Today's U.S. Sugar News for October 4-6, 2008

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In Italy, a redesign of nature to clean it up
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Before Michele Assunto hauls in his fishing net from the banks of a reed-lined canal here, he uses a pole to push the garbage out of the way. “They really need to clean this up,” he growls.

Where another canal empties into the sea here at the small community of Porto Badino, the only animals that can survive are giant rats, local officials say. Of course, the sea is not fit for swimming for 183m on each side of the outlet, they add with a shrug — yet bathers splash in the Mediterranean nearby.

In many parts of this affluent coastal region southeast of Rome and northwest of Naples, canals dumping effluent into the Mediterranean from farms and factories coexist with fishermen and beachgoers. There is little doubt that this area would need considerable work to return to a more pristine state. For places as far gone as this one, however, a new breed of landscape architects is recommending a radical solution: not so much to restore the environment as to redesign it.

“It is so ecologically out of balance that if it goes on this way, it will kill itself,” said Alan Berger, a landscape architect at MIT who was excitedly poking around the smelly canals on a recent day and talking to fishermen like Assunto.

“You can't remove the economy and move the people away,” he added. “Ecologically speaking, you can't restore it; you have to go forward, to set this place on a new path.”

Designing nature might seem to be an oxymoron or an act of hubris. But instead of simply recommending that polluting farms and factories be shut, Berger specializes in creating new ecosystems in severely damaged environments: redirecting water flow, moving hills, building islands and planting new species to absorb pollution, to create natural, though “artificial,” landscapes that can ultimately sustain themselves.

Berger, who is the founder of P-Rex, for Project for Reclamation Excellence, at the institute in Massachusetts, recently signed an agreement with the province of Latina to design a master ecological plan for the most polluting part of this region.

He wants the government to buy a tract of nearly 202 hectares in a strategic valley through which the most seriously polluted waters now pass. There, he intends to create a wetland that would serve as a natural cleansing station before the waters flowed on to the sea and residential areas.

Of course, better regulation is also needed, to curb the dumping of pollutants into the canal. But a careful mix of the right kinds of plants, dirt, stones and drainage channels would filter the water as it slowly passes through, he said. The land would also function as a new park.

Berger was quick to acknowledge that the approach is vastly different from the kind normally advocated by established
environmental groups like the World Wildlife Fund or the Nature Conservancy, which generally seek to restore land or preserve it in its natural state, often by closing down or cleaning up nearby polluters. In the Florida Everglades, for example, the state is buying and closing a sugar plant to preserve the environment. But that approach may not work in places that are already severely degraded, Berger said.

“The difference between me and WWF is that when I look at this place, I never think about going back,” he said, referring to the wildlife fund. “The solution has to be as artificial as the place. We are trying to invent an ecosystem in the midst of an entirely engineered, polluted landscape.”

At first glance, Latina does not look like an environmental disaster zone. Bordered by mountains to the east and the Mediterranean to the west, it is a place of spectacular rural vistas and even a few famous beach resorts, like Sabaudia.

But in many ways, Berger said, it is as damaged and distorted as the area around an abandoned mine in Breckenridge, Colorado, that he is also redesigning, as part of a Superfund cleanup underwritten by the Environmental Protection Agency.

Indeed, the entire environment here is a manufactured one already — and one that is successful, in economic terms at least.

Two thousand years of “water management” have turned the once-malaria-infested Pontine Marshes into a region, the province of Latina, that is among Italy's most prosperous. It is home to industrial parks, resorts filled with weekend homes, and farms — some of which make Italy the world's leading producer of kiwis.

Latina's prosperity is built on drained swampland, kept habitable by six pumps as huge and noisy as airplanes, put in place in 1934 by Mussolini. Each day they pull millions of liters of water — up to 36,000 liters a second — out of the soggy ground, directing it into an elaborate system of cement-lined canals that ultimately dump it into the sea.

The entire province would return to marshland in seven days if the pumps were turned off, Carlo Cervellin of the Pontine Marsh Consortium said. He is in charge of maintaining and regulating the immense machines, which are in a pump house at the lowest point in the province, in Mazzochio.

Roman emperors and popes had tried for centuries to drain the marshes to allow better access to the sea along the famed Appian Way, all with limited success. The draining of the Pontine Marshes was one of Mussolini’s engineering triumphs.

The area was still a sparsely inhabited malarial breeding ground when Mussolini brought in workers from northern Italy to create a public works project centered on the pumps that in some ways rivaled the construction of the Panama Canal. Many died in the process, and there was no environmental impact study.

