appeal. So there is no new
25 precedent here. There are no prerequisites that are

1 missing. It's time, and you have the opportunity to
2 now approve a project that will allow you to make a
3 significant step in moving forward with the
4 promotion of renewable resources and curbing of
5 greenhouse gases, diversifying the fuel supply here
6 in Florida and promoting the economy in North
7 Central Florida.

8 So on behalf of all the people that are here in
9 support of this project and the other citizens of
10 Gainesville, I respectfully request that you move
11 approval of this project. Thank you.

12 GOVERNOR CRIST: Thank you. Commissioner, did
13 you wish to speak?

14 COMMISSIONER BRONSON: Yes. Thank you,
15 Governor. I've only spoken before the PSC one time
16 in my whole nine and a half years as Commissioner of
17 Agriculture. This issue was important because I
18 watched two different types of facilities locally,
19 one here in Leon County, one in Gadsden County, that
20 were basically shouted down and shut out because of
21 misinformation, faulty if not misleading science
22 that was being purported on the amount of carbon
23 being released and so forth.

24 No one has even seen one of those plants. They
25 don't even know what the filtering system looks

1 like. We have tens of thousands of home owners who
2 today still burn wood in their fireplaces at home,
3 and that's not being filtered by anybody. There is
4 still some raging debate as to the accuracy of some
5 of the numbers being used by EPA and others anyway,
6 and how did they get there and how did they come up
7 with that. You'll hear a little bit more about some
8 of that today on some other issues.

9 The point being here that we have done a study,
10 a very sound study on how much biomass could we
11 produce in Florida to reduce the amount of gas and
12 oil and diesel and other things that we would have
13 to use, coal, to supplement it. Now, it's not the
14 end-all to everything, but we can reduce substantial
15 amounts by using all types of alternative fuel and
16 energy sources, this being one of them.

17 So my whole point was we've got to get these
18 plants, at least one or two of them up so that they
19 can prove that they don't emit the sulfur and
20 nitrites and other things that everybody says that
21 they do, when they have no way of knowing until we
22 get these up and see what the filter systems really
23 can and are capable of doing.

24 And my statement was not that supplement
25 income. My statement was, these types of facilities

1 will generate thousands upon tens of thousands of
2 jobs around the state that we have the capability
3 through natural agriculture production in the
4 forestry industry to replicate year in, year out at
5 least 30 percent of our fuel supply, both from the
6 biomass side as well as growing different crops to
7 reduce the amount of gasoline and diesel being used
8 on the highway, about 30 percent of Florida's fuel
9 supply, which is about three billion gallons worth
10 of fuel, by the way, can be produced cleanly and
11 reduce some of these very factors that everybody
12 seems to be concerned about.

13 And quite frankly, I'm ready to turn this over
14 to the incoming commissioner-elect and let him have
15 some fun, because I have heard so many
16 misrepresentations about the facts of science
17 involved in this that it's getting pretty
18 aggravating to me. And when it's being promoted
19 just to keep growth from happening, which is a good
20 factor in this thing, it tells me that we're trying
21 to get toward a regressive system in Florida instead
22 of looking at the science and being a
23 forward-thinking business opportunity and economic
24 engine to this state.

25 So that statement about supplementing income, I

1 don't know where that came from. I said we have a
2 chance to create jobs, and we can do it without
3 creating the pollution that everybody seems to think
4 we're going to do.

5 ATTORNEY GENERAL McCOLLUM: Commissioner, am I
6 correct that the wood that's going to be burned in
7 here is likely to come from forest products that are
8 grown, like pine tree forests that are planted and
9 harvested, as opposed to the image that one might
10 get from some of the testimony we heard today, that
11 they're going to go out and cut down the natural
12 trees, maybe your oak tree in the back yard? This
13 is a product; is it not?

14 COMMISSIONER BRONSON: To the best of my
15 knowledge, based on everything I've heard by every
16 group talking about biomass, it would be woody
17 discard. Things that would go into the landfills
18 and fill up our landfills can be used as long as it
19 has not been impregnated with any other types of
20 chemicals or anything that would cause a problem.
21 That can't be used. Natural wood product can be
22 used.

23 That doesn't mean we're going to go out and
24 take down the hardwood forests in this state. I
25 don't think anybody would agree to do that. It will

1 be man-produced, farmable, sustainable timber type
2 programs just like we do for paper, just like we do
3 for other timber products for our homes and so
4 forth. It will be grown for that purpose and used
5 for that purpose. And it will be a lot cleaner than
6 anybody is trying to indicate that it is. And we
7 know that. It's just we've got to go one more step.
8 And quite frankly, I recommend that we support the
9 administrative law judge's decision on this matter.

10 ATTORNEY GENERAL McCOLLUM: Well, I'd make one
11 comment, Governor and CFO and Commissioner, and that
12 is, my understanding of the procedure we're under
13 today -- and, Mimi, you can correct me. We have no
14 jurisdiction to make additional findings. This is
15 either to -- the only thing we could do, if we said
16 no to this, we'd have to say some finding of fact by
17 the judge was wrong that we've determined here today
18 or some matter of law the administrative law judge
19 was wrong on.

20 My staff has not demonstrated nor have I heard
21 today any basis upon which we could make that
22 conclusion. It's sort of like a football game where
23 the pass, you know, is caught and then they try to
24 rule whether maybe he didn't catch it, and you
25 review the film and all of that. It's got to be,

1 you know, very much apparent before it's reversible.
2 And we don't have anything that's apparent that's an
3 error by the judge that I'm aware of today. So I
4 just thought I'd point that out, wearing my attorney
5 general hat for a minute.

6 GOVERNOR CRIST: Thank you, General.

7 ATTORNEY GENERAL McCOLLUM: You're welcome.

8 GOVERNOR CRIST: Appreciate it. CFO?

9 CFO SINK: Yeah. I just want to clarify that,
10 back to your original question about where this
11 timber is coming from, that what was explained to me
12 was that this is -- that after a normal timbering
13 operation, that there is a lot of wood mass left in
14 the field, which right now is either burned in the
15 field or it's just left there to rot, and that this
16 plant is going to be fueled by taking those
17 leavings, if you will, as opposed to a first order
18 of a timbering operation. And I see some heads
19 shaking back there. Is that right?

20 MS. DREW: Would you like me to --

21 GOVERNOR CRIST: Some are and some aren't.

22 CFO SINK: And it's irrelevant because --
23 excuse me. It's irrelevant because, back to the
24 Attorney General's comment, our action here today is
25 basically an affirmation of the correctness of the

1 proceedings that have been going before the
2 administrative law judge.

3 MS. DREW: Correct.

4 CFO SINK: Thank you. Governor, I'd like to
5 move approval, please.

6 ATTORNEY GENERAL McCOLLUM: Second.

7 GOVERNOR CRIST: Moved and seconded. Mimi, was
8 there anything else that we needed to discuss
9 before --

10 MS. DREW: The Department recommends that you
11 approve this. Thank you.

12 GOVERNOR CRIST: Yeah. I just would want to
13 comment. I think that this can be a great
14 breakthrough, and I think that it is the right thing
15 to do, particularly after hearing the comments of
16 Commissioner Bronson and his eloquent explanation as
17 to how this type of a plant could operate
18 successfully. And the groups that have supported
19 this, I have great trust and great confidence in
20 them. And as a result, unless there are any
21 objections, it is passed unanimously. Thank you.

1 GOVERNOR CRIST: All right. Board of Trustees.
2 Mimi, you'll stay with us. Why don't we take about
3 a one-minute break.

4 (Short break taken.)

5 GOVERNOR CRIST: Board of Trustees. Mimi, if
6 you can begin our agenda, please.

7 MS. DREW: Absolutely. And now for something
8 completely different, Item 1, submittal of the
9 minutes from the October 26, 2010, Cabinet meeting.

10 ATTORNEY GENERAL McCOLLUM: I move Item 1.

11 CFO SINK: Second.

12 GOVERNOR CRIST: Moved and seconded. Show it
13 approved without objection. Thank you.

14 MS. DREW: Thank you. Item 2, I'm pleased to
15 bring before you today Item 2, which is a
16 consideration of the conveyance of approximately
17 29,000 acres of state-owned lands to the National
18 Park Service in the Big Cypress National Preserve
19 and Addition.

20 This item was previously deferred from the
21 September 28th, 2010, BOT meeting. At that time
22 several of you asked that we do two things, that we
23 work with the National Park Service to ensure that
24 the general management plan be published and to
25 bring the item back to you at this meeting to report

1 on the status.

2 I'm happy to report to you today that the plan
3 was published on November 23rd, 2010, and copies
4 were hand-delivered to each of your offices. Many
5 people in state and federal government, as well as
6 interested stakeholders, have worked extremely hard
7 to get where we are today. Some of them are here
8 today and wish to be heard.

9 None of this would be possible without the
10 input of the local community, particularly
11 Commissioner Ron Bergeron, who is here with us
12 today, who has been an active participant in the
13 process. And through his leadership on the Florida
14 Fish and Wildlife Conservation Commission, he's
15 worked very closely with the National Park Service
16 on many issues as we've moved through this process.
17 His role in representing the importance of
18 traditional and recreational values has been
19 critical in reaching this point today.

20 Board approval of this conveyance will realize
21 the shared vision of Former Governors Askew, Graham
22 and Chiles, current and former congressmen and a
23 multitude of other stakeholders, including Nathaniel
24 Reed and the late Johnny Jones, representing the
25 people of the State of Florida and the nation.

1 It will facilitate enhanced management of the
2 Big Cypress National Preserve, result in
3 approximately \$4 million for deposit into the Trust
4 Fund for the State of Florida, comply with former
5 commitments, agreements and federal legislation, and
6 allow the public to fully enjoy and experience the
7 lands in the addition, with recreational access,
8 which cannot be accomplished until the Board takes
9 this action.

10 Governor Reubin Askew wanted to be here today,
11 but he was unable to make it. While governor of
12 Florida in 1972, Governor Askew requested the
13 federal government to save and acquire the Big
14 Cypress Preserve and to ensure the preservation,
15 conservation and protection of the natural scenery,
16 flora, fauna and recreational values of Big Cypress
17 watershed and to protect the area as a source of
18 water to the Everglades National Park in Collier
19 County. He helped to spearhead passage of the Big
20 Cypress Conservation Act of 1973 in the Florida
21 Legislature.

22 Governor Askew has written a letter today,
23 which Ernie Barnett would like to read to you.

24 MR. BARNETT: Thank you, Secretary. Governor,
25 members of the Cabinet, Governor Askew sends his

1 regrets, but he did ask that I read this on his
2 behalf. In a letter dated December 6, 2010, Dear
3 Trustees, I'm providing this letter in support of
4 the donation and conveyance of state-owned land in
5 the Big Cypress National Preserve as described in
6 Item 2 of the Board of Trustee's agenda.

7 While governor of Florida in 1972, I went
8 before the Senate Interior Subcommittee of Parks and
9 Recreation to request help from the federal
10 government to save and acquire Big Cypress Preserve
11 and to ensure the preservation, conservation and
12 protection of the natural scenery, the flora and
13 fauna and the recreational values of Big Cypress
14 watershed and to protect the area as a source of
15 water for Everglades National Park in Collier
16 County.

17 To demonstrate Florida's strong commitment, we
18 pledged funding and lands to make the Big Cypress
19 Preserve a reality. At my request, joined by the
20 late U.S. Senator and Governor Lawton Chiles,
21 Senators Phil Lewis and Bob Graham spearheaded the
22 passage of the Big Cypress Conservation Act of 1973
23 in the Florida Legislature, authorizing 40 million
24 of state bonds to be spent to initiate the purchase
25 of the Big Cypress.

1 The Big Cypress Conservation Act was passed in
2 the Florida House on May 24th, 1973, and in the
3 Florida Senate on May 31st, 1973. In 1974 the
4 Governor and Cabinet entered into an agreement with
5 the United States Department of the Interior and
6 made the commitment to acquire, donate and convey
7 all state-owned lands of the preserve for the
8 conservation and protection of natural resources and
9 the scenic beauty of the Big Cypress area of
10 Florida. The 1973 act was subsequently amended to
11 include land in the addition, which was added to the
12 preserve boundary in 1988.

13 The contribution of 40 million for the Big
14 Cypress Preserve coming from the State of Florida
15 garnered the support in Congress, and in 1974
16 Congress passed the bill and sent it to President
17 Richard Nixon, authorizing the federal government to
18 spend \$150 million to purchase the Big Cypress
19 National Preserve. On October 11th, 1974, under the
20 leadership of President Gerald Ford, the Big Cypress
21 National Preserve came into being.

22 The Big Cypress National Preserve includes over
23 720,000 acres, and is referred to as the western
24 Everglades. The area contains some of the most
25 important habitat remaining on the planet for the

1 Florida panther. It is also one of the most
2 important water resources and recreational areas in
3 Florida.

4 The conservation and protection of these lands
5 is imperative for Florida's future. The National
6 Park Service is known for its stewardship and
7 conservation of land in Florida and throughout the
8 nation. I am confident that the National Park
9 Service management of these important resources will
10 ensure their enjoyment for future generations to
11 come. Florida and the National Park Service should
12 be proud of their historic and ongoing commitment to
13 the protection of the valuable resources of the Big
14 Cypress.

