Florida Crystals filed an administrative complaint against the South Florida Water Management District on Tuesday, the deadline to formally contest the actions of a state agency. The district's governing board, by a 4-3 vote Dec. 16, approved the purchase of 180,000 acres of U.S. Sugar land.

Florida Crystals argues that the deal will undermine agreements, plans and projects to clean up and restore the Everglades and Lake Okeechobee. In December, Florida Crystals also challenged any validation of bonds the district issues to bankroll the purchase, saying the deal would illegally use tax revenues to bail out a private company.

A district spokesman did not return a call for comment. Water managers say much of the land will be used for reservoirs and pollution-treatment marshes needed for Everglades restoration.

-- CURTIS MORGAN
Blog: Sugar looking to sweeten its chances on Glades deal during session
01/06/2009
Miami Herald
Morgan, Curtis

Sugar looking to sweeten its chances on Glades deal during session

Gov. Charlie Crist's deal with the U.S. Sugar Corp. isn't on the special session agenda but company executives and lobbyists are in Tallahassee this week to help shore up legislative support for the controversial $1.34 billion land buy.

"We're just making our rounds, saying Happy New Year," said Bob Coker, a U.S. Sugar vice president. He would not say which lawmakers the company planned to meet with.

Lawmakers from Miami-Dade and elsewhere have questioned the cost and timing of buying 180,000 acres of sugar fields for Everglades restoration at the same time they're cutting the state budget by some $2.3 billion, largely by raiding trust funds and slashing school spending. The purchase, which will be bankrolled by the South Florida Water Management District, isn't coming out of the state budget but taxpayers in 16 counties will pick up the tab for the deal - with the largest counties of Miami-Dade and Broward paying the largest share.

Gaston Cantens, a vice president for Florida Crystals and a former state representative, said his company was not lobbying against the deal during the special session, even though they oppose it.

"I think the Legislature has enough on their hands right now to be worried about the U.S. Sugar deal," he said.

-- CURTIS MORGAN

Mining firm denies U.S. Sugar lease is void
01/06/2009
Palm Beach Post - Online
PAUL QUINLAN
A proposed 7,000-acre rock mine remains a hulking obstacle to the state's proposed $1.34 billion purchase of nearly all of U.S. Sugar Corp.'s farmland. When the South Florida Water Management District's board voted last month to approve a contract to buy 180,000 acres from U.S. Sugar, it did so with a caveat: U.S. Sugar had to kill its side deal with Florida Rock, which wants to dig a city-size mine on the property.

U.S. Sugar now says Florida Rock missed a key deadline, nullifying the mining agreement. But Florida Rock has filed suit to keep it alive.

The mining lease - signed long before Gov. Charlie Crist proposed buying the sugar land to aid Everglades restoration - set a Dec. 31 deadline for Florida Rock to get all the needed permits. That deadline lapsed, U.S. Sugar argues, effectively killing the mining deal. 'They don't have them, and in our reasonable judgment, we don't think they're going to get them in the foreseeable future,' said Robert Coker, a U.S. Sugar senior vice president.

But the Florida Rock suit, filed on New Year's Eve, alleges that U.S. Sugar resorted to 'subterfuge' to encourage the deadline lapse. It says that U.S. Sugar also failed to live up to other contract terms, including giving 90 days' written notice of cancellation. The 'subterfuge' allegation stems from letters exchanged last month. On Dec. 17, a Florida Rock attorney asked for a extension of up to 18 months. The contract allows for the extension provided Florida Rock can show it has worked diligently to obtain the approvals and is likely to succeed.

The suit goes on to say that Florida Rock has four of the six necessary permits and awaits only a final site plan from the Palm Beach County Commission and a water permit from the district.

Two days later, U.S. Sugar responded by asking for a laundry list of internal records to prove the permits were likely to go through - including, among other things, 'diary entries,' 'telephone logs or messages' and 'tapes, photographs, films, sound recordings and data processing software.' The letter reiterated that the Dec. 31 deadline remained in effect. Florida Rock's attorneys could not be reached for comment Monday.
A national rock mining company is suing U.S. Sugar Corp. for breach of contract and the right to pursue construction of a 7,500-acre quarry on land destined for Everglades restoration.

Jacksonville-based Florida Rock Industries filed the suit Dec. 31 in Palm Beach County Circuit Court.

In the complaint, the mining company said it suffered losses of at least $1.4 million lining up permits for a proposed quarry near Clewiston. But, U.S. Sugar recently said it believes the contract to develop the quarry was terminated because Florida Rock had not obtained all the necessary permits by the end of December.

The quarry was to be constructed in sugar cane fields that the sugar giant is now obligated to sell to the South Florida Water Management District. The water district has been following Gov. Charlie Crist's vision to buy the land and restore a natural water flow-way between Lake Okeechobee and the southern Everglades.

The state committed to pay $1.34 billion for about 180,000 acres. Because the land usage was changing, the price of the 7,500-acre tract was appraised higher, which will cost taxpayers about $142 million more. Florida Rock's lawsuit seeks an 18-month extension to pursue remaining environmental permits.

In a statement, U.S. Sugar said it was extremely unlikely that Florida Rock could ever obtain permits, but the sugar giant had asked for proof that it was close to obtaining the needed permits. In plain language, the deadline has passed and Florida Rock has not obtained all the required permits so the contract automatically terminates,' said Robert Coker, U.S. Sugar's senior vice president of public affairs.

A statement from Florida Rock said it strongly disputes U.S. Sugar's assertion that a lease agreement expired on Dec. 31.

It said that Florida Rock is committed to being good environmental stewards in their operations and support efforts to protect and restore the Everglades. Birmingham, Ala.-based Vulcan Materials Co. recently acquired Florida Rock.