

# Four Lakes Task Force

Gladwin and Midland Counties' Delegated Authority  
of the Four Lakes Special Assessment District

December 7, 2021, Board Meeting



**Four Lakes Task Force**

# Agenda

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- I. Call to Order
- II. Approval of Agenda
- III. Consent Agenda
  - Approval of Minutes
  - Board Appointments
  - Officer Appointments
  - Committee Appointments
  - Governance Documents
- IV. Financial
  - 2021 Expenditures
  - 2022 Budget
  - Computation of Cost
- VII. Lake Restoration Timeline
- VIII. Restoration Plan Critical Items
- IX. Special Assessment  
Methodology Update
- X. Summary of Critical Issues
- XI. Public Comment
- XII. Adjourn



# Affirming Board Member Terms

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## Representing Secord Lake Association

- Phil Dast 2021-2023
- Charles Sikora 2021-2024

## Smallwood Lake Association

- Mark Mudge 2021-2024\*

## Representing Wixom Lake

- Don Zakett 2021-2022
- Dave Rothman 2021-2023

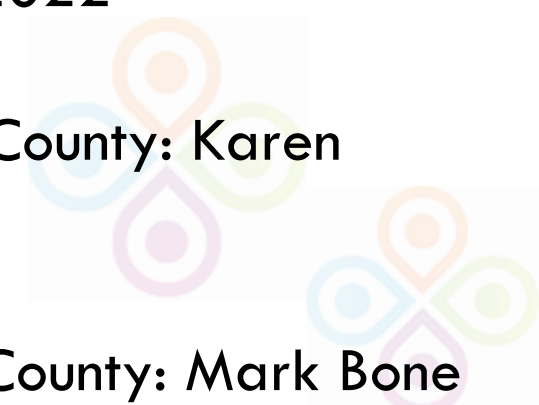
## Representing Sanford Lake Association

- Adam Beebe 2021-2024\*
- Dave Kepler 2021-2022

Representing Gladwin County: Karen Moore

Representing Midland County: Mark Bone

\*indicates new term beginning in 2021



# Officer and Committee Appointments

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## Officers

- Dave Kepler - Chairman and President
- David Rothman - Vice President
- Kayla Stryker - Secretary and Treasurer
- Joe Colaianne - General Counsel

## Finance Committee

Mark Mudge (Chair)

Members: Phil Dast, Don Zakett

Advisors: Tamara McGovern, John Haag, Kayla Stryker

## Governance Committee

Dave Kepler (Chair)

Members: Adam Beebe, Charles Sikora, Dave Rothman

Advisors: Joe Colaianne, Kayla Stryker





# Financial Update

Kayla Stryker  
Four Lakes Task Force

# 2021 Expenditures

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- Expenditures through December 1, 2021
- Will provide complete audited financial statements at the July 2022 board meeting
- Spending generally under budget for 2021 due to project delays

