

SFW

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## Glades dreads 'traumatic' loss of sugar jobs

06/30/2008

Palm Beach Post - Online

Lantigua, John

John Lantigua - Palm Beach Post

BELLE GLADE At a community meeting last week, Belle Glade Mayor Steve Wilson told a story about a frog that trusted a scorpion and ended up getting stung in the back.

He told that cautionary tale to illustrate the announcement by U.S. Sugar Corp. that it will close down in six years. That will put about 1,700 people out of work, many of them Glades residents. 'We must begin to prepare for this sting,' Wilson said. U.S. Sugar is the wily scorpion in that tale, despite its ample warning.

That is because the relationship between the largest sugar companies in the Glades - U.S. Sugar and Florida Crystals - and the cities in this depressed rural area has always been both dependent and prickly.

Local leaders have long accused Big Sugar of keeping such a tight rein on its land that it has stifled the progress of the small cities.

Now U.S. Sugar is divesting itself of its land. But the pending loss of jobs and the secrecy with which the company conducted negotiations to sell its 187,000 acres to the state is resented here. 'Many people are shocked to hear this out of the blue,' said Linda Johnson, a South Bay city commissioner. 'The state made this deal, but we need to be at the table to help decide how our cities will survive. 'With unemployment out here already high, the price of gas what it is, making it so expensive to commute, with many people having worked at U.S. Sugar for so long, what are those folks going to do for work now?' Johnson said. 'We need to know the state's plans. I know we have six years, but we have to start now.' The sugar industry has been the major employer in the region since it was settled in the early 20th century. And, despite constant efforts, few other businesses have come to the Glades, 50 miles from the coast.

The area is so depressed that no Wal-Mart, Kmart, Publix or movie theater does business in the towns.

Leaders sound alarm

Given those facts, the immediate reaction to the news from local leaders was one of deep dismay. 'It's going to be dramatic and traumatic,' said Ken Lutz, former president of the Belle Glade Chamber of Commerce. 'We still have lots of people who drive back and forth to Clewiston every day to work for U.S. Sugar,' Pahokee Mayor Wayne Whitaker said. 'It's gonna hurt us real bad.' South Bay Mayor Shirley Walker-Turner was equally worried. 'We're talking about a loss of jobs and a community already economically stressed,' she said. 'Are we going to see families pulling their kids out of college and selling their homes?' Belle Glade Commissioner Michael Martin went even further. He challenged the value of the deal between U.S. Sugar and the state, despite the joy on the part of environmentalists who say the sale will save the Everglades. 'The environmentalists have claimed yet another victory which will

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take away from the livelihood of many people and families,' Martin wrote in an e-mail to The Palm Beach Post. 'The employees of U.S. Sugar are hard-working people who are trying to make an honest living and raise their families with dignity,' Martin wrote. 'So, while the environmentalists are starting their celebration and popping the cork on their champagne bottles, remember the 1,700-plus employees and their families and ask yourself this question, 'Who'll be next?' It just might be you.' The concerns of those leaders are being echoed at the federal level. U.S. Rep. Alcee Hastings, D-Miramar, who represents the Glades communities, has said he will not comment on the deal until he knows what will be done to offset the loss of jobs and tax revenues.

At the state level, Carol Wehle, executive director of the South Florida Water Management District, was trying to ease concerns. 'We have already approached the Office of Tourism and Economic Development for the state of Florida,' she said. 'We will be partnering with OTED, the corps (U.S. Army Corps of Engineers), the water management districts and the counties to, over the next six years, put a pretty aggressive economic development program in so that we have a plan for absorbing any job loss.' 'We are going to work closely with those communities to make sure this is not a negative for them,' Wehle said. 'They have a right to be concerned, but they also have a right to have hope.' Pahokee sees opportunity

One hope that Glades leaders have is a proposed inland port at the intersection of U.S. 27 and State Road 80 in South Bay.

Officials at the Port of Palm Beach have floated that project as a way of easing crowding at the Riviera Beach facility and of developing the Glades.

Cargo arriving through the existing port could be transported to the new South Bay terminal, stored there, broken into smaller shipments if necessary and redistributed.

The new facility would reduce freight traffic on busy highways and rail lines that run near the coast and transfer that traffic to less-used inland roads and rail lines. The terminal would connect to ports not only in Palm Beach County but also in Broward and Miami-Dade counties as well as the Gulf Coast.

The inland port would create hundreds of jobs, port officials say, and hopefully just in time to offset the closing of U.S. Sugar. 'Apart from the inland port, there is no one industry that can replace U.S. Sugar,' said Whitaker, the Pahokee mayor.

Whitaker encouraged leaders at all levels - state, local and federal - to advocate for the inland port, especially since other parts of the state, including Martin County, are 'trying to steal it.' Whitaker also has hopes that the U.S. Sugar sale will benefit his municipality in other ways.

Pahokee has been trying for years to expand the size of the town by 3,000 acres for commercial and residential development, but it has been blocked because the state has designated that land for use only by growers, especially sugar planters.

Now that U.S. Sugar has decided to sell, Whitaker hopes Pahokee won't have to wait six years to realize its plans. 'If I have to go Tallahassee and knock on Charlie Crist's door every week, I'll do it,' Whitaker said. 'We need that land.'

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## **GOVERNING BOARD FOR THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT**

06/29/2008

CBS4 News This Morning Sunday - WFOR-TV

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CBS4 News This Morning Sunday - WFOR-TV