15 Thank you in advance for your consideration and
16 hopefully your approval of the donation and
17 conveyance of land to the National Park Service and
18 fulfilling Florida's commitment for the protection
19 of Big Cypress Preserve that we made over 38 years
20 ago. Respectfully submitted, Reubin O'D. Askew.

21 And it was my honor to read that into the
22 record, sir.

23 GOVERNOR CRIST: Thank you very much.

24 MS. DREW: Nat Reed has also written a letter,
25 and Thom Rumberger with the Everglades Foundation

1 has asked to read that into the record.

2 MR. RUMBERGER: I'm not too experienced at
3 driving this yet.

4 GOVERNOR CRIST: You're doing great. Good
5 morning, Thom.

6 MR. RUMBERGER: Governor and Cabinet, it's
7 really a distinguished pleasure to be here and to
8 meet each of you, greet each one of you, and tell
9 you how much I, as a citizen, have enjoyed your
10 service, and I'm so proud of each of you. I really
11 am sad to see you go, honestly sad to see you go.

12 I'm here on behalf of Nat Reed, from the days
13 of Claude Kirk and things that we can't talk about
14 in that era, but in any event, Nat has pressed on
15 and become an outstanding citizen of the state of
16 Florida. And he is very, very much interested in
17 this acquisition. His letter reads as follows.

18 Governor Crist and Members of the Board of
19 Trustees of the Internal Improvement Fund, thank you
20 for making the transfer of state-owned property
21 within the borders of the Big Cypress Preserve a
22 reality.

23 He is anticipating, of course, that you will do
24 so.

25 It has taken decades to achieve this monumental

1 task, and it's accomplished at last, he hopes.
2 Having been deeply involved in the creation of Big
3 Cypress National Preserve, I am particularly
4 grateful that you have joined forces and reached an
5 agreement, hopefully, that gives overall protection
6 and use to the National Park Service.

7 I would like to point out that Superintendent
8 Pedro Ramos, who is sitting right behind me, is one
9 of the most distinguished Park Service leaders that
10 has tirelessly worked to see the consummation of
11 this land transfer. He is a friend and a special
12 friend for all Floridians and thousands of visitors.

13 I would add here that in his care and custody
14 there's no reason not to expect that this park will
15 not serve all purposes that have and will be
16 outlined.

17 Again, it has been a long wait and you deserve
18 our citizens' praise for accomplishing this
19 transfer. I regret I could not be present to thank
20 you in person. Sincerely, Nathaniel P. Reed.

21 Thank you very much.

22 GOVERNOR CRIST: Thank you, Thom.

23 MS. DREW: Thank you. We have a number of
24 people who would like to speak today, and I'm going
25 to start with Superintendent Pedro Ramos from the

1 Big Cypress Preserve.

2 MR. RAMOS: Thank you, Madam Secretary.

3 Mr. Governor and members of the Cabinet, it's a
4 pleasure to be here before you today with my flat
5 hat. And I'll be frank with you in saying that I
6 feel like a little bitty sapling coming after both
7 of those letters were read, two very, very tall
8 sequoias from the West, two very fine men that did
9 so much for Florida and its environment.

10 I was going to be scripted here, but I'm going
11 to go off the heart in telling you that this
12 dialogue about Big Cypress National Preserve is a
13 40-year-old dialogue, maybe some would argue a lot
14 longer than that. It's a dialogue that is truly
15 centered around the collective commitment that we
16 have all made, the State of Florida, the people of
17 Florida, of course the federal government and the
18 people of our country that love this place so much.

19 And it is centered around that commitment to
20 protect and preserve those natural and recreational
21 values that are so important to the people of
22 Florida, in this place that many would argue is the
23 most biologically diverse piece of real estate in
24 the Everglades, some may even contend in the world.
25 I may agree with that.

1 Many years ago, I was just a child when the
2 Florida Legislature in the early seventies passed a
3 bill, deliberately acted to purchase and donate
4 lands to the State of Florida in conjunction with
5 the creation of Big Cypress National Preserve, and
6 the Congress of the United States then acted
7 accordingly and in response to the commitment and
8 the call from the State of Florida by passing the
9 act in 1974 that created Big Cypress National
10 Preserve, a gem of a place that became the first
11 national preserve in the national park system.

12 It was truly a unique exercise of compromise
13 back then between Congress, Florida and the people,
14 a place that would be managed a little different
15 than other national parks within an agency that was
16 already about 70 years old, in about five years will
17 be 100 years old.

18 That decision was made to make this place a
19 different animal within a system of parks, if you
20 will, because Congress wanted to make the commitment
21 to not only protect the natural values of this very
22 special place but also continue providing the
23 connection that people of the state of Florida and
24 people of our country want to have with this place
25 in terms of recreational opportunities.

1 And, yes, that includes off-road vehicle access
2 and hunting, fishing and hiking and biking,
3 horseback riding, you name it. And these are all
4 responsibilities that we not only take very
5 seriously and embrace but that we celebrate. And I
6 mean that. We celebrate and we are proud of what we
7 are, of being a preserve.

8 That is fully reflected in the final plan that
9 was delivered and that was released a couple of
10 weeks ago, in which that broad range of activities
11 that Congress and the State of Florida many years
12 ago, several governors and so many other elected
13 officials and the people of the state asked us to
14 do.

15 The plan is fully consistent with all of that,
16 and we look forward to implementing that plan in
17 partnership with the many stakeholders that we have
18 and the State of Florida. The partnership with the
19 State of Florida, Mr. Governor, members of the
20 Cabinet, is strong and long-term. It's not going to
21 go anywhere.

22 We have been working in partnership with each
23 other for many years. Over the past four years we
24 have brought it up several notches, and it has been
25 a pleasure to have worked with Mike Sole. Over the

1 past four years, Mike provided tremendous
2 leadership, not just on Big Cypress issues but on
3 environmental issues affecting our great state. And
4 now it's been a pleasure to work with Secretary
5 Drew, who has been delightful to work with, and I
6 look forward to continuing to work with her and her
7 staff in implementing this plan.

8 I must also mention that our partnership with
9 the Florida Fish and Wildlife Conservation
10 Commission is in a big way why we are here where
11 we're at in terms of managing Big Cypress as it
12 should, the friendship and the partnership with
13 Chairman Barreto and Commissioner Bergeron, who is
14 here today because he's passionate about this place.
15 I don't know of anybody that cares so much about
16 that gem of a place that we call Big Cypress as Ron
17 Bergeron. He has provided a tremendous amount of
18 leadership and guidance and historical context and
19 passion that has helped us in the National Park
20 Service understand certain things that we need to
21 understand if we want to be good stewards.

22 The executive director, Nick Wiley, with whom I
23 have no -- there's no daylight between us. It's an
24 open book when we're talking about issues of common
25 interest, and we're committed to continuing that

1 approach. At the end of the day, the commitment
2 that we make to make Big Cypress complete, to secure
3 all of the lands, all of the lands within its
4 boundaries and to do the right thing for them is a
5 promise that we make to future generations, my kids,
6 your kids and their kids, generations ahead, to
7 leave this place and be good stewards of it together
8 and leave it in better shape than we are enjoying it
9 today, so that people in the future well, well
10 beyond our time can be enriched by that so very
11 special place that we call the Big Cypress Swamp, as
12 much as our lives are being enriched by it today.

13 So with all that said, I'd like to encourage
14 you very respectfully to consider this item before
15 you favorably so we can deliver on that promise.
16 We're an agency that has done a great job, in my
17 opinion, maintaining and preserving and being
18 stewards of all of the places in our country that
19 tell the story of who we are as Americans. And Big
20 Cypress is one of those places.

21 So thank you very much for your service over
22 the past four years, your leadership and your
23 partnership with the federal government. I
24 appreciate the opportunity, the opportunity that
25 you've given me to speak to you today. Thank you.

1 GOVERNOR CRIST: Of course. Thank you.
2 Commissioner?

3 COMMISSIONER BRONSON: Thank you.
4 Superintendent Ramos --

5 MR. RAMOS: Yes, sir.

6 COMMISSIONER BRONSON: -- I brought up some
7 issues at the last meeting that I felt -- first of
8 all, I wanted to see what the plan looked like
9 because we had not seen anything of the management
10 plan. As Commissioner of Agriculture and having to
11 be responsible for forest fires and those types of
12 things that happen, there were two or three things
13 that I really need to hear from you. You're the
14 superintendent that's going to be responsible for
15 this property if the Cabinet transfers it to the
16 federal government.

17 Under the original agreement, there were many
18 provisions talked about for offering access to the
19 public. Now, I understand under this plan -- and
20 I'm still reading over parts of the plan -- part of
21 that property will be available to the public, but
22 there's some provision for primitive areas, I think,
23 that concern me for a couple of reasons. Number
24 one, I think all that land -- and I have talked to
25 Ron Bergeron about this issue.

1 Some of that land or a good bit of it was
2 timbered already, and there have been active
3 man-made trails throughout that area for over a
4 hundred years, probably longer than that, where
5 people have hunted and fished and used that property
6 for quite some time.

7 And I want to make sure that the appropriate
8 access to the public to use that land for fishing,
9 hunting, bird-watching, all those things that you
10 had mentioned, is still available to them. And
11 there's one thing -- I've been to a number of
12 national forests. And I tell you, you guys -- the
13 Park Service does a tremendous job on every one I've
14 been on --

15 MR. RAMOS: Thank you, sir.

16 COMMISSIONER BRONSON: -- as far as how well
17 kept they are and those types of things. But
18 there's one thing that sticks in my mind, and that
19 is that, going over Yellowstone, I saw some of those
20 wilderness areas that burnt pretty much to the
21 ground and are having to start over. And while I am
22 not as familiar with those trees of that part of the
23 country as I am here, some of those trees appeared
24 to be a couple hundred years old or more that were
25 not able to be stopped when that fire started

1 because there was -- there's an agreement, I guess,
2 that mechanical firefighting equipment cannot go on
3 those areas designated as primitive forest.

4 That concerns me a lot. It concerns me for the
5 area that you're talking about protecting, number
6 one. It concerns me about what happens if that fire
7 gets out of that area and affects the land owners
8 and the state of Florida and Highway 95 or 75 and
9 those areas, really concerns me a lot.

10 So I guess what I'm going to ask you -- and I
11 may be asking you something you can't readily
12 answer. But is there going to be that total access
13 to the public to utilize and hunt, fish, bird-watch
14 and do those things?

15 And, by the way, I did read in here, in some of
16 those areas, I'm trying to figure out where the
17 restroom facilities are going to be in that area if
18 people are going to be using it, because I see in
19 here where structures can't be built and so forth.
20 So I'm trying to figure out how people are going to
21 use facilities that are out there walking over this
22 land. Of course, they could do it the old-fashioned
23 way, I guess. That's the way it was done for a long
24 time.

25 But the point is, I'm still concerned about

1 that, as to how much access and whether or not we
2 have access -- it won't be me, it will be the
3 succeeding Commissioner of Agriculture -- on those
4 firefighting capabilities and so forth. Is there
5 any way -- can you answer that today?

6 MR. RAMOS: Absolutely. And I truly regret not
7 having been here September 28, because I could have
8 answered those questions back then. I was back in
9 South Florida at my office at Big Cypress burning up
10 inside because I wanted to answer those questions
11 that day.

12 CFO SINK: Excuse me, Commissioner. Is it
13 possible to put up -- is this map five that we have?
14 Is it possible to put it up on the screen so we can
15 kind of look at it as you go along? Is that all
16 right with you, Superintendent?

17 MR. RAMOS: That looks good, yeah. If we can
18 lower it a little bit so that we can capture the
19 northern boundary, that's better.

20 Commissioner, if I may begin answering your
21 question, I'll start with the access question. And
22 a key word that I picked up from your question that
23 I must respond to is "total." The Congress of the
24 United States and the people of Florida and the
25 State of Florida established this place for us to be

1 good stewards of it, protecting the natural
2 integrity of it while at the same time providing for
3 access. It charged us all, not just the National
4 Park Service because we wear this badge, but us all
5 to work together in making sure that we find that
6 sweet spot, that we find that appropriate formula
7 for access.

8 I am confident that after 11 years of planning
9 this document, I am confident that after over 25,000
10 comments from people that took time to provide us
11 comments and the intensive interaction that we've
12 had with the State of Florida, that we've come up
13 with an alternative that does just that, that
14 provides a tremendous amount of access for off-road
15 vehicles, hunting, biking, hiking, all of those
16 broad range of activities, because we have a lot of
17 different people with different interests that care
18 about Big Cypress and want to use it in one way or
19 another.

20 What I've been telling people since we released
21 the document is that the document has -- it doesn't
22 have everything for anybody, but it has a lot for
23 everybody. And that's in the spirit of the
24 legislation that created this place in partnership
25 with the State of Florida.

1 What you see in front of -- or on the screen is
2 the preferred alternative, the final alternative
3 that we've selected. That alternative has about
4 130 miles of primary trails. And in addition to
5 those primary trails, we will be implementing a
6 network of secondary trails that allow people to go
7 off the primary trail to sites for camping and
8 hunting and sightseeing, photographing, whatever the
9 case might be.

10 There are corridors that you see within the
11 alternative. And where you see corridors that are
12 surrounded by blue areas, those corridors are a half
13 mile wide. So the ability to implement secondary
14 trails is within that corridor, not to go outside of
15 that corridor into the blue areas. In areas that
16 are orange, we can allow primary trails to take
17 place, and then there may be a secondary trail that
18 meanders through the entire area.