| Project Area                                    | Budget Total        | 2021 Spend          |
|---|---------------------|---------------------|
|   | 2021                | Total Dec 1 2021    |
| Operations and Program Office                   | \$889,500           | \$1,049,271         |
| Program Office                                  | \$296,631           | \$416,319           |
| USGS Gauges                                     | \$0                 | \$77,767            |
| Operations                                      | \$592,869           | \$555,185           |
| <b>Acquisition</b>                              | <b>\$816,824</b>    | <b>\$757,656</b>    |
| <b>Dam Stabilization</b>                        | <b>\$23,663,685</b> | <b>\$10,165,787</b> |
| Booms Secord/Smallwood/Edenville                | \$975,000           | \$405,941           |
| Edenville Phase I                               | \$3,775,000         | \$3,881,467         |
| Edenville Phase II                              | \$7,935,000         | \$3,635,089         |
| Sanford Dam                                     | \$9,125,000         | \$452,636           |
| Smallwood and Secord + Monitoring               | \$1,360,000         | \$1,485,809         |
| Third Party Reviews                             | \$50,000            | \$2,610             |
| Program Management                              | \$443,685           | \$357,569           |
| <b>Erosion Stabilization and Debris Removal</b> | <b>\$13,437,149</b> | <b>\$4,433,276</b>  |
| EWP Eligible Erosion Projects                   | \$5,750,000         | \$4,064,856         |
| Non-EWP Eligible Erosion Projects               | \$180,000           | \$0                 |
| Bottomland Debris Removal                       | \$4,830,000         | \$0                 |
| Bottomland Sediment Removal                     | \$1,840,000         | \$0                 |
| Downstream Debris Removal                       | \$600,000           | \$177,716           |
| Program Management                              | \$237,149           | \$190,704           |
| Bottomland Vegetation Management                | \$0                 | \$0                 |
| <b>Rebuilding</b>                               | <b>\$3,065,700</b>  | <b>\$697,522</b>    |
| Flood Study                                     | \$915,700           | \$273,073           |
| Feasibility Study                               | \$650,000           | \$424,449           |
| <b>Design Engineering</b>                       | <b>\$1,500,000</b>  | <b>\$2,380,106</b>  |
| Design Engineering Secord                       | \$750,000           | \$1,181,882         |
| Design Engineering Smallwood                    | \$750,000           | \$784,504           |
| Design Engineering Edenville                    | \$0                 | \$245,355           |
| Design Engineering Sanford                      | \$0                 | \$168,364           |
| <b>Environment and Natural Resource</b>         | <b>\$500,000</b>    | <b>\$576,665</b>    |
| Special Assessment District                     | \$347,865           | \$325,891           |
| Program Management                              | \$720,022           | \$643,625           |
| Other   | \$0                 | \$229,197           |
| Restoration- all lakes                          |                     | \$85,000            |
| Legal Defense Costs (Woods, West Bend, Trycove) | \$0                 | \$62,180            |
| Legal Bankruptcy/Condemnation                   | \$0                 | \$110,269           |
| <b>2021 Total</b>                               | <b>\$43,440,744</b> | <b>\$21,258,996</b> |

# 2022 Budget

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| PROJECT AREA                                    | 2022 Budget         |
|---|---------------------|
| <b>Operations and Program Office</b>            | <b>\$1,110,000</b>  |
| Program Office                                  | \$360,000           |
| Operations                                      | \$750,000           |
| <b>Special Assessment District</b>              | <b>\$425,000</b>    |
| <b>Acquisition</b>                              | <b>\$806,000</b>    |
| <b>Dam Stabilization</b>                        | <b>\$13,325,000</b> |
| Booms Secord/Smallwood/Edenville                | \$350,000           |
| Edenville Phase I                               | \$500,000           |
| Edenville Phase II                              | \$2,250,000         |
| Sanford Dam                                     | \$10,200,000        |
| Smallwood and Secord + Monitoring               | \$0                 |
| Third Party Reviews                             | \$25,000            |
| <b>Erosion Stabilization and Debris Removal</b> | <b>\$4,750,000</b>  |
| EWP Eligible Erosion Projects                   | \$2,000,000         |
| Debris Removal                                  | \$2,000,000         |
| Bottomland Vegetation Management                | \$750,000           |
| <b>Rebuilding</b>                               | <b>\$100,000</b>    |
| Flood Study                                     | \$100,000           |
| <b>Design Engineering</b>                       | <b>\$6,250,000</b>  |
| Design Engineering Secord                       | \$800,000           |
| Design Engineering Smallwood                    | \$950,000           |
| Design Engineering Edenville                    | \$2,500,000         |
| Design Engineering Sanford                      | \$2,000,000         |
| <b>Environment and Natural Resource</b>         | <b>\$1,000,000</b>  |
| Lake Management Plan                            | \$750,000           |
| Construction/Permitting                         | \$250,000           |
| <b>Program Management</b>                       | <b>\$1,200,000</b>  |
| <b>Other</b>                                    | <b>\$1,870,000</b>  |
| USGS Gauges                                     | \$185,000           |
| Restoration projects- all lakes                 | \$1,675,000         |
| Legal Defense Costs (Woods, West Bend, Trycove) | \$10,000            |
| <b>Total</b>                                    | <b>\$30,836,000</b> |