HOW LONG WILL IT TAKE TO CLEAN THIS UP? UNDER THE PRINCIPALLY PRINCIPALS OF THE AGREEMENT, THERE ARE 45 DAYS IN ORDER FOR SUGAR AND STATE OF FLORIDA TO COME TO AN AGREEMENT AND MAKE THAT AGREEMENT OCCUR AND ENTER IN TO A CONTRACT, SO WE ALL HAVE OUR FINGERS CROSSED HOPING THAT THAT'S GOING TO HAPPEN AND ALL THE DETAILS WILL BE WORKED OUT AND THIS WILL COME TO FRUITION THIS WAS AN ENORMOUS UNDER TAKING AND AN IMPORTANT ONE . UNDER THAT SET OF GUIDELINES AND PRINCIPALS, THERE WOULD BE A LEASE PACT FOR 6 YEAR PERIOD AND US SUGAR WOULD STILL FARM THAT LAND FOR A SIX YEAR PERIOD. TAX FREE, AND THEREFORE THAT TAKES AWAY SOME OF THE COSTS, THE VALUE OF THE LAND IS MORE THAN \$1.7 BILLION. THE PRELIMINARY FIGURES ARE 2.5 2.5 BILLION OR SO. THIS CAME AS A SURPRISE TO A LOT OF PEOPLE, DID IT COME AS A SURPRISE TO YOU? SEVERAL OF US WERE BRIEFED IN THE ENVIRONMENTAL COMMUNITIES AND SEVERAL MONTHS AGO I RECEIVED A QUICK BRIEFING IN TALLAHASSEE ABOUT THIS. MAKE SURE THAT SOME OF US KNEW WHAT WAS COMING THROUGH. PLEASANT SURPRISE? VERY PLEASANT SURPRISE, YES. WHAT HAPPENS NOW? THE STATE IS NEGOTIATING WITH US SUGAR TO COME UP WITH A FINAL PRICE. THE NEXT STEP IS THAT THE GOVERNING AUTHORITY, THE GOVERNING BOARD FOR THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT WILL FIRST APPROVE THE AGREEMENT IN PRINCIPAL AND THEN THEY WILL COMPLETE THE NEGOTIATION, GO THROUGH WHATEVER PERIOD IS NECESSARY TO GO THROUGH THE NEGOTIATIONS AND SET UP THE FINANCES FOR US. A LOT OF PEOPLE ARE WONDERING WHY US SUGAR WOULD SELL THEIR LAND. SUGAR BUSINESS IS STRONG, AGRICULTURE IS STRONG. WHY ARE THEY GETTING OUT OF FLORIDA? THAT I DON'T KNOW. I CANNOT ANSWER THAT. YOU HAVE TO ASK US SUGAR THAT. I DON'T KNOW THE ANSWER. WE ARE ALL PRETTY HAPPY THAT THEY ARE LOOKING AT THIS IN THE LONG-TERM. AND LOOKING AT THIS AS SOMETHING THAT CAN BE A BOOST FOR THE EVERGLADE RESTORATION. IT'S GOING TO BE MORE THAN A BOOST FOREVER GLADES. THIS IS FOR THE STATE OF FLORIDA. IT'S GOING TO MAKE SUCH IMPROVEMENTS IN THAT AREA. IT'S GOING TO REMOVE A TREMENDOUS AMOUNT OF PHOS FERROUS. WILL IT HELP THE DRINKING WATER. THE DRINKING WATER, WILDLIFE, RECREATION, FISHING, TOURISM. ALL SORTS OF BENEFITS, TREMENDOUS FOR FLORIDA. WE HAVE TO CONSIDER ALL OF THOSE BENEFITS AND UNDERSTAND THAT. DAVID HENDERSON, THANK YOU FOR JOINING US ON 4 SUNDAY MORNING.

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## **Sugar's Sweet Deal**

06/30/2008

Forbes - Online

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Joshua Zumbrun-Forbes

Florida Governor Charlie Crist and U.S. Sugar took both agribusiness and environmental groups by surprise last week, announcing that the state of Florida would buy out U.S. Sugar for \$1.75 billion and convert 187,000 acres of land back into the Florida Everglades.

Good news for the alligators and all their advocates, but if \$1.75 billion in taxpayer funds sounds like a tasty treat for big sugar too, that's because it is. Nor is it surprising, say those that follow the industry. Sugar is one of the most politically influential businesses in America, and this kind of deal is nothing new. 'The Florida bailout was bailing out a company inflated, in effect, with government subsidies,' says Chris Edwards of the Cato Institute, a Libertarian think tank.

As far back as 2002, Aaron Schwabach, a law professor at the Thomas Jefferson School of Law, predicted the outcome. 'Given the tremendous influence that the sugar producers seem to enjoy in Washington,' he wrote in the Georgetown International Law Review, 'they will probably be able to convince the government to purchase some or all of their land, at or above market value, for incorporation into Everglades National Park.' Schwabach had a different solution. In fact, his paper was titled: 'How free trade can save the Everglades.' U.S. Sugar, Schwabach suggested, was only able to farm profitably in the Everglades because of massive government subsidies of the sugar industry. Without government support, U.S. Sugar might have gone out of business the old-fashioned way--bankruptcy.

Instead, the company enjoyed years of government support, with the eventual government buyout as the cherry on top. Officials from U.S. Sugar were not immediately available for comment. Crist's office referred all questions on the deal to the South Florida Water Management District. Officials from that office did not return calls.

Sugar subsidies in the United States work through a complex system of loans and quotas. Sugar processors take out loans from the government; then, after the harvest, they face one of two scenarios. If they've been able to sell their sugar for more than the cost of the loan, they pay off the loan and pocket the profit. If their crop is worth less than the loan, they can keep the money and just give the government their sugar.

The loans are made to processors, but in order to qualify, they agree to make payments to the producers at a predetermined rate. The system guarantees the sugar industry a minimum price for sugar.

In order to prevent the subsidies from causing oversupply, however, the Department of Agriculture maintains marketing allotments, preventing producers from growing too much. A strict quota system also limits the amount of sugar that can be imported into the country.

Sugar crops are a small proportion of the U.S. agricultural output. For the 2006-2007 crop year, sugarcane receipts totaled around \$897 million and sugar beets \$1.53 billion--a mere 1% of cash receipts for U.S. farmers. While legislation calls for the program to be operated on a no-cost basis, a 2007 USDA estimate of the current system (before the support levels were increased by the 2008 Farm Bill) estimated that the sugar programs would cost \$1.4 billion between 2008 and 2017.

In addition to money spent on the supports, the programs ratchet up the price of sugar. 'It has always had a huge impact on consumers in this country--it really raises the cost of sugar and sugar-containing products by about \$2 billion a year,' says John Frydenlund, director of food and agricultural policy at the watchdog group Citizens Against Government Waste.

Sugar policy has been a major trade issue in recent years, particularly with the North American Free Trade Agreement and a trade deal with several Central American

countries and the Dominican Republic, both of which have opened the United States to sugar imports.

