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## South Florida Water Management District

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### MINUTES GOVERNING BOARD WORKSHOP

January 12, 2009

1:00 PM

District Headquarters - B-1 Auditorium

3301 Gun Club Road

West Palm Beach, FL 33406

Members Present:

**Eric Buermann, Chair**

**Michael Collins**

**Charles Dauray**

**Shannon Estenoz**

**Paul C. Huck Jr.**

**Melissa Meeker**

**Jerry Montgomery**

**Patrick Rooney**

**1. Call to Order** - Eric Buermann, Chairman, Governing Board

Chair Buermann called the meeting to order at 1:07 pm.

**2. Pledge of Allegiance** - Eric Buermann, Chairman, Governing Board

Mr. Dauray led the group in the Pledge of Allegiance.

**3. Approval of Minutes**

Approval of the Minutes from the December 2, 2008, and the December 15-16, 2008, meetings held in West Palm Beach, Florida

Motion made by Jerry Montgomery, seconded by Shannon Estenoz to Approve the following item(s): 3

Vote called. Voting yes: Jerry Montgomery, Shannon Estenoz, Eric Buermann, Michael Collins, Charles Dauray, Paul C. Huck Jr., Melissa Meeker, Patrick Rooney. Motion passed.

**4. Agenda Addendum** - Annette Carter, Director, Governing Board & Executive Services

Annette Carter, Director, Governing Board & Executive Services, read into the record: Section 120.525, Florida Statutes, allows the District to change the published agenda for good cause shown, as determined by the presiding officer. Based upon that authority, the Chairman has determined that good cause exists to make certain changes to the Agenda. These changes are being made in order to permit the Governing Board to efficiently accomplish necessary public business at this meeting and to reflect the items on the agenda that have been requested or suggested to be deleted, revised, supplemented or postponed. These changes have been listed in the Governing Board Addendum available at the entrance to this meeting room.

**5. Abstentions by Board Members from items on the Workshop Agenda**

Mr. Huck abstained from Workshop Agenda Item 9.

Mr. Rooney pulled for discussion Consent Agenda Item 16 from tomorrow's agenda.

**6. Water Conditions Report - Susan Sylvester, Director, Operations Control Department (ext. 5152)**

Susan Sylvester, Director, Operations Control Department, presented information on the 2009 dry season rainfall for the upper Kissimmee Basin, Lake Istokpoga, Lake Okeechobee, and the coastal and conservation areas.

**7. Ecological Conditions Report - Dean Powell, Director, Watershed Management Department (ext. 6787)**

Dean Powell, Director, Watershed Management Department, presented an update on the ecological conditions of the Kissimmee River and Lake Okeechobee. Mr. Powell reported on the St. Lucie and Caloosahatchee estuary salinity, the STA-5 rehabilitation project, the tree islands in the conservation areas, and the wading bird breeding season for 2008.

**Water Resources**

**8. Kissimmee River Reservation Rulemaking Update - Chip Merriam, Deputy Executive Director, Water Resources (ext. 6597)**

Chip Merriam, Deputy Executive Director, Water Resources, presented an update on the Kissimmee River reservation rulemaking. Mr. Merriam reported on the stakeholders meetings, the public process meetings, peer review meetings and the upcoming dates for the water reservation rulemaking.

Ms. Estenoz commented on ocean outfall legislation, the Floridan, and requested staff guidance and Board discussion on the upcoming deadlines for this legislation.

Mr. Merriam commented on reuse and salt-water intrusion in Broward County.

Ms. Wehle suggested this be workshopped to discuss some of the constraints and incentives on a reuse program in Broward County.

**Everglades Restoration**

**13. Everglades Restoration Update - Tommy Strowd, Assistant Deputy Executive Director, Everglades Restoration Resources (ext. 4210)**

Tommy Strowd, Assistant Deputy Executive Director, Everglades Restoration Resources, presented information on emerging issues of the C-111 Spreader Canal.

Mr. Collins commented on processes for projects and federal bureaucracy.

Ms. Wehle said the District has requested the USACE meet their commitment on the completion of the Project Implementation Report (PIR).

Kim Taplin, USACE, commented on the analysis and costs of the project but said this is a top priority.

Mr. Ammon explained how the analysis was done.

Ms. Estenoz commented on Office of Management and Budget (OMB) and the importance of Everglades restoration being a priority in Washington. She also commented on the programmatic regulations.

Mr. Montgomery commented on federal issues, and requested a workshop as to what the District can control regarding projects.

Mr. Strowd then reported on Lakeside Ranch Stormwater Treatment Area (STA).

Paul Warner, Chief Scientist, reported on the new crediting provision by WRDA 2007, the key concepts in model pre-partnership credit agreements, and information regarding the contract for Lakeside Ranch STA.

Mr. Warner provided the potential decisions for the March Governing Board meeting:

- Corps decides not to sign agreement for Lakeside Ranch STA.
- Corps decides to sign agreement but does not approve land valuation policy change by March 12.
- Corps. decides to sign agreement and approves land valuation policy change by March 12.

Public Comment: William Summers, citizen, commented on Everglades Restoration, and thanked the Board for the purchase of U.S. Sugar land acquisition.