Note: Spending is assuming USDA financing-significant SOM funding could shift '23 spending into '22

# Computation of Cost

|                                 |   | Total 3 year       | 2022               | 2023               | 2024               |
|---------------------------------|---|--------------------|--------------------|--------------------|--------------------|
| <b>1</b>                        | <b>Expense of Maintenance of the Lake Level Structure</b> |                    |                    |                    |                    |
|                                 | Program Office (Finance, Admin, Communications, Legal)    | \$1,140,000        | \$360,000          | \$380,000          | \$400,000          |
|                                 | Dam and Lake Operations                                   | \$2,370,000        | \$750,000          | \$790,000          | \$830,000          |
| <b>2</b>                        | <b>Establishment of Special Assessment District</b>       | \$465,000          | \$425,000          | \$20,000           | \$20,000           |
|                                 | Preparation of Assessment Roll and Levying Assessments    |                    |                    |                    |                    |
|                                 | Estimated Cost of Mailing, Publishing, Notices            |                    |                    |                    |                    |
|                                 | Estimated legal fees                                      |                    |                    |                    |                    |
| <b>3</b>                        | <b>Acquisition</b>  | \$80,000           |                    |                    |                    |
| <b>4</b>                        | <b>Estimated Cost of Appeal</b>                           | \$25,000           | \$25,000           |                    |                    |
|                                 | Gross Sum of Expenses                                     | \$4,080,000        | \$1,560,000        | \$1,190,000        | \$1,250,000        |
|                                 | Contingency 15%   | \$612,000          | \$234,000          | \$178,500          | \$187,500          |
| <b>Assessment Total Sum</b>     |   | <b>\$4,692,000</b> | <b>\$1,794,000</b> | <b>\$1,368,500</b> | <b>\$1,437,500</b> |
| <b>Annual Assessment Amount</b> |   | <b>\$4,692,000</b> | <b>\$1,564,000</b> | <b>\$1,564,000</b> | <b>\$1,564,000</b> |