19 And this final decision and formula that you
20 have in front of you, again, is the result of
21 intensive civic engagement. There's been very few
22 plans in the National Park Service nationally that
23 have received the engagement that this one has,
24 which we appreciate. And we have truly ended up
25 with something that is representative of the needs

1 of everybody. And it reconciled the different
2 charges, which was a tall charge from Congress and
3 from you all when you partnered with the federal
4 government in creating this place.

5 And what I also like to tell people is that
6 this is not law. We make decisions through the
7 public process, much like you do. We call it NEPA.
8 And if in partnership with our friends in the State
9 and the public we decide a couple years from now
10 that we missed out on certain opportunities that we
11 just -- we messed up, we did not provide them or
12 decisions that we made wrong, we have the ability
13 and we're committed to re-engaging in a NEPA
14 process.

15 It's not going to be that long, just for very
16 specific items, six months or so, so that we can
17 make decisions to adjust accordingly with the State
18 of Florida and our other partners if there's
19 justification for us to relook at things. So that's
20 the answer to the access question.

21 If I may jump on to wilderness, because I know
22 that wilderness is a concern, Commissioner, that we
23 don't -- we don't only agree with your concern, but
24 we share it. Secretary Sole and I spoke about this
25 extensively. There were two conditional concurrence

1 items in the letter that came from the State. The
2 state bureaus were all over the place with different
3 interests and needs to see in the plan.

4 But at the end of that letter there are two
5 items, on which we are delivering fully on both.
6 One of them had to do with the hydrology of the
7 place, making sure -- we're not going to affect the
8 hydrology. We're there to protect it. We're part
9 of CERP, Everglades restoration. And we'll go
10 through any permits and processes, regulatory, that
11 we have to go through in implementing the plan.

12 With respect to wilderness, this plan does not
13 propose wilderness. After this plan is done, I as
14 the superintendent need to send a proposal up the
15 chain of command, ultimately to the secretary, White
16 House and Congress, for them to act. Because we not
17 only agree with your concern but we share it, we
18 have made the commitment and expressed in the plan
19 to make sure that the proposal, as I draft it, is
20 drafted in a way that recognizes that things are
21 different down here in Florida. We have I-75. We
22 have property to our north. We have
23 responsibilities to the Native American tribes that
24 are recognized in our legislation.

25 And, trust me, we will make sure that

1 appropriate language makes it onto that proposal so
2 that Congress ultimately, if they choose to
3 designate -- because it's their decision, it's not
4 ours -- language would be accompanying.

5 I recently spoke with, back in October, and I
6 have had a follow-up with him as early as last week,
7 we've got a meeting already scheduled for him to
8 come down to South Florida. Executive Director
9 Wiley will be with him. Jim Karels, your director
10 for Forestry. We have a great partnership with the
11 Division of Forestry. We couldn't do the work that
12 we do. We are the number one park service unit in
13 the country with respect to fire. We're very proud
14 of that.

15 And they will listen, when we move a proposal,
16 and Jim is going to assist me in drafting. I have
17 invited him to draft the document with me so that
18 what we propose is reflective of our needs, which
19 includes us having the discretion to use mechanized
20 equipment if necessary.

21 Things have changed in the national landscape
22 when it comes to wilderness. Yellowstone and other
23 circumstances like that have opened a lot of
24 people's eyes. We're not blind to them. We agree
25 with you and we're going to move forward

1 accordingly. We are bringing you into the
2 discussion so that any documents that come out of my
3 office, I represent that they are our shared
4 concern.

5 With respect to the bathrooms, my wife doesn't
6 want to go in the woods, even though she loves Big
7 Cypress as much as we all do. The Florida
8 Department of Transportation has had, thanks to
9 former Governors that made sure that money was set
10 aside, has had money for access points at mile
11 marker 63. I don't have a pointer, but if you look
12 at the map on the screen, it's the halfway mark.
13 There's a little yellow triangle there, mile marker
14 63 and also mile marker 51, go to the east at the
15 L28 site.

16 And we are partnering with each other, and they
17 have funding to -- at mile marker 51 we're going to
18 build an exit ramp that will allow people to safely
19 come off the highway, because there's no such thing
20 right now. People do it, but it's not safe. So
21 that they can access a parking area that will have
22 restroom facilities, wayside exhibits that tell the
23 story about not only Big Cypress but the Big Cypress
24 Swamp in the context of the greater Everglades and
25 what it means to the ecosystem.

1 And we'll partner with our partners in the
2 State of Florida to make sure that those wayside
3 exhibits marry with each other and have a joint
4 message about what this place means to all of us and
5 why is it important for us to care for it.

6 COMMISSIONER BRONSON: The one thing, Governor,
7 that I forgot to ask in that question was, does that
8 also include the ability to go in and even if
9 necessary mechanically move non-native invasive
10 species?

11 MR. RAMOS: Absolutely. We're dealing with an
12 environment down here that has a lot of threats, and
13 the success that we have long-term depends on our
14 rapid response. We've learned that with snakes,
15 pythons, and we're learning it now in the oceans
16 with the lion fish and other species. And trust me,
17 we are an agency that is committed to doing the
18 right thing with the people in the State of Florida,
19 and we will exercise every flexibility that we have
20 to care for those lands because we want to be good
21 stewards of them.

22 GOVERNOR CRIST: General? Are you done,
23 Commissioner? Go ahead, CFO.

24 CFO SINK: Superintendent, I think I heard you
25 say that there was not a proposal for wilderness.

1 But on this map we do have this crosshatched area
2 that says proposed wilderness. So can you kind of
3 clarify for us what we're really talking about?

4 MR. RAMOS: Absolutely, and that's a good
5 question. We go through the NEPA process in making
6 the management decisions that we make, and this is
7 what this document is, is the results of us engaging
8 with the public in the framework of NEPA.

9 And what it does for wilderness is that it
10 identifies lands that are eligible, and out of those
11 lands that are eligible, which ones would we
12 propose. That action of proposing is separate than
13 the action of determination of what's eligible and,
14 through that public process, what is it that we
15 would ultimately propose.

16 The next step with respect to wilderness is for
17 us to draft that proposal. But I am waiting to work
18 with Jim Karels and Nick Wiley and others and the
19 tribes to make sure that the proposal contains the
20 appropriate language. So that's why we're not
21 rushing to send that proposal up to Washington.

22 CFO SINK: So let me just go back and clarify.
23 So as of today, right now, there is no designated
24 wilderness.

25 MR. RAMOS: No. We have simply defined --

1 CFO SINK: But you are putting us on notice
2 that your intent is --

3 MR. RAMOS: Correct.

4 CFO SINK: -- to go to Washington, somewhere,
5 and suggest that this section south of I-75 is
6 designated as wilderness?

7 MR. RAMOS: Correct.

8 CFO SINK: Okay.

9 MR. RAMOS: This decision on the plan makes a
10 determination of what would be submitted through
11 that process.

12 CFO SINK: All right. Thank you.

13 ATTORNEY GENERAL McCOLLUM: Governor.

14 GOVERNOR CRIST: Yes.

15 ATTORNEY GENERAL McCOLLUM: My reading of what
16 you said to me earlier is that the wilderness
17 proposal that you do put forward, when it is put
18 forward, would require congressional approval.

19 MR. RAMOS: Correct.

20 ATTORNEY GENERAL McCOLLUM: So until that
21 happens, then there's no wilderness designation.

22 MR. RAMOS: There's no wilderness. We do have
23 the responsibility of managing those lands
24 accordingly, to protect their natural character that
25 earned them the eligibility for a proposal.

1 ATTORNEY GENERAL McCOLLUM: So you would be
2 managing it in the interim, once the land is
3 transferred to you, in the manner in which you are
4 proposing it until Congress passes it. Is that
5 right?

6 MR. RAMOS: Which interestingly enough is not
7 any different than how we're managing it today.

8 ATTORNEY GENERAL McCOLLUM: And what you've
9 assured Commissioner Bronson, I think I heard you
10 say, is that in the proposal you do send forward,
11 there will be a number of accommodations in the
12 areas you described about mechanized firefighting
13 and the exotic plants and things like that, so that
14 the wilderness designation may not read as we
15 sometimes assume it would and has in the past in
16 some other parts of the country when that
17 designation has been adopted by Congress. Is that
18 correct?

19 MR. RAMOS: That is absolutely correct, sir.

20 ATTORNEY GENERAL McCOLLUM: Now, I haven't
21 heard him yet, but I've heard him a lot privately.
22 When the chairman of the Fish and Wildlife Service
23 comes up here in a few minutes, he's going to tell
24 you and me and everybody else as he said before,
25 that he's worried about the term "primitive

1 backcountry" and its application, that designation,
2 I guess particularly north of 75, in that it might
3 inhibit not just generically hunting and fishing or
4 the trails but the use of mechanized vehicles,
5 all-terrain vehicles to go through there.

6 And it's my understanding, just engaging in
7 discussions with staff about this, that there are
8 some proposed ways that you could get to allowing
9 that. But I gather they may be cumbersome. Could
10 you tell us about the use of mechanized vehicles of
11 any type on those trails, particularly north of
12 Interstate 75?

13 MR. RAMOS: Yeah, I would be happy to. Lands
14 north of 75 that you see on the map without the
15 hatching on it, that are blue, are lands for the
16 most part that were found eligible for wilderness,
17 but we are not proposing them for wilderness. We
18 chose not to for a number of reasons.

19 And within the framework of policy and law in
20 the federal service, the highest level of protection
21 that exists, the highest level of commitment that we
22 can make on those lands in terms of their
23 management, short of wilderness, is backcountry
24 primitive, mainly because it does not allow for the
25 use of mechanized equipment.

1 If you look at the map, though, there is an
2 extensive network of trails that has been
3 over-imposed, and it's important to note that none
4 of these trails are new. We're not going to be
5 cutting or blazing any new features out there on the
6 land. These are all of the trails. And in talking
7 with the ORV community, they have told me recently
8 that we got about 90, 95 percent of the trails that
9 historically and traditionally have been used for
10 ORV access.

11 Now, what is the future of those blue painted
12 lands in terms of the possibility of ORV access?
13 This is a management decision. It is not the law,
14 as wilderness would, if Congress designates the
15 lands to the south at some point in the future.
16 This is a management decision that, as I mentioned a
17 little earlier, if we find reasons to revisit and
18 reconsider certain things, whether it is to correct
19 something that we missed or got wrong or to add
20 something that we overlooked, we have the full
21 discretion to do it legally, as long as we do it
22 within the framework of NEPA.

23 We just simply can't -- I as the superintendent
24 can't meet with a state agency head, make a decision
25 that we think this needs to occur if it's outside of

1 the scope of the plan and go do it. I simply have
2 to vet it through that public process. And as I
3 mentioned earlier, it wouldn't be an 11-year-old
4 process because we would be talking about some very
5 specific considerations. Does that answer your
6 question?

7 ATTORNEY GENERAL McCOLLUM: Generally it does,
8 but let me clarify. On the parts of this map that
9 show existing trails, mechanized vehicles could be
10 used under the -- even though there's a backcountry
11 primitive designation you're proposing for the blue
12 areas, the areas that are not blue, basically, that
13 are trails right now, they could travel over those.
14 The issue is over additional access into other parts
15 that are not currently trails.

16 MR. RAMOS: Yes. Those corridors that you see
17 are not the width of a road or a trail. They are
18 half a mile wide. It's deceiving when you look at
19 the plan. They're significant. So anything within
20 those orange corridors and other orange areas we
21 could very easily implement primary and secondary
22 trails within.

23 ATTORNEY GENERAL McCOLLUM: Where you could use
24 mechanized vehicles, ORVs or whatever you call them.

25 MR. RAMOS: Yes. Another distinction that is

1 important to make is that we have free will and
2 ability to move throughout those backcountry
3 primitive areas with our partners to do things like
4 exotic removal, firefighting, without any concerns
5 with respect to any wilderness --

6 ATTORNEY GENERAL McCOLLUM: Let me just -- I
7 hate to take this much time. We can come back to it
8 later. I'm sure we'll hear more about this. But
9 I'm just curious. If you're talking about the
10 corridors that are half a mile wide, without any
11 further NEPA meetings, hearings, whatever, in the
12 future, under the current proposal that's going
13 forward, would these mechanized vehicles be allowed
14 right now, or would you have -- or not? Would you
15 have to go through some other process?

16 MR. RAMOS: We still have several steps that we
17 need to take, but this basically makes a
18 determination that we will implement mechanized
19 access within all of those orange half-mile
20 corridors and the rest of the orange areas.

21 ATTORNEY GENERAL McCOLLUM: Okay. Thank you.

22 MR. RAMOS: Thank you.

23 GOVERNOR CRIST: Thank you very much.

24 MS. DREW: The next speaker is Commissioner Ron
25 Bergeron.

1 GOVERNOR CRIST: As the commissioner is coming
2 up, I want to commend him on his leadership and his
3 love of our state and his passion, as others have
4 described it, as it relates to not only this land
5 but all of the land of our state. And I know that
6 you're a true outdoorsman, Commissioner, and a dear
7 friend, not only to me but all of us up here and all
8 Floridians. And I know how much you love our state,
9 and I wanted to express my gratitude to you for
10 that.

11 MR. BERGERON: Well, thank you, Governor, very
12 much, and thank you for the opportunity of being
13 here today. It was a long ride on my horse to get
14 here, I want to tell you that. So if I'm shaking up
15 here, it's not because I'm nervous. It's because it
16 was really cold.