In general, the American Sugar Alliance, representing sugar processors, opposes bilateral trade deals, believing that trade issues involving sugar are best resolved through the World Trade Organization. On the other side of the debate, sweetener users favor the regional and bilateral trade agreements, arguing that imports will help drive down the price of sugar in the U.S.

The U.S. controls its imports from sugar giant Brazil by the same quota system that applies to 40 other countries exporting sugar to the United States. For years, however, the American Sugar Alliance has complained about the level of government subsidies Brazil's sugar producers receive, largely to fuel the country's booming ethanol industry. The U.S. sugar industry says the policy distorts world sugar prices, arguing that Brazil uses its status as a developing country to avoid punishment from the WTO.

For now, discussion of a free trade deal involving the U.S. and Brazil is stalled, but American sugar producers worry that if such an agreement were put in place, Brazil's sugar industry would gain a stronger place in the U.S. market. A separate tariff applies to Brazil's foreign ethanol--one that domestic ethanol producers are keen to keep in place.

Nonetheless, the U.S. sugar industry remains strong in Washington. 'They have been a notoriously powerful lobby for decades and decades,' says Cato's Edwards.

As an explanation for sugar's lavish subsidies in the 2008 farm bill, which recently became law after a veto override, look no further than Congress' Agriculture Committees. According to the Center for Responsive Politics, the top beneficiaries of big sugar's influence for the current election cycle include Senate Agriculture Committee Chairman Tom Harkin, D-Iowa (\$35,400), House Agriculture Committee member Tim Mahoney, D-Fla. (\$33,923) and committee chairman Collin Peterson, D-Minn., (\$28,900).

The U.S. Department of Agriculture says roughly 54% of total U.S. sugar-beet acreage is in the Red River Valley between Minnesota and North Dakota. North Dakota's sole Congressman, Democrat Earl Pomeroy, has been the greatest beneficiary of donations from sugar-related political-action committees for the 2008 election cycle, taking in \$26,500, the Center for Responsive Politics says. Peterson, whose district in western Minnesota stretches along the Red River Valley, is No. 2, with \$26,400 in PAC money.

As a governor, Crist has no vote on federal farm subsidies--he can only influence what's done with Floridians' tax money. And federal taxpayers? They're still paying to support sugar and keep prices high at the store. Sweet.

--Additional reporting by Phyllis Berman, Lea Erculiani, John Swan and Brian Wingfield.

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## **THAT WILL RESTORE THE EVERGLADES. 1.75 BILLION DOLLARS**

06/29/2008

Local 10 News at 11 PM - WPLG-TV

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Local 10 News at 11 PM - WPLG-TV

BUT SOME OF THOSE PROJECTS ARE UNDER CONSTRUCTION NOW. WHAT HAPPENS TO THEM. WHAT HAPPENS TO THE PLANTS FOR FUTURE FILTRATION MARCHES. I THINK THOSE PLANS CONTINUE. BUT THERE IS CERTAINLY GOING TO NEED TO BE A RESTRUCTURING OF THE PLAN. FRANKLY, THIS SIX-YEAR PERIOD AT US SUGAR WILL ALLOW THEMSELVES TO CONTINUE FARMING, GIVE THEM TIME TO RECONFIGURE THE PLAN, REASSESS WHAT PLAN, WHICH PROJECT NEEDS TO MOVE FORWARD, WHICH ONES MAY HAVE TO GO ON A DIFFERENT SCHEDULE. YOU KNOW, I SHOULD SAY FOR THE RECORD WE TRIED OUR BEST TO GET SOMEBODY FROM THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT TO BE PART OF THE CONVERSATION. THIS MORNING AND IT SORT OF BEYOND ME WHY THEY WOULDN'T WANT TO BE THERE. THEY WERE NOT, AND I REGRET THAT. THE WATER MANAGEMENT DISTRICT, IF ANYBODY, IF YOU ARE HOME WONDERING WHAT IS THE DEAL WITH THEM, WELL, LOOK ON YOUR TAX BILL, THE NEXT TIME YOU GET YOUR ANNUAL TAX BILL AND YOU ARE PAYING TAXES TO THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT FOR DELIVERING WATER TO YOUR HOME, WHEN YOU TURN ON THE TAP WATER IN YOUR HOME T REALLY COMES THROUGH THE DISTRICT. AND THEY DELIVER IT AN THEN THEY MANAGE OTHER WATER. BUT THEY WILL BE THE OWNERS OF THIS LAND? I MEAN THEY ARE ISSUING THE BONDS, AREN'T THEY? CORRECT WHAT HAPPENS IN SIX YEARS ONCE THIS CONTRACT IS EXECUTED, ONCE THE CONTRACT IS SIGNED THE STATE OF FLORIDA ACTUALLY TURNS OVER THE TITLE OF THE LAND TO THE STATE. AND FRANKLY THEY WILL BE ABLE TO DO THIS WITHOUT ANY NET INCREASE IN TAXES. SO WHAT THEY ARE DOING IS THEY ARE SETTING ASIDE CERTAIN FUNDS THAT THEY MAY HAVE USED FOR OTHER PROJECTS TO ACQUIRE THIS LAND AND THAT WILL GIVE US SIX YEARS TO DESIGN THE REGIME THAT WILL RESTORE THE EVERGLADES. 1.75 BILLION DOLLARS IS THE AMOUNT THAT HAS BEEN MENTIONED. ARE THERE GOING TO BE SURPRISES ALONG THE WAY? WILL THEY SUDDENLY SAY AT SOME POINT, WELL, YOU KNOW, IT IS GOING TO BE ANOTHER \$500 MILLION, ANOTHER, YOU KNOW, SUBSTANTIAL AMOUNT? WELL, TOMORROW THE DISTRICT GOVERNING BOARD MEETS AND THEY WILL APPROVE THIS STATEMENT OF THE PRINCIPLES. THEN THE DISTRICT HAS TO GO OUT AND ASSESS THE LAND SO I THINK WE WILL HAVE A LOT OF QUESTIONS. THE PRICE ISN'T FIXED IT. THERE COULD BE ADJUSTMENT. SOME SLIPPAGE. WE MAY HAVE TO SEE HOW THE SIX-YEAR PERIOD WORKS. YOU KNOW Dr. VAN LENT, BRAZIL IS ENERGY SELF-SUFFICIENT AS YOU FOE AND PART OF THE REASON THEY ARE IS THAT THEY USE THEIR HUGE CAPACITY TO GROW SUGAR TO PROCEED ETHANOL. AND I THINK SOME PEOPLE MIGHT BE SAYING WHY WHEN WE ARE LOOKING FOR ALTERNATIVE FUELS ARE WE TAKING NEARLY 200,000 ACRES OF SUGAR CANE OUT OF PRODUCTION WHICH COULD BE USED TO PRODUCE ETHANOL. ONE THING THAT REALLY GIVES SOUTH FLORIDA IS A RELIABLE SOURCE OF CLEAN, FRESH WATER. SOMETHING THAT THE EVERGLADES NEEDS, THAT EVERY CITY AND TOWN IN FLORIDA NEEDS. AND WHILE THERE MAY BE SUBSTITUTES FOR ETHANOL, FOR ENERGY THERE REALLY IS NO SUBSTITUTE FOR DECLINE WATER. THIS IS A PRETTY COMPELLING ARGUMENT. IF I COULD TELL A STORY, I REMEMBER ONCE YEARS AGO WHEN A CANDIDATE FOR GOVERNOR WAS FLEW UP TO LAKE OKEECHOBEE WITH MARJORIE STILLMAN DOUGLAS AND I HAPPENED, LUCKILY TO BE ON THE SAME PLANE AND THEY PUT MARCHRY OUT THERE ON THE DOCK BY THE LAKE. AND THE CANDIDATES SAID YOU KNOW, ISN'T IT POSSIBLE WE BELIEVE THAT IT'S POSSIBLE FOR THE DAIRY FARMERS AND FOR THE SUGAR CANE GROWERS, THE AGRICULTURAL INTEREST AND THE ENVIRONMENTALISTS TO ALL

