

Kyle Grove, District 1, (Sherman, Butman, Clement, Gladwin Twp.)
 Ron Taylor, District 2, Vice-Chairperson (Sage and Gladwin City)
 Michael Szuch District 3, (Bentley, Billings, Bourret, Grim & Secord)
 Karen Moore, District 4, Chairperson (Buckeye, Hay & Tobacco)
 Rick Grove, District 5, (Grout, Beaverton City, Beaverton)

Board Agenda May 25, 2021 9:30 a.m.

Agenda and supporting attachments are subject to change.

Consent Agenda - All bolded items will be approved with the motion to approve the agenda.

- A. Call to Order by Chairperson
- B. Pledge of Allegiance
- C. Roll Call
- D. Corrections or Additions to the Consent Agenda
- E. Reading of Cash Balances
- F. Approval of the Board Minutes: May 11, 2021 Regular Board Meeting

G. Communications:

H. Finance Reports/Claims and Accounts General Fund

Based on discussion at the Committee of the Whole meeting; which immediately proceeded this meeting, each action will be handled by motion or tabled for additional research as needed.

- 1. Dispatcher Jennifer Matteson Training Request
- 2. Creation of Line 101-000-524.371 for Houghton Lake Building Agency Revenue
- 3. Request to use the county's credit card for the purchase of a shredder

I. Committee Meetings

Finance Committee Minutes of May 10, 2021 Personnel Committee Minutes of May 10, 2021 Committee of the Whole of May 11, 2021

J. Miscellaneous:

K. New Business:

Based on discussion at the Committee of the Whole meeting; which immediately proceeded this meeting, each action will be handled by motion or tabled for additional research as needed.

- 1. Resolution in Support of Back Revenue Sharing
- 2. Resolution Naming Delegated Authority and Authorizing Annual Expenditures over \$10,000 (Pratt Lake Level)
- 3. Request to publish vacant Correction Officer positions
- 4. Renewed part-time employment request for Linda Hawkins
- 5. Continuation of 28-hour employment for Deputy Drain Commissioner

L. Chair Comments:

M. Board Member Comments/Report:

- 1. Kyle Grove, District 1: Township Meetings and Committee Meetings:
- 2. Ron Taylor, District 2: Township Meetings and Committee Meetings
- 3. Michael Szuch, District 3: Township Meetings and Committee Meetings:
- 4. Karen Moore, District 4: Township Meetings and Committee Meetings:
- 5. Rick Grove, District 5: Township Meetings and Committee Meetings:

N. Administration Reports

O. Public Comments

P. Receive and File

May 2021 Four Lakes Task Force Correspondence Communication from Residents regarding support/non-support of Special Assessment District (Wixom Lake Association)

Q. Adjournment

Individuals with disabilities requiring auxiliary aids or service at the meeting should contact the Board of Commissioners' Office at (989) 426-4821



Gladwin County Board of Commissioners Board Minutes, May 11, 2021

The Gladwin County Board of Commissioners met for the regular board Meeting, on May 11, 2021. The meeting was called to order at 10:10 a.m. by Chairperson Karen Moore. The Pledge of Allegiance was said, all commissioners were present.

The Board reviewed the Consent Agenda -

The Board reviewed the consent agenda were noted under Finance and New Business. Motion made by Commissioner Ron Taylor to accept the agenda with changes, seconded by Commissioner Kyle Grove, all in favor motion carried.

Cash balances were read by Commissioner Taylor. General Fund balance - \$62,918.08 before payment of bills.

