

# The Florida Times-Union

Wednesday  
MARCH 29, 2017  
\$2



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CHILD-PORN  
CHARGES**

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**WAVE MACHINE  
COMING TO  
SAWGRASS**

Money, D-1

## Pension reform heads to council

### Mayor files legislation for overhaul; deliberations could start next week

By David Bauerlein  
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After winning support from state lawmakers a year ago, Duval County voters in August and unions this month, Mayor Lenny Curry's campaign for pension reform officially moved Tuesday into its final phase when he filed legislation with City Council.

City Council expects to start deliberations next week with an April 6 workshop devoted to the ins and outs of Curry's proposal, which would reduce the

city's pension costs by tens of millions of dollars per year by shifting a big chunk of its \$2.85 billion pension debt into the future.

Approval by City Council of the "implementing legislation" would allow the city to use a half-cent sales tax for pension costs that voters overwhelmingly approved in August. The council's support also would close all three of the city's pension plans — police and firefighters, general employees, and corrections officers — to new hires after Sept. 30

by placing them instead in 401(k)-style accounts.

The sales tax for pension costs wouldn't start until the existing sales tax for the Better Jacksonville Plan expires around 2031. But the city would gain financial relief sooner by transferring a large portion of the pension debt to the period after the sales tax begins. The trade-off of gaining financial relief in the coming years is that the longer it takes to pay off the debt, the more it will cost in the long run, just as a credit card or a home mortgage costs more



Jacksonville Mayor Lenny Curry's proposal aims to shift a large amount of the city's \$2.85 billion pension debt into the future. The legislation didn't have a financial analysis attached to it. (Bob Self/Florida Times-Union)

if the paydown period is extended.

The legislation filed Tuesday does not have any financial analysis attached to it. The number-crunching will come into play later when City Council begins its review.

To gain financial relief before the sales tax starts, Curry's proposal asks City Council to approve a novel approach that projects how much money the city will collect from the half-cent

**PENSION** continues on A-4

## Duval falls in health ranking



A resident intern works on a patient at UF Health Trauma Center. Duval County had its poorest showing ever in the County Health Rankings. (The Florida Times-Union FILE, Will Dickey)

### St. Johns County remains in top spot

By Charlie Patton  
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Duval County ranks as the 55th healthiest county in Florida according to the eighth County Health Rankings released Wednesday by the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute, Duval's poorest showing ever.

The slide comes despite Mayor Lenny Curry's vow at a rally last April to make Duval the top-ranked county.

Curry, a fitness advocate, is co-chairing with physician Sunil Joshi "Mission One Million: The 904 in Motion," a campaign by the Duval County Medical Society to encourage Jacksonville residents to shed one million pounds over the next several years.

One factor that might contribute to the decline in Duval

County's rating is a drop in the ratio of primary care doctors in the county, said Attica Scott, a community coach with County Health Rankings & Roadmaps.

In 2012, when Duval County ranked 44th in the state, there was one primary care doctor per 952 residents. In these most recent rankings, there is one primary care doctor per 1,150 residents.

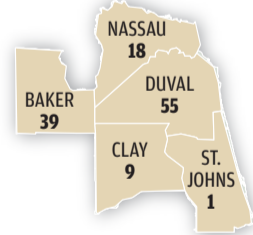
Duval County's obesity rate of 31 percent was 5 percent over the state average, as was its rate of alcohol-impaired driving deaths. Its 645 violent crimes is topped only by Miami-Dade's 650, and its rate of sexually transmitted infections is the highest in the state.

Duval ranked 49th in length of life, 54th in quality of life, 36th in health behaviors, 10th in clinical care, 35th in so-

**RANKINGS** continues on A-4

### Healthy places from best to worst

Duval County dropped from the 48th healthiest county in Florida to the 55th healthiest, according to the County Health Rankings released Wednesday by the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute.



- |                 |                    |
|-----------------|--------------------|
| <b>TOP FIVE</b> | <b>BOTTOM FIVE</b> |
| 1. St. Johns    | 63. Hamilton       |
| 2. Collier      | 64. Putnam         |
| 3. Sarasota     | 65. Madison        |
| 4. Seminole     | 66. Gadsden        |
| 5. Martin       | 67. Union          |

Source: Robert Wood Johnson Foundation, University of Wisconsin Population Health Institute

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## Mexico firm to purchase Jacksonville railroad

### Florida East Coast Railway a key part of region's development

By Roger Bull  
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A Mexican mining and transportation company has agreed to purchase Jacksonville-based Florida East Coast Railway, it was announced Tuesday. Grupo Mexico said it was buying the railway for \$2.1 billion cash.