LIVE TOGETHER TO MAKE THE LAKE CLEAN, ISN'T THAT RIGHT, AND SHE SAID VERY CLOUDLY, NO IT IT'S NOT. BUT YOU KNOW, I KNEW MARJORIE STILLMAN DOUGLAS A LITTLE. I WISH SHE WERE AROUND TO SEE THIS PROPOSED BUYOUT. I THINK SHE WOULD BE JUST UTTERLY LIGHTED, DON'T NEW. WE ARE ENTERING A NEW CHAPTER IN THE HISTORY OF THE EVERGLADES. AND I THINK WE ARE ACTUALLY AT A POINT NOW WHERE WE CAN WORK SIDE-BY-SIDE WITH THE AGRICULTURAL INDUSTRY AND ENVIRONMENTALISTS AND MACK A PLAN THAT WORKS FOR EVERYONE. YOU TAKE 187,000 ACRES OUT OF THE EQUATION AND THAT IS A BIG CHUNK OF WHAT WE NEED. THERE WILL HAVE TO BE LAND SWAPS I TAKE IT WITH FLORIDA CRYSTALS AND OTHER LAND OWNERS AROUND THERE TO MAKE THIS REALLY WORK. DO YOU THINK THAT THEY WILL BE DISPOSED TO SWAP SOME OF THEIR PARCELS UP THERE FOR OTHERS SO THAT THIS CAN WORK OUT? CERTAINLY IN THE DAYS SINCE THE ANNOUNCEMENT THE FOLKS AT FLORIDA CRYSTALS HAVE BEEN STRESSING WELDINGNESS TO WORK WITH THE GOVERNOR, WITH THE STATE TO ACHIEVE THE LAND SWATS SWAPS T TO THE GOING TO BE EASY T IS COMPLICATED. BUT I THINK THEY ARE KEENLY INTERESTED IN THAT REFINERY PROCESSING PLANT. THERE IS A GOOD POSSIBILITY MANY PEOPLE WORKING FOR USSUGAR TODAY COULD WORK FOR THE FLORIDA CRYSTALS COMPANY DOWN THE ROAD. AND I TAKE IT THERE ARE ABOUT 1700 PEOPLE WHO WORK FOR US SUGAR. IT IS REALLY A COMPANY TOWN T IS A SUGAR TOWN. I MEANS THAT'S WHAT THEY DO UP THERE. WHY WILL IT TAKE SIX YEARS TO BRING THIS DEAL TO FRUITION?

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## **Pick up all the tires**

06/30/2008

Palm Beach Post

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Palm Beach Post Editorial

On June 19, The Post reported that roughly 5,000 tires have been found discarded on a Lake Okeechobee island near Belle Glade. Six days later came news of the proposed \$2.2 billion state buyout of U.S. Sugar Corp. The stories are related.

The actual buyer of U.S. Sugar would be the South Florida Water Management District. The district also is responsible for Lake Okeechobee. During the past two years, the Legislature has appropriated additional money to clean up the lake. Not only would a cleaner lake be good for business, by drawing more fishermen and tourists, a cleaner lake would mean cleaner water moving into the Everglades.

The water district wants to buy U.S. Sugar for water storage on what is now farmland. That would help the Everglades. To make the purchase, though, the district would have to stretch its budget. Gov. Crist doesn't want a tax increase, and he appointed most of the district board members. So, the district would have to delay other projects.

Back to the tires. Yes, they're a collective eyesore. But the water district doesn't plan to get rid of them all. The budget for tire removal is \$45,000. Getting all the tires off Kreamer Island, which is one of the lake's good fishing areas, would cost three times as much.

Here's a thought: Find the money. The U.S. Sugar deal could be really big. But allowing part of Lake Okeechobee to be a tire landfill would be really embarrassing. The \$2.2 billion for U.S. Sugar could be money well spent. The same goes for an extra \$90,000 to pick up the tires.

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## Everglades deal: rejoice, don't snipe

06/30/2008

Tallahassee Democrat

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Thom Rumberger • My View • Tallahassee Democrat

Last week we became historic witnesses to what once seemed remote and unimaginable. Immediately a few uninformed critics began trying to spin our brightest moment into something dark and cynical.

Those of us who have devoted decades to reversing the devastation visited upon the nation's Everglades dared not even dream any longer that this day might come.

Yet in the mind and heart of every lover of the Everglades this was the one great, perpetual wish: To buy back as much land as possible for the restoration of the Everglades.

