



September 7, 2022

August has been a very busy month, after the focus in July on obtaining the counties' approval on the 2022-2024 Operations and Maintenance Special Assessment. I wanted to provide a brief update of our progress and plans for the remainder of the year.

Special Assessment

Of more than 8,000 properties and approximately 6,500 property owners, a total of 15 property owners have appealed their assessment or challenged the Special Assessment District itself. These properties amount to less than \$5,000 of the annual assessment of \$1,576,000. Property owners have appealed in the Midland and Gladwin Circuit court, as well as to the tax tribunal, while some have appealed to all three. FLTF has filed to have them consolidated into the Midland Circuit Court for the matter, given its authority in the original court order. Given the court dates assigned, we expect this to go through October before it is resolved completely. FLTF is engaged with the counties to get the assessment roll filed this month.

Secord and Smallwood Dams and Lake Restoration

Restoration work has started on these dams, encompassing smaller, "pulled ahead" projects of the major construction projects. This includes tree removal for construction, reconstruction of the powerhouses to act as low flow outlets for base flow and provide better ice management during the winter, an installation of a sheet pile project for creating a cut off wall within the embankment at Secord (Smallwood already has such a wall in place).

We are advertising for qualified construction companies and are in the process this month of finalizing the list of qualified suppliers. We expect a notice will go out for public comment for EGLE permitting at the end of this week or early next. The 100% design documents will be submitted to EGLE in the next 5 to 10 days, and we are planning to go to bid on final construction in October.

Sanford and Edenville Progress

The last of the four dam stabilization projects, Sanford stabilization, should be done in October. The river is repositioned back into its former channel prior to the dam's failure and an I-wall is being constructed, similar to what was done at Edenville, to manage sediment and provide protection.

Significant debris removal is underway on both lake bottoms. This work is being funded with NRCS grant monies with EGLE grant matches. We have a few more shoreline erosion projects that can be done. We are looking for additional local and state funding to match the federal funding before the remaining projects can be completed, as we are running out of state funding for the required 25% cost match.

We expect 60% design engineering to be completed and submitted to EGLE in October, and public notice to come out shortly after that. We are identifying "pull ahead projects" for these dams for restoration. We expect to have 100% engineering done by mid-year 2023.

Financing

With the bidding in October on the northern dams and the 60% engineering done in October for Edenville and Sanford, we are expecting to have new estimates for 2023 planning at the FLTF December



board meeting. We are actively engaged with the USDA on establishing all the environmental and engineering reviews to get the last increment of financing for the Four Dams by 2024. We are using the planning estimate of \$250 million of total restoration, with a range of \$230 to \$270, of which the last ~\$60 million will require USDA financing. However, we are still looking for funds to lower the assessment burden and have submitted for a FEMA grant of approximately \$3 million dollars. We are continuing to look for additional opportunities.

Lakebottom Management and Environmental Restoration

FLTF is collaborating with the Lake Improvement Boards and townships to manage vegetation in this transition period until the lake levels are restored. In addition there are property owners that are looking at dredging. All of this needs different funding sources which are lake-by-lake initiatives. We feel good that the Lake Associations, Improvement Boards and townships are engaged, as we begin to address this. There is vegetation management action underway and planned into October.

In addition, we are working through all the environmental permitting needed including EGLE Lake and Stream floodplain permitting required to restore the lakes. With the snuff box mussel found in the upper Wixom Lake area, we will need to go through an Environmental Impact Study. In addition, we expect to engage each lake community with the need to establish long-term lake plans for natural resource, environmental and recreational management going forward.

In summary,

We are updating and improving the dam-by-dam websites that will allow the community to better track progress on their lakes and expect that to be done this month. We also have a full day of review on October 20, at the [FLTF Technical Symposium](#) that I invite all to attend.

While there is lots of work to do, I believe we have a good hand on the key issues, and we have a good structure being put in place to manage the next phase of the project. Thank you for all your support

Best Regards

Dave Kepler