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Everglades restoration may shift past mill and ethanol plant for jobs
Ethanol plant, sugar mill, lan
09/12/2008
Calibre MacroWorld

Sep. 12--Restoring the missing link between Lake Okeechobee and the Everglades could mean re-engineering the River of Grass to bypass a sugar mill and a new U.S. Sugar ethanol plant, water managers revealed Thursday.

Once the path is settled, construction could stretch over 20 years to build the new system of reservoirs and water treatment areas to restore flows between the lake and the Everglades, according to the South Florida Water Management District.

The state's proposed $1.75 billion buyout of U.S. Sugar Corp. would provide 187,000 acres to help the reconnection.

But Florida's other sugar giant, Florida Crystals, owns 35,000 acres in the targeted area, which includes the Okeelanta sugar mill and power plant.

The district proposes land swaps, trading U.S. Sugar land not needed for restoration in exchange for Florida Crystals property.

On Thursday, the district unveiled its options if it can't reach land deals with Florida Crystals and other owners.

Also Thursday, U.S. Sugar revealed it had initial talks with Coskata, an Illinois company interested in opening an ethanol facility beside the Clewiston sugar mill.

If the Everglades restoration plan can accommodate the ethanol facility, that could bring a new industry to Glades communities worried about losing U.S. Sugar jobs. 'We will see what is possible out there,' U.S. Sugar Vice President Robert Coker said.

One option would shift the restoration area west, avoiding Florida Crystals' mill and leaving sugar cane land near the mill in agricultural production. That could also avoid land envisioned for another ethanol facility at Okeelanta and possibly a new industrial distribution center in the area.

A second option calls for avoiding land swaps by using property the district owns and plans to buy from U.S. Sugar. That would require costly engineering, which could include enlarging canals to move more water south.

Florida Crystals had 'very positive' initial talks with the district about a month ago and remains open to the possibility of land swaps or sales, said Gaston Cantens, the company's vice president for corporate relations.

The district intends to sell U.S. Sugar assets, such as a sugar mill and citrus plant, not needed for Everglades restoration. District board members are pushing for a simultaneous purchase of U.S.
Sugar holdings and sell-off of the unneeded assets. 'I am not going to support spending $10 more acquiring those assets than we are going to sell them for,' board member Michael Collins said.

Florida Crystals has had talks with the district about acquiring the U.S. Sugar mill and also would prefer a simultaneous sale, Cantens said.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

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**Officials seek missing link between Lake Okeechobee and the Everglades**

09/11/2008

Jupiter Courier

Restoring the missing link between Lake Okeechobee and the Everglades could mean re-engineering the River of Grass to bypass a sugar mill and power plant, water managers revealed Thursday.

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On Thursday, the district unveiled its options if it can't reach land deals with Florida Crystals and other owners.

One option shifts the restoration area west, avoiding Florida Crystals' mill and leaving sugar cane land near the mill in agricultural production. That could also avoid land envisioned for ethanol production at Okeelanta and possibly a new industrial distribution center in the area - both ventures that Glades communities see as ways to replace sugar jobs lost to restoration.

A second option calls for avoiding land swaps by using property the district owns and plans to buy from U.S. Sugar. That would require more costly engineering improvements, which could include enlarging canals to move more water south.

Florida Crystals had 'very positive' initial talks with the district about a month ago and remains open to the possibility of land swaps or sales, said Gaston Cantens, the company's vice president for corporate relations. It would likely take more than a land exchange to compensate for the value of the mill and power...
The district intends to sell off U.S. Sugar assets not needed for Everglades restoration, such as a sugar mill and citrus plant. District board members are pushing for a simultaneous purchase of U.S. Sugar holdings and sell-off of the unneeded assets, concerned that values will drop the longer the district holds them. 'I am not going to support spending $10 more acquiring those assets than we are going to sell them for,' district board member Michael Collins said.

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**Florida sketches 3 possibilities for U. S. Sugar deal**

09/12/2008

Miami Herald - Online

CURTIS MORGAN

Water managers on Thursday unveiled the first sketchy plans for using sugar fields to restore the Everglades.

The three plans amounted to little more than broad maps and concepts, but they staked out a position likely to come into play in the South Florida Water Management District's ongoing and complex negotiations with Big Sugar.

