

**MINUTES OF THE
TREASURE COAST REGIONAL PLANNING COUNCIL
JUNE 20, 2014**

Acting Chairman Davis called the meeting to order at 9:35 a.m. and welcomed everyone to the meeting. He led the pledge of allegiance and requested roll call.

The following members and alternates were present:

Indian River County:	Commissioner Solari Councilmember Fletcher
Martin County:	Commissioner Fielding Commissioner Krauskopf Commissioner Thurlow-Lippisch (Alternate)
St. Lucie County:	Commissioner Lewis Commissioner Perona
Palm Beach County:	Commissioner Valeche Councilwoman Gerwig Mayor DuBois Councilman Hmara (Alternate) Councilmember Tinsley (Alternate)
Gubernatorial Appointees:	Michael Davis Michael Houston Tobin Overdorf Reece Parrish Peter Sachs
Ex-Officios:	Kathy LaMartina, South Florida Water Management District Ann Benedetti, St. Johns River Water Management District Larry Hymowitz, Florida Department of Transportation
Council Staff:	Michael Busha Phyllis Castro Kim DeLaney Liz Gulick Stephanie Heidt Peter Merritt
Council Attorney:	Roger Saberson

The Executive Director announced a quorum is present.

AGENDA APPROVAL

Councilmember Fletcher moved approval of the Agenda. Councilman Hmara seconded the motion, **Motion** which carried unanimously.

ANNOUNCEMENTS

Staff provided information regarding an upcoming meeting of the Indian River Lagoon Counties Collaborative on July 25, 2014 will be held in the Indian River County Commission Chambers.

Staff provided copies of correspondence to Governor Scott from Tampa Bay Regional Planning Council chairman and governor's appointee, Andres Nunez. The correspondence requests an explanation from the governor on why funding for regional planning councils was vetoed. Staff also provided a letter from Patty Asseff, Commissioner from City of Hollywood and President of the Florida Regional Councils Association (FRCA), to FRCA policy board members regarding the Governor's veto.

Staff provided a copy of a letter from Secretary Ananth Prasad responding to Council's request for the Florida Department of Transportation (FDOT) to implement the safety guidelines for high-speed passenger rail service of the Federal Railroad Administration (FRA) with respect the to All Aboard Florida (AAF) project.

Staff noted a copy of a letter from Russell Roberts with Florida East Coast Industries (FECI) responding to Commissioner Solari's April correspondence requesting information regarding FECI's corporate structure, finances, and safety measures related to the AAF project.

Staff provided a pocket guide from the FDOT entitled *Florida Transportation Trends and Conditions*. Staff noted that this guide provides information on several transportation topics such as current trends, vehicle miles traveled, transit use, and roadway deficiencies.

Staff indicated that Council's proposed budget for Fiscal Year 2014-2015 would be on the July Council meeting agenda.

Staff stated that there have been requests to cancel the August meeting. Staff indicated canceling the meeting would be contingent on if the AAF draft environmental impact statement (EIS) is received and there would not be enough time to review the report and provide Council comments before the scheduled September 19th meeting. Commissioner Solari stated that he believes that the draft EIS will not be released until the first of August, because there are several things that need to occur in the process before it is released to the public. He indicated he would go through all his documents and contact staff with more information regarding an approximate date the EIS will be released. Staff indicated the decision to cancel the August meeting could be addressed at the July meeting. Councilwoman Gerwig noted that the August meeting also conflicts with the Florida League of Cities annual conference.

CHAIRMAN'S COMMENTS

Acting Chairman Davis stated that he met with Colonel Dodd of the U.S. Army Corps of Engineers (Corps) and his team to discuss a variety of issues. One of the topics was the Corps budget and how

it affects their work program. Acting Chairman Davis asked Council members to consider making an endorsement for the Corps to move quickly on the repairs to the Herbert Hoover Dike, and offering support of the Corps getting funding that will prevent delays. He noted that there is a letter circulating in the environmental community to support the Corps. He stated that this is a regional issue and there are negative consequences to any delays. Staff indicated that this could be done as an agenda item for the July meeting. Councilwoman Gerwig stated that she would appreciate Council's support, because her community is one that is greatly affected by this issue.