17 But I've heard a lot of things today, and I
18 think -- I want you to know that I take great honor,
19 Governor Crist, to the appointment that you've given
20 me. And my -- my family has been here for a long
21 time, since 1882, and I take a lot of pride in the
22 state of Florida.

23 You know, the old Cracker families loved the
24 land. And, you know, we live by the cowboy ethics,
25 and it's a beautiful life. And I think as we

1 proceed through this today and before I go any
2 further, I want to thank Governor Crist for all the
3 time you've spent with me, being so concerned about
4 the environment and physically getting in airboats
5 and swamp buggies. And we had a great time, but it
6 was very educational. And I think we were able to
7 accomplish a lot.

8 Even the trip with Salazar, Senator Nelson,
9 five congressmen and every state agency, that trip
10 really helped the State of Florida. Salazar fell in
11 love -- he said his eyes fell in love with a world
12 treasure. And you can remember, when we were
13 sitting in the Everglades with alligators all around
14 us, very beautiful, he made a commitment.

15 And we had a substantial amount of funding
16 against another partnership with the federal
17 government, around 2000, on a 50-50 partnership on
18 preservation of one of the ten natural wonders of
19 the whole world, the Florida Everglades. We got
20 funding right after that trip, due to your
21 attendance. And we have 10 miles of the Tamiami
22 Trail, and we have a one-mile bridge going in. And
23 the Tamiami Trail is really -- that particular
24 project by itself would probably stop 80 percent of
25 the irreversible damage in the heart of the

1 Everglades. So I want to thank you for that. And I
2 want to thank the Attorney General for -- it's been
3 several trips in the Everglades. And our
4 Agriculture Commissioner, Charles, thank you.
5 You've been down there with me. And thank you,
6 Alex, for all the conversations we've had. I take
7 that responsibility of leadership very seriously,
8 and I want the public to understand how dedicated
9 that y'all have been to the environment of Florida.

10 But as I move into this, I also want to thank
11 the Florida Fish and Wildlife Commission, my
12 executive director, Nick Wiley, for his leadership,
13 and all our staff. I want to thank the DEP and Mike
14 Sole, which I have so much respect for in the
15 leadership of what we're talking about today, and
16 all of the staff of the DEP. The Cabinet should be
17 very proud.

18 I want you to know, when I was appointed and
19 came up to Tallahassee for an orientation, I was so
20 impressed with the commitment of the people that
21 work for these agencies, very loyal. And we should
22 be very grateful for what they do for the State of
23 Florida.

24 I also want to thank my good friend Pedro.
25 We've spent a lot of time together here in the last

1 three years in regards to the Big Cypress Preserve.
2 And thank you for your leadership, because the day
3 this man came aboard, a lot of things started
4 happening.

5 You know, I first entered the Big Cypress, I
6 hate to say this, about 64 years ago, with a
7 grandfather that was a game warden that worked for
8 the State of Florida. And thank God my grandfather
9 introduced me to this beautiful environment. And
10 there's one thing I learned out of that. Thank God
11 that he didn't turn to me and say, "Well, I can't
12 take you in there because it's a wilderness area and
13 it's restricted to the public." So we want to keep
14 this in mind as we move forward through this
15 process.

16 You know, 36 years ago, or someone said 38, the
17 greatest preservation of land in modern time took
18 place in the state of Florida. And I want to
19 recognize those same people, Lawton Chiles, a very
20 good friend of mine, our Governor Reubin Askew and
21 Nat Reed, the Assistant Secretary of Interior of the
22 United States of America. And I could name multiple
23 pioneer families that were involved. But thanks to
24 them we're standing here today. And what we're
25 getting ready to approve is extremely important.

1 You know, in 2008, June 11th, we passed a
2 resolution, the Florida Fish and Wildlife
3 Commission, asking the federal government to proceed
4 forward, the Park Service, and to follow the intent
5 of the 1974 congressional act, which is the law.
6 I've got to say that we formed a partnership,
7 definitely didn't agree on everything, but we moved
8 forward.

9 Here we are today. And some of the concerns
10 that I will bring up is -- I did have a concern
11 about backcountry primitive. I felt like future
12 sustainable access could be very difficult. But
13 I've been assured, with several meetings and
14 documentation that Pedro has sent to me and we have
15 reviewed, that there is additional opportunity
16 subject to an environmental impact to protect that
17 beautiful Big Cypress Preserve forever, because
18 understand these designations really aren't the
19 protection. The designations basically give you
20 the -- what's permitted, and the real protection of
21 the environment is the management plan and the
22 environmental impact studies.

23 So even having a concern, I think we do, and I
24 think we have the full commitment of the Park
25 Service, full commitment of Pedro, that if needed

1 additional access -- because, understand, this is a
2 very violent area to be traveling through this area
3 on foot. Now, I do it. It doesn't bother me. But
4 there's a lot of people that wouldn't even think
5 about that.

6 GOVERNOR CRIST: They don't call you Alligator
7 Ron for nothing. You would do things a lot of
8 people wouldn't do, and have.

9 MR. BERGERON: Well, that's probably true.
10 That is probably true. But I think we have to think
11 about our war veterans and people that may have lost
12 legs and arms, our handicapped, senior citizens, to
13 where we have sustainable access. And I think
14 that's important. And I'm not suggesting that there
15 could be any more trails than what's been put on
16 this plan. Only an environmental NEPA impact study
17 could determine that.

18 So that was one of my concerns. And I think --
19 I think that we can work with the Park Service and
20 the State of Florida and form a partnership and a
21 relationship to make sure that if additional
22 access -- and full protection of the environment
23 comes number one, and I want to make that clear, and
24 it's a benefit to the people of Florida and the
25 world to enjoy this beautiful place. I think we

1 should work together, based upon a procedure, and do
2 what's right for the environment and the people.

3 Going into the wilderness -- and I'll try to be
4 a little brief here, but I think all of this is
5 important. You know, we need to learn an awful lot
6 about wilderness. You know, some people think
7 wilderness is a greater level of protection of the
8 environment. But in fact backcountry recreation,
9 backcountry primitive, wilderness, all these things
10 are managed the same way.

11 Wilderness is something that we need to be very
12 careful about, and it's only being proposed at this
13 time, proposed. But I think that all the state
14 agencies should work with the federal government and
15 really analyze the wilderness, because I will tell
16 you that I had a ranch in Cody, Wyoming, that
17 bordered Yellowstone Park for 25 years. And because
18 of that designation, that place, half of it was
19 destroyed, for 200 years. So what Commissioner
20 Bronson was bringing up earlier, I have the same
21 concerns.

22 But I think that the perception is that
23 wilderness is a greater level of protection,
24 wilderness is a greater level of eliminating access.
25 And a lot of people are always focused on access

1 being the real impact, when in my lifetime, I've
2 seen government management not correctly has been
3 our biggest impact.

4 And I will give you one more example, and I
5 mentioned this to the Governor. For instance, the
6 Tamiami Trail, on one side of the trail you have
7 wilderness, and on the other side you have state
8 Everglades. And we are restricted from utilizing
9 the capacity of 19 structures between the L29, or
10 the L67 and the L31, on cleaning culverts without
11 going through an impact, environmental impact study
12 that takes years, and cleaning in front of our S12
13 structures that create the natural flow to equalize
14 water levels in the global Everglades with shared
15 impacts and shared adversity.

16 And it gets very frustrating because wilderness
17 becomes a law, and then there's a lot of things with
18 being able to manage this environment at a local
19 level with the Park Service and the State of Florida
20 and the Forestry Division. It becomes controlled by
21 Congress, and I just -- I don't feel like it's a
22 greater level of protection. And I think this is
23 something we need to address.

24 But the way I feel here today, I think we
25 should move forward for the best interest of the

1 people of Florida, and let's open these lands up.
2 Let's work together with our federal partners in
3 good faith. And if they don't do the right thing,
4 I'll just feed them to an alligator.

5 But, you know, I get to really admire what
6 y'all do, because I've sat in meetings, and the
7 amount of responsibility we have got to take a
8 global viewpoint and for the best interest of the
9 people of Florida, when you're dealing with people's
10 culture and you're dealing with all these different
11 factors. I really admire y'all an awful lot because
12 it's quite an undertaking.

13 But I think this is a great day, and I'm
14 looking forward to working with our federal
15 partners, and I'm looking forward to make sure that
16 we protect this environment forever, with
17 sustainable access and enjoyment so our children and
18 our grandchildren can enter into this environment
19 and fall in love with it just like I did and want to
20 protect it for the rest of their lives, because the
21 day we destroy it, our quality of life will change
22 dramatically. But I think access is very important
23 for our children and grandchildren to fall in love
24 with this environment. And I look forward to
25 working with the federal government.

1 Thank you for your time. I appreciate it very
2 much. And I look forward to seeing you out in the
3 Big Cypress.

4 GOVERNOR CRIST: Absolutely. Commissioner,
5 thank you so much. It's good of you to travel up
6 here today.

7 MS. DREW: I seem to have lost my list.
8 Representative Matt Hudson is our next speaker.

9 GOVERNOR CRIST: Good afternoon,
10 Representative.

11 MR. HUDSON: Good afternoon, Governor, members
12 of the Cabinet. Thank you very much for allowing me
13 the opportunity to address you today. I represent
14 District 101 of the Florida House of
15 Representatives, and it's my honor to do so, and I'm
16 humbled every day, just like you are, in that effort
17 of public service.

18 The area in question today, the addition lands,
19 is in District 101. It would be borderline
20 negligent of me to not be here today to defend the
21 people that put me into office. The 147,000
22 lands -- 147,000 acres, excuse me, involved in the
23 Big Cypress addition lands, there is no question
24 that it is a gem to the State of Florida and to the
25 federal government and to the world as a whole.

1 However, I have some significant concerns, as
2 the duly elected representative of that area, that
3 have been brought forward to me by my constituents.
4 And, hey, they're the customer. They're why we're
5 here. They are our business. The people of Florida
6 are our business. The historical people of this
7 community and of this area are our business.

8 And so as I looked at that map as it was being
9 portrayed on the screen -- and I have my own copy of
10 the plan -- a few thoughts came to mind. And I'd
11 like to share them with you. First of all, I do
12 want to thank you for deferring this item on your
13 last agenda, or in the September meeting, I believe
14 it was, and thank you for that. I appreciate that,
15 because it was important that this document be fully
16 vetted before any action being taken.

17 I also want to thank the efforts of the Florida
18 Wildlife Commission and their willingness to listen
19 to my constituents. I want to thank Superintendent
20 Ramos for providing an opportunity for me to speak
21 at public hearings as well and for his diligence in
22 putting this plan together.

23 And I've got to thank my constituents, who have
24 been extraordinarily vocal. When you look at that
25 map and you look in the upper left-hand corner and

1 you see that beginning of that strip next to 29,
2 right across the street are thousands of acres of
3 ranch land. And my ranchers have been in
4 considerable communication with me about this plan
5 as well.

6 I have a number of folks who are off-road
7 vehicle enthusiasts. Many of you have been to
8 Collier County to visit, to recreate, maybe on the
9 campaign trail, maybe to enjoy one of our very
10 unique cultures in Collier County, otherwise known
11 as swamp buggy racing. And we race three times a
12 year, because the cultural uses of our community go
13 back for generations in terms of off-road access to
14 these lands. It's become a part of who we are in
15 Collier.

16 When I look at this plan, there's two things
17 that strike me as troubling. First of all, we're
18 talking about 147,000 acres, of which 96,000 acres
19 of that will be off limits to off-road vehicles,
20 96,000 acres. Of that, 47,000 of those acres will
21 be designated wilderness.

22 Now, I understand the need for sustainable
23 access, and I want sustainable access. And my
24 friend and Commissioner Bergeron, there is no
25 greater advocate and no more passionate person when

1 it comes to this, and I respect him greatly. But I
2 do believe that there is need for more trails and
3 for those trails to be done up front.

4 And while there has been some discussion about
5 NEPA and the ability to amend NEPA and to go forward
6 with that NEPA process to add some secondary and
7 tertiary trails, as we all know, when you start
8 dealing with opening up new statutes and federal
9 statutes, you also open up the opportunity for
10 challenges to those statutes. And I believe that
11 that process will be heavily, heavily burdened by
12 future challenges to opening that up. So if we
13 don't do this now, I believe our window of
14 opportunity fades greatly for my constituents.

15 I also believe that when it comes to the
16 wilderness designation or the proposed designation
17 of wilderness, that we have some fundamental
18 challenges that I do not believe have been fully
19 addressed. And this speaks to your point,
20 Commissioner Bronson, regarding firefighting.

21 I have a fairly unique district in the state of
22 Florida that allows me to travel Alligator Alley two
23 or three times a week to get from one side of my
24 district to the other side of the district. There
25 are few people in the state of Florida that know

1 that road by mile marker like I do.

2 And I can assure you that there have been many
3 times when that road has been closed because of a
4 high degree of smoke, where there has been flame
5 literally in the median. And we need to make sure
6 that we have every opportunity to protect that
7 treasure with the full resources available to us to
8 not only protect the resource itself but to protect
9 motorists, protect our firefighters and protect the
10 people that are willing to work for the forestry
11 department and their firefighting division as well.
12 It is extremely important that all those
13 opportunities are presented and are -- in my
14 opinion, that should be done up front.