“The goal was to pump water out as fast as possible,” Berger said.

What emerged from the swamp was a triumph of Fascist determination as well as one of Italy's economic powerhouses. Mussolini built the city of Latina on the newly dried-out land,
where it became a center of industry and farming.

But prosperous does not necessarily mean sustainable.

Berger came to Rome’s American Academy in 2007 on a yearlong fellowship to study the history of the Pontine Marshes. It was only after he started to collect data on the land and the water that he realized how damaged the area was.

With the help of the local government in Latina, he collected thousands of aerial photographs as well as data from water and soil in an effort to document drainage patterns and the flow of water and pollutants.

“If there was ever a place to know exactly where your food is produced, it’s here,” he said. “I would only eat from uphill.”

Pristine water enters the Latina plain from high mountain streams in the area of Ninfa; it becomes dirtier and dirtier as it heads toward the sea, picking up the runoff from a succession of factories, farms and homes.

Berger found that half of the water in the system was severely contaminated, he said, with phosphorus and nitrogen levels that get worse as it runs through the canals toward the coast.

“In terms of phosphorus, much of the water is in the raw-sewage range, and in terms of nitrates, it was in the swine effluent range — like being right downstream from a pig farm,” he said.

By the time the water reaches the sea at some outlets, Berger’s aerial photos show, it has become a plume of silt filled with pollutants. Pharmaceutical factories and large farms are along the canals. Farmers also use the water for irrigation.

Presented with his research, even local officials were surprised at the portrait of pollution that emerged, but they were impressed enough with the solution he proposed that they are continuing to work with him now that he is back in the US.

“He studied the zone from a different point of view than ours,” said Carlo Perotto, the planning director for the province. “We had different people concerned with water, industry and agriculture. He opened a new way of thinking.”
Oct. 5--Crucial Broward wastewater work could be delayed. Financing costs at Broward's BankAtlantic Center could rise. North Bay Village drainage work is in limbo.

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Bond experts say it's simply a case of credit drying up and people too worried to invest in anything not backed by the U.S. government. As a result, they're demanding higher interest rates in order to purchase bonds. 'People are scared to death,' said Steven Caruso a bond attorney with Maddox Hargett and Caruso in New York City. 'This is about as close to the Great Depression as you can get.' The news of Friday's $700 billion relief package approved by Congress was welcomed from local government leaders to Wall Street brokers. Even California Gov. Arnold Schwarzenegger was trying to cash in, seeking a $7 billion loan to help run his state government.

The hope is that as the federal government buys off bad debts from the banks, lenders will be more willing to extend credit.

That could translate to the bond market, as well. As credit becomes available, people who buy those bonds are not as likely to demand higher interest rates. 'It will give people more confidence that the capital markets have become more liquid,' said Caruso. Miami Mayor Manny Diaz, president of the U.S. Conference of Mayors, summed up the credit crunch in a letter to Congress ahead of Friday's vote.

TAXPAYER COSTS 'When cities issue debt in the tens and hundreds of millions of dollars, these changes in borrowing costs represent significant added costs to taxpayers,' he wrote. Miami-Dade County is a good example.

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Variable bond rates, though low in recent years, have jumped by as much as 1 3/4 percent in the past few weeks. At that rate, it would mean an additional yearly debt payment by the county of more than $5 million.

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And the county still has work to do. Baum is looking to place a $300 million bond issued in 2005 for a water and sewer project in at a fixed rate. Also, the county needs to permanently park a $46 million bond being used to build the juvenile courthouse. Like home mortgages, penalties are often imposed for changing finance structures.

County commissioners also recently gave the go-ahead to send another $350 million to market for 260 separate projects that range from drainage improvements in Miami Shores and North Bay Village, to enhancing the water and sewer system.

Burgess said the county is going to wait until the end of the year and hope the market turns. 'The situation has to improve. It has to be fixed very, very soon,' he said. What the wait means is as uncertain as the market itself. Bond rates could decrease next; or remain high through year's end. It's a game of chance. Almost certainly, those projects can wait. They're just a piece of a $2.9 billion bond public works puzzle voted on by the public that will take decades or more to complete.

In Broward, the market freeze could mean the delay of a $170 million worth of wastewater improvement projects. County Chief Executive Officer Mike Geoghegan said it might be better to wait out the rate increases.

But that county's problems aren't limited to public works projects. Geoghegan said the county couldn't find a buyer for $2.6 million in short-term financing for the BankAtlantic Center, home to the Florida Panthers. So the county agreed to purchase it itself, for 30 days. 'The market will come back,' said Geoghegan. But how soon?