Communications

Finance

- 1 Commissioner Ron Taylor made a motion to allow the County's credit card to be put on file at Rite Aid for after hours and weekend emergency prescription needs of jail inmates. Stating this account is not to be used as a charge account for general purchases. Seconded by Commissioner Rick Grove. Additional conversation was had about the details on the account of charges made. All in favor, motion carried.
- 2 Commissioner Ron Taylor made a motion to allow dispatcher Josh Tweed to attend a "Handling calls regarding Missing and Exploited Children" training on June 16, 2021, for the fee of \$275 to be paid from line item 282-000-804.001. Reimbursable through State funds, no cost to the General Fund. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 3 Commissioner Ron Taylor made a motion to authorize the repair of Sheriff's vehicle Unit 26-6 from Greaves Body Shop in the amount of \$3571.12, a \$1000 deductible to be paid from the Sheriff's Vehicle Repair fund, # 101-301-932.000. Seconded by Commissioner Rick Grove; all in favor, motion carried.
- 4 Commissioner Ron Taylor made a motion to allow the Payroll Clerk to issue payment of \$2445.30 from line item 101-301-705. 000 for payment of unused PTO hours per for Deputy Wortman, per Union contract. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 5 Commissioner Kyle Grove made a motion to approve budget amendments from line item 101-148-706.004 to line item 101-148-707.000 to cover the expenses of Melody Hill for Guardianship reviews in Probate Court required by the State of Michigan. Seconded by Commissioner Ron Taylor; all in favor, motion carried.
- 6 Commissioner Ron Taylor made a motion to pay \$49.73 a month from line item 101-426-850.000 for a monthly contract for phone services for the Emergency Manager, plus \$111.12 retroactive for the first 4 months of services that the device was being tested. Seconded by Commissioner Kyle Grove; all in favor, motion carried.

Committee Meetings - were approved with the approval of the Agenda.

New Business

- 1 Commissioner Ron Taylor made a motion to allow the County to enter into a GIS contract with local entities, upon review by the Townships and Cities. The motion will allow the Chairperson and Equalization Director to sign on the Counties behalf. Seconded by Commissioner Rick Grove. All in favor, motion carried.
- 2 Commissioner Ron Taylor made a motion to allow Gladwin County to enter into an intergovernmental agreement with the State of Michigan for the MiSail Data Exchange Agreement. The motion will allow the Chairperson to sign the agreement as proposed. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 3 Commissioner Kyle Grove made a motion to allow Chairperson Moore and County Clerk Hulme to sign the L4029 2021 Tax Rate Request. Seconded by Commissioner Ron Taylor; all in favor, motion carried.
- 4 Commissioner Ron Taylor made a motion to apply for Corona Virus Emergency Supplement Funding Grant in the amount of \$25,000 for contractual services to assist in Trial preparation of 32 outstanding felony cases due to COVID. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 5 Commissioner Kyle Grove made a motion to renew the contract for Equalization Services on a 3-year term. This motion will allow the Chairperson to sign the agreement. Seconded by Commissioner Rick Grove. All in favor, motion carried.
- 6 Commissioner Ron Taylor made a motion to allow the Jail Administrator to fill a vacant position resulting from the resignation of Corporal Sheehan. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 7 Commissioner Ron Taylor made a motion to allow Undersheriff Hartwell to fill a vacant position resulting from the resignation of Deputy Wortman. Seconded by Commissioner Kyle Grove; all in favor, motion carried.
- 8 A motion was made by Commissioner Kyle Grove to accept the estimate from Oakridge Tree for tree removal services in the amount of \$2,300 from line-item 101-900-970.001 Capital Improvements. Interim administrator Maveal will charge back \$460 to this City of Gladwin. Supported by Commissioner Szuch. Additional conversation was had about the removal of a tree out front and the hours services would be provided. All in favor, motion carried.
- 9 Commissioner Karen Moore proposed a resolution. Proposed resolution was read, seconded by commissioner Ron Taylor. Discussion on resolution dates was had and the resolution was amended to the date of June 18, 2021. Further discussion on the expectation of the group of community leaders and a more defined outline of these expectations was had.
 - 4 yeas, 1 nae by Commissioner Michael Szuch, motion passed.

An additional motion was made by commissioner Karen Moore to cancel Friday's Special Meeting, seconded by Commissioner Szuch; all in favor motion carried.

Chairperson Comments

Chairperson Moore spoke to address the concerns of Andre Shepcheck, stating the delegated authority
of the Four Lakes Task Force (FLTF) was established by contract and 2019 by both Gladwin and
Midland County's. This contract was renewed in 2020. An explanation of how a delegated authority
operates was given.

Board Comments

Commissioner Kyle Grove, District 1 -

 Commented on computer leasing versus the County's current process and the resulting lower costs for IT services.

Commissioner Ron Taylor, District 2 -

- April 28 attended the Health Board meeting, the Health Department employees are doing a phenomenal job and working hard.
- The State is discussing not charging certain fees to restaurants as a result of COIVD, this would be a loss to our district of over \$600,000.
- Gladwin County COVID numbers are 1801 cases & 46 deaths.
- May 3rd attended city council meeting was held at the Road Commissions new building.
- May 10th finance committee and auditing requirements were discussed.