COUNCIL MEMBER UPDATE

Councilman Hmara stated that the Village of Royal Palm Beach is completely built out as far as residential is concerned, however the Village has one vacant 156-acre parcel of land that was previously the site of the wastewater treatment plant. He indicated that as part of their strategic planning process, the Village has decided to sell this land. He stated that the Village first attempted to sell the property, and then sent out a request for proposal to the real estate community, but has only received six responses. He asked if any Council members could offer suggestions of how the Village should proceed. Staff stated that an email could be sent to all the Council members and alternates to see if anyone has experience or suggestions to offer. Councilwoman Gerwig noted that Wellington had experienced a similar situation, but the Village Council could not reach consensus on how to proceed. Staff indicated that the state recently sold some surplus land, so that may provide another source of information.

Kathy LaMartina noted that the Northern Everglades Interagency and Stakeholder meeting would be held on June 25th at 9:30 am at the Okeechobee field station; and the Loxahatchee River Management Coordinating Council meeting would be held on June 30th at 2:00 pm at the River Center in Jupiter.

PUBLIC COMMENT ON CONSENT AGENDA ITEMS

Alex Larson stated that she wanted to speak in general about comprehensive plan amendments. She noted that the first step in the process is to obtain permits from the South Florida Water Management District (SFWMD). She stated that she does not believe the correct calculations are being made when considering permits, because there is tremendous flooding of roadways throughout Miami-Dade, Broward, Palm Beach, and Martin counties. She stated that with issues such as global warming, there needs to be closer scrutiny of comprehensive plan amendment proposals, and when higher densities are allowed the result is increased flooding. She stated that she has recommended at the county commission meetings that builders be required to put up surety bonds so that if there is an issue the builder will be responsible and the burden will not fall to the tax payers. She requested Council members carefully review all requests to amend their local comprehensive plans.

CONSENT AGENDA

Councilwoman Gerwig asked if she should recuse herself on the Wellington comprehensive plan amendment item. Mr. Saberson indicated that is not necessary. Councilmember Fletcher moved approval of the Consent Agenda. Commissioner Fielding seconded the motion, which carried unanimously.

Motion

Items on the Consent Agenda were: 8A, Financial Report – April 30, 2014; 8B, Minutes – May 16, 2014; 8C, Town of Jupiter Comprehensive Plan Amendment No. 14-1ESR; 8D, Martin County Comprehensive Plan Amendment No. 14-1ESR; 8E, Town of Palm Beach Comprehensive Plan Amendment No. 14-1ESR; 8F, Wellington Comprehensive Plan Amendment No. 14-1ESR; and 8G, Intergovernmental Coordination and Review Log.

ALL ABOARD FLORIDA UPDATE

Staff provided an update on the All Aboard Florida (AAF) project. A map was presented illustrating the routes within the southeast Florida rail network which includes existing freight and passenger routes, future rail connections, and the proposed route and stations for the AAF project. Staff recommended that Council should: 1) maintain a broad view of the AAF project, its impacts, and potential mitigation measures as detailed in its March 10, 2014 memoranda to the Governor and Legislative delegations and not delete references to freight and other passenger rail services; and 2) prepare correspondence to the Federal Railroad Administration (FRA) requesting Florida East Coast Industries, Inc. (FECI) be required to provide cash collateral for its requested Railroad Rehabilitation and Improvement Financing loan for the All Aboard Florida project.

Commissioner Solari stated that it is his impression from his conversation with Mr. Signorelli from FECI that the collateral that would be provided would be the tracks and the signalization, which is being financed for \$400 million. He stated that he believes the essence of the Indian River County MPO request that is attached in the staff report is to ensure that in the event of nonpayment of the loan, there is a reasonable chance the collateral in place will actually have a market value to cover the loan at the time of default. He stated that he would make a motion to send a letter to the FRA requesting that they ensure the collateral for the loan not simply be based on the costs at the start of the loan, but that it would have a high probability of actually being able to cover the loan value at a future date in the event that AAF could not make the loan payments.

Councilmember Overdorf stated his preference would be the collateral not be cash, because that goes against common banking sense, and if they had the cash they would not need to request a loan. Additionally, he stated that he did not believe the Council board should be taking a position on the financing of a project. He indicated that it is reasonable for Council to look at the project and its potential impacts to the region, but questioned why there would be a need to take a position on the loan. He stated that it would set a dangerous precedent if Council were to recommend what should and should not be required in a loan. Commissioner Valeche concurred with Councilmember Overdorf, stating that such a request could be considered an insult to the FRA. He stated that he believes the FRA will make sure that the loan is properly secured. He asked if there are any Council members with any expertise or experience in commercial banking.