Two of the three options would shrink, or even eliminate, perhaps the biggest hole in the state's $1.75 billion proposal to buy out the U.S. Sugar Corp: The need to swap land with Florida Crystals, the second-biggest sugar giant and owner of an expensive, state-of-the-art plant and some 35,000 acres smack in the path of the restoration.

"We can achieve restoration with the U.S. Sugar lands alone," said Carol Ann Wehle, the district's executive director and one of the chief negotiators with the sugar companies.

Water managers still consider a swath that includes Florida Crystal's holdings the prime spot to recreate the "missing link" between the Everglades and Lake Okeechobee, by constructing reservoirs and pollution-filtering marshes to restore the flow of clean water south into the struggling marsh.

But during a meeting of the district's governing board in West Palm Beach, assistant deputy director Tommy Strowd outlined other options that he said would still provide an adequate supply of clean water.

One would bend a wide "flow way" of reservoirs and treatment areas west around Florida Crystals' crown-jewel Okeelanta facility, a sprawling processing plant, refinery and distribution center powered by burning cane waste. The other would convert U.S. Sugar's tracts, mostly ringed along Lake Okeechobee's southern

file:///C|/Documents%20and%20Settings/gmarg...20Stories%20for%20September%202012%202008.htm (4 of 12) [9/12/2008 4:08:22 PM]
rim, into reservoirs and water treatment areas -- with the trade
off of a lot more pumps and plumbing to move water down canals
into the Glades.

"We can still meet the goals with this land," said Strowd. "It
obviously looks highly engineered, and it is."

While the proposals offered few details and no cost estimates, and
could take more than a decade to construct, they could provide
leverage in negotiations with Florida Crystals or other interested
parties.

"One would think so," Wehle said.

In addition to land swaps, the district hopes to make as much as
$500 million reselling U.S. Sugar's mills, railroads and other
assets, though Wehle has called that more of an aspiration than a
realistic target. That money primarily will be used to reduce the
debt the district will incur to finance the deal.

Florida Crystals executives could not be reached for comment.
The company, which has expressed interest in U.S. Sugar's
holdings, remains the most likely player in major swaps, but the
negotiating table appears to be getting more crowded.

Business and political leaders in the rural Glades are pushing a
proposal for an inland port, possibly on Florida Crystals land, that
would serve as a shipping hub.

And Gov. Charlie Crist told the St. Petersburg Times in a story
published Thursday that he supports the idea of building an
ethanol plant to replace a U.S. Sugar mill near Clewiston.
Coskata, an Illinois firm, had been negotiating with U.S. Sugar for
a site before the state buyout was proposed in June.

Crist spokesman Sterling Ivey said the governor viewed the
ethanol plant possibility as way to both bolster the state's
alternative fuel production, one of his climate-change goals, and
to help communities worried about losing thousands of jobs when
U.S. Sugar eventually shuts down. Under the terms of the
proposal, the company will continue farming on leased land for at
least six years and likely more.

While the governor wasn't endorsing any particular company, Ivey
said, "he's always envisioned a change to more ethanol plants in
the future." Three Everglades restoration plans offering water
managers options are light on details, but may be good for
bargaining with sugar growers.
Even as the state tries to buy U.S. Sugar Corp. for $1.75 billion to restore the Everglades, separate negotiations now under way could lead to an additional use for the farming giant's property: a large ethanol plant.

People involved in the state's buyout effort said today that the two proposals could work together.

**US Sugar Everglades land sale delayed over details**
09/11/2008
Press Democrat

2:20 p.m. WEST PALM BEACH, Fla. -

A giant land deal for an area larger than the city of Chicago, intended to help the dying Everglades, has been slowed as both sides work out details of the proposal for the state to buy some 300 square miles from U.S. Sugar Corp., officials said Wednesday. The final plan also will likely mean some of the land will remain for agriculture, leaving less for restoration.

Declaring the proposal "as monumental as the creation of our nation's first national park," Republican Gov. Charlie Crist made the announcement about the planned deal in June, standing on the edge of the Everglades.

The initial announcement said the state would buy some 300 square miles of U.S. Sugar's holdings in the Everglades south of Lake Okeechobee, including its cane fields, mill, refining facilities, citrus groves, and railroad line.