15 I believe that that determination of how those
16 resources should be utilized, be it mechanical
17 firefighting and whatnot, should be identified
18 before we go forward. If you look at the blue
19 shaded area of that map, the majority of the
20 wilderness lands completely abut I-75. And that
21 area is a significant, significant portion of
22 roadway.

23 It is an area that would be widely used by the
24 tribal nations for evacuation from some of their
25 areas and would be extraordinarily important for us

1 to make sure that we keep that road as safe as
2 humanly possible. And I believe that the
3 firefighting, in my opinion, has yet to be
4 addressed. And I should tell you, prior to becoming
5 a legislator, I was a fire commissioner for five
6 years, so I have a little bit of understanding of
7 that nature.

8 And so I would tell you today in front of you
9 you have a question as to whether or not you're
10 going to turn these lands over to the federal
11 government. Much has been said about the federal
12 government and great partnerships and so forth. And
13 I would assure you that, yes, they are our federal
14 partners. At the same token, I think we can also
15 probably look at a myriad of examples of where our
16 partnerships have not necessarily gone so smoothly
17 and where that opportunity to stumble can certainly
18 exist.

19 In all deference to Superintendent Ramos, he's
20 not the first superintendent of the Big Cypress, and
21 he will surely not be the last. And while he has
22 been an outstanding partner with us, he's liable to
23 be promoted one day. And I hope you are, because
24 you deserve it. You've worked hard. But the person
25 that steps in, as we've heard, there will be some

1 latitude. There will be some interpretation.

2 We're talking about turning over 30,000 acres
3 of state lands to the federal government, with an
4 unclear future exactly how that wilderness will be
5 allowed to be used for firefighting, exactly how
6 sustainable trails might be created in the future
7 because of that latitude. And that gives me great
8 pause for concern.

9 So members of the Cabinet, I would tell you
10 today that on behalf of me personally, who lives
11 literally about 15, 20 minutes from this location,
12 from my constituents, from the people that bless me
13 with this honor, I would ask you do not take away
14 our last chip in the game until we have these issues
15 truly resolved.

16 We've made a herculean effort to get to this
17 point, and I think we are very close. And I think
18 with some additional work, some fine-tuning, perhaps
19 a little wordsmithing, we can get exactly where we
20 need to be, have a great partnership and a great
21 future for the people of Florida for public access
22 for these lands. But as long as I'm in office, I
23 will always fight for public access for public lands
24 because they belong to the people of Florida. And
25 this plan, I believe, will restrict that and may

1 cause some irreparable harm. And I thank you very
2 much for your time.

3 GOVERNOR CRIST: Thank you, Representative.
4 Appreciate you being here. Merry Christmas to you,
5 by the way.

6 MR. HUDSON: Merry Christmas.

7 MS. DREW: Manley Fuller with the Florida
8 Wildlife Federation.

9 MR. FULLER: Governor, members of the Cabinet,
10 I want to say what a pleasure it's been to have
11 known you all and worked with your staffs, and it's
12 really been an honor and a privilege, from both my
13 organization and myself. And that means, when we
14 agreed or we disagreed, I always -- we always got a
15 fair hearing, and wish you the best as you go -- all
16 of you as you go forward.

17 In 1987, when I came to work for the Florida
18 Wildlife Federation, the first federal project that
19 I was involved in was working with U.S. Senator
20 Chiles and my board of directors in the -- working
21 on the addition land legislation. My predecessors,
22 Johnny Jones and people like Calvin Stone, who had a
23 camp in the heart of the Big Cypress National
24 Preserve, had worked with Senator Chiles and Senator
25 Stone and the previous -- the previous governor,

1 then senator, governor, the legislative leadership
2 at that time in the seventies, with Nathaniel Reed,
3 worked to bring the Big Cypress forward. And that
4 included a commitment by the State of Florida to
5 transfer lands to the preserve that has come to
6 pass, and that transfer is before you all for your
7 consideration.

8 I currently serve on the off-road advisory
9 committee for the Big Cypress National Preserve and
10 was appointed by the Secretary of Interior, as was
11 one of my directors, Franklin Adams from Naples, who
12 was very involved in the original establishment of
13 the preserve and worked with us and others on the
14 addition lands.

15 There have been -- there have been -- I have
16 known the previous five superintendents of the
17 preserve personally, and I have -- and Franklin has
18 literally known all of the preserve superintendents
19 and used the properties and hunted and fished on the
20 land before it was ever part of the preserve.

21 The preserve's establishment was a great
22 partnership of a lot of different interests,
23 environmental interests, labor union people, people
24 in Miami, hunters and fishermen, people with
25 backcountry camps. It was a real partnership that

1 came together. And they created a different sort of
2 entity, a different type of unit of the national
3 park system.

4 The first one that was established, national
5 preserve, was the Big Cypress National Preserve.
6 And that was established at the same time that the
7 Big Thicket National Preserve was established in
8 Texas. And both of those allowed for hunting and
9 traditional activities that were different than what
10 is normally the case in a unit of the national park
11 system.

12 This is -- it's been a management challenge. I
13 mentioned that I've known the previous five
14 superintendents. We had -- I've been involved in
15 situations, we've been involved in situations.
16 We've worked with the Fish and Wildlife Commission,
17 with the predecessors of Commissioner Bergeron and
18 Nick Wiley's predecessor, back to the time of
19 Colonel Brantley. And I've seen some real intense
20 discussions, where there were differences of opinion
21 about management. And there's been some
22 head-butting. And we've gone through a process, and
23 it's had its ups and downs.

24 But I would say that over the last two
25 superintendents' administrations, superintendent

1 Karen Gustin and now Pedro Ramos, there is a real
2 sense of commitment to a state-federal partnership
3 that sometimes was not there. And I have a
4 tremendous personal confidence and admiration for
5 Pedro and the work that he does. And I'm very
6 heartened to see that the better -- there's a better
7 cooperative working relationship now between the
8 state Fish and Wildlife Conservation Commission on
9 the ground, with their law enforcement officers and
10 the federal officers working together.

11 One of the challenges that we face on the
12 off-road vehicle advisory committee, which we have
13 no -- our charge does not include the addition lands
14 at this point. It may be expanded to do that. But
15 one of the things, one of the challenges that we
16 face is where will secondary trails be allowed off
17 of the primary trails, the primary trails being
18 those trails where you use for normal ingress and
19 egress. That's where most of the activity takes
20 place.

21 We need some secondary trails. We're working
22 on that with Pedro and his staff to try and make
23 that so that you have -- where people can go off of
24 the main trails to have some places where they can
25 camp, can assist with game retrieval, can allow

1 disabled people to access more of the preserve.
2 There's issues.

3 So, anyway, a lot of this has already been
4 covered, and I know this is -- I don't want to take
5 too long. But the preserve, it really is a gem.
6 It's outstanding. I had the opportunity to -- I've
7 been all over the preserve proper, the existing
8 preserve. I've hunted out there. I've been in
9 swamp buggies and tromped out there. And it's a
10 wonderful place.

11 Every time I've been there, every single time
12 I've been there, when I've gotten off the road, I've
13 seen Florida panther tracks. I often see bear
14 tracks and have had some great times out there, and
15 would like, you know, the people to continue to be
16 able to enjoy this.

17 We think that the addition plans, we think that
18 there was a lot of points that have been made that
19 were made by Commissioner Bronson and others and
20 some of the questions that the attorney general
21 posed.

22 Management, management is really critical.
23 Whatever designation it is out there, whether it's
24 wilderness, primitive backcountry, backcountry
25 recreation, all of those areas need to be able to be

1 managed for fire, for dealing with exotic invasives.
2 And we've made that point time and time again, and
3 I'm glad to see that that's reflected in this
4 document and the state agencies have made that
5 point.

6 I think the issue of -- you know, we've got --
7 you know, everybody is concerned about the snakes.
8 Well, we could also have climbing fern all over
9 those cypress domes. If you have an opportunity to
10 fly over the addition lands or get in a helicopter
11 and go over it, it is just knock-dead gorgeous,
12 those cypress domes. They are some of the most
13 beautiful cypress domes in Florida. And there's
14 hundreds of them, mostly south of I-75.

15 You get above I-75, there's a lot -- there's
16 some nice cypress up there, but you get a little
17 higher lands, it's more pinelands. And that's why
18 there was more trails up in there. And that's where
19 there was some agricultural cultivation. You can
20 see where there was old tomato fields. Where
21 they're proposing trails are really where there have
22 been trails for many, many years.

23 But you've got to have access to manage. The
24 State needs to continue to press on that issue and
25 make sure that whoever -- whoever succeeds Pedro,

1 that there's that ongoing, established relationship.
2 We'd like to see you all meet the commitment that
3 was made by previous members of the Cabinet and the
4 governors. But we do agree that there needs to be
5 ongoing dialogue and real cooperation.

6 I think -- I personally believe there's going
7 to need to be some additional secondary trails, both
8 within the preserve and in the addition lands, but
9 that we think that's going to be important.

10 And this is -- let's see. I've talked about
11 management. Oh, hunting, hunting. One reason that
12 it would be good for there to be forward movement on
13 this soon or now is that when I was in Senator
14 Chiles' office and when the bill passed and was
15 signed by the president in 1988, it says in the bill
16 there shall be hunting, fishing, frogging and
17 related activities. There's language like that.
18 There shall be cooperation and coordination with the
19 State of Florida. That's in the legislation.

20 But the -- and there's a lot of background to
21 this. But the property was acquired in 1996 from
22 the Colliers, the bulk of the property. The next
23 large piece of property that come to the Park
24 Service would be the state property. But there's
25 not been any public hunting allowed in the preserve

1 addition lands. And we really would like to see
2 that expedited. We'd like to see that there's some
3 public opportunity to hunt on that property, for --
4 which was identified in the original bill, and I sat
5 there right beside Senator Chiles, and he said, "You
6 know, I want to see that the people are able to -- I
7 want to be able to see the people go out there and
8 hunt spring gobblers like I have." Well, we'd like
9 to see that, and we'd like to see that started by
10 next year. And I think that this action could --
11 before you today could help expedite that.

12 So, again, it's a pleasure to know all of you
13 all and all the folks that you work with and look
14 forward to keeping in touch as time goes by.

15 GOVERNOR CRIST: Thank you, Manley. Appreciate
16 it.

17 MS. DREW: Andy McLeod with the Nature
18 Conservancy.

19 CFO SINK: Governor?

20 GOVERNOR CRIST: Yes.

21 CFO SINK: Could we just ask Mimi to -- I'm
22 fading here. How many more speakers do we have on
23 this item, please, Mimi?

24 MS. DREW: We have two more that I know of.

25 CFO SINK: After Andy?

1 MS. DREW: Right. And we've asked them to be
2 very brief. It's entirely up to you, if you would
3 like to take a break now. I think we can probably
4 get through this, unless you all have more questions
5 after the speakers.

6 CFO SINK: Okay. Go ahead. I'd just like to
7 know kind of where we're going.

8 GOVERNOR CRIST: We're going to a conclusion.

9 MR. McLEOD: Thank you very much, on behalf of
10 the Nature Conservancy. I won't repeat myself. I
11 stood at this podium on September 28th in support of
12 this item. It's a wonderful deal. The time is
13 right for the people of the United States, the
14 people of Florida. And the benefits, I would note
15 the revenue balance in the trust fund. I can't
16 improve on words beyond that of Governor Askew and
17 Nathaniel Reed.

18 With that, I would express also my respect and
19 appreciation for your work, but not so quickly
20 because there are still important items on this very
21 agenda. Thank you.

22 GOVERNOR CRIST: Thank you.

23 MS. DREW: Thank you. Julie Wraithmell with
24 Audubon.

25 MS. WRAITHMELL: Thank you, Madam Secretary.

1 I'm Julie Wraithmell, director of wildlife
2 conservation for Audubon of Florida. This really is
3 an issue of legacy, beginning with the Big Cypress
4 Preserve Act in the seventies. In recent years
5 these lands have been in a kind of limbo. They
6 haven't been receiving the attention that they
7 warrant because the State has always had the intent
8 of conveying them, and similarly the federal
9 government hasn't been managing them because they
10 have yet to be conveyed.

11 As a result, they've been subject to dumping,
12 they've been subject to trespass. And that would
13 cost the State money to remedy it. Instead, we have
14 the opportunity now to convey it. And as a result,
15 we will fulfill our federal obligations. We'll get
16 consolidated federal management for these important
17 resources.

18 We'll get them open for public use, and we'll
19 garner 4 million in compensation under our cost
20 share agreement with the federal government. And
21 that's revenue that could be reinvested in land
22 preservation at a time when budget challenges really
23 threaten our core conservation programs.

24 Last time this came before you, Commissioner
25 Bronson raised some very good concerns. I'm very

1 grateful that the superintendent was able to attend
2 today to help dispel some of those concerns that I
3 think we all needed to explore more thoroughly.
4 Their management plan has been released. And now
5 I'm hopeful that we can all move forward with this.

6 This has been a Governor and Cabinet really
7 committed to the protection and integrity of the
8 landscapes that make Florida special, and this
9 historic conveyance of these addition lands, they're
10 fulfilling the commitment of a Cabinet many years
11 past, and I really do believe that it's a fitting
12 legacy for your proud service sitting as the Board
13 of Trustees. So thank you for your consideration.