And then, incredibly, there we stood Tuesday upon that very land in the Everglades as Gov. Charlie Crist, U.S. Sugar CEO Robert Buker and South Florida Water Management District Vice Chair Shannon A. Estenoz took the stage.

In his clear and purposeful way, the governor announced the state's planned purchase of 187,000 acres of the most ecologically critical real estate in the hemisphere.

The purchase will directly benefit millions of residents of South Florida, providing clean water through a replenished aquifer. It will benefit the dwindling populations of birds, endangered species, and all other wildlife. And above all this purchase will hasten the hour when the toxic streams of farming-related pollution that now course corrosively through the Everglades' delicate web of life will become but a murky memory.

We were aware that discussions leading up to the announcement were under way as long ago as November and so we are more than a little troubled by some severely misinformed critics who have pounced on the governor's move as some sort of political stunt.

People should ignore the sniping. First, it's important to allow us a chance to enjoy this uniquely nonpartisan moment. Secondly, many supporters of the Everglades have given political support and contributions to both Republicans and Democrats.

The hundreds of environmental groups, attorneys, individual citizens and government officials who have contributed to this moment especially our forward looking South Florida Water Management District lead by Chairman Eric Buermann and Executive Director Carol Ann Wehle deserve more than seeing their hard work drowned out by political opportunists.

Those political long knives who suggest the governor announced the land purchase to improve an undeclared shot at becoming a vice presidential running mate, or to deflect scrutiny of his current call for a reasoned look at whether our changing geopolitical world requires reconsidering our state's traditional opposition to drilling for oil in the Gulf, are in need of a serious reality check.

The conversation over the purchase of this land began eight months ago and the announcement was made this week because it was ripe for announcing. And what better time than when the state's environmental groups, the water-management district, and news media are present? I firmly believe the Everglades announcement would have been made by the governor — regardless of any talk or absence of talk about drilling. So could the cynics remind me again what the rational connection is?

Here is mine: coincidence of timing.

Sometimes when courageous legacy building steps are taken by a bold policymaker eager to deal with the new realities in ways to benefit every single one of us, the graceful response is appreciation, praise, or humble silence.

Attorney Thom Rumberger is chairman of the Everglades Trust and has been defending the Everglades for more than two decades. Contact him at [rumberger@egladestrust.com](mailto:rumberger@egladestrust.com).

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## Save the Everglades marriage

06/30/2008

Palm Beach Post

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By BOB GRAHAM -Special to The Post

Like many Floridians, I followed with great interest the announcement that our state has tentatively agreed to buy U.S. Sugar Corp. for \$2.2 billion and use nearly 200,000 acres of company farmland to enhance water flows across America's Everglades. As with any transaction, we should scrutinize the fine print. But Florida's leaders deserve credit for at least exploring what could be another critical step in the restoration of our unique "River of Grass."

Unfortunately, some federal officials seem willing to let Everglades restoration languish in the Washington political swamp. In November, President Bush vetoed the Water Resources Development Act that would have authorized water projects across the nation, including initiatives to restore America's Everglades. Sen. John McCain has voiced his support for the president's unfortunate veto.

Traditionally, Congress has passed a water bill each even-numbered year. The 2000 bill included the Everglades Restoration Act, a product of almost 20 years of state and federal action and negotiation. That legislation cemented a marriage between Florida and Washington over revitalization of the Everglades, with each partner assuming an equal share of decision-making and cost. The fruits of the union were to be 60 projects - to remove levees and increase water storage - that would restore natural water flow through the Everglades. Of the 535 senators and representatives, only one opposed the nuptials.

The 2000 bill authorized the first few Everglades projects, with the expectation that Congress would authorize additional projects in subsequent legislation. But partisan and regional politics intervened. The 2002 bill stalled over Missouri River dams. In 2006, there was a fight over the aftermath of Hurricane Katrina. As a result, the nation went seven years without a new Water Resources Development Act.

With each battle, the Everglades was caught in the crossfire. Congress failed to authorize projects critical to restoration, which prevented those initiatives from even being considered for federal financing. Meanwhile, Florida exceeded the state's obligation - paying over \$2 billion while it waited. Since one partner doing all the work is no way to sustain a marriage, the state-federal union to restore the Everglades was headed for the rocks.

But in 2007, a new Congress passed a water bill containing delayed Everglades projects. When President Bush vetoed the bill, Congress overwhelmingly overrode his veto. Everglades restoration was back on track.

But this honeymoon period may be short-lived unless Congress changes the way it approves water projects like those in the Everglades. Restoring natural water flows south of Lake Okeechobee or wetlands in Wisconsin always will be in jeopardy if

they are tied to more controversial canal-widening projects in Alabama or dams in South Dakota. It makes good policy sense to divorce water restoration initiatives from typical water projects.

First, restoration initiatives like the Everglades are more likely to enjoy bipartisan support. Second, Everglades-like efforts are often more cost-effective because the federal government shares the expense with states, cities or other non-federal partners. Third, where most water development projects need legislative authorization only once, the Everglades and similar restoration ventures require multiple congressional approvals over time. If one project is delayed, the entire initiative becomes stalled.

Fortunately, there is a better way. Students and faculty at the University of Florida's Levin College of Law and Graham Center for Public Service have drafted legislation - tentatively entitled the National Water Restoration Act - that has support from environmental and conservation organizations.

The concept is simple. If a project is designed to maintain, enhance, or reverse assaults on water quality and ecosystems, and the initiative involves watershed planning between state or local and federal agencies, it would be considered separately. Without the burden of Water Resources Development Act controversy, restoration projects could be considered fast enough to ensure that they are implemented on time, financed within budget and delivered as planned.

Nearly eight years after the wedding, there should be no question about Florida's commitment to the state-federal Everglades marriage. But Washington has yet to fully reciprocate. With the enactment of the National Water Restoration Act, Congress and the president can strengthen the bonds of Everglades restoration.

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## **\$1.7B Everglades Land Deal in Works**

06/29/2008

Commercial Property News

Josh Seidman

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Josh Seidman-Commercial Property News

The United States Sugar Corp. is selling 187,000 acres to Florida for \$1.75 billion, Governor Charlie Crist announced yesterday. The South Florida water management districts proposal aims to restore the agricultural land in order to help preserve the Everglades.