EASING FEARS

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The volatile market could affect even larger statewide projects.

Even before the credit crisis, South Florida water managers were worried about the agency's debt ratio when it came to financing the $1.75 billion buyout of U.S. Sugar Corp.

The credit crunch complicates matters further, threatening to
triple the district's annual debt payment on bonds to over $140 million. The board's financial consultant is expected to update the governing body Wednesday. 'We might not be doing this for another five or six months or more. We'll have to see how this all works out,' said district spokesman Randy Smith.

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Sweetest Fliers Arrive in Mailbox
10/05/2008
Lakeland Ledger

The Coffee Guzzlers Club members were gathered at the usual table at the Sam 'n' Ella Cafe. Nevermore, the club's pet raven and mascot, had a special request to make.

Quoth the Raven: 'I need to have my mail forwarded to one of your addresses, because there's a state senator living in my mailbox: J.D. Alexander.'

Hmm. That may not work either. Mine is full of him too. Nearly once a week, if not twice, a full-color postcard mailer tumbles out of the mailbox. I have almost a dozen since I started saving them several weeks ago.

J.D. in a suit, blue shirt and tie. J.D. in a white polo shirt. J.D. The Lake Wales Republican is up for re-election to his District 17 seat, which covers the southern half of Polk County, and all or portions of six other counties to the south.

Even though Democrats have a slight edge in registration throughout the district (44 percent Democratic, 39 percent Republican), Alexander has a long lead in campaign contributions and name recognition.

He has drawn Democratic opposition in the Nov. 4 election from Scott Thompson of Winter Haven, 42, a third-generation citrus grower who characterizes Alexander as 'a professional politician,' who 'has been in Tallahassee for a decade, and he has made some very powerful friends.'

The powerful friends have stoked Alexander's campaign treasury.
with $383,000 in monetary donations and another $75,300 in in-kind contributions, according to the September contribution list. Thompson's contributions pale by comparison: $7,840 in monetary donations and $8,300 in-kind contributions.

For every $1 Thompson has raised, Alexander has collected $28. Thus far in the campaign, Alexander has outspent Thompson by an even grander margin: $53 for every $1 Thompson has spent.

But Alexander doesn't have any money in the stream of mailings that have been stuffed in the district's mailboxes. Of the ones I have collected, many are from the Republican Party of Florida, touting Alexander for cutting taxes 'to help stimulate our economy and create new jobs.'

Others, however, come from political committees with warm, fuzzy names. One of those was paid for by Citizens First, which lists its address as 400 Capital Circle SE, Suite 18-123, Tallahassee.

The 'suite' is rather small. It is measured in inches, actually. According to a report last year in the St. Petersburg Times, the address 'is a UPS store in a strip shopping center, where mailboxes rent for $12 a month. Each of those political committees had its own postal box or, as they more elegantly put it: 'suite.'"

The contact person listed for Citizens First when it was formed just before the November 2004 elections was Kim LeeBove. A news story in The Palm Beach Post identified her as a bookkeeper for a company run by Randy Nielsen, a political consultant whose clients include sugar-industry and home-building interests.

In the past three years, Citizens First has raised $368,000. Of that amount, just more than half - 54 percent - came from the U. S. Sugar Corp. and Florida Crystals Corp.

Interestingly, another of those oversize postcard mailings featuring Alexander - this one from Floridians for Conservative Values - came from the same street address as the one from Citizens First.

It was only three mailbox suites away from Citizens First. In fact, the treasurer for Floridians for Conservative Values is the same Kim LeeBove listed as the contact person for Citizens First.

Like Citizens First, Floridians for Conservative Values is a 527 political group, named for the section of IRS code that created them. This mailer praised Alexander, who 'slipped an amendment prohibiting the commercial garbage [proposed for a Bartow landfill] into a bill passed by the Legislature.'

Who are these Floridians who take such an interest in Alexander - or what goes into a landfill in Bartow, for that matter?

As it turns out, Floridians for Conservative Values is largely financed by the sugar industry. According to campaign reports filed by the organization, of the $271,000 raised since 2006, nearly 80 percent has come from the U.S. Sugar Corp. and Florida Crystals Corp.

This is what passes for campaigning for office these days: suites that are smaller than a bread box. 'Citizens' with 'Conservative
Values' who aren't living, breathing people, but corporations
masking as them.

That's the reality of it - once you peel off the sugar coating.