Commissioner Michael Szuch, District 3 -

- Asked for a copy of the contract appointing delegated authority to Four Lakes Task Force.
- Attended Bentley & Billings Township meetings where there was discussion on blight.
- He and other Commissioners visited some homeowners experiencing soil erosion issues.
- Will be attending Grim & Bourret Township meetings tonight.

Commissioner Moore, District 4 -

- Attended the Michigan Association of County's Legislative Conference, meetings have been very informative.
- 29th was a webinar for Four Lakes Task Force; the May 25th meeting is no longer needed; they are asking residents attend the Thursday May 13th meeting at 5:00 p.m. instead.
- · Attended the Business Professionals Annual Meeting and spoke on County business.
- Visited some homeowners experiencing soil erosion issues with Commissioner Szuch.
- Attended the Finance and Personnel meetings.

Commissioner Rick Grove, District 5 -

- Walked the Burleson Drain on Beaverton Road to see what can be done. Terry Walters is doing a great
 job at the Drain Commission.
- Attended Grout Township meeting on May 10th, discussion and blight and hazardous waste.
- Attended Beaverton Township meeting, the Clerk gave thanks to her staff, Anna Auer of Grout, Janelle Keen of Beaverton City and Laura Brandon-Maveal for their assistance.
- Talked about the choices that were made for renovations at the County building. Explained his views on how this saved taxpayers money, the needs vs. wants, and the reimbursements that were available through this process.

Administrators Report - none

Public Comment -

- Joel Vernier gave an example of the quantity of septic sewage in the county and why a Point of Sale is so important.
- Andre Shepcheck commented on the for lakes task force delegated authority contract questions the lack of oversight on this authority and would like the attorney to review the contract more thoroughly.

No other public comment.	
A motion was made by Chairperson Moore to a meeting adjourned at 11:17.	djourn, seconded by commissioner Kyle Grove. All in favor,
Karrie Hulme, County Clerk	Karen Moore. Chairperson



Finance Committee Minutes May 10, 2021 12:40 p.m. – 1:00 p.m.

Present: Commission

Commissioner Moore, Commissioner Taylor, Treasurer VanTiem and Interim

Administrator Maveal

Treasurer VanTiem spoke on the deposit of department revenues, noting audit standards require deposits with a range of no greater than two weeks. The Treasurer is willing to do a "Cash Handling and Deposit" presentation to the department heads at their next meeting.

Interim Administrator Maveal spoke on support from Michigan Association of Counties and Huron County on the collection of unfunded County Revenue Sharing prompted by PA 356 of 2004. Discussion on the background of this bill and how it financially affected Gladwin County. Interim Administrator Maveal will draft a resolution for the Board's consideration at their May 25, 2021 Board meeting.

Submitted: Laura Brandon-Maveal Gladwin County Interim Administrator Personnel Committee Minutes May 10, 2021 1:00 p.m. – 2:42 p.m.

Present:

Commissioner Moore, Commissioner K. Grove, Attorney Hoerauf, Interim Administrator

Maveal

Civil Attorney Hoerauf asked the committee to go into a closed session to discuss negotiation strategy for the 2021 expiring union contracts.

Closed Session 1:02 p.m. - 2:10 p.m.

Other matters of discussion:

- Wage Study for 2021. Interim Administrator spoke on the findings and how the comparables were structured for the purpose of the study.
- Differences by County with a combined Registrar/Clerk and history of why this has not been done in Gladwin County.

Submitted:

Laura Brandon-Maveal
Gladwin County Interim Administrator



Gladwin County Board of Commissioners COW Minutes, May 11, 2021

The Gladwin County Board of Commissioners met for the Committee of the Whole Meeting, on May 11, 2021. Chairperson Karen Moore called the meeting to order at 9:00 a.m. The Pledge of Allegiance was said, all commissioners were present.

Public Comment

The Chairperson reminded residents that public comment was for information only and was not a back-and-forth; time limit is 5 minutes.

_Ken Roberts, Veterans Affairs Director spoke to thank the Commissioners and those involved for e-fax capabilities; he stated a lot of positive outcomes have come from having e-fax.