FEC, which dates back to 1895 and was a vital part of Florida's development, operates 351 miles of mainline track along the state's East Coast. It is the exclusive provider of rail service to South Florida ports and connects to CSX and Norfolk Southern in Jacksonville. FEC employs 300 people in Jacksonville, according to JAXUSA's website.

The railroad, headquartered on Philips Highway, moves 550,000 loads of freight a year. Through its connections with other railroads, the company reports that it can service 70 percent of the United States in one to four days.

Grupo Mexico moves 1.4 million loads a year on its network of more than 6,200 miles of track in Mexi-



Jacksonville-based Florida East Coast Railway dates back to 1895 and was a vital part of Florida's development. It operates 351 miles of mainline track. (PRNewsFoto)

**Weather**  
Record heat  
Forecast on A-2

90 Today's high

61 Thursday morning's low

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EASTER EGG HUNT AFTER EACH RIDE

## CLIMATE

Continued from A-1

swaths of states such as West Virginia, Pennsylvania and Ohio.

The miners “told me about the efforts to shut down their mines, their communities and their very way of life. I made them this promise: We will put our miners back to work,” Trump said. “My administration is putting an end to the war on coal.”

But Trump’s promise runs counter to market forces, including U.S. utilities converting coal-fired power plants to cheaper, cleaner-burning natural gas. And Democrats, environmental groups and scientists said the executive order ignores the realities of climate change.

“There is much our nation can do to address the risks that climate change poses to human health and safety, but disregarding scientific evidence puts our communities in danger,” said Rush Holt, chief executive officer of the American Association for the Advancement of Science, the nation’s largest general scientific society.

California Gov. Jerry Brown was more blunt.

“Gutting the Clean Power Plan is a colossal mistake and defies science itself. Erasing climate change may take place in Donald Trump’s mind, but nowhere else,” Brown said.

Though Republicans have blamed Obama-era environmental regulations for the loss of coal jobs, federal data shows that U.S. mines have been shedding jobs for decades under presidents from both parties as a result of increasing automation and competition from natural gas.

Another factor is the plummeting cost of solar panels and wind turbines, which now can produce emissions-free electricity cheaper than burning coal.

According to an Energy Department analysis released in January, coal mining now accounts for fewer than 75,000 U.S. jobs. By contrast, renewable energy — including wind, solar and biofuels — now accounts for more than 650,000 U.S. jobs.

Trump’s order initiates a review of the Clean Power Plan, which restricts greenhouse gas emissions

at coal-fired power plants. The regulation — Obama’s signature effort to curb carbon emissions — has been the subject of long-running legal challenges by Republican-led states and those who profit from burning oil, coal and gas.

The order also lifts a 14-month-old moratorium on new coal leases on federal lands. The Obama administration had imposed a three-year moratorium on new federal coal leases in January 2016, arguing that the \$1 billion-a-year program must be modernized to ensure a fair financial return to taxpayers and address climate change.

The order covers a range of other Obama-era rules, including repeal of measures to consider the “social cost” of carbon emissions in all regulatory actions and crack down on methane emissions at oil and gas wells. The rule also eliminates an Obama-era rule restricting fracking on public lands and a separate rule that requires energy companies to provide data on methane emissions at oil and gas operations.

In all cases, business groups had complained to Trump that the rules were overly burdensome and expensive.

The American Petroleum Institute, the chief lobbying arm of the oil and gas industry, said Trump’s new “common-sense” regulations will help continue a domestic energy boom that benefits consumers, workers and the environment.

Rewriting the Clean Power Plan and other regulations is likely to take years to complete and will face legal challenges from environmental groups and Democratic-leaning states such as California and New York. A coalition of 16 states and the District of Columbia said they will oppose any effort by the Trump administration to withdraw the Clean Power Plan or seek dismissal of a pending legal case before an appeals court.

Brown said he is confident the Obama-era rule will be upheld in court.

The Trump administration has yet to decide whether it intends to withdraw from the international climate agreement signed in Paris, which sets ambitious goals to reduce carbon pollution.

## PENSION

Continued from A-1

sales tax after it starts in 2031 and then converts the amount into a present-day value that counts on paper as financial assets for the pension plans. Counting future tax revenue as a current asset would show for accounting purposes that the pension plans are better funded, which in turn will reduce the annual contributions paid by the city.

