



Four Lakes Task Force

2020 ANNUAL OPERATING PLAN

FEBRUARY 2021



EXECUTIVE SUMMARY

The Four Lakes Task Force (FLTF) started 2020 with a signed purchase agreement with Boyce Hydro on December 31, 2019. As the Delegated Authority on behalf of Gladwin and Midland counties, we were in the process of securing interim financing, performing winter repairs on Edenville Dam, and scheduling special assessment hearings, with a plan to enter into the purchase of the dams in June. The May 19, 2020 rain event and dam failures changed everything. We quickly changed course and in a matter of weeks developed 30- and 90-day plans to address restoring our lakes and provided a [Recovery and Restoration Plan](#) in September.

While making safety our first priority, we worked with countless local, state and federal entities and individuals to bring this plan to life. In the span of 226 days (from dam failure to the end of 2020), unprecedented progress was achieved.

2020 Accomplishments

Received nearly \$50 million in funding capacity from private, state and federal sources for repairs, maintenance operation of the dams and future restoration

Acquired and gained access to 6,000+ acres of Boyce Hydro properties (spillways, bottomlands, levies, nearby property) through condemnation (eminent domain)

Began interim repairs on Secord and Smallwood dams

Partnered with the State of Michigan to **stabilize Edenville Dam**

Removed 57,000 cubic feet of debris from behind Sanford Dam

Funded 26 shoreline projects to prevent further damage from erosion

We ended the year with an operations team in place, the mobilization of engineering and repairs for restoration on all four dams and stabilization of miles of shoreline. We also initiated the plan for our future:

Initiated engineering, environment and flood studies to inform the design of the new dams and lakes with a focus on public safety

Changed legislation to enable 40-year financing and received pre-approval for USDA loans to finance the rebuild

Developed a program to advocate for funding at the state and federal levels, along with our private funding efforts

These accomplishments are the result of tireless work by dozens of volunteers, partners, employees, elected officials and property owners who believe in our path forward and have dedicated numerous hours to this effort. This was not easy. The Boyce bankruptcy was a significant distraction, costing \$1,576,000 to settle, plus over \$700,000 in legal and consulting fees.



For those who have already suffered so much, the prospect of not having your lake back for years and having to pay for environmental damage and restoration costs is unfair and unjust. We are doing all we can to find sources of funding beyond just the Special Assessment District (SAD). We try to provide facts and estimates as we know them to identify solutions to bring back these lakes.

We are safer than we were after the failure, but we are not completely safe, and we do not have the lakes back. There is much work to do in 2021.

2021 Priorities and Considerations



RECOVERY AND STABILIZATION. Our focus for 2021 is on stabilization of the dams at current lake levels, debris removal and erosion mitigation. Much of the work occurring on the dams now will be applicable for final restoration and part of the final dam design.



RESTORATION. Our goal is dams designed to bring back lake levels, at the latest industry standards, to ensure reliability and integration so that the dams are built as affordably and quickly as possible without sacrificing public safety or the environment.



FUNDING. The catastrophic failure of the dams occurred with a private owner that was federally regulated to make improvements and repairs. This process failed. Our community should not be expected to take on all the financial burden of a disaster it did not create. We will need multiple and varied sources of funding to restore our lakes (federal, state, county, township and property owner involvement). State and federal funding sources, foundations and others are more likely to provide funding if property owners show a willingness to pay a share. This is the focus of our advocacy.



HYDROPOWER. Dam hydropower on these dams is no longer financially viable as an income stream like it was 100 years ago when the dams were built. Current conditions make it economically unfeasible to recover the investments needed to keep hydro and would slow the time it takes to rebuild the dams. Hydroelectric power will not be in scope for dam design because it is not financially feasible. While there may still be a future for hydro, it is beyond the 2030 timeframe after the dams are rebuilt. We need to move away from Federal Energy Regulatory Commission (FERC) oversight to Michigan Department of Environment, Great Lakes and Energy (EGLE) oversight this year.



REGULATORY OVERSIGHT. We have requested of FERC a regulatory transition plan that starts with meeting with the Michigan Department of Natural Resources, EGLE and the Environmental Protection Agency before moving oversight from the federal government to state oversight. It simply cannot be done as it was done when FERC revoked the Edenville license. We have engaged our state and federal representatives for their support.



