

## A Sustainable Future for the Four Lakes

Update: April 24, 2019



### **Boyce Trusts, Four Lakes Task Force Reach Agreement**

#### ***All Four Dams to Be Repaired; Wixom Lake Water Level Expected to Be Restored in May***

Boyce Trusts and Four Lakes Task Force (FLTF) have reached a tentative agreement on the acquisition of the Wixom, Sanford, Secord and Smallwood Dams and lake bottoms for a purchase price of \$9.4 million. The final purchase agreement is expected to be signed during June 2019 and after the Part 307 Circuit Court hearing to set legal lake levels and establish the Four Lakes Special Assessment District, with title to these assets transferring to the FLTF in early 2022.

In addition to the acquisition of all four dams, the agreement also stipulates Boyce or FLTF will perform the necessary repairs or upgrades on all dams by the end of 2023. Subject to coordination with the Michigan Department of Environmental Quality, the filling of Wixom Lake will begin by late April 2019 by Boyce Hydro.

To implement the acquisition, repairs and all the Part 307 order requirements, a \$20 million bond is anticipated to be financed by a Special Assessment District. The special assessment district includes waterfront properties along the Four Lakes and “backlot” properties with dedicated (private easement) access. The special assessment cost for the acquisition, repairs and operation for the Part 307 legal lake level components of the dams (the lake level assets) is estimated to be \$350 annually for a typical waterfront property owner. Special assessments should appear on the December 2021 tax bill. Note: these estimated costs were provided at public informational meetings during February 2019 and have not changed. More details are available on the [FLTF website](#).

In a separate agreement, FLTF will secure additional funding, *independent of the Special Assessment District*, to purchase the Federal Energy Regulatory Commission (FERC) licenses and power generating assets from Boyce by 2024. The FLTF objective is for the dams to continue to produce hydro-electric power. Any proceeds from the power generation, after 2024, will be used to help defray future costs to the Special Assessment District.

“While there is still significant work to do before reaching a final agreement, including Circuit Court approval for the Special Assessment District and establishment of the court-ordered legal lake levels, this is a major milestone in assuring we have a sustainable structure for the lakes moving forward,” said Dave Kepler, chairman, Four Lakes Task Force.