14 GOVERNOR CRIST: Thank you.

15 MS. DREW: Debbie Harrison-Rumberger with the
16 National Parks Foundation.

17 MS. HARRISON: Thank you, again. Debbie
18 Harrison on behalf of the National Parks
19 Conservation Association. Let's make this a part of
20 your legacy. Thank you very much.

21 GOVERNOR CRIST: Thank you, Debbie.

22 MS. DREW: That concludes the speakers.

23 GOVERNOR CRIST: Great. Any comments? A
24 motion? I'll move it.

25 CFO SINK: I'm going to move it. I'll move it,

1 Governor.

2 GOVERNOR CRIST: Okay. I'll second it.

3 COMMISSIONER BRONSON: Governor, I've got to
4 tell you, I'm taking a lot of faith mainly on what
5 Superintendent Ramos has said, the willingness of
6 the Park Service and those in the federal government
7 to work on these issues. The original intent we all
8 heard, which was as much access as possible for the
9 public for hunting, fishing, camping, bird-watching,
10 the whole thing.

11 I've got to tell you, I was listening very
12 intently with Representative Hudson on his issues
13 and concerns with the people who actually live in
14 that area, because they're the ones the most
15 affected immediately because they do live there, and
16 they've had access over time and they've been able
17 to use those trails and do some of those things.

18 So I'm going to make a leap here and vote yes
19 on this simply because I feel that the
20 superintendent has given me some hope, although we
21 did hear something that's true. This superintendent
22 goes out. That doesn't mean the next superintendent
23 has to follow suit of what the previous
24 superintendent did.

25 I've also been told that the federal government

1 and the Park Service can, down the road a few years,
2 20, 30, 40 years, decide they want to push to the
3 federal government that all that land be put in
4 primitive. They could also make that move on us. I
5 think if that happens, number one, I'd be the first
6 one in the door to the congressional delegation to
7 argue that point, number one.

8 Number two, I think it would be a reversal of
9 what we heard today that in my hopes is going to
10 happen, and that is as much access as possible for
11 the people who live in that area and the protection
12 of that land.

13 And I will vote today to support the motion,
14 but I still have some hesitancy, knowing that things
15 can change overnight as time goes on. And we've got
16 a former congressman here who served quite a few
17 years, and he's seen things turn over that's yea one
18 day and nay the next, depending on what the fortunes
19 of war are. So I've got a lot of faith in you,
20 Superintendent. I hope you're going to follow
21 through with that.

22 GOVERNOR CRIST: Thank you, Commissioner.

23 MR. RAMOS: Thank you, sir. I don't have any
24 plans of going anywhere. My kids have made a point,
25 they want to be raised here. They want to be

1 Floridians. I want to support that for them.

2 ATTORNEY GENERAL McCOLLUM: Governor.

3 GOVERNOR CRIST: General, please.

4 ATTORNEY GENERAL McCOLLUM: I came to this
5 point today very open-minded because of the red flag
6 that Commissioner Bronson raised a few weeks ago,
7 conversations with Commissioner Bergeron and several
8 of you, and also with several people with the
9 Department of Interior. I'm very concerned about
10 the designations, not the management plan. Although
11 we hadn't seen the management plan. We now, I
12 guess, have seen most of that.

13 And you have come today as superintendent,
14 reassured us of things that you anticipate doing.
15 You're a man, I think, of great honor and integrity,
16 and I expect that you will fulfill all of those and
17 that there will be far more access than maybe some
18 had anticipated or feared when you finally finish
19 the proposals and perhaps in the future have some
20 more NEPA hearings and so forth.

21 But as Commissioner Bronson points out, things
22 can change in Washington. However, there is a point
23 in time where this land is to be transferred. It's
24 been years in the making. We at that point as a
25 state give up a certain leverage, if you will, which

1 is what we have here today in the Cabinet, to get
2 specificity.

3 That leverage, however, doesn't fully go away
4 because, having been a congressman, I know the
5 congressional delegation will be most attentive to
6 this. And I don't think it will take a lot to get
7 them to come bang on somebody's door in future years
8 if the intent of the law, 1974 law, is not being
9 abided by or if there's enough disparity of judgment
10 that would go against perhaps what you've suggested
11 today by some future superintendent, administration
12 or whatever.

13 So I can understand the reluctance, I had it
14 myself, to make the formal approval and vote yes on
15 this, because it does give up that final degree of
16 control, and we haven't gotten everything we really
17 wanted nailed, and every single word. But I think
18 I'm hearing today Commissioner Bergeron saying he's
19 ready to go forward. However reluctant that was, he
20 said it. Commissioner Bronson said it today.
21 Representative Hudson is still hesitant, and I
22 understand that.

23 And I have, therefore, made up my mind, though,
24 that I will vote yes and we'll go forward today, and
25 I'm looking forward to many, many years of the Big

1 Cypress as a place not only for future protection of
2 our wildlife but also for recreation, and thank all
3 of you for the many hours that so many of you put
4 into this effort. We put in a few here, but many of
5 you, Superintendent, Commissioner Bergeron and your
6 staffs and your commissioners and other officials
7 have put in a lot more, and, Mimi, you have, too,
8 all the DEP folks. So thank you.

9 GOVERNOR CRIST: Thank you, General. CFO?

10 CFO SINK: Thank you, Governor. Superintendent
11 Ramos, I want to thank you for being here today
12 because I think without your presence, this vote may
13 have headed in a different direction. And it's
14 important that you were here today because we now
15 have your testimony on tape.

16 GOVERNOR CRIST: And in writing, duly
17 transcribed.

18 CFO SINK: And ten years from now, if the
19 federal government is headed in a direction that's
20 not to the satisfaction of the people of Florida, at
21 least, although the players might be changed, we can
22 always pull the tape up of these hearings today as
23 to what was committed to within your intent. And we
24 understand that you cannot make promises. And the
25 fact that in order to get anything designated as

1 wilderness has to get a congressional approval, in
2 this day and age, I doubt that's ever going to
3 happen.

4 But the important thing to me is a matter of
5 stewardship. I believe that -- and land management.
6 And with the incredibly difficult budget situation
7 we find our state in and I'm sure that we probably
8 are being challenged in terms of prescribed burnings
9 that we can afford to do on state-owned lands, it
10 gives me some comfort to know that I believe under a
11 combined federal management, that we do have the
12 hope of having these lands being taken care of
13 perhaps better than the State of Florida at this
14 point in time is able to do in terms of invasives
15 and burning.

16 And I appreciate, again, Commissioner Bergeron,
17 I know you've gone back and forth a lot on whether
18 or not this is a fair deal or not a fair deal. But
19 I appreciate your being here in particular, and also
20 Representative Hudson. And that's why I do believe
21 that after 40 years, it's an opportunity for us
22 sitting as the Board of Internal Improvement to
23 finalize this legacy to the people of the state of
24 Florida. Thank you, Governor.

25 GOVERNOR CRIST: Thank you, CFO. And I would

1 just like to add that I think we have a historic
2 opportunity here. I don't think there's any
3 question about it. And I want to thank
4 Representative Hudson for your thoughtful comments
5 and concern for your constituents. I want to thank
6 Commissioner Bergeron, as always, for your passion
7 and your true love of Florida.

8 Superintendent, thank you. I want to echo the
9 other sentiments that you've heard. Your presence
10 here today was significant and certainly made a
11 difference. So thank you for taking the time to do
12 so and to be here and to care as much as you do.

13 And I also want to thank former Governors Askew
14 and Graham, who also weighed in significantly on
15 this great historic opportunity as it relates to the
16 Big Cypress. And I can't help but think that
17 there's also a connection between what we're trying
18 to do in terms of conservation and stewardship in
19 the Everglades and what we're doing, about to do, I
20 think, here today as it relates to the Big Cypress.

21 So with that, we have a motion. We have a
22 second. All in favor, please say aye. Aye.

23 ATTORNEY GENERAL McCOLLUM: Aye.

24 CFO SINK: Aye.

25 COMMISSIONER BRONSON: Aye.

1 GOVERNOR CRIST: Opposed, like sign. It is
2 unanimous. Thank you very much, all of you, for
3 your hard work.

4 MS. DREW: Thank you.

5 (Applause)

6 MR. RAMOS: This is a historic moment. And I
7 will say that if there's ever anybody that wishes to
8 take away access opportunities that we're making
9 promises on today, I will be the first one going
10 through that door to the delegation's office,
11 Commissioner Bronson, to object to it.

12 I don't have four hats. And I'm not even sure
13 that I'm supposed to give away my hat. I may get in
14 trouble for it, but I'm willing to take a risk. And
15 I want you to have it. This is a historic moment.
16 And if I may, if somebody could take a picture.

17 (Photographs taken.)

18 GOVERNOR CRIST: Commissioner Bergeron,
19 Alligator Ron, Commissioner, can we get a photograph
20 with you and with the superintendent to please
21 document this historic occasion?

22 COMMISSIONER BRONSON: Well, let's see if Ron
23 gives you his hat. It's going to be harder to get
24 that one.

25 (Photographs taken.)

1 GOVERNOR CRIST: Thank you, superintendent.
2 Secretary.

3 MS. DREW: Shall we continue?

4 GOVERNOR CRIST: Well done. We should
5 continue. What's the alternative?

6 MS. DREW: I thought maybe the CFO was hungry.
7 Item 3 is a project which will result in improved
8 utilization of state-owned lands while serving
9 individuals with developmental disabilities. And
10 I'd like to represent -- I'd like to recognize ARC
11 of Jacksonville, who have 30 people here today in
12 the audience to support this item. Y'all want to
13 wave?

14 This is a request for consideration of a
15 determination that the use of Board of
16 Trustees-owned uplands is not contrary to the public
17 interest, that it is in the public interest to waive
18 the competitive bid requirement for a sublease
19 between Agency for Persons with Disabilities and the
20 ARC Jacksonville, a Florida nonprofit corporation,
21 and that it is in the public interest to grant a
22 99-year lease and sublease.

23 Consideration results in in-kind services for
24 developmentally disabled individuals geared toward
25 the Jacksonville area. Pete Mallison with the

1 Agency for Persons with Disabilities and Jim
2 Whittaker, the executive director of ARC
3 Jacksonville, are here today if you have any
4 questions.

5 GOVERNOR CRIST: Any questions?

6 CFO SINK: I move approval.

7 ATTORNEY GENERAL McCOLLUM: I second.

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

10 CFO SINK: Governor, let me --

11 GOVERNOR CRIST: Jim, did you want to present
12 and elaborate for us a little bit?

13 CFO SINK: We've already approved it.

14 GOVERNOR CRIST: Yeah, we have, but just
15 concisely, if possible. It's been a day, man.

16 CFO SINK: I think we've hit a record here,
17 Governor. I don't think we've ever been past 1:30
18 before.

19 GOVERNOR CRIST: You're probably right.

20 CFO SINK: We have?

21 GOVERNOR CRIST: No, no, no. I say you're
22 probably -- have we?

23 CFO SINK: We're not through yet.

24 GOVERNOR CRIST: We cannot reach a consensus on
25 that fine point. Jim, please.

1 MR. DeBEAUGRINE: Governor, I'm fading, too, so
2 I will make this brief. I did just want to
3 recognize the efforts of the individuals who drove
4 over here from Jacksonville, the ARC of Florida,
5 their executive director, Jim Whittaker, and
6 Bernadette Moran, the volunteer board member, who I
7 primarily worked with on this project. And, again,
8 just commend their effort.

9 And, sir, to all four of you, like previous
10 speakers, I've really enjoyed working with you over
11 the last two and a half years and really appreciate
12 your commitment and support to the individuals that
13 we serve at the Agency for Persons with
14 Disabilities. And, Governor, with that, I think
15 they were hoping to get a picture, if that's okay.

16 GOVERNOR CRIST: You can consider that done.
17 We'll do that. But I want to thank you, Jim, for
18 your great work. And, you know, during these past
19 four years, the economy has been difficult, and the
20 money has been low, but the commitment to those who
21 -- God bless you. Are you all right? I better
22 check. He's packing heat, so it's good to know he's
23 all right.

24 But to those who are the most vulnerable among
25 us, this administration has had a continuing

1 commitment to try to do everything we could to be
2 mindful of that fact. And but for the grace of God,
3 there go I. So let us get a photo.

4 COMMISSIONER BRONSON: Governor.

5 GOVERNOR CRIST: I'm sorry. Commish?

6 COMMISSIONER BRONSON: Since I was out of the
7 room, I'd like to be recorded as a yes on that vote,
8 since I was out of the room.

9 GOVERNOR CRIST: Yes, sir, of course.

10 CFO SINK: And, Governor, let me say that the
11 ARCs all around the state, UPARC, PARC you know
12 about, HARC, ARC Jacksonville, just are fantastic
13 organizations. And this is an example of a
14 volunteer-driven organization that scrambles for
15 funding every year to provide these services to --
16 just look at these fantastic young people who are
17 served by ARC in this audience today. This is a
18 fantastic project. Congratulations.

19 GOVERNOR CRIST: Jim, thank you. If you can
20 help us, we'll get a picture.

21 (Applause)

22 (Photographs taken.)

23 MS. DREW: Item Number 4, consideration of a
24 proposed final order in the matter of Tetra Tech
25 versus Mitigation Services and the Board of Trustees

1 of the Internal Improvement Trust Fund. Tetra Tech
2 filed an amended petition for formal administrative
3 hearing, charging that the Board of Trustees failed
4 to consider any of the required factors to determine
5 that the grant of a sole source contract for
6 mitigation banking services to Mitigation Services
7 was in the public interest.