Commissioner Solari stated that he has a Master's in Business Administration, and that he has some real questions regarding the loan request. He stated that as an elected official representing the people of Indian River County, he believes he has the responsibility to make sure that their rights and tax dollars are protected. He stated AAF just issued a statement that they are applying for a \$400 million loan, which they expect to get at 12 percent. He stated that the FRA loan would be at 5.75 percent, which shows very clearly that the market has indicated that this is a risky project. He stated that if all their borrowings were done at the market rate, then the project would collapse. He

said that he does believe Council has the expertise to suggest what the terms of the collateral should be, because when a loan is coming from a governmental entity he believes it is not only the elected officials right, but their duty to step in and make sure the tax payers are protected.

Commissioner Valeche stated that he has an MBA in Finance from Wharton, and spent 15 years as an investment banker; however, he does not feel that he would be well qualified to suggest what the terms of the loan should be. With respect to the \$400 million loan, he stated that may be with an affiliated company within Fortress, and that should not be a part of Council's conversation. He indicated he is not comfortable with making recommendations on the terms of the loan, even though he feels he has a good background to evaluate what is occurring.

Commissioner Fielding stated that the underlying reason for this approach is that the elected officials have a responsibility to the citizens, and there are concerns that this will have enormous detrimental impacts to the community, which would be exaggerated if AAF defaults on the loan. He stated that this is a unique situation, so it is valid to make suggestions if that could offset some of the concerns for the citizens. He noted a Fortress prospectus that showed Fortress sold a lot of stock, but no money went back into the company, which he stated is concerning. He indicated that the request in the motion is to ensure that there be equity in the project, so that the tax payers will not have to bear the burden of a failed project.

Acting Chairman Davis stated that there needs to be a clarification of language for the motion, suggesting that action could either be taken on the presented recommendation, or Council could request staff draft a letter that incorporates all the concerns expressed and bring that to the next Council meeting for approval.

Councilmember Overdorf stated he could support the first part of the staff recommendation to maintain a broad view of the AAF project, and he agrees that Council has the right and obligation to review the project. However, he expressed he has serious trepidation with Council reviewing the loan and requirements associated with the loan, because he does not believe Council has that authority.

Mayor DuBois stated that he also supports the first part of the recommendation. He asked if a freight forum could also be made part of the recommendation. He indicated that there are ongoing conflicts with the management of the port and the movement of freight through the port and on the rail corridor. He stated that it is very important to have this type of forum so that all issues such as increased traffic, passenger traffic, the Coastal Link project, and AAF can be discussed. He stated that he supports the idea of a freight rationalization study to address the movement of freight and where that is best accomplished.

Commissioner Valeche stated that it is unfair to say there is no equity in the AAF project. He noted the total cost of the project is between \$2.5 and 3 billion, and they are only asking for a \$1.5 billion loan and the other \$400 million, so the company is investing their own capital. He stated the idea they will default and give up their tracks is outlandish, because the FEC is the most profitable short-line railroad in the United States.

Commissioner Solari stated part of the problem is we do not know the structure and financing of the project. He stated it is his understanding that the Railroad Rehabilitation and Improvement

Financing loan is to AAF, but the tracks are owned by FECl, and AAF has no more than an easement on the tracks, so the value of the tracks will probably remain with FECl. He noted that he never said they did not have any liquidity or equity. He said he believes it is appropriate for Council to make recommendations because the elected officials have a responsibility to the citizens to ensure as open a process as possible and make sure their views are reflected in Washington. He stated that all we are doing is making sure the collateral that is being offered protects the tax payers' money.

Commissioner Valeche stated he too is not very confident in some of the things the federal government has done, but he believes because this is a visible project, the FRA will make sure the collateral is sufficient. He indicated all he is saying is we should let the FRA underwrite the loan.

Commissioner Krauskopf moved approval of the first staff recommendation for Council to maintain a broad view of the AAF project, its impacts, and potential mitigation measures as detailed in its March 10, 2014 memoranda to the Governor and Legislative delegations and not delete references to freight and other passenger rail services. Councilmember Overdorf seconded the motion.

Motion

Councilmember Sachs noted that it appears some Council members are questioning the viability of the project and suggested adding to the recommendation that Council maintain a broad view of the project, its impacts, and viability beyond the loan in all respects, which would eliminate the need for the second part of the staff recommendation with respect to the loan.

