

THE CABINET
STATE OF FLORIDA

REPRESENTATIVES
DIVISION OF BOND FINANCE
STATE BOARD OF ADMINISTRATION
ADMINISTRATION COMMISSION

The above agencies came to be heard before THE
FLORIDA CABINET , the Honorable Governor Scott
presiding, at the Stanley Switlik Elementary School,
Marathon, Florida, on May 8, 2012, commencing at 9:00 a.m.

Reported by:
Lisa H. Bewley

All Keys Reporting

Olde Town Centre
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APPEARANCES :

REPRESENTING THE FLORIDA CABINET :

RICK SCOTT

Governor

PAM BONDI

Attorney General

JEFF ATWATER

Chief Financial Officer

ADAM PUTNAM

Commissioner of Agriculture

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I N D E X

DIVISION OF BOND FINANCE

(Presented by BEN WATKINS)

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STATE BOARD OF ADMINISTRATION

(Presented by BEN WATKINS)

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ADMINISTRATION COMMISSION

(Presented by DANNY KILCOLLINS)

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1 DIVISION OF BOND FINANCE

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P R O C E E D I N G S

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(The agenda items commenced at 9:30 a.m.)

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GOVERNOR SCOTT: I'd like to recognize Ben

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Watkins with the Division of Bond Finance who will

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present the Wastewater Construction Project. Good

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morning.

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MR. WATKINS: Good morning, Governor, Cabinet

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Members. If we could go a little bit out of order

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and talk about the Keys Wastewater Project first. So

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this is Item No. 5 on our agenda, and it's a

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resolution authorizing the issuance and competitive

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sale of 50 million dollars in Everglades restoration

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revenue bonds to provide funding for construction of

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sewage collection treatment facilities here in the

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Keys. There's been an ongoing effort for the local

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governments here in the Keys to provide for sewage

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collection and disposal facilities and this money

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that was authorized by the Legislature will help

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defray the costs of those improvements.

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GOVERNOR SCOTT: While I ran for Governor and

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since I've been Governor, I've heard from individuals

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from the Keys about how important this is. It's

1 extremely important to the Keys; it's extremely
2 important from an environment standpoint also. It
3 helps create some jobs in the meantime. But it's
4 important to do it, and I know that this isn't the
5 end, we're going to continue to look at this because
6 I think the initial appropriation was for a total of
7 200 million. This is the first 50; is that right?

8 MR. WATKINS: That's correct.

9 GOVERNOR SCOTT: All right. Is there a Motion
10 to approve the item?

11 ATTORNEY GENERAL BONDI: Move to approve.

12 GOVERNOR SCOTT: Is there a Second?

13 CFO ATWATER: Second.

14 GOVERNOR SCOTT: Moved and Second, this Item is
15 approved without objection. So congratulations.

16 MR. WATKINS: Do you want me to continue with
17 the agenda?

18 GOVERNOR SCOTT: Yes.

19 MR. WATKINS: So back at the beginning, Item
20 Number 1 is approval of the Minutes of the March 20th
21 meeting.

22 CFO ATWATER: So moved.

23 GOVERNOR SCOTT: Is there a Second?

24 ATTORNEY GENERAL BONDI: Second.

25 GOVERNOR SCOTT: Moved and Second showing this

1 Item is approved without objection.

2 MR. WATKINS: Item Number 2 are reports of award
3 on bond sales that we have executed since the last
4 Cabinet meeting. Item Number A is a 223.6 million
5 dollar public education capital outlay bond
6 refunding. The bonds were awarded to the low bidder
7 at a true interest cost of 1.90 percent allowing us
8 to reduce the interest rate on outstanding bonds from
9 4.81 percent to 1.90 percent, generating gross debt
10 service savings of 39.9 million, present value
11 savings of 36 million.

12 GOVERNOR SCOTT: Thank you.

13 MR. WATKINS: B is also competitive sale of
14 53.7 million dollars in dormitory revenue bonds for
15 Florida International University. The bonds were
16 awarded to the lower bidder at a true interest cost
17 of 4.07 percent. Forty-seven and a half million is
18 for construction of a new dorm, six.two million was
19 for refunding for debt service savings.