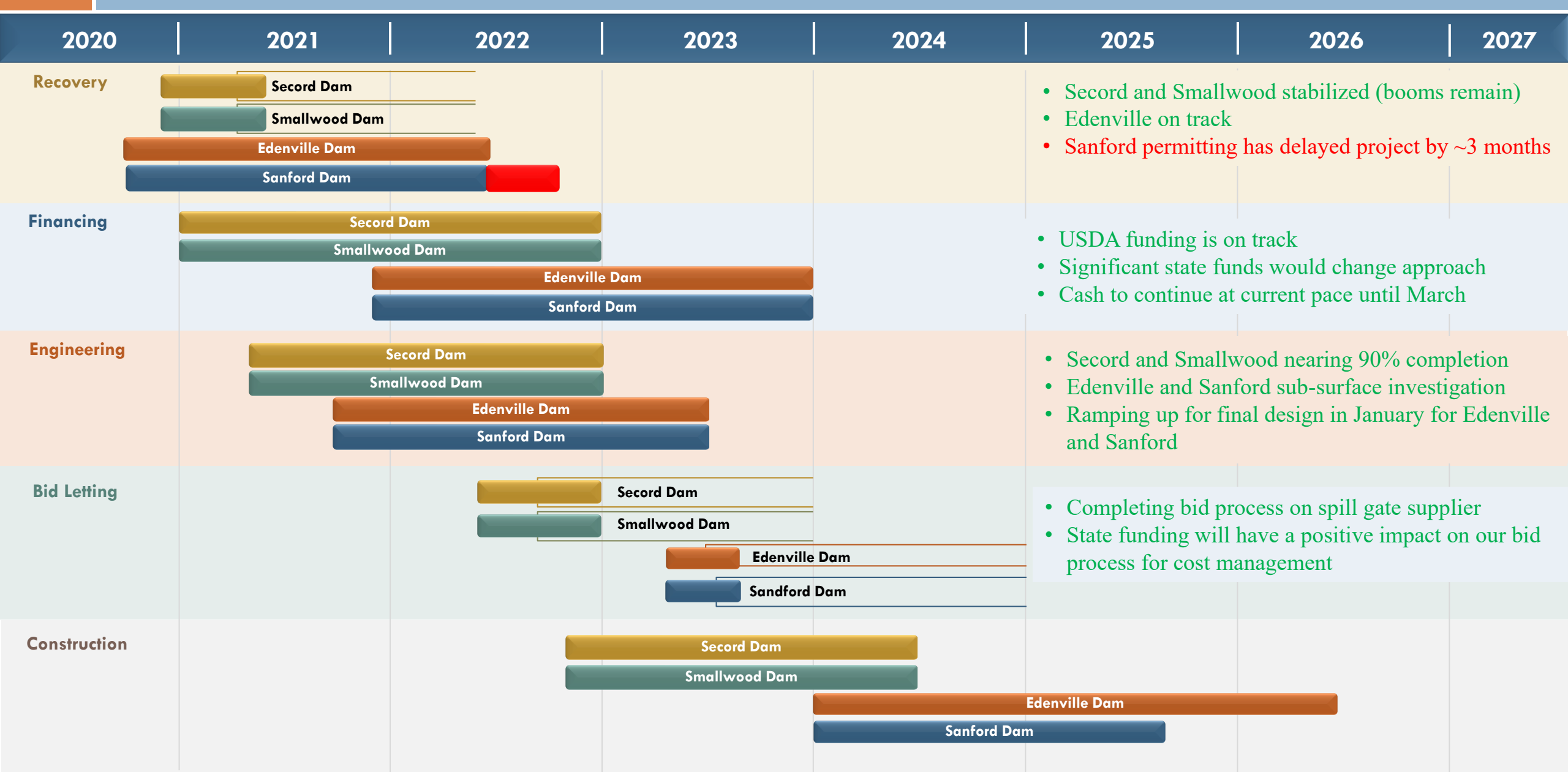




# Restoration and Critical Path

Dave Kepler  
Four Lakes Task Force

# Lake Restoration Status Progress



# Restoration Plan Critical Issues

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- 1. In the next three years, approximately \$250 million will need to be funded for restoration.**
  - *SB 565 budget appropriation bill passed Senate*
  - *Still to go through House and Governor will then need to approve*
- 2. Environmental recovery on Wixom and Sanford lakes is significant, and FLTF is engaged with EGLE to get state acceptance of the restoration plan, and then identify funding sources.**
  - *Wetland modeling and monitoring underway, mussel survey, and other*
  - *Dam environmental permitting for all four systems is proceeding*
  - *Multi-year Restoration Plan, with Lake Plans will be completed by end of 2022*
- 3. A fair and consistent methodology for the assessment of property owners of the Four Lakes Special Assessment District (SAD).**
  - *Cost, timeline and methodology completed this year, process to start with December board meeting*
- 4. Flood studies must be completed, and capacity designs must be acceptable to the state.**
  - *Hydraulic modelling and risk assessment are moving forward with EGLE & other agencies engaged*
  - *Challenge is becoming more around the modelling of flood plains*

# Capital Assessment Estimates

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- Updated capital assessment estimates after notification on Michigan state funding grant size. We need to ground to major factors.
  - ▣ Funding from the state for restoration
  - ▣ Spending estimates versus May planning estimates
- If state funding is over \$100 million
  - ▣ There would not be a capital assessment on the dams before 2023
- If the \$250 million grant goes through
  - ▣ This would meet our current restoration estimate
  - ▣ Then the focus would be on managing costs to current estimates