Mayor DuBois asked for the motion to include language regarding a freight forum. Councilwoman Gerwig asked if there is an organization that would control that type of planning function. Staff noted that freight is handled by many different organizations, and everything is not controlled by one agency. The railroads operate with projections that are sometimes proprietary and private. The FDOT has to coordinate with state offices, metropolitan planning organizations, and the ports and airports, so there is no clear picture of freight projections and future demands. For this reason, the staff is requesting a forum to bring together the various parties. Councilwoman Gerwig questioned how effective this type of forum would be if there is so much proprietary information. Staff noted that this forum would also address the ongoing US 27 project. Staff indicated the congressional delegation has also asked staff to advance the conversation about freight so everyone can become more knowledgeable and see how all the pieces fit together.

Acting Chairman Davis stated there is a motion and a second, with a request for modification from Councilmember Sachs. Commissioner Krauskopf indicated he wished the motion to stand as offered.

Acting Chairman Davis stated that a broad view is critical, and one of the components of National Environmental Policy Act (NEPA) is to look at cumulative impacts in a meaningful way. He stated that he would split the motion for voting after the public comment is heard. Mr. Saberson indicated the public comment should address the entire staff recommendation.

Under public comment, Ms. Larson stated this is the most ridiculous thing, noting that when the project was first presented it was for \$1.5 billion, within a month it went up to \$2.5 billion, and now there is an additional \$400 million loan. She stated this concerns her because the loan will be funded with tax payer money. She stated this project is a boondoggle, and that even Congressman

Murphy stated it would likely fail. She stated the railroads failed in the 1960s, and it is not likely to be different now. She stated this project is not environmentally good, and she questioned why we would dig up our ports to bring in items from other countries instead of manufacturing what we need here. She stated the trickle down affect is not working and for a project to not have collateral is the most shameful thing that she has ever seen, because this is tax payer money. She stated they said this would be a public private partnership, but it is the public that will be paying. She stated America is bankrupt, and we do not have money for these types of projects. She indicated Rosa Durando has always commended Council, because it brings together many minds to discuss issues. She asked that Council keep in mind that we are at a crisis level in the State of Florida, and projects like AAF will be adding to the crisis.

Ann Kuhl offered some documents she has found related to the AAF project. She referenced an article from the Tampa Tribune published on September 9, 2007, *When The State's Negotiations Went South*, regarding the state wanting to buy the Florida East Coast Railway in 2006. She noted that Jeb Bush was governor at that time and the conversations of a purchase were very serious. She provided the following quote: "Soon after that meeting, state officials began talking seriously to FEC about buying right of way in its east coast line for a passenger rail system. The deal would have brought FEC hundreds of millions of dollars and vastly increased the value of land it owns near the railroad. A major beneficiary would have been one of Bush's closest supporters, Armando Codina, an FEC shareholder and executive. In the end, Codina profited more directly and immediately. While FEC was in talks with the state, a group of private equity investors offered the company \$3.5 billion for its rail line and real estate. When the sale was finalized this year, Codina cashed in his FEC stock worth about \$255 million." Ms. Kuhl also provided the following quote from an article in the Miami Herald published on December 16, 2013 *Downtown Doral, a Codina Partners development, brings city flair to the suburbs*: "Codina, 67, a pioneering South Florida developer best known for suburban office and industrial parks, has reconfigured much of Miami-Dade over several decades. He ventured into what is now Doral almost 30 years ago, when he built Beacon Centre. In 2006, he merged his former company, Codina Group, with Florida East Coast Industries, and sold that company in 2007 to Fortress Investment Group, based in New York. He retained only one asset: the Downtown Doral property."

From an article published in the Financial Times in May of 2007, *Difficulties in spotting suspicious trades*, Ms. Kuhl quoted: "In another example, Tuesday's purchase of Florida East Coast Industries, a railway and real estate company, by Fortress Investment Group, was preceded by soaring options trading almost a week earlier. As many as 16,747 options contracts on Florida East Coast were traded last Wednesday alone - almost 27 times the average daily trading volume for April of just 623 contracts." She stated that we need to be very suspicious and look at everything about this project to make sure we are protecting the tax payers' monies.

John Walker noted he had sent an email providing his comments, which was distributed to Council members. He thanked staff for the suggestion of a freight forum. He noted that at a recent public discussion in Tequesta, there were more questions about freight than passenger rail. He also thanked Commissioner Solari for his concern regarding the financial aspects of the project, which is also a huge concern for the public. He thanked Council for all the information that is being disseminated.

