

OCTOBER 2, 1987

The Board of County Commissioners, Manatee County, Florida, met in SPECIAL SESSION (written Public Notice) in the Bradenton Financial Center, 1401 Manatee Avenue West, Bradenton, Florida, Friday, October 2, 1987, at 10:42 a.m.

Present were Commissioners:

Edward W. Chance, Chairman
 Kent G. Chetlain, Vice-Chairman
 Westwood H. Fletcher, Jr.
 Patricia M. Glass
 James J. McGrath

Also present were:

Ronald H. Rabun, County Administrator
 H. Hamilton Rice, Jr., County Attorney
 Richard H. Ashley, Chief Deputy Clerk, representing
 R. B. Shore, Clerk of Circuit Court

Representatives of the various news media were present.

The meeting was called to order by Chairman Chance.

BEKER PHOSPHATE LAND ACQUISITION

Hamilton Rice, County Attorney, advised this is a hearing to discuss Beker Phosphate's proposal for further negotiations for sale and purchase of Beker lands. He referred to a letter received from Hugh McGuire, Counsel for Beker Phosphate, wherein further negotiations are requested. He stated Beker has counteroffered to:

1. Sell watershed property without application of provisions of Ordinance 81-22 to the remainder of its lands, or
2. Ask Manatee County to purchase an additional 4,400 acres, constituting the Beker plant site, at \$2,800 per acre, subject to certain credits and conditions (application of Ordinance 81-22 would be inapplicable)

He submitted a draft letter of response to Beker's counteroffer.

Richard Eckenrod, Land and Natural Resources, advised the additional land (4,400 acres) offered by Beker is north of S.R. 64 and not in the watershed. He stated Beker's land south of S.R. 64 is not included in the offer as the Department of Natural Resources (DNR) intends to accept a portion of that land in lieu of phosphate severance tax and a portion is under option for purchase by the Nature Conservancy.

Discussion: Purchase of additional acreage would not protect the watershed; lands being taken off the tax roll; 850 acres of land being mined but not reclaimed; reclamation costs between \$4.5 - \$7 million; Beker would credit purchase price for cost of reclamation, etc.

Mr. Eckenrod advised Beker had amended the Conceptual Reclamation Plan to exclude the acreage in the Lake Manatee watershed and new state regulations must be met for lands within the watershed.

The County Attorney advised that absent a default of the operating permit, Beker, its successors and assigns have vested rights at the time of obtaining the permit.

Discussion: Is Beker in violation of permit by not reimbursing Utilities Department an annual indemnity to insure against slime spills; agreement is part of litigation; proposed sale made in an attempt to settle pending litigation; extending time period for response from Beker (in draft letter) from fifteen days to twenty-five days; original purchase of land was approved by referendum, etc.

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(Cont'd)

The County Attorney read the bond referendum question as it appeared on the ballot:

"Shall Manatee County issue, in the amount not exceeding \$12 million dollars, General Obligation Bonds to acquire watershed lands and protect Lake Manatee as a source of public drinking water, including, but not limited to, approximately 4,000 acres of Beker Phosphate mine site; such Bonds to be payable from Ad Valorem taxes levied and collected in Manatee County and not exceeding legal interest rate, maturing within forty years from the date of issuance.

He questioned whether the County had \$12 million dollars with which to purchase the land (according to the referendum), and requested an opportunity for bond counsel to review the matter.

Hugh McGuire, counsel for Beker Phosphate, stated Beker amended the Conceptual Mining Plan to exclude lands in the watershed in the spirit of negotiation. He advised the original land purchase (4,000 acres in the watershed) would net \$6.5 million dollars to Beker (memo 7/1/86).

Discussion: Reclamation costs and price per acre are points of negotiation, etc.

Perry Duryea, President, Beker Phosphate, advised a railroad right-of-way and 532 acres are the total trade with the State for severance tax liability (State will take as much land as necessary to wipe out liability). Nature Conservancy has an option on the remainder of the land south of S.R. 64. He stated these lands are the last major assets of Beker Phosphate and three written offers have been received.

Discussion: Parameters of negotiations to be determined; draft letter is only for a response to request for negotiations, not to complete negotiations; Port Authority lease with Beker; Bankruptcy Court proceedings; negotiations have been going on since 1985; work session to discuss negotiations; profitability of the mine, etc.

(Mrs. Glass and Mr. McGrath absent for a portion of discussion)

Suggestion was made to reword the final paragraph of the draft letter to advise Beker of a date for further negotiations after the Board meets to determine such a date.

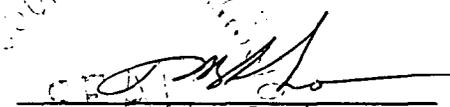
Motion was made by Mrs. Glass to authorize the County Attorney to send a letter to Beker, amending the last paragraph to read "I will advise you of the date of our first meeting, after meeting with my Board." Motion was seconded by Mr. Fletcher. Voting "Aye" were Mrs. Glass, Mr. Fletcher, Mr. McGrath and Mr. Chance. Voting "Nay" was Mr. Chetlain. Motion carried.

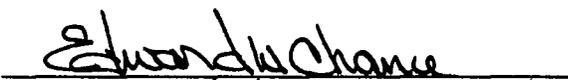
MEETING ADJOURNED

There being no further business, the meeting was adjourned.

Attest:

APPROVED:


Clerk


Chairman

12/15/87

Adj: 11:59 a.m.