# Tentative At-Large Assessment

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- Lake benefits the governments
  - ▣ We recognize FLTF and county contract excludes funds for the lakes coming from the general funds of the counties without their approval
- In general, for the first 3 years for Operations and Maintenance at-large we are suggesting:
  - ▣ 15% to counties (estimated \$115,000-\$120,000/year)
    - 7.5% to Gladwin County at-large
    - 7.5% to Midland County at-large
  - ▣ 15% split proportionally to 9 townships and 1 Village
    - Determined by sum of parcel benefit factors within a given entity

# Adjacent Parcel Methodology Change

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- Adjacent lots associated with the same landowner will be assessed with new methodology
- Benefit is associated to parcel not owner
- Landowner may have ability to combine/split their parcel and it is their option to configure property
- There will still be some exceptions on a case-by-case basis
  - ▣ Parcels where taxes have been historically assessed with another
  - ▣ Lots where home spans two lots which cannot be combined





# ASSESSMENT & BENEFIT UPDATES

Ron Hansen  
Spicer Group

# Special Assessment District Breakdown

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**8,442\*** parcels within SAD

**6,520** Front lots

**1,922** Back lots

61 subdivision with private access locations

113 access locations (some subs have multiple lots for access)

**Secord Lake**

**2,114** parcels

**Smallwood Lake**

**811** parcels

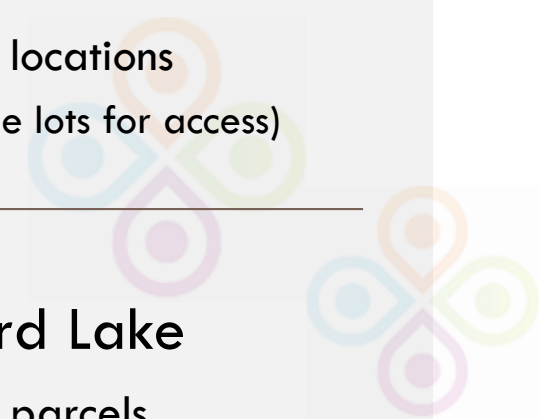
**Wixom Lake**

**3,661** parcel

**Sanford Lake**

**1,856** parcels

\*Number of parcels within SAD changes based on parcel splits and combinations





# Special Assessment Benefit Factors (BF)

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- Benefit Factors are multiplied to get final benefit
  - Base
  - Derived
  - Frontage
  - Water View
  - Water Depth
  - Public Access
- Base Benefit Factor
  - Base BF = 0 for:
    - Exempt parcels per Part 307 statute – schools, cemeteries
    - Municipal owned property not used for access
    - Parcels without private access
    - Road right of way with PIDs
    - Others still to be determined
  - Base BF = 1 for:
    - All other waterfront parcels
  - Base BF = 0.5 for:
    - All other private easement access parcels (back lots)



# Average Operations Assessment by Lot Type

18

Residential front lots: \$90-\$325

## EXAMPLE 1

- Residential lake front property
- 40 ft. of frontage
- Located on a canal
- Water depth less than 4 ft.

**Est. annual assessment: \$90**

## EXAMPLE 2

- Residential lake front property
- 100 ft. of frontage
- Water view greater than 500 ft.
- Water depth greater than 4 ft.

**Est. annual assessment: \$160**

# Average Operations Assessment by Lot Type

19

Residential front lots: \$90-\$325

## EXAMPLE 3

- Residential lake front property
- 250 ft. of frontage
- Water view greater than 500 ft.
- Water depth greater than 4 ft.