[ Lonnie Brown, The Ledger's associate editor, is interlocutor of the Coffee Guzzlers Club. The club motto this week is: 'Now that you're in there, can we bring you anything? A sandwich? How about a sugar cookie?' ]

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10/05/2008
Miami Herald - Online
CHARLES RABIN AND AMY SHERMAN

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Variable bond rates, though low in recent years, have jumped by as much as 1 percent in the past few weeks. At that rate, it would mean an additional yearly debt payment by the county of more than $5 million.

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What the wait means is as uncertain as the market itself. Bond rates could decrease next; or remain high through year's end. It's a game of chance. Almost certainly, those projects can wait. They're just a piece of a $2.9 billion bond public works puzzle voted on by the public that will take decades or more to complete.

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But even that's a well-educated guess, similar to Friday's congressional bailout that is expected to loosen lending strings and set the market straight.

Herald Staff Writers Curtis Morgan, Elaine De Valle, Laura Figueroa, Breanne Gilpatrick, Larry Lebowitz, Tania Valdemoro and Michael Vasquez contributed to this report.
Experts are hoping Friday's congressional vote to flood the market with $700 billion will loosen up the fluctuating bond market -- and help governments.

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Macro World Investor

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10/05/2008
St. Petersburg Times

The Everglades restoration project is off track. After eight years of work and $7-billion in taxpayer spending, the effort is strangled by red tape, a shift in the nation's political priorities and concern over rising costs. The project was designed as a partnership between the federal government and the state, but Congress is not providing Washington's share of the cash. Federal agencies also need to show greater urgency and ensure that the state, in looking to accommodate growth, protects the environmental quality of this national treasure.

Restoring the Everglades' natural health while supplying a growing South Florida with the water it needs was always going to be a costly, lengthy balancing act. But a panel of experts reported last week that the project is "making only scant progress toward achieving its goals." The National Research Council, an arm of the National Academy of Sciences, in an independent progress report, noted that the focus on planning and bureaucratic protocol have taken the wow factor away from the much-hyped project. That is frustrating the people who work on it and threatening to dampen the popular support it needs to get completed.

The plan seeks to undo the damage done by a system of canals, levees and pumps built between the 1940s and '60s to drain South Florida to accommodate more people and subdivisions. The two agencies that drained the Everglades, the Army Corps of Engineers and the South Florida Water Management District, are in charge of restoring it and splitting the costs. But the $8-billion cost estimate has ballooned to at least $10-billion, and delays by Congress and the Bush administration in funding the federal share have shifted more of the costs onto Florida and forced some construction delays. Not one of the 60 initial restoration projects is completed; those that have broken ground are years behind and over budget. Experts worry that the slowdown in the economy and the continuing crisis in the credit markets will only push the Everglades further back on the nation's agenda.

The state and the nation have invested too much to let this project get any further off track. Pushing restoration off will only make it harder and more costly to deal with urban sprawl. The corps is working to streamline its regulations and decisionmaking process, which is essential. But the federal government needs to provide its share of the money in a timely manner. The state and the many public and private players involved need to know Washington is committed. Federal officials also need to quit funding projects in isolation. This restoration plan has many moving parts, and the focus needs to be on restoring the ecosystem, not minimizing the damage here and there.

Having federal officials more actively involved, and looking at the restoration in comprehensive terms, is particularly important now that Florida has proposed spending $1.75-billion to buy 187,000...
Snyder has found his role
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Palm Beach Post

Palm Beach Post Editorial

Monday, October 06, 2008

State Rep. William Snyder, R-Stuart, doesn't think that he's going to single-handedly reform Tallahassee. He doesn't think that he's going to solve all of Florida's problems. But in his first term, he picked an area in which he had some expertise, then sponsored bills to deal with specific, solvable problems - and actually got several of them passed.

He's retired from a career in law enforcement, so that is Rep. Snyder's bailiwick. For example, one of his successful bills extended the list of crimes for which law enforcement could collect and keep a DNA sample. Why? Because people convicted of misdemeanor sex crimes weren't having their DNA collected. That made no sense; those offenders are likely to re-offend or commit more serious crimes. Now, if having a sample on file doesn't deter them, getting caught and sent to prison will.

Granted, it's easier to get pro-law enforcement legislation passed than some other categories. But that doesn't decrease the value of Rep. Snyder's bills. Because of his effectiveness, The Post recommends that on Nov. 4, voters reelect Rep. Snyder in District 82, which covers most of eastern and central Martin County plus a sliver of St. Lucie and Palm Beach counties.