The proposal covers almost 300 square miles across four South Florida counties, and would include all of U.S. Sugars property south of Lake Okeechobee, including its cane fields, mill and railroad line. The two sides had been ironing out the logistics of the deal since Crist unexpectedly proposed to purchase U.S. Sugar Corp. at a meeting this past November. The deal wasn't because of economic issues and it wasn't because of environmental pressure, said Robert Coker, the vice president of U.S. Sugar Corp. We've been consistently building new factories, plants and other facilities and we've been dealing with environmental pressure since the company started. U.S. Sugar Corp., the nation's largest producer of cane sugar, and its 1,700 employees would go out of business as a result of the pending deal. As a part of the Statement of Principles that was signed by both of the deal's participants, the 77-year-old sugar corporation will continue to farm and manage the land over the next six years during a transitional period. A closing on the real estate is expected before the year ends. This deal is good for Florida, it's good for America and it's good for the employees and shareholders of our company, said Coker. While the decision to preserve the Everglades has many environmental benefits, including increasing the availability of water storage and acting as a natural buffer for the South Florida communities against flooding, it is uncertain what impact the land acquisition will have on real estate developers in the

region. William H. Holly, chairman & CEO of Holly Real Estate, a real estate investment firm headquartered in Miami, said that, Any time a state takes progressive action and promotes progressive policies it is more attractive to businesses looking to relocate. However, with the purchasing of U.S. Sugars land, the Urban Development Boundary, a line established by the local and state governments of Florida to prevent South Florida builders from establishing their businesses in certain regions of the Everglades, is likely to grow. This could lead to an increase in the number of development proposals by companies that are looking start up in the area.

Regardless of the effect this deal has on local developers, Coker believes that when the pages of time are written about this day it will be remembered as a watershed moment in the history of preservation.

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## **Finally, a good deal on Florida swampland**

06/30/2008

Virginian-Pilot - Online

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In the long, shady history of Florida swampland deals, this is by far the most promising - a plan to buy U.S. Sugar Corp. for \$1.75 billion and incorporate its 292 square miles into a long-overdue restoration of the Everglades.

Florida Gov. Charlie Crist announced the tentative deal last week, to the delight of environmental groups who've been skeptical of an expensive, cumbersome re-engineering plan for the Everglades that state and federal officials have been ploddingly pursuing for years.

U.S. taxpayers - owners of Everglades National Park, the third largest national park in the lower 48 states - should be pleased, too. With the state's purchase, the restoration project - most recently estimated to cost \$11 billion, with half from the federal government - could be accelerated and end up involving far fewer moving parts.

The purchase, due for completion this fall, would free up 187,000 acres of sugar fields that have severed the natural flow of water to the Everglades from Lake Okeechobee.

If that flow is restored, officials could scrap costly plans to build hundreds of deep wells as part of an attempt to recreate the marshes that developers, who viewed the Everglades as expendable swamp, began destroying in the late 19th century.

The benefits of the purchase are potentially much broader. In addition to restoring habitat for plants and wildlife, the deal would substantially reduce the amount of pollution that flows from cane fields into waterways near and far.

In recent years, phosphorous runoff from U.S. Sugar and others has been blamed for pungent algae blooms that have killed marine life in the Gulf of Mexico and caused respiratory problems for residents near the coastline.

The late Marjory Stoneman Douglas, whose 1947 book on her beloved 'River of Grass' launched a long campaign to save the Everglades, would no doubt point out that the devil dwells in the details.

But, at this bend in the river, the purchase and closure of U.S. Sugar certainly looks like a sweet deal for a fragile ecosystem that has seen more than its share of flimflams and false promises.

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## Dry years help Charlotte Harbor bounce back

06/30/2008

Sarasota Herald-Tribune - Charlotte Bureau  
Spinner, Kate

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By KATE SPINNER | - Herald-Tribune

For the first time in four years, clams in Pine Island Sound are ready to harvest, oysters are growing in thick clusters on pilings in the Caloosahatchee River and shrimp are teeming in the seagrass beds of San Carlos Bay. Moving water

The lake, fed by the Kissimmee River, overflowed its shallow banks in the wet season, sending a slow-moving sheet of water across the flat Florida plain.

Sawgrass helped hold water year-round and trapped layers of rich muck.

Settlers discovered the muck would produce bountiful crops if they drained the northern Glades. Engineers designed a dike around the lake and a canal to the Caloosahatchee River to divert excess water toward the Gulf of Mexico. A canal also was built to drain water east to the Atlantic.

Drainage allowed two companies to emerge from the soil -- U.S. Sugar and Florida Crystals. The sugar companies grew towns -- Clewiston, Belle Glade, Pahokee -- and political alliances that proved valuable when water became a precious commodity needed for growth.

Although South Florida receives about 50 inches of rain a year, most of it falls in summer. Drainage projects kept sugar fields dry in the wet season, but made water scarce in the dry season.

Complicated engineering projects sought to balance water needs with flood control, but they carried polluted water to Lake Okeechobee and severed the Everglades from its lifeblood.

When serious Everglades restoration talks began in the 1990s, scientists argued that the best way to reverse the damage would be to clean up Lake Okeechobee and send the water south again.

The sugar industry balked at the prospect of giving up its land, leaving only one option: building canals around the sugar land, as well as reservoirs and hundreds of underground storage wells.

No one considered the plan perfect, but many thought it was better than nothing. Congress approved it in 2000, but little progress has been made, to the detriment of Charlotte Harbor.

In the very wet years of 2004 and 2005, water managers dumped billions of gallons of polluted water from Lake Okeechobee into the Caloosahatchee, to keep from flooding sugar farms and communities.

The lake water turned the river black with mud and later green with algae. Murky water in the estuaries killed oysters and clams, drove out crabs and fish, and caused blankets of algae to smother the seagrass beds in San Carlos Bay.

Living on the edge

With the recent drought, the Charlotte Harbor estuary has bounced back, but the water in the lower Caloosahatchee River has become so salty that it has killed off all the underwater grasses, which provide critical habitat for tiny fish.

Long periods without flow from the lake this year turned the middle of the river

stagnant, spawning blue-green algae blooms that have forced a water plant on the river to stop operating since June 5.

"You can't even stand outside with the odor; it has a very strong ammonia smell," said Katee Minneker, who lives across the river from the plant and just east of the Franklin lock and dam.