Curry also sent over a raft of bills for recently completed union negotiations. Those collective bargaining pacts would boost salaries for current employees and bump up the amount they contribute for their pension, increasing it to 10 percent of pay from the current 8 percent rate. The collective bargaining talks also would close the pension plans to all future city hires after Sept. 30 by putting them all into 401(k)-style accounts.

For future police and firefighters, the city’s contribution to the investment accounts would equal 25 percent of the employee’s salary, and the employee would make a 10 percent match. For general employees, the city’s contribution would be 12 percent of pay and the employee would chip in an amount equal to 8 percent of his or her salary for the retirement accounts.

For example, the contribution to the General Employees Retirement Plan is about \$95 million this year and slated to be around \$108 million next year, according to reports from Segal Consulting, an actuarial firm hired by the city. But if the City Council approves the pension legislation, the contribution next year would be about \$70 million.

For the Corrections Officers Retirement Plan,

the cost is \$19 million this year and would be almost \$21 million next year. But if the council passes the legislation, the contribution amount would be \$14 million.

The annual contribution amount for the Police and Fire Pension Fund, which is the heaviest toll on city finances, also would drop. The Police and Fire Pension Fund has not given a report yet on what the difference would be.

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## RANKINGS

Continued from A-1

cial and economic factors and 58th in physical environment (which looks at air pollution levels, drinking water violations, housing issues and commute times.)

Education is another important factor affecting the health rankings, Scott said.

“Education is a key to success,” she said. “When

people know better, they do better.”

In Duval County, 77 percent of residents are high school graduates and 65 percent have some college education.

In St. Johns County, which is Florida’s healthiest county for the sixth straight year, 90 percent of residents are high school graduates and 77 percent have some college. St. Johns County ranked third in the state in length of life,

# House GOP clinging to health care hopes

By Lesley Clark

McClatchy Washington Bureau

WASHINGTON | Days after the spectacular collapse of the Republican effort to repeal Obamacare, House leaders said Tuesday it’s not dead yet — but they offered few details on timing, how divisions within the party would be overcome or any new provision on which they could agree.

The Senate was skeptical, meanwhile, and the White House, which has suggested it may work with Democrats on a fix, said there’s no immediate plan to revive the push.

But House Republicans, who have promised for seven years to repeal the 2010 law, said they’ve found new resolve in the wake of their embarrassing inactivity Friday to vote on a measure that would have replaced the law known as the Affordable Care Act.

“The general consensus was ‘Let’s get it done,’” said Rep. Barry Loudermilk, R-Ga., who supported the bill last week. “It’s something the American people have demanded that we do. We’re going to press on until we get it done.”

The renewed effort came as House Republicans met behind closed doors for the first time since Friday afternoon when House Speaker Paul Ryan was forced to pull the GOP substitute legislation from the floor, lacking the votes among his members

to get it passed and raising questions about Republicans’ ability to govern.

Conservative members believed the legislation didn’t go far enough to repeal the Affordable Care Act, while more moderate members were worried about estimates that more than 24 million Americans could lose coverage under the bill.

Ryan, who conceded Friday that President Barack Obama’s signature accomplishment would remain the “law of the land,” spoke with Trump over the weekend and went to the White House on Monday. After the meeting Tuesday he suggested some of his members may be ready for compromise.

“Some of those who were in the ‘no’ camp expressed a willingness to work on getting to ‘yes’ and to making this work,” Ryan said. “We want to get it right. We’re going to keep talking to each other until we get it right.”

Members of the House Freedom Caucus, which Trump has blamed for the loss, said they would be open to finding a fix.

“We’re looking at all kinds of options to get to yes,” said Rep. Mark Meadows, R-N.C., the caucus chairman.

Ryan declined to lay out a time line “because this is too important to not get right and to put an artificial time line on,” though the House last week had unsuccessfully tried to

time its repeal vote on the seventh anniversary of Obama signing the bill into law.

Senate Majority Leader Mitch McConnell, meanwhile, appeared resigned that the battle over Obamacare is over, at least for now.

“Our Democratic friends ought to be pretty happy about that, because we have the existing law in place,” McConnell told reporters. “And I think we’re just going to have to see how that works out. We believe it will not work out.”

Asked about House plans for a do-over, Sen. John Thune, R-S.D., the No. 3 Senate Republican, said it’s “entirely” up to the House.

“It’s going to be entirely up to them and what they can pass,” he said. “That’s a calculation they’re going to have to make.”