**Executive Office**

**9. Consideration of 'River of Grass' Purchase and Sale Agreement Schedules, Exhibits, Due Diligence Report and Related Matters - Carol Wehle, Executive Director and others**

Discussion and action on this item may be continued on January 13, 2009.

Dr. Dale Brill, Director, (via teleconference), Office of Tourism, Trade and Economic Development (OTTED), presented information on the economic stimulus and transition plan for the Glades Community. He stated the economic growth and sustainability of the Glades Community is a top priority for OTTED. He reported on the meetings held between the Government leaders and citizens in the Glades community and the major initiatives: acquire land for infrastructure, "economic gardening" legislative proposal, and a strategic location of an inland port. Dr. Brill reported on the Community Advisory Council and the upcoming meeting on February 2 - 4, 2009. Dr. Brill also provided additional names that will be a point of contact: Sherry Martin, Jonathan Saloon & Stephanie Gibbons.

Mr. Rooney volunteered to participate on the Community Advisory Council.

Mr. Dauray also agreed to participate on the Community Advisory Council.

Ms. Estenoz commented on a Federal Exotic Management Center.

There was Board discussion about having a Governing Board meeting in Clewiston in March.

Public Comment: Jacquie Weisblum, Audubon of Florida, commented on the EAA Best Management Practices (BMPs).

Sheryl Wood, General Counsel, reported on the purchase agreement timeline including the closing conditions, tenant leases, additional provisions and the due diligence status.

Bill Sudow, Sidley Austin LLP, summarized the Due Diligence Status Report provided to the Board.

There was Board discussion on tenant leases, relocation of the railroad, and other bonified offers to purchase U.S. Sugar Corp.

Kirk Burns, Sr. Practice Expert, Office of Counsel, provided the Best Management Practices (BMPs) plan to the Governing Board for review. The BMPs will be discussed at the Governing Board meeting on 1/13/09.

Ms. Wood reported that action item "determination on fulfillment of Due Diligence" will be postponed until the Governing Board meeting on January 13, 2009, in order for the Governing Board to review and discuss the BMPs further.

Ms. Wood then reported on the bond validation hearing scheduled for February 6, 2009 and the petitions filed in opposition to the bond validation.

There was Board discussion addressing bonified offers to purchase U.S. Sugar Corp.

Ken Ammon, Deputy Executive Director, Everglades Restoration, reported on the River of Grass technical workshop being held on 1/14/09 - 1/16/09 to establish hydrologic restoration targets and the River of Grass Phase I Planning. Mr. Ammon also reported on upcoming Water Resources Advisory Commission (WRAC) Issue Workshops being held (January 2009 - July 2009) to discuss:

- Evaluating alternative storage and treatment configurations in association with the River of Grass land acquisition.
- Consider storage and treatment needs in the Northern Everglades and Everglades Agricultural Area.
- Identify viable configurations.
- Determine impacts and benefits of identified viable configurations, i.e. environmental, costs, and economics.

There was Board discussion on the meeting process for the upcoming WRAC Issues Workshops.

Mr. Ammon reported there will be monthly updates to the Governing Board regarding the planning phases.

Paul Dumars, Chief Financial Officer, presented the financing for purchasing the U.S. Sugar land acquisition:

- The validation date with the assumption that the approved deal will make it through validation and appeal period with all challenges being resolved.
- District will seek an indication of the District's preliminary bond ratings from the financial markets.
- District will seek responses from letter of credit providers.
- District will need "market confirmation" of the plan of finance thirty days after validation.

Mr. Olliff explained the validation deadline of the contract, financing for the contract, and the Board's decision to accept the financing with the consideration of budget impacts to the agency and its core mission.

Ms. Wood then provided staff's recommendation for the leases:

The staff requested approval to send written notice on or after Jan. 31 pursuant to contract, notifying USSC that the District will not assume the Florida Rock Lease.

Public Comment: John Arthur Marshall, Arthur Marshall Foundation, commented on the Department of Interior Vision Statement for Everglades Restoration and on the Office of Management and Budget (OMB) not funding Everglades Restoration.

Public Comment: Jacquie Weisblum, Audubon of Florida, commented on the language for the EAA Best Management Practices (BMPs). Audubon supports the Board support for terminating the leases for rock mining.

Motion made by Charles Dauray, seconded by Melissa Meeker to Approve the following item(s): 9

Vote called. Voting yes: Charles Dauray, Melissa Meeker, Eric Buermann, Shannon Estenoz, Patrick Rooney. Abstained: Paul C. Huck Jr.. Not present: Michael Collins, Jerry Montgomery. Motion passed.

## **11. Public Comment**

There was no public comment on the Workshop agenda.

## **12. Adjourn**

Chair Buermann adjourned the meeting at 4:45 pm.

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Eric Buermann  
Governing Board Chairman  
South Florida Water Management District Governing Board

Recorded By:

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Cathy Widness  
Administrative Assistant Senior  
Governing Board and Executive Services  
SFWMD

Motion made by Melissa Meeker, seconded by Michael Collins to Approve the following item(s): 12  
Vote called. Voting yes: Melissa Meeker, Michael Collins, Eric Buermann, Charles Dauray, Shannon Estenoz, Patrick Rooney. Not present: Paul C. Huck Jr., Jerry Montgomery. Motion passed.