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Water storage deal smells like a costly boondoggle

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In 2013, worried about the integrity of the Herbert Hoover Dike around Lake Okeechobee, the U.S. Army Corps of Engineers pumped billions of gallons of runoff and Lake Okeechobee water into the brackish Caloosahatchee and St. Lucie rivers. The consequences for water quality, and the plant and animal life were extreme — dead oyster beds, dead manatees and dead sea grass beds.

Diverting runoff to rangeland helped avoid a repeat since then, along with more favorable weather. But it's a temporary fix.

An audit by the inspector general for the South Florida Water Management District recently found that paying ranch owners to absorb flood water from time to time is much more costly than pouring the excess flood water onto public land — \$8 an acre compared to over \$100 an acre. So clearly, long term, the smart money would be on putting money into public land, not private hands.

Enter the Florida Legislature. Because lawmakers earmarked \$10 million for storing water on private land last session, the water district went ahead and approved an 11-year, \$135 million plan to divert flood water to area ranches on Dec. 11. It counts on the legislature renewing that appropriation every year.

Yes, it's tying up money that could be used for a permanent solution to the rivers' needs. On the bright side, a few politically connected insiders could become fabulously rich off the deal.

A lot about this deal, approved by the Water Management District board Dec. 11, doesn't look right. For instance:

* In Hendry County, ranch owners earn about \$9 an acre annually to make their land available for cattle grazing. Yet the government is paying Alico, \$136 an acre to make their Hendry County land available for water dispersal during heavy rains.

* Alico and the other land owners get paid rain or shine, even if not a single drop is sent onto their property.

* Building a reservoir to hold the water would enable the rivers to be helped not just in the wet season, but during droughts, too. But that wasn't what legislators funded.

* Alico is now traded on the Nasdaq-GS exchange. Since the deal closed, its stock is surging. Alico was founded by former Florida legislator and citrus baron Ben Hill Griffin. Griffin's grandchildren include former state Sen. J.D. Alexander, former Florida Secretary of State Katherine Harris and former state Rep. Baxter Troutman.

That's some serious political pull.

* A few weeks before the SFWMD vote, an investment group with unidentified owners, called "734 Investors, LLC" bought up a majority of Alico's stock. Since then, Alico's stock price has soared. Wouldn't it be fascinating if the Securities and Exchange Commission, the SEC, looked into the matter and let taxpayers know who was profiting off the deal?