_Joel Vernier, newly elected President to Gladwin County Local Council of Government. The Local Council of Government will be having a meeting on June 28 at 7:00 p.m. at the Road Commissions new building. They will convene in the meeting room to discuss the topic of blight.

_Andre Shepcheck stated, "We want the lakes back." He would like to know who is being held responsible and where the documentation is that explains the delegated authority of the Four Lakes Task Force and ask who is monitoring their spending.

No other comments

City Administrator Report - none

County Affairs

- 1. GIS Cost of Service Contract Peter Preston from the Equalization department discussed the contract with the townships and reminded commissioners that this would be a renewal of last year's contract.
- 2. MiSail Data Exchange agreement with the state of Michigan Peter Preston & Kayla Marchington of the Equalization Department spoke about out dates to the current imaging software and benefits associated with transitioning to the new system. There is no fee for the new service as it is and information exchange. Additional conversation was had about different levels of service and looking into the cost associated with each.
- 3. L 4029 2021 Tax Rate Request Peter Preston advised commissioners to move forward on this request the current millage as that 4.3866 continued from last year with no Headley rolled over discussion was had on the potential of seeking an increase in the future.
- Corona Virus Emergency Supplemental Funding (CVSF) Grant for the Prosecuting Attorney's Office interim administrator Maveal received a Grant funds request from the prosecuting attorney to catch up
 on backlog cases due to COVID; asking for board approval.

County Facilities and Transportation-

1. Tree removal estimates, interim administrator Maveal discussed the tree removal estimate received for the trees along the parking lot.

Data - none

511 Council - none

Gladwin Parks and Recreation - none

Insurance - none

Memorial Restoration - none

MERS - none

Public Safety - none

Personnel

- 1. Contract review for equalization services, Pete Preston from the Equalization Department discussed the renewal of the current contract, the only change being the request for a 3-year contract with inflation rate adjustment options. The contract could be terminated at any time.
- 2. Resignations of Corporal Sheehan and Deputy Wortman were discussed. The jail is seeking permission from the board to fill both vacancies immediately.
- 3. Chairperson Moore spoke to address the process for hiring an administrator. Discussion was had about creating a team of community leaders to make a recommendation to the Board for this position. Attorney Hoerauf would lead the effort to designate that team; further discussion about what that process might look like. Chairperson Moore stated her frustrations with social media and that she would like a complete, unbiased opinion; that she had drafted the job description for our administrator using sources like Indeed and Monster as references. Attorney Hoerauf stated her bias for a competent government, but that she has no political or community bias. Commissioner's Ron Taylor and Rick Grove voiced their support for this process; a resolution will be presented at the Board meeting.

Finance

- Rite Aid prescription account/use of credit card Interim Administrator Maveal discussed the need to have credit card information on file at Rite Aid for emergency prescription needs of inmates for after hours and weekends.
- 2. Dispatcher Josh Tweed training request Mike Brubaker has scheduled a training for dispatcher Josh tweed he is seeking approval from the board to release funds for this training; funds are reimbursable through State funding and will not be coming from the general fund.
- 3. Estimates on car/deer accident claim Interim Administrator Maveal discussed the process for accepting bids and recommendations of MMRMA; 3 estimates were obtained.
- 4. Request from Deputy Wortman for payment of unused PTO hours per Union contract Interim Administrator Maveal.
- 5. Budget Amendment for Guardianship Reviews in Probate Court Court Administrator Schlese is requesting a budget amendment for guardianship reviews, discussion was had on this topic.
- 6. Cell phone contract and purchase for emergency management Robert North phone services were discussed; the May stipend payment that has already been issued will be reimbursed by Robert North.

Report from Civil Attorney -

The Governor recently announced that office functions will be reinstated as of May 24th, we are waiting for the MIOSHA rules to reflect this. Attorney Hoerauf is hoping the State Court Administrative Office will open courts as well. An AmeriHemp amended complaint has been filed, she may be able to bring motions to the board for approval by June 1st. Currently working on Union contracts.

No additional discussion. Meeting closed at 10:03 a.m.





Website: four-lakes-taskforce-mi.com
Email: info@fourlakestaskforce.org

Dear Lake Community Members:

Working with property owners; our communities; and our counties, state and federal officials and agencies, we will bring back the lakes. That is and has been the mission of Four Lakes Task Force (FLTF) since the May 19, 2020, breach of the Boyce-owned Edenville Dam and failure of the Sanford Dam, and the federally mandated lowering of Secord and Smallwood lakes.