**Est. annual assessment: \$275**

## EXAMPLE 4

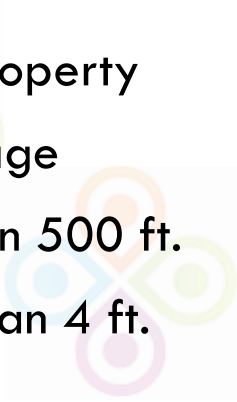
- Residential lake front property
- 100 ft. of frontage
- Located on a canal
- Water depth less than 4 ft.

**Est. annual assessment: \$110**

## EXAMPLE 5

- Residential lake front property
- Over 1,000 ft. of frontage
- Water view greater than 500 ft.
- Water depth greater than 4 ft.

**Est. annual assessment: \$325**



# Average Operations Assessment by Lot Type

20

Residential back lots: \$50-\$80

## EXAMPLE 1

- Residential back lot property
- Lowest quality access location (i.e. narrow walkway)

**Est. annual assessment: \$50**









## EXAMPLE 2

- Residential back lot property
- Highest quality access location (i.e., large lot with park or boat launch)

**Est. annual assessment: \$80**



# Tentative SAD Schedule

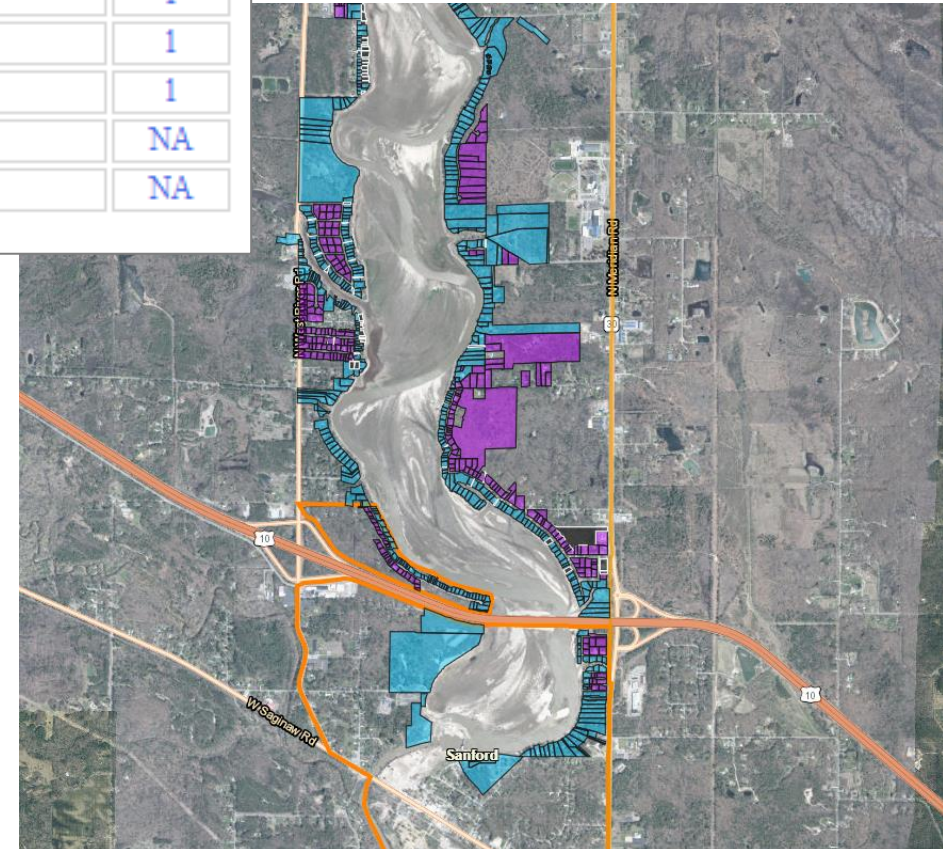
| 2021  | 2022   | 2023  |
|---|--|---|
|  | <b>Weekly project team work sessions:</b> May 2021 – October 2021  |   |
|   |  <b>Public communications:</b> December 2021                                  |   |
|   |  <b>Release Mock Roll to USDA:</b> December 2021                              |   |
|   |  <b>Mock Day(s) of Review:</b> February 2022 – March 2022                    |   |
|   |  <b>Assessment Hearing(s):</b> May 2022                                     |   |
|   |  <b>Board of Commissioners Approval:</b> June 2022                         |   |
|   |  <b>Time Allowance for Appeal:</b> June 2022 – August 2022                |   |
|   | <b>Operations Assessment Appears on Winter 2022 Taxes:</b> December 2022  |   |
|   |  | <b>Capital Assessment Appears on Winter 2023 Taxes:</b> December 2023  |