U.S. Sugar would be allowed to farm the 187,000 acres for six more years, after which it would go out of business, leaving some 1,700 workers unemployed.

The state would then protect the land from development, which has been encroaching on the Everglades for decades.

Officials said in June they planned to sign a contract on the deal by November.

It likely won't happen now until sometime in 2009, according to officials with U.S. Sugar and the South Florida Water Management District, which oversees Everglades restoration for the state.

The district had planned to borrow the money through bonds for the deal and pay off the debt with property taxes from its 16 county region stretching from Orlando to the Keys.

Officials now say they are hoping to negotiate simultaneous sales of some of U.S. Sugar's assets, such as its mill and railroad, before completing the sale. They also say they are seeking partners in the purchase.
"The word is out on the street and they know that we will not be holding onto these assets," Ruth Clements, the district's director of land acquisition, told board members on Wednesday.

State officials had said they planned to build a network of reservoirs and marshes on the land to filter water flowing into the Everglades and help restore the River of Grass to a cleaner, more natural state.

For generations, farming and development have blocked the natural flow of water and allowed fertilizers and other pollutants to spill into the wetlands, slowly killing the ecosystem.

But just how long it will take to seal the deal remains unclear.

U.S. Sugar Vice President Robert Coker said he was confident it will happen in early 2009, but he acknowledged he's frustrated.

"If this was a private sector deal, we could have had a contract signed in 60 days," Coker said.

What has become clear is that some portion of the 187,000 acres will likely stay in agriculture, possibly a large part, mainly to keep the sugar mill operating as a valuable, sellable asset.

Even without U.S. Sugar's land, it would not end sugar growing in the Everglades. Some 300,000 acres of land, or close to 500 square miles, used by other companies would remain in production.

Many residents in the region around U.S. Sugar's land, communities that have relied on the company as an economic engine for decades, fear its shutdown will ruin their livelihoods.

"I'm a lifer here, and would like to be a real lifer, but I'm concerned that I may be displaced by all of this," said attorney Melanie McGahee, from Clewiston, where U.S. Sugar is based.

"We're sitting out here as business owners and longtime residents and families and not knowing what our future holds."

McGahee said she is concerned that many people, including environmentalists who have hailed this deal as a huge step forward for the Everglades, will simply see the people of Clewiston "as a small price to pay."

"But we are 6,000 families out here," she said.

The multibillion Everglades restoration effort, bogged down for years by bureaucracy, funding shortfalls and missteps, is the largest of its kind in the world. It is aimed at undoing or rerouting decades of flood-control projects that were built to make way for houses and farms. Add a Comment on this topic. Events Calendar Sponsored by: Events Search enter event type Most ed 4 min ago 23 min ago 29 min ago 39 min ago 4 hrs ago 4 hrs ago 4 hrs ago 5 hrs ago 6 hrs ago 6 hrs ago Featured es Copyright 2008 All rights reserved. Restricted Use only.
WATER MANAGEMENT DISTRICT'S BUDGET PLAN APPROVED
09/11/2008
South Florida Sun-Sentinel

The South Florida Water Management District on Wednesday initially approved a $2.9 billion budget - potentially doubling its current budget to pay for the proposed buyout of U.S. Sugar Corp.

The district's governing board voted to keep property taxes at about 62 cents per $1,000 of taxable value for most of its 16-county region. For a $150,000 home, factoring in a $50,000 homestead exemption, that would cost residents in Broward and Palm Beach counties $62.40 a year.

The final budget and tax vote is Sept. 23.

The district plans to borrow the money for a $1.75 billion deal to buy U.S. Sugar's 187,000 acres to build reservoirs and water treatment areas to re-establish flows between Lake Okeechobee and the Everglades.

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Everglades restoration may shift past mill and ethanol plant for jobs
09/12/2008
South Florida Sun-Sentinel - Online
Andy Reid

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If the Everglades restoration plan can accommodate the ethanol facility, that could bring a new industry to Glades communities worried about losing U.S. Sugar jobs. 'We will see what is possible out there,' U.S. Sugar Vice President Robert Coker said.