It has been one year since the rain and flooding that could change our region permanently. By June of 2020, FLTF had submitted a short-term plan and by September, had a more detailed, longer-term recovery plan in place. At the one-year anniversary since the dams breached, we are publishing the Four Lakes Restoration Plan – a comprehensive technical report describing our path forward to bring back the dams and recover the surrounding ecosystem that was damaged by the flooding.

FLTF assembled a world-class team of experts to develop this plan. Our conclusion, with agreement by those experts, is that restoring the lakes is feasible and necessary. A brief summary of the key points of the plan is included with this letter.

After years of suffering under the poor stewardship of our lakes, the worst-case scenario happened, leaving the counties, lake communities and property owners to deal with the disaster. The federal regulatory system was not designed to deal with an owner like Boyce Hydro. The state regulatory system had the issue dumped into its lap with limited information to understand Edenville Dam's challenges. The creditors and Boyce were more focused on their interests in bankruptcy than on dealing with the situation on the ground.

There would have been no path to having future lakes if the counties had not stepped forward to acquire the properties and stabilize the situation on the ground, with support from the state and federal governments.

Lake restoration comes at a cost; by our estimates approximately \$250 million. It will require special assessments of property owners, loans from the U.S. Department of Agriculture, and additional significant grants from the federal and state governments. And a lot of teamwork from everyone.

Yet we are fully confident implementing this plan will restore the life we knew before the May 2020 disaster and make it even better. If we all work together, we will have more robust dams, safer communities and a more sustainable future for our economy and our environment – for everyone and for all lakes.

On behalf of the Four Lake Task Force and the Lake Associations, I ask you to join us in this effort as we move to the next phase to restore our lakes and heal our communities.

Dave Kepler
President and Lake Property Owner
Four Lakes Task Force

Summary of Four Lakes Restoration Plan

Summary of Opinions Shared in Public Sector Consultants Survey

- Respondents were overwhelmingly in favor of restoring the dams to restore their lake.
- Respondents who owned lakefront property were more in favor of rebuilding the dams than those that owned backlots.
- Property owners across all Four Lakes agreed that people outside the Special Assessment District (SAD) should contribute to the cost of rebuilding and repairing the dams, in particular that the state and federal governments should contribute more.
- There was mixed reaction toward the need for a special assessment. Respondents were fairly split between agreeing, disagreeing, and not having an opinion.
- The lakes are incredibly important to property owners within the Four Lakes SAD.

The Facts

- Part 307 of the Michigan Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA) provides the legal framework to restore the lakes and provide a long-term viable funding source to operate and maintain the lakes, once restored.
- Gladwin and Midland counties now own the dams and bottomlands of the Four Lakes system. Decommissioning or removal of the dams will cost approximately \$125 million which the counties do not have.
- 3) The Four Lakes SAD, a special purpose public body, is required to provide a long-term, viable funding source to operate and maintain the lakes, once restored.
- 4) Four Lakes Task Force (FLTF), as the delegated authority of Midland and Gladwin counties, has received initial feedback from the State of Michigan that restoration of the dams can be permitted and has reviewed the 30% design outlined in this report, that will be completed for final permitting. Final engineering will need to be completed for final permitting.
- 5) FLTF has received initial feedback from the U.S. Department of Agriculture (USDA) that project financing can the secured over a 40-year period based on the 30% design outlined in this report.
- 6) FLTF is coordinating with the Michigan Department of Natural Resources (MDNR), U.S. Fish and Wildlife Service (USFWS), the Michigan Department of Environment, Great Lakes and Energy (EGLE) and others on a natural resources and environmental restoration plan that considers ecosystem restoration, invasive species, threatened and endangered species and environmental regulations.

Options

- 1) Stabilize and Stop Presumably, the Part 307 lake level order, with a lawsuit, could be dissolved to prevent the counties and their delegated authority from moving forward with restoration of the lakes. Damaged dams would remain, all regulated under Part 315, which provides no financing mechanism to raise the level or maintain the system as it exists today.
- 2) Remove Dams No government authority has pursued or has ordered the removal of the Secord, Smallwood, Edenville and Sanford dams, and further, there is no funding available to decommission and remove the current structures, or to embark on a decades-long program to ensure the Tittabawassee River watershed is environmentally stable and the public is safe. The estimated cost to decommission and remove the dams is approximately \$125 million.
- 3) **Restore the Lakes** The estimated costs to restore the lakes is \$50 million for dam stabilization, recovery and shoreline restoration (currently funded and underway) and \$250 million for dam construction, permitting and restoration of bottomlands.