The White House was less committal. Trump, who had initially blamed Democrats for the bill’s collapse, in recent days has turned fire on the House Freedom Caucus, tweeting it had snatched defeat “from the jaws of victory.” And he suggested in a tweet that Democrats would want to work with him if the law implodes.

Press secretary Sean Spicer said the administration has talked with “a lot of individuals on both sides of the aisle” but said there was no “immediate strategy.”

Though Trump and

Ryan have talked several times, Spicer said the White House has not “picked a strategy and we’re going to go with this group or that group.”

The White House and lawmakers face a complicated “balancing act” in making changes to the legislation, Spicer said.

“Can you add additional folks on without pushing additional folks off?” he said.

Lawmakers are also constrained by technical reasons, with the House and Senate now using a reconciliation process that makes it easier to pass legislation without Democratic support.

Trump has opened the door to working with Democrats, but they made a few conditions of their own.

Before they’d consider working with Trump he’d first have to rescind the executive action that he enacted that seeks to scale back the federal law that has provided health insurance to 20 million Americans, said Senate Minority Leader Chuck Schumer, D-N.Y.

“Drop repeal, drop it today and drop it for good. Stop undermining the Affordable Care Act,” Schumer said. “Once those things are done, we Democrats are more than happy to sit down together and come up with ways to make the law work better. We never said it was perfect. We’re willing to make changes.”



Florida East Coast Railway headquarters in downtown St. Augustine is shown on July 24, 2006. The company will be sold to the Grupo Mexico conglomerate for \$2.1 billion. (Peter Willott/St. Augustine Record)

## RAILWAY

Continued from A-1

Mexico. The company is also the largest mining operation in Mexico and the fourth-largest copper producer in the world.

Jim Hertwig, president and chief executive officer of FEC, said in a released statement, “The FEC team looks forward to working with GMXT to grow our business, execute our key strategic initiatives and take advantage of new opportunities.”

The sale is subject to government approval. The company did not respond to requests for more information.

Noel Perry, an analyst with FTR Transportation Intelligence, said he thought Grupo Mexico purchased the railroad simply as an investment.

“It’s a nice profitable little property,” he said. “It’s in a relatively stable market position because it has the best route to Miami.”

Norfolk Southern Railway, he said, is particularly dependent on FEC because that is its only way into Florida.

The fact that the buyer is a Mexican company



Florida East Coast Railway began when Henry Flagler bought several railroads along the coast and combined them. This fueled West Palm Beach, Palm Beach and Miami’s historic growth. (Beaches Museum and History Park)

could be good news for FEC employees, he said. If an American railway such as Genesee & Wyoming bought it, layoffs would be likely, he said.

“They wouldn’t need a finance department, they wouldn’t need a sales department,” he said, “because they already have one. They would have fired one-third of all the employees, including all the executives.”

Grupo Mexico, he said,



Former President Herbert Hoover poses for a photo on board a Florida East Coast Railway train heading north from the Florida Keys, where he had been fishing in 1953.

will probably need most of the FEC employees.

“The Mexicans aren’t familiar with the United States, they don’t speak English,” he said, “and they don’t bring that human capital to the table.”

FEC’s origins began when Henry Flagler bought several railroads along the coast and combined them into Florida East Coast Railway in 1895. It was Flagler and the railway that created some of

the largest cities in South Florida: West Palm Beach, Palm Beach and Miami.

Edward Ball and the St. Joe Company purchased the majority of the company’s stock in 1961 and pulled it out of bankruptcy. Two years later, the company’s union employees went on a strike that lasted until 1975. But the railroad continued to operate with a new workforce.

After more than a century headquartered in St. Augustine, FEC moved its headquarters to Jacksonville in 2006.

In 2007, the railroad was purchased with private equity funds managed by the Fortress Management Group. Reports began circulating in October that Fortress was considering selling the railroad.

Fortress also owns Florida East Coast Industries, which is headquartered in Coral Gables and is developing a passenger rail line between Orlando and Miami. That is not part of this sale.

Last month, Japan’s Soft-Bank Group announced that it would buy Fortress for \$3.3 billion.

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premature death rate of 16,600, a number that measures the years of potential life lost before age 75 per 100,000 population, ranked as the unhealthiest county in Florida.

“Where you live matters to your health,” Scott said. “Wealth and health are connected.”

The rankings can be found at [www.county-healthrankings.org](http://www.county-healthrankings.org).

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