One option would shift the restoration area west, avoiding Florida Crystals' mill and leaving sugar cane land near the mill in agricultural production. That could also avoid land envisioned for another ethanol facility at Okeelanta and possibly a new industrial distribution center in the area.

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Florida Crystals has had talks with the district about acquiring the U.S. Sugar mill and also would prefer a simultaneous sale, Cantens said.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

Look back Take a look at the history of the sugar cane industry in South Florida through an interactive photo gallery and video report at SunSentinel.com/sugar and learn about the Everglades through an interactive tour.

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**Everglades restoration plan proposes way around landowners who**

09/12/2008
South Florida Sun-Sentinel - West Palm Beach Bureau
Reid, Andy
Water managers today laid out a plan to bend a re-engineered version of the Everglades' River of Grass around landowners unwilling to move and make way for restoration.

Once the path is settled, construction could stretch over 20 years to actually build the new system of reservoirs and water treatment areas to restore flows between Lake Okeechobee and the Everglades, according to the South Florida Water Management District.

The state's proposed $1.75 billion buyout of U.S. Sugar Corp. would provide 187,000 acres to help reconnect Lake Okeechobee to the Everglades.

But Florida's other sugar giant, Florida Crystals, also owns thousands of acres as well as a mill and energy production plant in between the lake and the Everglades.

The district proposes land swaps, trading U.S. Sugar land not needed for Everglades restoration for Florida Crystals' property in the targeted path.

On Thursday, the district unveiled its options if the land deals can't be reached with Florida Crystals.

One option shifts the restoration area west, avoiding Florida Crystal's mill and leaving sugar cane land near the mill in agricultural production. That could also avoid land envisioned for ethanol production and a new industrial distribution center, which Glades communities see as ways to replace sugar jobs lost to restoration.

A second option calls for avoiding land swaps all together and just using property the district already owns and plans to buy from U. S. Sugar. That would require more costly engineering improvements, which could include enlarging canals to move more water south.

Aside from striking the deal that best benefits the environment, land costs and the economic fallout of losing sugar-related jobs has to factor into the deal, district board member Jerry Montgomery said.

"The footprint that we chose is going to have a big impact," Montgomery said.

Gov. Charlie Crist on June 24 announced the landmark deal to put U.S. Sugar out of business over the next six years and use the company's land for Everglades restoration.

Since then, the district and U.S. Sugar have been negotiating the details of a contract to spell out the final cost.

The district and U.S. Sugar missed a deadline to produce that contract by this month. Appraisals and environmental assessments of the land have yet to be completed. The deal that was supposed to close by Nov. 30 now is expected to stretch into 2009.

Supporters hail the U.S. Sugar deal as a way to remove a
Today's Land Acquisition Stories for September 12, 2008

roadblock to restoration by using vast swaths of agricultural land to build reservoirs and filter marshes to store, clean and deliver water that once flowed naturally to the Everglades.

The district proposes borrowing the money for the deal, and paying off the debt with property taxes levied in a 16-county region that stretches from Orlando to the Keys.

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**Historic effort to buy US Sugar land takes another step**

09/12/2008

WPTV-TV

Chavez, Jesse

**SUBURBAN WEST PALM BEACH, FL --** We're learning more about what may become the largest conservation purchase in Florida's history.

The key players in the state's proposed buyout of US Sugar got together today, to discuss the its progress.

A standing room only meeting wrapped-up late in the afternoon at the South Florida Water Management District's office, in Suburban West Palm Beach.

This is where a self-proclaimed "dream team" of experts showed board members and the public what's being done to conduct a through environmental assessment, on the condition of US Sugar's nearly 200,000 acres.

"Most of the challenges that we've come up here are ones of sheer scale," said environmental expert Steve Long. "None of the protocols that we had existing, or DEP rules, or things of this nature were designed to tackle a property of this size."

The goal is to determine the value of the land, the company's sugar mill, its railroad system and its machinery.

Folks basically got an idea of how this giant land deal is going to look, everything from appraisals to engineering designs.

"It's extremely complex," said Randy Smith of the South Florida Water Management District. "It's enormous, but it's progressing well."

A final environmental assessment report is now set for release by the middle of next month.

Terms of the deal were not discussed during today's meeting.

The water district's next move is to continue negotiations with US Sugar and move towards a closing date.