SPECIAL ASSESSMENT. A [community survey](#) by Public Sector Consultants (PSC) that is underway will inform the counties and FLTF decision-making related to the special assessment, as well as help us understand the sentiment of the community moving forward. We expect the first general assessment to occur by year-end 2021 of about \$100-\$200 per property. This will be for 3 years, to get through the period of transition to finance the rebuilding and restoring of the dams. By late 2023 through 2026, the plan calls for dam-by-dam capital assessments as each lake starts to come up. There will be communications coming in February and March. The process outlined in Part 307 will be followed, which includes property owner notification, holding a meeting to hear a property owner's objections, then assessment rolls must be approved by each county's Board of Commissioners later this year, followed by an opportunity to appeal. Residents will have multiple opportunities to make their opinions known related to the SAD as defined by law, and they are encouraged to take advantage of upcoming meetings, the property owner survey and other avenues for understanding and input.



FEASIBILITY STUDY/FLOOD STUDY/PRELIMINARY DESIGN. The Edenville Dam failure could have been prevented. The feasibility and flood studies are prerequisites for rebuilding the dams.

FLTF hired experts in hydrology and hydraulics to model regional rain and flooding over the entire four lakes systems, with and without dams, so we can understand the impact of historical flooding and their frequency to inform our design of the future dams.

We can have lakes, while improving the management of floods in the four lakes systems and for those downstream. Some preliminary studies will be available by May 2021 and final studies by year-end.


Water flows into the City of Midland from the three major rivers, the Tittabawassee, Pine and Chippewa, with 40% coming through the four lakes basin. FLTF engaged with the U.S. Army Corps of Engineers to work with Midland County and the City of Midland to perform a Flood Plain Management Services (FPMS) project to study the total system and identify areas for risk reduction.




REDUCE FLOOD RISK DOWNSTREAM. With or without dams, major historical flooding risks still exist. Part of our recovery actions involve using the Flood Study Data, and our engineers and Operations Teams are:

- Stabilizing all four dams to minimize risks downstream at the current water level, including major work in partnership with the State this winter
- Upgrading or replacing all the Boyce operating procedures, including safety and emergency action plans, which will be in place this spring
- Putting flow and rain measurement systems on each dam and working with the U.S. Geologic Survey to place more measurements on streams inside and outside the four lakes system
- Prioritizing work already underway, with most of it planned to be complete by the end of the year



 **BOTTOMLAND SAFETY.** The bottomlands will continue to be dangerous and unpredictable as they become snow-covered, have ice flow, and then as the ground softens and is impacted by snowmelt, rain and runoff. The bottomlands also contain debris, stumps, branches and unexpected drop-offs that are risky to play on or explore. We made it through a 500-year flood with zero injuries or deaths – let us keep it that way when it comes to the bottomlands.

 **ENVIRONMENTAL RESTORATION.** Our goal is to bring back the lakes to their normal levels and restore their ecosystems. This will require a major environmental ecosystem recovery plan. We have engaged and are in dialogue with the Michigan Department of Natural Resources and EGLE on that plan. Both the State of Michigan and FERC have stated the accountability of environmental damage is on Boyce Hydro. Therefore we believe it is unfair and unjust to put the cost of environmental damage or offsets on the property owners. We are advocating that position with both the state and federal governments.



FINANCIAL SUMMARY

Summary of Funding Sources and Expenses

January - December 2020

This unaudited financial statement was prepared January 31, 2021 and is included for informational purposes only. A complete financial report for 2020 will be provided in April 2021.

	TOTAL
Sources of Funds	
Interest-Savings	\$9,514
Total Investments	\$9,514
Private Donations	\$3,857,915
State of MI \$15M (\$3M drawn in 2020)	\$3,000,000
State of MI \$2.5M	\$2,500,000
NRCS Homeowner Revenue Earned	\$84,905
NRCS Funding	\$567,574
Total New Funds 2020	\$10,144,907
Expenditures	
Communication	\$216,399
Financial Services	\$171,258
Legal Services	\$660,281
Engineering	\$2,246,888
Administrative	\$83,273
Legal Bankruptcy	\$726,993
Repair and Maintenance	\$404,168
Dam Stabilization-FLTF	\$138,457
NRCS Projects for Recovery	\$785,738
Total Expenditures	\$5,508,485