Drew Martin, from the Palm Beach Soil and Water Conservation District, stated he is very active with Everglades restoration and he is very concerned about the idea of heavy development along US

27, because this is right in the footprint of the Everglades ecosystem. He stated that one problem with the AAF project is that it is not on elevated tracks. He noted that this will subject the trains to flooding and storm surge. He stated that he is not opposed to intermodal transportation and rail, but this project will be competing with Tri-Rail, which is a fairly successful system that has not been funded. He stated the funds will be divided between the two programs. He indicated that he did not want to see US 27 become a heavy rail corridor, or a lot of cargo being transported through the state for the rest of the country. He noted this is not practical or energy efficient. He asked that focus be given to building up Tri-Rail as it currently exists. Commissioner Valeche noted that the two projects will not be competing, and there has been an agreement reached with respect to this. He stated that Tri-Rail is publicly funded, and the AAF project will be privately funded.

J.P. Sasser noted that he was the mayor of Pahokee for 10 years, being elected first in 2002 when there was initial planning being done with respect to an intermodal logistics center being located in the Glades area. He stated that he supports any type of a freight forum. He stated he is encouraged that the issues and concerns regarding the AAF project are being raised and discussed by Council. He asked when it became horrible for someone to make money. He stated that he does not believe it should be on the backs of others, but this country was founded on the principle that making a profit on an investment is not a crime. He stated we do need to watch the tax dollars, and those concerns have been raised. He noted that an example of a project that was a “carpet bagging situation” was a proposal for an open sea place route from Pahokee to Havana, Cuba to fly passengers and freight that was proposed to the Pahokee Council. He said that he is very concerned that a company that is asking permission from the public refuses to provide pertinent information in order for there to be intelligent decision-making.

Acting Chairman Davis indicated that was all the public comment, and asked Commissioner Krauskopf to restate his motion. Commissioner Krauskopf indicated the motion is to adopt the first recommendation contained in the staff report. Upon being put to a vote, the motion carried with Commissioner Solari opposed.

Acting Chairman Davis called for discussion on the second part of the recommendation. Commissioner Fielding noted Mayor DuBois had wanted to address the freight forum in a motion. Acting Chairman Davis stated he checked with staff, and there will be a freight forum. Mayor DuBois indicated it would satisfactory to be handled administratively without a Council vote.

Commissioner Solari made a motion to send a letter to the FRA requesting that when making the decision with respect to the loan request from AAF, there is consideration given to the distinction between the cost of collateral when it is purchased, and the value of collateral at the time it may need to be sold should the loan be defaulted to ensure that there is a reasonable chance the loan will be repaid in full.

Motion

Commissioner Valeche indicated that the motion is too complicated and asked if it could be reduced further. He suggested saying that they make the loan according to sound underwriting processes and be certain that the collateral coverage is adequate. Commissioner Solari indicated he would state that the collateral coverage would be adequate as if it were made in the private sector. Commissioner Valeche agreed with that. Mayor DuBois seconded the motion

Commissioner Lewis thanked staff for coming to St. Lucie County and bringing representatives from AAF to answer questions. She stated there was good public comment and a lot of discussion between the representatives and the residents. She noted she is very concerned, because she read in the newspaper that these types of loans are based on the numbers. She indicated that she agreed with the Council member comments that it may be beyond Council's range to specify how the loan should be structured; however she is able to support the current motion, because it announces to the federal government and the residents that Council is concerned and looking out for the region.

Upon being put to a vote, the motion carried unanimously.

**FLORIDA POWER & LIGHT COMPANY
TEN YEAR POWER PLANT SITE PLAN 2014-2023**

Staff summarized the Florida Power and Light (FPL) Ten Year Power Plant Site plan and noted that the draft report concludes that the ten year site plan is inconsistent with the Strategic Regional Policy Plan, Goal 9.1, Decrease vulnerability of the region, to fuel price increases and supply interruptions. The ten year site plan is inconsistent, because it continues to predict heavy reliance on two primary fuel types, natural gas and nuclear fuel. The draft report recommends that FPL adopt a more balanced portfolio of fuels that includes a significant component of renewable energy sources. The draft report encourages FPL and the State of Florida to continue developing programs to reduce the reliance on fossil fuels as future energy sources, increase conservation activities to offset the need to construct new power plants, and increase reliance on renewable energy sources to produce electricity. Staff indicated correspondence was received from Indian River County regarding a 2,800-acre site in Okeechobee County, which is listed as a preferred site. The comments from the county indicate that if the Okeechobee site is developed, FPL will need to coordinate with Indian River County to evaluate and address any traffic impacts.