20 And lastly, Item C is twenty-six and a half
21 million dollars of dormitory revenue bonds for the
22 University of Florida. The bonds were awarded to
23 the low bidder at a true interest cost of
24 3.18 percent and it will fund renovation of the
25 dormitory facilities at the University of Florida.

1 That concludes the reports of award.

2 Item 3, moving onto Item 3 is the Resolution
3 authorizing the issuance and competitive sale of 190
4 million of Florida Forever revenue refunding bonds
5 for debt service savings.

6 GOVERNOR SCOTT: All right. Is there a motion
7 to approve?

8 ATTORNEY GENERAL BONDI: So moved.

9 GOVERNOR SCOTT: Is there a Second?

10 CFO ATWATER: Second.

11 GOVERNOR SCOTT: Moved and Second, showing this
12 item approved without objection.

13 MR. WATKINS: Item Number 4 are resolutions
14 authorizing the issuance and competitive sale of
15 forty million dollars in University system
16 improvement refunding bonds also for debt service
17 savings.

18 GOVERNOR SCOTT: Is there a motion to approve?

19 ATTORNEY GENERAL BONDI: So moved.

20 GOVERNOR SCOTT: Is there a second?

21 CFO ATWATER: Second.

22 GOVERNOR SCOTT: Moved and second showing this
23 item approved without objection.

24 MR. WATKINS: And that concludes the -- no, one
25 last one. Item Number 6 are resolutions authorizing

1 the issuance of competitive sale of 49 million
2 dollars in dormitory revenue bonds for construction
3 of an 800-bed housing facility for Florida A&M
4 University.

5 GOVERNOR SCOTT: So now does the University
6 require students to live on campus?

7 MR. WATKINS: Yes. Freshman students have to
8 live on campus, yes, sir.

9 GOVERNOR SCOTT: So would it have an impact on
10 some of these bonds if they didn't have that
11 requirement?

12 MR. WATKINS: It would make it -- it would be a
13 challenge. It would be -- not having the ability to
14 require freshman students to live on campus could
15 have an impact on how the rating agencies would view
16 the University's ability to attract and retain
17 students for the existing housing system. I can't
18 say that it's going to make a difference one way or
19 the other, but from a credit rating standpoint I
20 believe that would -- they would view that
21 negatively.

22 GOVERNOR SCOTT: All right. Can you let me know
23 which of our universities do this, which of them have
24 a requirement? Because I don't think all of them do,
25 right?

1 MR. WATKINS: Not all of them.

2 GOVERNOR SCOTT: Would you let me know?

3 MR. WATKINS: Yes, sir, we will take a look at
4 that absolutely.

5 GOVERNOR SCOTT: All right. Is there a motion
6 to approve this item?

7 ATTORNEY GENERAL BONDI: So moved.

8 GOVERNOR SCOTT: Is there a second?

9 CFO ATWATER: Second.

10 GOVERNOR SCOTT: Moved and Second, that item is
11 approved without objection.

12 MR. WATKINS: That concludes the agenda for the
13 Division of Bond Finance.

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1 STATE BOARD OF ADMINISTRATION

2 MR. WATKINS: And with your permission,
3 Governor, what I would like to do is convene a
4 meeting of the State Board of Administration to
5 determine fiscal sufficiency relative to the bond
6 issues that we just authorized.

7 So Item Number 1 for the State Board of
8 Administration is approval of the fiscal sufficiency
9 of 190 million dollars in Florida Forever Revenue
10 Refunding Bonds.

11 GOVERNOR SCOTT: Do we need to do these all
12 together?

13 MR. WATKINS: If we could, Governor. So Items 1
14 through 4 -- there's four different items, Number 1 I
15 just recited to you, Number 2 is fiscal sufficiency
16 for 40 million dollars in University and system
17 improvement revenue refunding bonds. Item 3 is the
18 50 million dollars Everglades restoration bonds for
19 the Florida Keys sewers. And lastly, Item 4 is
20 fiscal sufficiency for 49 million dollars of
21 dormitory revenue bonds for Florida A&M University.

22 GOVERNOR SCOTT: Is there a motion to approve?

23 ATTORNEY GENERAL BONDI: So moved.

24 GOVERNOR SCOTT: Is there a second?

25 CFO ATWATER: Second.

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GOVERNOR SCOTT: Moved and Second, the items are approved. Thank you, Ben.

MR. WATKINS: Thank you all.