The dam is the only obstacle keeping the stagnant water from the estuary. Once rains cause the dam to open wide again, the algae will flow into San Carlos Bay, which flows into southern Charlotte Harbor.

"It's the same situation where there is either too much or too little water," said Kurt Harclerode, a water policy expert with Lee County's natural resources department.

Those who live on the river and rely on the estuary have waited more than a decade for a remedy to the imbalance.

Relief was supposed to come by 2011 through a \$450 million reservoir to hold water on 11,000 acres for more gradual release and an artificial marsh to filter pollutants.

The reservoir was part of the original \$11 billion Everglades restoration plan that now hangs in limbo.

"If they delay it much longer it's going to kill off our estuary system here," said Roy Kibbee, who sells crabs, mullet and clams in St. James City. "There won't be nothing left. They might as well just flush it, make it a sewer system."

Southwest Florida does not want the Caloosahatchee reservoir project lost in the excitement over the U.S. Sugar deal that Crist has dubbed the "missing link" in Everglades restoration.

"It may be a great big link in the chain, but it is a link," Harclerode said. "You need these other projects that go along with that to have full restoration."

Coastal communities have been asking for lake water to be moved south for a long time, but the reservoir projects should not be shoved aside, he added.

"We're still at the mercy of weather the way the system is now," Harclerode said.

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## **State oversight critical to sustaining the Keys**

06/30/2008

Key West Citizen

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## Key West Citizen

Earlier this month, the Monroe County Commission sent the state its annual progress report on goals associated with the Keys' designation as an Area of Critical State Concern.

In this report, the county maintains it has "made substantial process," but freely admits it "has not completed all the objectives of [its] work program" and that the state Department of Community Affairs "may want to continue" the Critical Concern designation.

The county is in the 12th year of this 10-year work plan, which began as a five-year program in 1996. Over the years, we have expended much ink on this topic. However, we believe a years-long push toward de-designation an unencumbered status sought by many developers and elected officials warrants uncorking the ink barrel once more.

In 1975, the state applied the Critical Concern designation to Monroe County in an attempt to protect the fragile Keys ecosystem from the runaway development of the '50s and '60s.

This included state oversight of local government to counterbalance a lack of ability or desire to control development. Many who had sought to slow development viewed the designation as gaining the state as a partner in protecting a national treasure a treasure that includes Everglades National Park, Florida Bay, Keys hardwood hammocks and one of the largest coral reef ecosystems on Earth.

This county's work program requires substantial progress in areas such as affordable housing, nearshore water pollution, habitat protection, growth management and hurricane evacuation. While we harbor concerns in all of these areas, development remains the central concern. The profit potential of limited land in a premier tourism destination on subtropical islands generates immense pressure on government to allow development.

Even with state oversight, nearly 3,000 housing allocations have been issued in unincorporated Monroe County since the advent of the Rate of Growth Ordinance (ROGO) in 1992. That's an average of one every 45 hours for the past 15 years. This statistic doesn't include new development in Key West and other municipalities.

But it is mostly the exceptions and loopholes that worry us. We've seen redevelopment, which has the potential to vastly improve our communities, pushed beyond limits by developers. Mobile homes, recreational vehicles and hotel rooms magically morph into rows of spacious three-story luxury town homes. Exceptions are created for density, height, setbacks and impacts on infrastructure.

Sometimes it appears the role of elected officials is to enable developers to bend and circumvent as many development rules as possible.

This less-than-stellar growth-management track record is clear evidence that de-designation would trigger a gold rush among developers.

Already, poorly planned development has resulted in damage to the marine environment that provides the economic foundation of the Keys tourism industry. (Sorry, Duval Street, but booze, T-shirts and eccentricity alone don't draw 4 million visitors a year.)

All things considered, the Area of Critical State Concern designation has been, is, and will be a valuable tool in maintaining a balance of sustainable growth, environment and quality of life in the Keys. Protecting this national treasure is indeed a work in progress, and it requires indefinite state oversight by those less vulnerable to Keys development pressures. It is in the best interest of everyone — especially future generations.

— The Citizen

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## **WATER CONSERVATION. THIS EVERGLADES RESTORATION UPDATE TAKES A**

06/29/2008

WINK News This Morning - WINK-TV

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RECENTLY A GROUP OF BUSINESS AND COMMUNITY LEADERS FROM SOUTHWEST FLORIDA SPENT A DAY LEARNING ALL ABOUT WATER CONSERVATION. THIS EVERGLADES RESTORATION UPDATE TAKES A LOOK AT THE CALOOSAHATCHEE RIVER WATERSHED, EVERGLADES RESTORATION PROJECTS AND OTHER CRITICAL WATER ISSUES. A bus traveling across the state along Route 80 was transformed into a rolling classroom by the South Florida Water Management District. Representatives from city councils, congressional offices, chambers of commerce, economic development councils and nature centers. All hitched rides. All interested in the same subject water. The first stop was on the banks of the Caloosahatchee river, where they learned about the agriculture in the River's basin. Other stops in the tour include points overlooking Lake Okeechobee, and man-made wetlands called stormwater treatment areas. These STA's filter nutrients from water. Foreign graduate students, here to work on specific projects and learn about Everglades restoration also shared information and ideas. Interview: Bob Sorter, President of the Calusa Nature Center's Board: "This type of tour is very important to us at the Calusa Nature Center and Planetarium because we want to be a good steward as well as a good source of information for the public and for the visitors that come to our center. "The group also learned about the team of people who manage our water supply and help prevent flooding. Interview: Joyce Sanders, President Friends Of Six Mile Cypress Slough Preserve"Today's tour has really been fascinating. Really being interested in the water and the conservation of water, when this opportunity came up with the South Florida water management district it just seemed like a wonderful time to see and learn more about what's happening with our district. "This tour is designed help community leaders become better informed about the state's water issues, so they can pass this knowledge along to others. I'm Kyle Jordan, reporting for WINK News Now.

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## **DR/GR sensitive land fate near**

06/29/2008

News-Press

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By Ryan Hiraki - News-Press

Three proposals created to determine the fate of 130 square miles crucial for drinking water supply will be unveiled this week, and let mining and development interests know if they can expand in this southeast Lee County region.