Commissioner Krauskopf moved approval of the staff recommendation. Commissioner Valeche **Motion** seconded the motion.

Councilmember Overdorf asked what staff would suggest as alternative energy opportunities. Staff indicated the report discusses two programs for the use of rooftop photovoltaic. One of the projects is for community solar projects where individual communities can invest on a community-wide basis. The other program is similar to a program that Southern California Edison is doing where the electric company leases rooftop space on buildings for photovoltaic systems, and then the building owner has a lower electric bill. Councilmember Overdorf asked if staff has looked into the costs of this type of program and the return on investment. Staff indicated that in California they are currently looking at this and determining the impact to their system. Councilmember Overdorf said there are a lot of programs in California that he would not want to see here.

Councilwoman Gerwig asked if the current solar panels are durable enough to withstand the effects of the environment, because she believes it would be a major setback for people installing these systems if they cannot get them insured. Staff indicated this does not appear to be an issue, because there are a number of companies that have installed these systems here in Florida, and they are rated for wind and hurricanes. Councilwoman Gerwig stated it is her understanding that they are at risk. Staff indicated they are not aware of any industry-wide problems.

Mayor DuBois stated that if FPL would like to have a model community for solar on rooftops, then Lake Park would be a good place to start, because it is a well-defined community with both residential and commercial. He noted he read a book called *The Third Industrial Revolution* where the capital costs of photovoltaic on community rooftops is balanced against the capitalization of developing nuclear plants.

Commissioner Fielding indicated that there are some new technologies that could be included in the plan. He noted that there are now photovoltaic windows, doors, and building materials that are available. He also stated that there is a molten salt nuclear process that is being developed that could provide more condensed and less expensive energy. He encouraged new technologies be considered as part of the plan.

Councilmember Houston noted there was recent tax credit legislation that did not pass, that would have encouraged the types of alternative energies being discussed. He stated that Florida tends to have a very regressive policy on energy conservation, as compared to other states that do not have nearly the solar capabilities as Florida. He asked if Council has taken a position on this type of legislation, recommending this could be discussed as part of the legislative priorities for Council. He also asked if FPL is a supporter of this type of legislation, noting that he has spoken with people in the solar industry that are interested in bringing jobs to the state, but when the legislation did not pass, their projects were shelved.

Nick Blount indicated that FPL has filed a new document with the Public Service Commission (PSC) supporting cost effective demand side management programs. He stated that FPL does support solar and commends individuals for installing solar panels on their rooftops. However, he stated that this should not be in the form of a cash subsidy that will be paid for by the customers who may not be able to afford installing their own solar panels.

Mayor DuBois stated when he was younger he worked for a company installing hot water solar systems in Connecticut. He indicated that tax credits, both state and federal, were offered to individuals to install the systems, but when the credits were no longer offered, the cost of the systems doubled, and the industry just stopped. He stated that there needs to be a balance between what the homeowner can afford, and what the industry is offering. Councilmember Houston noted that part of the problem is that in Florida the rate is very low for selling excess power back to the power company.

Ms. Kuhl stated that asking FPL to come up with alternative renewable energy is not effective, because it would be taking money out of their pockets. She suggested that it would be better to address the policies surrounding the use of alternative energies by private individuals and companies, and ensure FPL does not hinder or cause a disincentive to people making alternative energy investments. She stated that what FPL is doing with respect to renewable energy sources is just a token effort, and we need to have legislation that encourages alternative energies. She stated there are several new technologies being developed and these need to be further investigated.

Staff indicated that Council has always been a big proponent of requesting the legislature and the governor to change the regulatory framework and for the PSC to provide better financial incentives for power companies to do conservation and demand-side management programs, as well as for the customers so that they can increase their own conservation measures. Ms. Kuhl noted that there are

several options for solar panels on the market now, including solar panels built into shingles so they are more resistant to the weather.

Staff recognized in attendance Representative Powell and Kathy Salerno from Chief Financial Officer Atwater's office.