8 The Department recommends adoption of the final
9 order. We have two speakers here today, Mary
10 Smallwood, representing the petitioner, who is Tetra
11 Tech, and John Wharton, the attorney for Mitigation
12 Services.

13 MS. SMALLWOOD: Well, it's always fun to be at
14 the end of a very long agenda. And I hope I didn't
15 break something important. I'll just put that right
16 there.

17 I have just a couple of very minor points I
18 want to make. Of course, you are in a situation
19 where you're faced with a recommended order, and you
20 have to make certain -- do certain things if you
21 were to reverse that. But there are two issues I
22 think are important to bring to your attention.

23 Number one, Tetra Tech, my client, is in the
24 mitigation banking business. They're a competitor
25 of Mitigation Services, which is why they filed the

1 challenge. They were not aware, at the time of your
2 initial action, that this was happening, so they
3 obviously had to come in after the fact to challenge
4 that.

5 Our concern in terms of the sole source
6 contract is that the real public interest
7 determination, as we saw it, focused more on the
8 private interests of our competitor than it really
9 did on the interest of the public. Now, during the
10 course of the proceeding there was testimony brought
11 out regarding the interest in avoiding litigation
12 potentially. There was no litigation filed.
13 Anybody could argue that speculatively it was
14 because of the action that you took.

15 I just suggest to you that if that is a factor
16 to be considered, it's only a single factor. There
17 are many factors specified in the rule, and we
18 strongly believe they all should be considered.

19 The other point I'd make is that the testimony
20 elicited at this hearing -- and in the recommended
21 order there is a finding which the proposed final
22 order would adopt -- is a finding that the State
23 actually is getting less compensation perhaps than
24 it should have. And I think that's something that
25 ought to be considered. So with that I will end my

1 comments. Thank you.

2 MS. DREW: Thank you, Mary. John Wharton.

3 MR. WHARTON: Governor, members of the Cabinet,
4 I'll be brief. John Wharton for Tetra Tech (sic)
5 PBC, LLC. It's our position and it has been our
6 position that the draft final order, which accepts a
7 recommended order which basically says that the
8 Board acted properly when it accepted a settlement
9 that was hammered out between my client, Mitigation
10 Services, and your staff, is correct.

11 Since Mr. David McIntosh appeared before the
12 Board twice on this matter, since you directed that
13 this sounded like a conundrum, it sounded like maybe
14 there were some rights here, this sounds like
15 something that ought to be settled, and sent the
16 matter back to your staff, where there was a
17 negotiation, and then that resulted in a settlement
18 agreement that you accepted, we have supported that
19 settlement agreement and intend to live up to our
20 obligations under that settlement agreement.

21 I will tell you that I did something in this
22 case, after it was finished before the
23 administrative law judge, I've never done in 25
24 years of administrative practice. I actually
25 submitted a proposed recommended order in the

1 alternative. And I said that under either theory,
2 what you did was proper. Either it was a settlement
3 that should not have been subjected to the
4 administrative code rule or should not have been
5 subjected to a hearing at the Division of
6 Administrative Hearings and therefore it was proper,
7 or under Tetra Tech's theory that the administrative
8 code rule did apply, you did make the requisite
9 findings under the administrative code rule.

10 And that is what the administrative law judge
11 found, that while and to our belief you did not have
12 to follow the administrative code rule, you did.
13 And Mr. Ballard testified about the public interest
14 findings that you made.

15 We support the recommended order. We support
16 the draft final order. The only other thing that I
17 would point out is that, with all due respect to the
18 consistent position of Tetra Tech in the hearing, if
19 you decide to reject the draft final order, if you
20 decide to reject the recommended order, that's not
21 going to result in these lands being bid out. This
22 was a very unique situation. All it's going to
23 result in is that we're not going to have a
24 settlement. The settlement will have fallen
25 through.

1 So I think the actions and we believe the
2 actions that you took in March of '09 were proper.
3 The administrative law judge found they were proper,
4 and we support the entry of the draft recommended
5 order. If you have any questions, I'd be happy to
6 answer them.

7 GOVERNOR CRIST: Thank you, sir.

8 ATTORNEY GENERAL McCOLLUM: I move Item 4.

9 CFO SINK: Second.

10 GOVERNOR CRIST: Moved and seconded. Show it
11 approved without objection.

12 MS. DREW: Thank you. Item 5 is request for
13 consideration of a five-year sovereignty submerged
14 lands lease, containing approximately 9,700 square
15 feet for a proposed 12-slip private residential
16 multi-family commercial docking facility and
17 authorization to exceed the preempted area to
18 shoreline ratio. Consideration resulted in
19 approximately \$1,800.

20 GOVERNOR CRIST: Is there a motion on Item 5?

21 ATTORNEY GENERAL McCOLLUM: So moved. I move
22 Item 5.

23 COMMISSIONER BRONSON: Second.

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

1 MS. DREW: Item 6, request for consideration of
2 an option agreement to acquire a perpetual
3 conservation easement over 2,848 acres within the
4 Bombing Range Ridge Florida Forever Project from the
5 Nature Conservancy and authorization to amend the
6 option agreement to reflect a proposed reduction in
7 initial acreage covered by the conservation easement
8 by approximately 204 acres which fall outside of the
9 area, along with provisions to allow for the future
10 inclusion of additional acreage. Designation of the
11 Department of Environmental Protection, Office of
12 Environmental Services is the monitoring agency,
13 with a total purchase price that will not exceed
14 \$5,696,000.

15 The parcel is located within Polk County and is
16 part of the Bombing Range Ridge Florida Forever
17 Project, and it ranked third in the Florida Forever
18 critical natural lands project category.

19 CFO SINK: Governor, I have a clarification of
20 some amendments on this item. Do you want to put up
21 the famous map, Mimi? That's upside down, isn't it?
22 No, it's not. Let me just clarify. Is it my
23 understanding at this point that the parcels that
24 are on the south end of this map -- I have a better
25 one here -- that we're excluding these? Go ahead.

1 MS. DREW: We're going to put a better map up
2 for you, based on changes that were agreed to.

3 CFO SINK: Mimi, why don't you describe what
4 the deal is as it's currently before us, and then
5 I'll see whether or not it's what I understand.

6 MS. DREW: The original concern was it looked
7 like a patchwork quilt. We had pieces of property
8 that were in, pieces of property that were out. And
9 I think negotiations resulted in dropping some of
10 those pieces of property that were patchwork, for
11 lack of a better word, and reducing the amount and
12 moving that line up farther. Is that helpful
13 enough?

14 CFO SINK: Okay. And is the language that
15 you're asking us to approve, we're authorizing the
16 staff to reduce the southern part, or we are, my
17 preference, directing the staff to reduce those
18 southern parcels?

19 MS. DREW: We had authorized. It was suggested
20 that you might want us to direct, and we'll be happy
21 to make that change, if you want to direct staff to
22 do that.

23 CFO SINK: I believe, Governor -- I believe we
24 need -- we ought to -- the only way that I will
25 approve it is if we direct the staff to reduce these

1 items that are in red, because otherwise we're going
2 to be purchasing conservation easements on little
3 pieces of property here and there. And to me, they
4 don't really have any value. But, rather, to have
5 the staff directed to concentrate on the area that
6 we see in black, which is the fill-in area, which
7 are all the green parcels that are a part of this
8 acquisition of these easements, and have the staff
9 focus on the remaining little bits and pieces --

10 MS. DREW: Correct.

11 CFO SINK: -- in the black area and not to be
12 dealing with any of the parcels on the southern end
13 of this -- what looks to be the southern end of this
14 property, and to incorporate this map as a part of
15 the order so that in the future, rather than my
16 words, people in the future can exactly see what
17 we're talking about here.

18 MS. DREW: What we've been directed to do.

19 CFO SINK: Does that work?

20 MS. DREW: Yes, ma'am, it does.

21 ATTORNEY GENERAL McCOLLUM: Well, is my
22 understanding right, if I might, CFO, that the green
23 areas inside the black already are part of the deal
24 we're talking about today, but all these white and
25 blue areas, or pale green and blue, are not? I

1 mean, Lightsey owns the blue and somebody else has
2 these other ownerships. So even if we do what we're
3 doing and the CFO suggests we confine it to the area
4 where we have the large holdings, the option that
5 we're talking about is an option to buy all the
6 green right now? Is that what it is?

7 MS. DREW: Conservation easement, correct.

8 ATTORNEY GENERAL McCOLLUM: Conservation
9 easement, I should say, the option to have a
10 conservation easement, to buy a conservation
11 easement. But the other ownership properties are
12 still there, wholly owned outside of the Nature
13 Conservancy. The conservation easement wouldn't
14 apply to those properties, right?

15 MS. DREW: That's correct. And what we tried
16 to do was to try to, I guess, lump some properties
17 together that made more sense rather than having
18 multiple small easements. And we have a commitment,
19 in partnership with the Nature Conservancy, to
20 actively pursue ownership of those other properties
21 to eventually maybe include more.

22 ATTORNEY GENERAL McCOLLUM: Okay. Thank you.

23 CFO SINK: So I'm making a motion to that
24 effect.

25 GOVERNOR CRIST: Friendly amendment.

1 CFO SINK: Yeah, with an amendment.

2 GOVERNOR CRIST: Is there a second to that
3 friendly amendment?

4 ATTORNEY GENERAL McCOLLUM: I'll second it.

5 GOVERNOR CRIST: Moved and seconded, with no
6 objection.

7 COMMISSIONER BRONSON: But total confusion.

8 GOVERNOR CRIST: Anything else before we --

9 CFO SINK: That's why that map is in there.

10 GOVERNOR CRIST: -- vote on the overall? Is
11 there a motion to approve the whole thing as
12 amended?

13 CFO SINK: I move, yes.

14 GOVERNOR CRIST: Is there a second?

15 CFO SINK: Second, yeah.

16 ATTORNEY GENERAL McCOLLUM: Second. I'll
17 second it.

18 GOVERNOR CRIST: Moved and seconded. Adopted
19 as amended without objection.

20 CFO SINK: Clear as mud, right, Mimi? Thank
21 you, Governor.

22 GOVERNOR CRIST: Item 7. Thank you.

23 MS. DREW: We were asked to present Item 7,
24 which is a slide show of the Deepwater Horizon oil
25 spill incident. In the interest of time, if you

1 would rather just have -- I have Lee Edmiston here,
2 who is the head of our Coastal and Aquatic Managed
3 Areas office. He can answer questions. He can do
4 the slide show, whatever the Cabinet would like.

5 GOVERNOR CRIST: Maybe you all would be kind
6 enough to present those slides to each of our
7 offices and we can review them, if that's okay.

8 MS. DREW: That's perfectly fine. And we'll be
9 happy to answer -- if you have specific questions
10 for us today as to the status of what we're doing
11 regarding the oil spill or the natural resource
12 damage assessment, I'd be happy to answer questions.

13 GOVERNOR CRIST: Thank you, Mimi. Any
14 additional questions?

15 CFO SINK: Well, yes, Governor.

16 GOVERNOR CRIST: Please, CFO, of course.

17 CFO SINK: I do have some comments to make, and
18 I'll make them brief, about the claims process,
19 because obviously we're all getting ready to leave,
20 and we're the ones who have been dealing, within our
21 own agencies, on all the issues of the oil spill.
22 But particularly my interest has been on the claims
23 process. I know the Attorney General, you have been
24 working on this. But this process is still not
25 working.

1 And I am preparing yet another letter to
2 Mr. Feinberg that outlines the continued concerns
3 that our office is hearing from many of the small
4 business owners. And through our staffs, I'm going
5 to ask each of you to look at it and consider
6 whether or not you would want to sign it with me.
7 It will have more power, I think, perhaps if we sign
8 it collectively or all together.

9 But it just reveals that this process has
10 been -- continues to be inefficient. It's unfair.
11 150,000 claims have been filed by Floridians, but
12 only 40 percent of them have been paid. A third of
13 them have been denied. And we don't understand the
14 reasons for the denial. The claimants just get
15 information back that your claim has been denied.
16 And then when they try or attempt or even my office
17 tries or attempts to find out why the claim was
18 denied, it's just very, very, very difficult to get
19 to the bottom of it. And then we have 20 percent
20 that are still in limbo land.

21 And I know, General McCollum, you've had
22 many -- several meetings with Mr. Feinberg, but his
23 words are not being followed by his actions. When I
24 met with him, he invited me to present to him any
25 claims that we were working on that had come through

1 our office. And we presented him with a notebook of
2 about 60 claims that we felt had not been addressed,
3 and we haven't received any feedback. And the
4 process -- then he said that he's going to give us a
5 Florida claims person who is located in Dublin,
6 Ohio. And we can't get any answers from whoever
7 that person in Dublin, Ohio is.

8 So it's really, to me, a serious situation.
9 We've got Tommy Holmes, the bait and tackle owner
10 over in Pensacola, been in business for 23 years.
11 He as 12 employees, three different companies.
12 We've been working with him since April. He's filed
13 well documented, because he's been working with an
14 accountant that I know over there, losses of over a
15 million dollars from his business. And he went for
16 four months without a penny, and living -- depleting
17 his savings, using his personal lines of credit.
18 He's received all of \$125,000 in claims payment.
19 And he's just at the end of his rope. He's getting
20 ready to have to lay off people.