1 ADMINISTRATION COMMISSION

2 MR. KOON: Next up, I'd like to introduce Danny
3 Kilcollins. Danny is the planning manager from the
4 Response Bureau at the Division of Emergency
5 Management. Danny is going to explain the 2012
6 Statewide Emergency Shelter Plan. So, Danny.

7 MR. KILCOLLINS: Good morning, Governor and
8 Cabinet. The 2012 Statewide Emergency Shelter Plan
9 provides a guide for local and regional planning for
10 new public school construction. The plan quantifies
11 the location, both region and county, square footage
12 of needed general population and special needs
13 shelter capacity that's needed to eliminate the
14 deficit of safe space.

15 We've made tremendous strides in the state in
16 the last 12 years. And I believe there may be a
17 map. This (indicating) was in 2000, this is when
18 our statewide shelter deficit was the largest that
19 we've had. You see a lot of red counties there,
20 those at 50,000 are greater deficits of shelter
21 space. The yellows have less than 50,000, but
22 you'll notice that most of those yellow counties are
23 up in the panhandle and north Florida, the general
24 population. It doesn't mean they had that much less
25 of a deficit compared to the population. So the

1 whole state had a big deficit of shelters.

2 Through a combination of hurricane shelter
3 surveys, retrofitting of existing schools and public
4 facilities and use of enhanced hurricane resistance
5 construction standards in new schools, we've been
6 able to create 939,000-plus hurricane shelter spaces
7 in the state in the last 12 years. About 50 percent
8 of those have been in new school construction, which
9 is modern codes, making sure that they include
10 facilities such as bathrooms and such within the
11 facilities, they're able to move around. So all
12 those features were built into these new schools.

13 With both general population and special needs
14 combined, 37 counties now indicate or demonstrate
15 that they have a surplus, 37 counties. Nothing like
16 that was available in 2000 or 2004.

17 At this point eight regions can demonstrate a
18 surplus of general population shelters in the state.
19 Special needs still has a definite in seven regions,
20 but there's still been some significant
21 improvements. And as you can see, there's a lot of
22 green on there, which is the areas that have surplus
23 in them. And the one in red still being southwest
24 Florida, that is an area that has tremendous storm
25 surge vulnerability. Now that does not mean that we

1 don't have individual counties that still have shelter
2 deficits, such as the Keys. There aren't many options
3 here, so they have to go to the mainland. But the region
4 as a whole, Broward and Miami-Dade, do have excess
5 capacity. So there is available shelter space for those
6 people who need it.

7 Also keep in mind that the population in
8 Florida still continues to grow. We do expect over
9 the next five years that about 800,000-plus persons
10 will still continue to move to the state of Florida.
11 There will also be vulnerable areas such as storm
12 surge or flood prone areas, and roughly 8 percent of
13 those are expected to go to public shelters. So we
14 can't just sit where we are right now, we have to
15 continue to generate shelter capacity to keep up
16 with those demands.

17 And with that, that's the Statewide Shelter
18 Plan. If you've got any questions, I'll be happy to
19 answer them.

20 GOVERNOR SCOTT: I don't think we have.

21 MR. KILCOLLINS: Thank you very much.

22 MR. KOON: Governor, I now offer the plan for
23 consideration by you and the Cabinet. Any questions?

24 GOVERNOR SCOTT: Is there a motion to approve
25 the Shelter Plan?

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COMMISSIONER PUTNAM: So moved.

GOVERNOR SCOTT: Is there a second?

CFO ATWATER: Second.

GOVERNOR SCOTT: Moved and Second, the Shelter Plan is approved without objection. Thank you very much. And thank you for all the students helping.

(Proceedings concluded at 10:35 a.m.)

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STATE OF FLORIDA
COUNTY OF MONROE

REPORTER'S CERTIFICATE

I, LISA BEWLEY, Court Reporter, DO
HEREBY CERTIFY that I was authorized to, and did
stenographically report the foregoing proceedings in the
above-styled case, and that the transcript is a true and
complete record of my stenographic notes.

I FURTHER CERTIFY that I am not a relative, employee,
attorney, or counsel of the parties, nor am I a
relative or employee of any of the parties, attorney
or counsel connected with the action, nor am I
financially interested in the action.

DATED this 24th day of June, 2012.

Lisa Bewley