Ms. Larson stated that Mr. Blount had indicated many years ago at a Council meeting that solar is not viable in Florida. She stated that solar is viable and in 1976 there was a house that was completely solar at the University of Delaware. She expressed her appreciation that the staff report points out that 66 percent of their fuel is gas and encourages a more expanded portfolio. She stated that we can continue to build power plants, but the poles and wires are the grid system, and they need to be reinforced to make sure that the infrastructure is working and able to withstand a storm event. She stated she likes the idea of community involvement in alternatives, but did not agree that would be subsidizing people. She stated the problem is that FPL and the PSC are about making money. She encouraged Council continue to ask the legislators to look at alternatives.

Mr. Martin indicated he is the conservation chair for the Loxahatchee group of the Sierra Club. He stated that he struggles when people say that environmentalist do not want to make money, because solar is a great opportunity for people to make money. He stated that if everyone put solar on their homes it would create a lot of jobs. He stated that we do not do this because the energy industry is being subsidized to build giant power plants, which has made FPL a subsidized monopoly. He stated we need to look out for what is good for the state and not for FPL, which has one of the highest paid corporate executives in the United States. He stated that in the past, people in Florida would have metal containers that would collect water and then the sun would heat the water. He noted that the new solar photovoltaic cells are extremely resilient and will not be destroyed in a hurricane, as would the power lines that are currently being used. He stated that he supports solar power, believes it is a great opportunity for people to make money, and it is time to take the next step to get away from the grid system.

Upon being put to a vote, the motion carried unanimously.

FLORIDA ENERGY RESILIENCY REPORT PRESENTATION

Staff presented an overview of the Florida Energy Resiliency Report, which was released in December 2013. This report is the result of joint participation by all eleven regional planning councils in the state working with the U.S. Department of Energy and the Florida Office of Energy to identify strategies to diversify Florida's energy future and reduce reliance on foreign energy sources. Staff described several key elements of the report, including: workshops, which were held in each of the energy planning areas to gather public input from citizens in the region; energy surveys conducted to gather opinions about energy usage in Florida; scenario modeling to investigate the impact that potential energy price changes or supply disruptions might have on the economy; energy resiliency strategies designed to help Florida become more energy resilient; and case studies from all around Florida that shows examples of how individuals, companies, universities, and local governments are currently employing alternative technologies to reduce the use of traditional energy sources.

Commissioner Valeche asked if the payback was analyzed using straight payback or a discount rate, indicating that the payback period may be extended, because the present value of the discounted rate will be less in ten years. Staff indicated that a straight payback was used, because the data provided by the various organizations was not uniform.

Councilmember Houston suggested this is an area where the region needs to provide as much expertise as it can. He noted that Gainesville is a great example of how a conservation program, through a community-wide effort to measure energy demand, and a series of good decisions, can actually avoid the need to build more power plants. He stated it would be very helpful if there could be metrics and ways identified so that the region could give recommendations for best management practices to the local governments. He stated that he would like more discussion on how these types of projects are done, in and out of the state, and there can be a very big difference in this area if we just start making good decisions.

Mr. Martin, on behalf of the Sierra Club, thanked Council for the opportunity for public comment and participation in these discussions. He stated that every time there is a new development proposal the one question that should be asked is if there will be solar power on the homes. He stated that if the solar becomes part of the cost to build the home, then the homeowner will not have to go back and spend their own money for these types of installations. He indicated that most people have accepted that sea level rise is going to impact Florida, so we need to start looking at some non-fossil fuel approaches to energy. He stated that he believes we need to help consumers with the cost of putting solar on their homes. At the same time, he noted that if there is less subsidization for fossil fuels, then the costs for fossil fuels will rise.

Ms. Kuhl stated she believes there needs to be more incentives for the technology that is being developed. She stated that there is a movie that was produced in 2006 called *Who Killed the Electric Car*. She stated that this is a documentary that explores the creation, limited commercialization and subsequent destruction of the battery electric vehicle in the United States. The movie specifically shows the General Motors EV1 of the mid-1990s. She noted that the movie looks at how the cars were leased and then taken back and eventually destroyed. She asked why she should buy what is currently on the market if there may be something out there that is better, but it has not been marketed. She stated that we need to look at what we can do to get incentives for new technology and keep from squashing people if they have these kinds of technological advancements.

