Improve U.S. Sugar deal

Palm Beach Post Editorial

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After last Tuesday's seven-hour hearing on the South Florida Water Management District's proposed $1.34 billion purchase of U.S. Sugar's land, the district held no new negotiations with the company. New negotiations must take place before next week's scheduled vote on the contract by the water district board.

Reopening the negotiations would not please U.S. Sugar, whose board of directors approved the agreement on Monday. But the purchase is supposed to help Everglades restoration, and the terms don't do enough to help Everglades restoration.

Last week, in a letter to water district board Chairman Eric Buermann, the Everglades Foundation and Audubon of Florida supported the purchase of U.S. Sugar's 182,500 acres but recommended that the district change the lease. If this contract is approved, U.S. Sugar could keep farming almost all of its land for seven years, paying less than one-third the market rate. That would be a poor return for the public. The lease payment should be higher.

Continued farming also would mean that the water district couldn't move quickly enough to trade U.S. Sugar land for non-U.
S. Sugar land that is needed to move water from Lake Okeechobee to the Everglades. Under the current contract, the water district probably would have control over only about 10,000 acres throughout those seven years. Florida Crystals, the district's partner in a land swap, doesn't want to wait that long. More land should be available sooner.

Finally, the Everglades Foundation and Audubon point out that the lease contradicts the mission. To restore the Everglades, the district must shift sections of U.S. Sugar land from farming to water storage and filtration. By letting most of the company's 182,500 acres remain in farming for most of a decade, the Everglades wouldn't benefit. "The goal," as the letter says, "should be to eliminate any harm to the natural systems associated with water management for anything more than sustainable, as opposed to maximum, yields of sugar cane."

U.S. Sugar has every reason to farm that land to the max. Indeed, the revenue from the added farming makes the deal all that more lucrative for the company. And the water district already has an opinion that just the purchase price of the land is $400 million too high.

So could there be new negotiations in five days? "You never know," water district Director Carol Wehle said Monday. The U.S. Sugar board, she said, isn't the same as the executives who negotiated the contract. Curiously, the lead negotiator for the state has been Department of Environmental Protection Secretary Michael Sole. He's negotiated other land deals for the state, but this deal involves only the water district's money. Ms. Wehle and other water district staffers are among the other negotiators.

Many of the state's politicians have concerns about the deal. The district will meet this week with officials from U.S. Sugar's home town of Clewiston, who are worried about the loss of jobs. A deal this big must be the best deal possible. The state has less than a week to make this the best deal possible.

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