Dover, Kohl & Partners, the Coral Gables consultant commissioners hired for \$1.4 million, are scheduled to have its proposals posted on the Lee County Web site Tuesday, and a county committee could discuss it at a Wednesday meeting. Several committee meetings would follow throughout July before commissioners debate it on Aug. 1, when they return from their July break.

A final vote on how to manage this sensitive southeast section of the county could be the biggest land use decision commissioners make for the area in nearly two decades, when they created this area known as the Density Reduction/Groundwater Resource area and stricter growth standards began.

Commissioner Ray Judah said there's no question this is the most important decision on this area since the board in 1989 created growth restrictions here. "It's because of the competing permissible uses, such as farming and mining, while we are protecting our water supply," Judah said. Jason King, a planner with Dover Kohl, declined to be specific about the proposals. He wanted to follow the schedule of unveiling their findings Tuesday. "We're in the minor details phase," he said, but he admitted the planning of this project was unique. "Resource extraction was a new feature of this plan given its importance to the state and the region," he said of the rock mined for roads in the area, one of only six regions in the state with the rock. "If Florida continues to grow, which we expect it will, getting those resources to the market are very, very important." Crafting a plan has been challenging because of all the interests involved.

Farming and mining are allowable uses, but parcels not zoned for those uses still need county approval. So the question becomes how much can occur without hurting drinking water supply, as Judah said.

Same with development. The commission's decision in 1989 limited building to one home for every 10 acres in this area. "I'm real proud of the fact by 3-2 vote that we created (a land-use plan here) to save our water supply and prevent urban sprawl," Judah said. He does not know what to expect in the proposals. "I'm very anxious," he said.

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## **Getting rich by exporting water to the United States - read the provocative new Frontier Backg**

06/30/2008

Frontier Centre for Public Policy

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Daniel Klymchuk-Frontier Centre for Public Policy

Let's Sell Water To The U.S.A.

In Brief:

Manitoba could sell less than 1% of the fresh water flow into Hudson Bay via a pipeline to the U.S. and earn billions. Archaic ideology frustrates open dialog on our most valuable natural resource. In 2006, Tampa, Florida, became the first major U.S. city to adopt desalination as a major source of fresh water. This facility, which depends on electricity from a coal-fired plant, provides 10 per cent of the area's water at a 30-year estimated cost of 6.6 cents per cubic metre. Manitoba could enter this lucrative market, have the pipeline financed by the U.S. but owned by the Canada Pension Plan and remake the Manitoba economy.

Manitoba could net more than \$1 billion a year by piping water from northern Manitoba and selling it the United States by diverting just 1% of the renewable fresh water flow into Hudson Bay.

The Doer government thinks we should not. It has even passed legislation prohibiting water exports.

The law, however, does not mean that Manitobans can't think for themselves. We should at least consider the issue and what is best for the future of our children, particularly if we want them to stay here.

If the future of Manitoba were the fuel indicator on a dashboard, it would be blinking and buzzing. We depend on the generosity of other provinces for more than one-third of our provincial budget. Over the last decade, this has amounted to over \$20 billion. And yet, where are we?

During the same period, the number of people living below the poverty line has increased, crime has increased, our health care has deteriorated and our universities are crumbling like oatmeal cookies. An objective outsider might say: "Have you tried anything else? Have you questioned the notion that fresh water is priceless?" Consider that more than 7,000 desalination plants throughout the world are creating fresh water through a process called reverse osmosis. In 2006, Tampa, Florida, became the first major U.S. city to adopt desalination as a major source of fresh water. This facility, which depends on electricity from a coal-fired plant, provides 10 per cent of the area's water at a 30-year estimated cost of 6.6 cents per cubic metre (about 264 gallons).

Yes, this is expensive when compared to ground water at five to 10 cents per cubic metre, but it will not cripple an economy. (In fact, when looking at the large City of Winnipeg surcharge on water bills, one can be forgiven for thinking we should have gone with desalination.)

So given the Floridians are already indicating what the "market" price of fresh water is, imagine how Manitoba might deliver that water to them.

Imagine a pipeline from the water's edge of Hudson Bay to the U.S. border. If the fresh water were diverted just prior to entering Hudson Bay, Manitoba's ecology would be unaffected.

The project would require an insulated, underground-pressurized line extending 630 miles down the eastern (not western) side of the province. An almost perfect template for the scope of this proposed construction is the California Water Project, which moves five-billion cubic metres of fresh water along a 621-mile aqueduct from the mountains in the north to San Diego in the south.

The proposed Manitoba project would require a 30-foot wide conduit or its equivalent in smaller pipes and a flow of eight cubic feet per second. A pumping station every 50 miles would lift the water from sea level to 750 feet at the U.S. border.

Construction cost would be about \$22 billion (\$35 million per mile) which at a carry of 3.375 per cent (U.S. Treasury Bond rate for 30 years) equals \$1.166 billion.

Annual power needed to move the water would be 2,500 megawatts, supplied at off peak hours, at the industrial rate of 3.5 cents per kilowatt hour. This would enrich Hydro by \$700 million without any investment by the utility. Maintenance and wages would add about \$100 million for an annual total of \$1.966 billion.

On the revenue side, based on the Tampa costs, we could realize \$3.3-billion per year (0.66 x 5-billion cubic metres). Profit, if all costs were deducted, would be \$1.334 billion. However, if the United States carried the cost of the project, as is usually the case for such strategic infrastructure, the profit would be an impressive \$2.49 billion every year. It would be enough to easily wipe out Manitoba's equalization hand out which was \$2.06 billion in the most recent budget.

On a bigger scale, this new wealth would be sufficient to wipe out over two thirds of all federal transfers to Manitoba which come in at a whopping \$3.61 billion this year.

Our best outcome might be to sell the water contract to a pension fund. The Canada Pension Fund is very active in this area, having acquired the London water utility in 2006. At an estimated capitalization rate of five per cent, the contract could be worth at least \$26.6 billion in the first scenario to \$49.8 billion in the second.

What could be better than a pipeline financed by the United States, owned by the Canada Pension Plan and an unending source of revenue that would be a bold, giant step towards ending Manitoba's hanger-on status in the federation?

Daniel Klymchuk is a Research Associate at the Frontier Centre for Public Policy.  
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