We acknowledge that in many cases Rep. Snyder is going to support Republican leadership positions that we oppose. But he acknowledges that the state is in financial trouble, and even though he says "I don't believe that raising taxes is the answer," he's willing to review sales-tax exemptions and to look at collecting taxes on Internet sales.

He is not, however, eager to expand gambling or increase the cigarette tax. He generally supports the U.S. Sugar buyout to clean up the Everglades. He knows Florida needs the "life raft" of Citizens insurance, but philosophically wants to reduce its size.

Rep. Snyder's opponent is Democrat Catherine Hilton, a teacher from Stuart.
Aaron Deslatte | Capitol View
October 5, 2008
Florida's Main Streets may not feel the earth shaking, but an economic quake is on the horizon that could do much more damage than simply unhinging well-laid political campaigns.

As Congressional lawmakers channeled the pocketbook outrage of their constituents over the Bush administration's $700 billion financial bailout package, state and local governments across the nation were scrounging for cash.

Credit markets were squeezed dry.

California Gov. Arnold Schwarzenegger warned Treasury Secretary Henry Paulson that his state would need a $7 billion loan from the feds to keep paying its teachers, cities and police.

Although Florida has weathered the storm so far, state money managers were anxiously waiting on Washington, too.

For three weeks, locals and the state have been virtually shut out from bonding on the financial markets. Interest rates for governments to borrow money soared from 1 percent to 8 percent in two weeks, state officials said.

"The municipal market for all practical purposes is frozen. It's closed," Ben Watkins, Florida's bond finance director, told Gov. Charlie Crist and the Cabinet last week.

The state's holdings in troubled Wall Street institutions such as AIG and Washington Mutual were showing more than $1 billion in unrealized losses last month, although the state's credit rating is excellent.

Florida has $21 billion in variable-rate debt, but only about $100 million in short-term securities that could suffer near-term losses.

California bonds to fund day-to-day operations, while Florida bonds primarily for capital projects, so the state isn't in the same predicament, officials said.

Still, without access to credit, government construction projects and land acquisitions such as the Wekiva Parkway and Florida's $1.7 billion U.S. Sugar acquisition in the Everglades could stall.

"If this goes on for us for an extended period of time," Watkins said, "we will be challenged . . . to fund the projects for schools and roads and acquiring environmentally sensitive lands."

Even John McCain's grip on Florida's 27 electoral votes was
shaken by the nation's economic mood.

Last week, Quinnipiac University surveys of Florida, Ohio and Pennsylvania found voters gripped by the fragile state of the economy and favoring Democrat Barack Obama.

In Florida, Obama had surged past McCain, with 51 percent of voters favoring him compared to 43 percent who supported McCain. The Arizona senator had held a 47 percent to 43 percent lead in the school's survey in late August.

The reason for the turnaround: the economy.

"Everybody's scared about the stock market. That's the overwhelming thing," said Peter Brown, Quinnipiac assistant polling director.

But the chief obstacle to Bush's bailout was pure take-home populism.

Five of the seven House Republicans from Central Florida voted no to the earlier version of the bailout last week, saying it was a bailout for Wall Street tycoons. Only U.S. Rep. Adam Putnam, R-Bartow, a member of the Republican leadership team, and retiring Rep. Dave Weldon, R-Indialantic, initially supported the bailout plan.

"Members are very reluctant to go against their constituents on big issues when people are paying attention," said University of Central Florida political scientist Aubrey Jewett.

One person who did an about-face: the governor.

After initially saying he was "not sure" about the bailout and urging Floridians to "go to Disney World" -- prompting the conservative National Review to sarcastically label his dodge a "profile in courage" -- Crist went to work on the phones urging Florida's congressional delegation to back the plan.

Crist to help Feeney

Speaking of congressional outreach, Crist and Florida GOP Chairman Jim Greer are hosting a fundraiser for U.S. Rep. Tom Feeney of Oviedo at Greer's Seminole County home Tuesday to infuse some cash into his fight to keep his seat.

Feeney's race against Democrat Suzanne Kosmas is considered one of the closest congressional contests in the country, prompting Feeney to start airing a public apology last month for his ties to convicted lobbyist Jack Abramoff. The ad has prompted mixed reviews from political odds-makers who felt it smelled of desperation. But Greer said he approved.

"People make mistakes. He said he made a mistake, and I think voters like to have someone who's honest," Greer said.

For more insider information and insights on Florida politics, go to Central Florida Political Pulse at OrlandoSentinel.com/politicalpulse. Aaron Deslatte can be reached at adeslatte@orlandosentinel.com or 850-222-5564.