

November 1, 2020

# **An Update on Progress**

In September, Four Lakes Task Force released the <u>"Recovery and Restoration Plan: 2020-2021 Action Plan"</u> during our <u>3<sup>rd</sup> Quarter board meeting</u>. The report was a comprehensive look at our short- and long-term plans for bringing our lakes back. This communication provides updates on progress as we look toward our <u>4<sup>th</sup> Quarter board meeting</u>, scheduled for December 17 at 5 p.m.

# **BANKRUPTCY AND CONDEMNATION**

FLTF continues to work through issues related to the condemnation process for acquiring the dams, which is impacted by the Boyce Hydro bankruptcy proceedings. We remain confident that the properties will transition to Midland and Gladwin counties yet this year. In the meantime, work continues on cleanup, repair, and restoration of the dam properties.

## **RECOVERY EFFORTS**

#### **Dam Stabilization**

Representatives from the Michigan Department of Environment, Great Lakes and Energy (EGLE), the USDA Natural Resources Conservation Service (NRCS), and FLTF engineering consultants Spicer Group and GEI Consultants, among others, were on-site at the dams the week of October 11. FLTF was given access to the dams by Boyce Hydro through negotiations, to conduct this critical work. The following conclusions are based on the inspections conducted that week:

**Secord Dam** – Critical items identified by the <u>Federal Energy Regulatory Commission (FERC) in a series of letters</u> were assessed during the field review in October and will be addressed as soon as possible. This includes repairing a hole in the right retaining wall downstream of the spillway. This dam will need improvements to allow for winter operations. The long-term plan is to rehabilitate the embankment, install crest gates and construct an auxiliary spillway.

**Smallwood Dam** – Critical items identified by <u>FERC in a series of letters</u> were assessed and will be addressed as soon as possible. These include placement of larger riprap (loose stone) downstream, repairing the downstream retaining walls, and adapting the dam for winter operations. Long-term, the plan is to rehabilitate the embankment, install crest gates and enhance the auxiliary spillway.

**Edenville Dam** – The long-term plan continues to be to reconstruct the failed portion of the earthen embankment, install crest gates for the spillways, and reinforce the remaining embankment. At this time, EGLE is conducting emergency engineering and then short-term work on the Tobacco spillway to reduce pressure on the earthen embankment and return water flow to the Tobacco River downstream of the dam. With respect to the Tittabawassee Spillway, EGLE's emergency plan includes modifying the existing spillway to divert water from the breached



embankment and return the river back to its original route. FTLF has been involved with these emergency projects to provide third-party oversight and to ensure efforts can be incorporated into the long-term project. Seventy-five percent of this project is being financed by the <a href="MRCS Emergency Watershed Protection (EWP) program">MRCS Emergency Watershed Protection (EWP) program</a>. The tentative plan is for work to begin in November and be completed over the winter.

**Sanford Dam** – Dam stabilization for Sanford Dam is underway and is being supported by the NRCS EWP program. Conceptual designs include installing sheet pile and riprap to prevent further erosion and sediment deposition downstream. Longer-term, dam reconstruction will require reconstructing the earthen embankment, installing crest gates, and constructing a new auxiliary spillway. Some of the existing spillway and powerhouse may be salvaged depending on the results of structural and geotechnical studies.

These were primarily visual inspections. Work on the dams will continue with diver inspections and plans to repair and ready the dams for winter and spring. There is still significant engineering work to be done to evaluate these dams and plan for all the repairs needed beyond the winter and spring.

#### **Debris Removal**

Thanks to the efforts of volunteers, there is significantly less debris in the Sanford Lake Dam area. Over the summer, a coordinated group of volunteers with guidance from local officials removed 200 pontoon boats from the lake bottom. Additional work continued this fall as Fisher Contracting with help from local volunteers began an extensive debris removal project.

All volunteers were trained and given permission to conduct debris removal. Please do not attempt to remove debris from the lake bottom without <u>consulting Four Lakes Task Force</u>. Work will begin later this winter to remove debris on Sanford and Wixom bottomlands.

#### **Erosion**

Three hundred and ninety-two property owners applied for the NRCS Emergency Watershed Protection program to receive financial assistance and professional guidance on stabilizing erosion and removing debris from their property. On October 19<sup>th</sup> FLTF and NRCS signed contracts permitting the most critical erosion projects to begin. Funding is now available from NRCS to reimburse the costs of erosion remediation projects.

# **FEASIBILITY AND FLOOD STUDIES**

# **Feasibility Study**

Work began in October on the Feasibility Study, which will consist of design concept development, assessing future uses, updating planning-level cost estimates, schedule development, regulatory and



environmental requirements, financing and affordability and other critical items. We anticipate this study to be completed by April 2021.

### **Flood Studies**

A collaborative effort between GEI, Ayres Associates, Spicer and the U.S. Army Corps of Engineers is underway to study the watershed that contributes to the four lakes system. The flood study will calibrate probable maximum flood (PMF) data based on the May 2020 storm, establish flood flows at each dam, provide recommendations for spillway design, model flood elevations for each lake with dam reconstruction, and map the floodplain.