# Web Map Introduction

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- Web map application to be published and available to view December 8<sup>th</sup>, 2021
- Landowners will have ability to search for parcel and see benefit factor and estimated operations and maintenance assessment range
- Factors and estimated cost are subject to change
- Modifications to any parcel factor change all other factors

| <i>Assessment Factors</i> |    |
|---------------------------|----|
| Base                      | 1  |
| Derived Benefit           | 1  |
| Frontage                  | 1  |
| Waterfront View           | 1  |
| Depth                     | 1  |
| Public Access             | NA |
| Backlot Access            | NA |



# Resolutions on Special Assessment District

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- Resolution authorizing acceptance of an advance from Four Lakes Task Force to Four Lakes Task Force Special Assessment District
- Resolution approving the Special Assessment Process and Implementation of the Project





# Closing Comments

Dave Kepler  
Four Lakes Task Force



# “State of the Four Lakes”

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- Legislation is being moved through the Senate and House, that in all scenarios would create an affordable plan for the community. **“Its not over until it is over.”**
- A Special Assessment will be needed for the long-term operations of the Lakes.
- There is still much bottomland transition recovery work to do on erosion, debris removal and weed management. **Not all this can be funded by state money or the Special Assessment District**
- Environmental recovery on Wixom and Sanford lakes is significant
  - ▣ Will be multi-year, with lake plans likely for all lakes, require investment beyond the state grant and property assessments.
- This is a VERY LARGE DAM RESTORATION PROJECT and will be continued to be managed under one program to meet cost and time schedules
- Flood studies must be completed, and capacity designs must be acceptable to the state to move forward with the completion of engineering.
- *There has been a continued increase in proactive community support to bring the project to its current state;*

***A critical point in the project.***

# A Critical Point

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- The Community is close to:
  - ▣ Recovering and stabilizing itself after a major disaster
  - ▣ Creating a legal and regulatory framework that supports the project
  - ▣ Addressing financing that is affordable
  - ▣ Establishing a path to return to a safe and sustainable economic, environmental and improved quality of life in the Four Lake System

*We can successfully restore the lakes!  
If the community works together, stays positive, and focused.*



# 2022 Board Meeting Schedule

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- Thursday, February 24th 5:00pm-7:00pm
- Thursday, March 31st 5:00pm-7:00pm
- Tuesday, July 26th 5:00pm-7:00pm
- Tuesday, October 11th 5:00pm-7:00pm
- Tuesday, December 13th 5:00pm-7:00pm
- Will have periodic communications webinars in addition to board meetings - details to follow



# Questions and Public Comment

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## Ground rules:

1. Questions and public comment will be taken.
  1. Please raise your hand if you wish to comment and you will be called on
2. Because of time restrictions we will only allow individuals to make one comment. If time allows, we will give people additional opportunities at the end.
3. Any commenter who is disrespectful, slanders another, is in any way inappropriate or otherwise refuses to follow the protocol will be asked to leave the microphone



# Comment Timer

00 : 02 : 00

Change Clock Type  
Digital

Duration: 00 02 00

TimeUp Reminder (Optional):  
00 00 15

Choose Sound Effect  
Tick



30

Thank you for joining us!