Ms. Larson indicated that businesses pay less for electricity than residents, because the business argued they are closer to the grid, so the little people in the houses should have to pay more. She stated that the grid is the poles and power lines, not the power plants. She stated that in the late 1980s and early 1990s FPL laid off their maintenance crews, and when the hurricanes came in 2004 and 2005 paid more to bring in crews from other states than it would have cost to keep their own crews on staff for all those years. She stated that there needs to be more education on these types of issues. She stated that solar is viable in Florida. She stated that Palm Beach County is now compromised because they have an incinerator with two new power plants that produces more pollution than the original plants. She stated she used to have 300 days of sunshine, but it is now more like 60 because of the West County Energy Center. She stated it is important that Council members get good information. She stated that FPL has 40 percent extra capacity for houses that do not exist and she believes there should be alternatives to building more power plants. She stated she believes that the survey of 1,500 people is not sufficient and should be more broad based since there

are 4.4 million electric customers. She stated that she hopes that education and learning the history will help everyone realize that we are subsidizing big business.

LEGISLATIVE PRIORITIES 2015

Staff noted that the gubernatorial committee has been monitoring proposed bills dealing with growth management, lagoon clean-up, home rule, and funding of the regional planning councils. Most importantly, the committee has been discussing how to prepare a list of legislative priorities for Council consideration during the 2014-2015 legislative session. Staff provided a list of eleven areas for Council discussion. Those areas include: emergency management and public safety; water quality and resource management; transportation and mobility; property values; jobs and unemployment; water supply and public infrastructure; unfunded state mandates; state budgeting and long-range planning; safe and affordable housing opportunities; ways to improve local governments' ability to do local operations with less interference from the state; and improve the region's energy independence from foreign oil and fossil fuels. Staff noted that the list was prepared for Council members to discuss and provide feedback on how the committee should proceed.

Councilwoman Gerwig asked for an explanation of the item to improve building codes. Staff indicated that would include anything that would be reasonable in terms of not inflating the cost of housing to the point it would not be affordable. Councilwoman Gerwig stated that she is concerned that too many regulations would raise the cost of housing and put a significant financial burden on the public. She noted that buildings that were built to code sustained no structural damage during Hurricane Andrew. She stated that the problem is not with the codes as much as it is with implementing and enforcing the codes. Staff indicated that the list is not a commitment of Council, just a list to help focus Council on issues that may really affect the whole region.

Commissioner Valeche indicated he would need to leave the meeting and asked if he could vote by proxy. Staff stated that the staff recommendation is for Council to authorize the gubernatorial committee to proceed with preparing a list of legislative priorities that will be brought back to the full Council for discussion. Commissioner Valeche moved approval of the staff recommendation. **Motion** Commissioner Fielding seconded the motion.

Councilmember Sachs stated that this is just a laundry list, and it would be the job of the gubernatorial committee to refine the list and then bring that back to the Council.

Acting Chairman Davis stated there is a request from the public to speak. Ms. Kuhl indicated that she would waive her time.

Commissioner Solari stated that if the committee is to set priorities for the full Council to consider, then a majority of the committee members should be the elected officials. He stated that from the discussions it is clear that the elected officials have a different vantage point towards issues and, as elected officials representing the people, should have a primary role in this process. He stated for that reason, he would be voting against the motion.

Acting Chairman Davis stated he agrees with Commissioner Solari that there should be broader input in the process. He stated that he will ask the Chairman to appoint elected Council members to the committee in addition to the gubernatorial appointees. Mr. Saberson indicated that this could be

done between meetings subject to the approval of Council at the next meeting. Councilmember Houston asked if the motion would include having the Chairman appoint members to the Gubernatorial Committee. As the motion maker and seconder, Commissioners Valeche and Fielding agreed. Upon being put to a vote, the motion carried with Commissioner Solari opposed.

PUBLIC COMMENT

Ms. Kuhl stated that she feels that when the legislative delegation meets in Palm Beach County the public does not know that they have the right to participate. She stated there needs to be more outreach to the general public to get their participation at meetings and their opinions so that the legislation is truly reflective of what the public wants.

Ms. Larson stated that she also believes that public participation is very important. She stated that she has been coming to the meetings for many years and when she speaks at the commission meetings she is there to educate the commissioners on what she knows about the issues. She said they need to know about things like what FPL is doing in Tallahassee. She suggested that Council members go back to their constituents and make sure that information regarding meetings is widely dispersed so that people are informed of whom their elected officials are and what they are sponsoring.

STAFF COMMENT

None.

ADJOURNMENT

There being no further business, Acting Chairman Davis adjourned the meeting at 11:59 a.m. This signature is to attest that the undersigned is the Secretary or a designated nominee of the Treasure Coast Regional Planning Council, and that the information provided herein is the true and correct Minutes of the June 20, 2014 meeting of the Treasure Coast Regional Planning Council.

Date

Signature