FLTF is in the process of meeting with state and federal regulatory agencies, specifically EGLE and FERC, to ensure we are aligned on other efforts and studies as needed.

# FINANCIAL REVIEW OF COSTS AND ASSESSMENTS

# **Estimated Special Assessment**

In September, Four Lakes Task Force <u>communicated a tentative plan to conduct two special assessments</u> through the Four Lakes Special Assessment District, one for operations and another for capital improvement costs.

The **operations assessment** will fund operations and management of the lakes. This includes emergency repairs and the development of operational plans for the long-term.

Estimated assessment amount of approximately \$200 per year for every property owner, will likely start in Q4 2021 for two to three years, with the number being reduced to \$100 with the completion of construction. Estimates will be clearer after completion of the Feasibility Study.

The **capital improvement assessment** will fund fixed, one-time expenses associated with making the dams operable (construction and repairs). The assessment for capital improvements will begin after we finalize engineering plans, obtain all permits, receive construction bids, and conduct the Special Assessment hearing. The Feasibility Study will help determine costs and construction schedules by lake.

Assessment amount will vary by lake and start time will be determined when engineering plans are completed.

We understand that the estimated assessment amounts are significant. Our focus has been on funding the first phase of work. The Feasibility Study will identify areas for alternative financing. Four Lakes has established an Affordability Committee, led by FLTF Board Treasurer Tamara McGovern, to investigate the options and determine the best path forward. The committee includes representatives from each of the four lakes.



See tentative assessment amounts, view your property within the Four Lakes Special Assessment District, or read frequently asked questions <u>here</u>.

# **Financial Support**

We are grateful that the State of Michigan and the federal government have awarded grant funding to restore the lakes, which is a strong demonstration of confidence in our efforts. The lakes have been awarded funding for the following activities:

- \$25 million in matching grants from NRCS is estimated for:
  - Erosion control, dam stabilization and debris removal
- \$22.5 million from the State of Michigan for:
  - \$15 million for the Feasibility Study, engineering design, flood and environmental studies, site readiness assessments, and pre-construction to restore the lake levels. This grant significantly reduced the need for interim financing and makes it possible to do critical work now while investigating favorable financing options
  - \$5 million for repairs and acquisition, awarded in 2019
  - o \$2.5 million awarded in September needed to match the NRCS grants

In addition, we were successful in advocating for legislation (which had bipartisan support in the State House and Senate and was signed by Gov. Whitmer), to extend and improve financing terms for dam restoration projects. This legislation now allows 40-year financing instead of 30-year financing, which will reduce annual payments for property owners.

# **Fundraising**

Hundreds of generous individuals, families, foundations and organizations have donated their time and resources to the efforts of Four Lakes Task Force.

2018 and 2019: Nearly \$410,000 in private donations

2020: Over \$2,761,000 in private, corporate and foundation donations and pledges (as

of 10/20/20)

Total: *\$3,171,000* 

Our goal is to raise another \$3 million to help manage the program over the next 3-4 years. All substantial contributors to the work of Four Lakes Task Force are listed on our website. Help us reach our goal by donating <a href="https://example.com/here/be/here/

Special thanks to our local, state, and federally elected official and many volunteers whose advocacy has been instrumental in our funding progress so far. We are grateful for their dedication on our behalf.



#### **COMMUNITY OUTREACH**

**Property Owner Survey.** Public Sector Consultants (PSC), an independent, nonpartisan company based in Lansing, will conduct an expansive community survey of all property owners in January/February 2021 to understand residents' views of the assessment and property owner demographics.

Make sure your opinions are included! Update or change your mailing address in time for the survey by contacting your county treasurer or township assessor. Note – there will not be a public vote in connection with the Four Lakes Special Assessment District so please use this opportunity to make your voice heard. We will also hold multiple public meetings in 2021 to obtain property owner input.

**Ongoing Communications.** We continue to regularly communicate with the public via our <u>weekly</u> news flash, <u>regular public webinars</u>, Lake Association meetings and <u>website updates</u>.

Thank you for your time and attention to the activities of Four Lakes Task Force. The next several months will be critical as we continue to address erosion and dam stabilization in preparation for winter operations, determine assessment amounts, and conduct important studies related to the dams and their future operations. Please continue to follow our weekly newsletter and watch the website for regular updates. For questions, contact us via email.

Sincerely,

**David Kepler**, President, Four Lakes Task Force On behalf of the Board of Directors

Phil Dast, Secord Lake, 2020-2023
Carl Kerr, Secord Lake, through 2020
Mark Mudge, Smallwood Lake, 2020-2021
Dave Rothman, Wixom Lake, 2020-2023
Don Zakett, Wixom Lake, 2020-2022
Adam Beebe, Sanford Lake, 2020-2021
Joel Vernier, Gladwin County Board of Commissioners
Jeanette Snyder, Midland County Board of Commissioners