21 And we've got just any number of examples here.
22 And I just believe that it is imperative that the
23 people -- the four people who are going to be
24 sitting up here in January have got to keep this
25 fight going and be very, very aggressive about

1 holding Feinberg accountable for being so incredibly
2 unresponsive to Floridians and to Florida business
3 owners.

4 ATTORNEY GENERAL McCOLLUM: If I could,
5 Governor.

6 GOVERNOR CRIST: Yes, General.

7 ATTORNEY GENERAL McCOLLUM: CFO Sink is
8 correct, that there is a mess when it comes to the
9 claims process for individuals and businesses trying
10 to collect. It is an unevenness in the payment of
11 these claims, sometimes discrepancies that don't
12 reflect why, why would a waitress working in the
13 same restaurant, getting certain claims paid and
14 another waitress working similar hours in the same
15 getting a different result.

16 And then -- that's one issue. The other big
17 issue is what we call the protocol discussion.
18 Mr. Feinberg has been very versed in a period of
19 time where he had an emergency protocol, where he
20 had a procedure set up for how and what criteria
21 were going to be there to honor claims. And then
22 now he's promulgated what he says is the final
23 protocol.

24 Our office and your advisory group, the legal
25 advisory group that former Attorney Generals

1 Butterworth and Smith chair, have been working very
2 hard with the task force on this, as well as with
3 CFO Sink. And the protocol is pretty well nailed.
4 There are two or three major issues wrong with it.
5 Feinberg has made some progress. We should give him
6 some credit for this, at least in yielding to us.

7 There is going to be an interim payment plan,
8 which is in accordance with the federal law, the
9 Pollution Act, which up until now, a few weeks ago,
10 he had not acceded to that being necessary, but it
11 is. And he now is going to continue for the
12 three-year duration after the event, when somebody
13 can file a claim under the federal law that they
14 will be able to file this claim against the
15 \$20 billion fund, and they can keep it open so they
16 don't have to have a final settlement. They can
17 periodically submit claims. He would prefer they do
18 it quarterly, he says, in his protocol, but they
19 could do it.

20 And then there's a lot of discussion about the
21 release, if anybody signs a final release. A lot of
22 technical things I don't want to go into at length
23 today. But CFO Sink has brought up this. It's been
24 an enormous time-consumer, to the public benefit,
25 but an enormous time-consumer to a lot of my staff,

1 my personal time, as well as many others, in having
2 to work through this.

3 I met with Mr. Feinberg about two or three
4 weeks ago now in Washington with my staff at some
5 length over this protocol. I met with him
6 personally, as did Attorney General-Elect Bondi and
7 General Butterworth, along with a couple of other
8 attorney generals in Fort Lauderdale at the National
9 Association of Attorney Generals meeting just last
10 week.

11 And we raised with him in that meeting not only
12 the protocol issues that are still outstanding, and
13 there are several -- which by the way, the Justice
14 Department agrees with us for the most part on. And
15 we also raised with him the very things you raised,
16 CFO Sink, and, Alex, those are the myriads of people
17 who aren't getting service properly because -- I
18 think the primary reason it's difficult is he's got,
19 I don't know, 25 people or so who are administering
20 these claims at a central location, and there's no
21 decision-making authority he's been willing to
22 relinquish to what used to be adjustors, under the
23 BP process, who could make these final decisions in
24 Florida, in Louisiana, in Alabama. And instead,
25 he's never yet acknowledged that despite the

1 continued backlog and growth of these claims, that
2 he needs to have more people doing this and more
3 people on the ground here, where people can talk
4 about it with him.

5 One last thing I'd comment on. He says he
6 regrets it, but he had proposed an appeals process,
7 and now it's going to apparently be an appeals
8 process that will only be for very large claims.
9 Most of these claims are pretty small.

10 And so arbitrarily he's gotten himself in a
11 box. I would say that there is no requirement under
12 law that he have an appeals process. But we think
13 he should have one. I suspect you think he should
14 have one, mainly because the process isn't working
15 the way it should. But at the end of the day, he is
16 the final arbiter, and the claims are, of course,
17 ultimately the responsibility of BP and the other
18 parties in Deepwater Horizon.

19 I don't want to belabor this further, but you
20 raised a very good point. I haven't examined your
21 letter yet, CFO Sink, but I will. We've been in
22 such a huge amount of interchange. In fact, I think
23 I'll have a phone call later today, it may have run
24 past it now, with Jack Lynch, who is the general
25 counsel for BP, because I have technical issues

1 about reopening the releases.

2 Suppose something happened. Suppose next storm
3 season we found out there's something left on the
4 bottom that gets thrown up. Suppose the fishermen
5 that are out of their jobs right now making claims,
6 they want to get a final settlement at some point.
7 They've got their job back. They think they're
8 fishing fine, and Commissioner Bronson or somebody
9 else determines that, hey, the fish population isn't
10 there anymore, they've been damaged, or they're
11 determined to be poisoned or something. We don't
12 know. But there's no out in the release.

13 There's lots of things like that, just lots of
14 things. And Mr. Feinberg has been cooperative on
15 some and very difficult on a lot. But thank you for
16 doing this. Thank you for raising it.

17 And, by the way, thank DEP. We haven't even
18 begun to get to the state claims yet, which by the
19 way, are directed against BP itself. And we still
20 know there will be issues there when we get to that
21 point. These are all claims for private citizens
22 we're talking about, who maybe are fishermen or own
23 restaurants or businesses that have been affected.
24 But we've made some progress, and yet it's very
25 frustrating.

1 CFO SINK: Thank you, General.

2 GOVERNOR CRIST: Thank you, General. Thank
3 you, CFO. And I'll review the letter as well, and
4 appreciate you bringing it up.

5 MS. DREW: That concludes our agenda. Thank
6 you. I've enjoyed working with you.

7 CFO SINK: Thank you.

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1 GOVERNOR CRIST: SBA.

2 ATTORNEY GENERAL McCOLLUM: We should say, this
3 is our departing moment, with the Commissioner
4 leaving us. It's been a great privilege to serve
5 with you for these four years. I think all of us
6 feel that way, for each of us, with you.

7 COMMISSIONER BRONSON: It's been wonderful.
8 I've had a great run with this Board, and I think
9 we've done some good things.

10 GOVERNOR CRIST: We'll see you Thursday.

11 COMMISSIONER BRONSON: Yes.

12 GOVERNOR CRIST: Stay tuned.

13 ATTORNEY GENERAL McCOLLUM: We've got one more
14 thing, don't we? That's right, one more item.

15 GOVERNOR CRIST: That one is going to be this
16 long, too.

17 Ash, how are you, sir?

18 MR. WILLIAMS: Good. Thank you. Good
19 afternoon, Governor, Trustees. Item 1, request
20 approval from the October 12 meeting, of the
21 minutes.

22 CFO SINK: Move it.

23 ATTORNEY GENERAL McCOLLUM: Second.

24 GOVERNOR CRIST: Approved.

25 MR. WILLIAMS: Thank you. Item 2, request

1 approval of a fiscal determination for an amount not
2 exceeding \$11,180,000, Florida Housing Finance
3 Corporation Multifamily Mortgage Revenue Bonds.

4 CFO SINK: Move it.

5 ATTORNEY GENERAL McCOLLUM: Second.

6 GOVERNOR CRIST: Approved without objection.

7 MR. WILLIAMS: Thank you. Item 3, request
8 approval of a fiscal determination of an amount not
9 exceeding \$6 million Florida Housing Finance
10 Corporation Multifamily Mortgage Revenue Bonds.

11 ATTORNEY GENERAL McCOLLUM: I move Item 3.

12 CFO SINK: I second.

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

15 MR. WILLIAMS: Thank you. Item 4, request
16 approval of and authority to file a Notice of
17 Proposed Rule for two rules listed here for the
18 Florida Hurricane Catastrophe Fund.

19 CFO SINK: I move it.

20 ATTORNEY GENERAL McCOLLUM: Second.

21 GOVERNOR CRIST: Moved and seconded. Show it
22 approved without objection.

23 MR. WILLIAMS: Thank you. Item 5, we request
24 approval to join as an additional plaintiff in the
25 litigation styled Abu Dhabi Commercial Bank v.

1 Morgan Stanley & Company.

2 ATTORNEY GENERAL McCOLLUM: I move Item 5.

3 CFO SINK: Second.

4 GOVERNOR CRIST: Show it approved without
5 objection.

6 MR. WILLIAMS: Thank you. Item 6, request
7 approval of the 2011 Corporate Governance Principles
8 and Proxy Voting Guidelines. These guidelines
9 simply adopt technical changes. There are no
10 substantive changes to the guidelines you've
11 approved previously.

12 CFO SINK: I move it.

13 ATTORNEY GENERAL McCOLLUM: Second.

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

16 MR. WILLIAMS: Thank you. Moving on with other
17 items on Item 6, all of the normal standing reports
18 for our quarterly SBA trustees meetings are
19 attached. I'll be happy to answer any questions you
20 may have regarding them.

21 And I would say, just to bring you up to date,
22 current on where the fund is, first of all, as of
23 last night's close, the Florida Retirement System
24 Trust Fund is up 11.52 percent calendar year to
25 date, net of all costs. That puts us at

1 \$122.2 billion.

2 To put that asset level in perspective, that is
3 back to the level we were at in September '08, which
4 is before Lehman Brothers failed, and that's net of
5 paying out roughly \$4 billion plus for each of those
6 two ensuing years in benefit costs. That's slightly
7 behind benchmark, however, about 100 basis points
8 behind our benchmark calendar year to date.

9 On the pension plan, you know, we normally do
10 the quarterly reports, and I would say that for the
11 third quarter ended 30 September 2010, our results
12 for the pension plan for the trailing one- and
13 three-year periods were in the top quartile of the
14 TUCS universe of large pension funds.

15 I would add to that that in the DB, defined
16 benefit universe for the third quarter, we exceeded
17 the median for the one-, three- and five-year
18 periods. However, over the trailing ten-year period
19 we slightly underperformed the median of the TUCS
20 Universe.

21 On the investment plan, which is the defined
22 contribution plan, the plan exceeded aggregate
23 benchmarks for one-, three- and five-year periods.
24 The expense ratio for the defined contribution plan
25 for '09 was 23 basis points, which is four basis

1 points below our peer group, which is to say we're
2 operating at low cost.

3 Florida PRIME has maintained its AAA rating at
4 \$5.3 billion in assets as of quarter's end. Fund B
5 has now been brought down to a market value of
6 \$283.8 million, and we've distributed almost
7 81 percent, 80.6 percent of the assets originally in
8 Pool B back to participants.

9 The Cat Fund, as of 9/30, has \$9.77 billion on
10 hand and is certainly in the strongest position it's
11 been in for some years. And from an investment
12 perspective, it has exceeded its benchmark for the
13 third quarter and for one- and ten-year periods,
14 while lagging slightly in the three- and five-year
15 periods. Other standing reports are there. As I
16 said, happy to answer any questions.

17 And just on a point of personal privilege, I
18 just wanted to thank the three of you, Governor
19 Crist, General McCollum, CFO Sink. It's been an
20 honor and privilege to serve, as everyone else has
21 said, and all sincerely I'm sure, but with your
22 leadership, I think we've protected assets
23 effectively. We've prudently earned substantial
24 returns. We have reduced risk, and we've positioned
25 the portfolio properly for the current opportunities

1 and for those we can see on the horizon. I thank
2 you for your leadership.

3 ATTORNEY GENERAL McCOLLUM: If I might,
4 Governor.

5 GOVERNOR CRIST: Yes.

6 ATTORNEY GENERAL McCOLLUM: It's not a
7 question. I just want to comment that despite many
8 times where we've had discussions and perhaps even
9 among ourselves a few disagreements about things, I
10 think we probably share a respect for your
11 stewardship and the great work you've been doing,
12 Ash, and certainly understand the difficult times
13 economically that we faced as a group, as a state,
14 as a people.

15 And for our pension funds to be doing as well
16 as they are in light of all that's gone on
17 nationally and in the economy is a great tribute to
18 the people you selected to help you and us and the
19 State and the people of Florida. And we just wish
20 you well, at least I do, and I think I speak for all
21 of us, in the coming months as hopefully your
22 stewardship continues.

23 MR. WILLIAMS: Thank you.

24 GOVERNOR CRIST: CFO?

25 CFO SINK: Ditto. And it's nice to end the

1 year at our last board meeting at \$122 billion, even
2 after we've paid out, what, about \$8 billion in
3 benefits to the people of Florida. So nice
4 recovery, good stewardship, and thank you for all
5 your hard work. And please convey our thanks to all
6 the staff members who have been through a lot over
7 the course of the last four years, the most
8 difficult financial environment in the history of
9 our country, and you've come through it pretty well.

10 MR. WILLIAMS: Thank you.

11 GOVERNOR CRIST: I would echo the same, Ash.
12 And as I mentioned to you last night, thank you for
13 your great stewardship and your wonderful
14 leadership. You've done Florida proud. And
15 122 billion is -- that's a number. Thank you. Well
16 done.

17 MR. WILLIAMS: Thank you.

18 GOVERNOR CRIST: Merry Christmas.

19 (whereupon, the meeting was concluded at 2:00
20 p.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 5 through 211, 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 23rd day of December 2010.

JO LANGSTON
Registered Professional Reporter