Four Lakes Task Force 2021 Total Budget

PROJECT AREA	COSTS: 2021
FLTF and Lake/Dam Operations	\$889,500
Program Office	\$296,631
Operations	\$592,869
Land Acquisition	\$816,824
Interim Dam Stabilization	\$23,663,685
Construction Estimates	\$20,600,000
Booms Secord/Smallwood	\$500,000
Booms Edenville/Sanford	\$500,000
Edenville-Tobacco	\$3,400,000
Edenville-Tittabawassee	\$7,000,000
Sanford Dam	\$8,000,000
Secord and Smallwood	\$1,200,000
Engineering Estimates	\$3,063,685
Booms Design Secord/Smallwood	\$150,000
Booms Design Edenville/Sanford	\$150,000
Sanford Dam Stabilization Design	\$800,000
Edenville Dam Stabilization-Tobacco	\$375,000
Edenville Dam Stabilization-Tittabawassee	\$935,000
Secord and Smallwood Stabilization	\$160,000
Third Party Reviews	\$50,000
Program Management	\$443,685
Erosion Stabilization and Debris Removal	\$13,437,149
Construction Estimates	\$12,050,000
Emergency Watershed Protection (EWP) Eligible Erosion Projects	\$5,000,000
Non-EWP Eligible Erosion Projects	\$150,000
Bottomland Debris Removal	\$4,600,000
Bottomland Sediment Removal	\$1,700,000
Downstream Debris Removal	\$600,000
Engineering Estimates	\$1,387,149
EWP Eligible Erosion Projects	\$750,000
Non-EWP Eligible Erosion Projects	\$30,000
Bottomland Debris Removal	\$230,000
Bottomland Sediment Removal	\$140,000
Program Management	\$237,149
Rebuilding/Ecosystem Restoration	\$4,633,587
Flood Study	\$915,700
Feasibility Study	\$650,000
Secord Design Engineering	\$750,000
Smallwood Design Engineering	\$750,000
Ecosystem Restoration Secord/Smallwood	\$500,000
Special Assessment District	\$347,865
Program Management	\$720,022
2021 Total	\$43,440,745



CONCLUSION

The spring of 2021 will be a critical time for the four lake communities. We must get through the flood season as we stabilize the dams. In April, the PSC community survey results will be shared, which will inform the communities' desire to restore the lakes, and their appetite or ability to pay the special assessment. And in May, the feasibility study will be published, which will inform the dam design and be instrumental in our plans for lake restoration. We also expect the independent forensic team to share its investigation findings this year.

In the meantime, we have multiple meetings, information sessions and communications planned, including:

- [Lake-specific webinars](#) in February, every Thursday at 4 p.m.
- The first quarterly meeting on behalf of the Four Lakes Special Assessment District is March 2 at 5 p.m.
- Communications about the PSC survey results
- Release of the feasibility study
- [Weekly news and website updates](#)

2021 FLTF BOARD OF DIRECTORS

The FLTF board is chartered to lessen the burden of government and improve and operate the dams on behalf of the counties and the owners in the Special Assessment District.

The board of directors is made up of nominated representatives from each lake association and two commissioners, one each from Gladwin and Midland counties. Lake associations nominate and approve board members. Lake association members may serve up to two, 3-year terms. Individual county commissioners will serve at the county's desire.

- David Kepler, Chair, Sanford Lake, 2020-2022
- Adam Beebe, Sanford Lake, 2020-2021
- Don Zakett, Wixom Lake, 2020-2022
- Dave Rothman, Wixom Lake, 2020-2023
- Mark Mudge, Smallwood Lake, 2020-2021
- Phil Dast, Secord Lake, 2020-2023
- Chuck Sikora, Secord Lake, 2021-2024
- Karen Moore, Gladwin County
- Jeanette Snyder, Midland County

FLTF Officers





- David Kepler, President
- Dave Rothman, Vice President and Board Secretary
- Tamara McGovern, Treasurer
- Kayla Stryker, Administrative Secretary
- Joe Colaianne, Clark Hill, PLC, General Counsel

Companies involved in the recovery and engineering efforts:

COMPANY	EXPERTISE
AECOM	Engineering
Applied Weather Associates	Engineering
Ayres Associates	Precipitation and Hydrology
Clark Hill	Legal
Essex Partnership	Hydro Operations and Management
Fisher Contracting	Construction/NRCS
GEI Consultants	Dam Engineering and Hydrologics
Holland & Knight	Communications
Spicer Group	FLTF Owner Engineer
Streamside Systems	Environmental
Trapani Communications	Communications
Yeo & Yeo	Accounting



Get in Touch

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