Conclusion:

It is feasible and necessary to restore the lakes and ecosystem. In accordance with Part 307, FLTF and the counties have the authority and legal obligation to restore the lakes and have a feasible plan to continue the effort outlined in this plan, including healing the environment, improving public safety, and restoring the legal lake levels.

Critical Issues

There are four critical issues on which FLTF needs to make progress this year:

- 1) Funding: FLTF needs at least \$10 million of funding from outside the Four Lakes SAD by the end of 2021 to continue progress. In the years 2022 to 2024, approximately \$150 million would bring the funding to the level of affordability that existed before the failure, and to ensure homeowners living at or below the cost of living could afford the assessment.
- 2) **Environment:** Several millions of dollars may be needed in connection with environmental restoration on Wixom and Sanford lakes, and FLTF is engaged with EGLE to get acceptance of the restoration plan, and then identify funding sources.
- 3) Assessments: A fair and consistent methodology for the assessment of property owners of the Four Lakes Special Assessment District needs to be put in place, to attract funding and assure that there is a financial means for long-term operations and maintenance.
- 4) Flood studies: These must be completed, and spillway capacity will likely need to be greater than previously established. The acceptance of spillway capacity is a function of the State of Michigan Dam Safety regulations, and necessary to move forward with the completion of engineering.

Call to Action

These four critical issues must be addressed to have a successful project. We have a comprehensive plan to address them and the demonstrated support, advocacy, and volunteerism of our community. We can bring back the Four Lakes by 2026.

This plan outlines the multi-year effort that our community, elected officials, and property owners will need to participate in, both in support of the plans and in obtaining project funding.

FOUR LAKES TASK FORCE

Plan for the Restoration of the Four Lakes

of Gladwin County and Midland County

MAY 2021





Table of Contents

CHAPTER 1: Executive Summary	
CHAPTER 2: Introduction and Background	13
2a. Introduction and Background	13
2b. Summary Legal and Regulatory Framework	13
CHAPTER 3: County Ownership of Dams, Bottomlands and Flowage Rights	17
CHAPTER 4: Future Use and Function of the Lakes	19
CHAPTER 5: Lake Community Survey	
CHAPTER 6: Flood Management.	
CHAPTER 7: Dam Safety Design Criteria	
7a. Introduction and Background	
7b. Flood Study of the Tittabawassee River from Secord Dam to Sanford Dam	
7c. Updated Flood Study Results	
7d. Discussion of Inflow Design Flood (IDF)	
7e. Development of Conceptual Designs to Restore Legal Lake Levels	
7f. Proposed Repairs to Restore Legal Lake Levels	
CHAPTER 8: Environmental Restoration Planning	
8a. Introduction	
8b. Secord and Smallwood Dams	
8c. Edenville and Sanford Dams	
8d. Wixom and Sanford Lake Restoration Planning Summary	
8e. Vegetation Management Plan	
8f. Recreational Planning	
8g. Environmental Permitting	
CHAPTER 9: Operations Excellence	
CHAPTER 10: Funding and Financing	
10a. Operations.	
10b. Capital Improvements	
10c. Grants and Donations	
10d. Lake Level Special Assessment	
10e. Use of Special Assessment District for Financing	
10f. Financing Conclusion.	
CHAPTER 11: Special Assessment District, Property Benefits and Affordability Analysis	
11a. Introduction.	
11b. Operations, Capital Improvement and Transition Assessment.	
11c. Assessments for the Four Lakes Special Assessment District.	
11d. Part 307 Special Assessment	
11e. Revisiting Benefits Factors	
11f. Capacity to Pay (Affordability)	
11g. Lowering the Cost of the Assessment	
11h. Lake-by-Lake Evaluation.	
11i. Midland and Gladwin Lake Community Economics	
CHAPTER 12: Project Implementation — Risks and Conclusion	
12a. Critical Factors by Lake	
12b. Risk Analysis	
CHAPTER 13: Conclusion	
ACRONYMS	
FIGURES	
APPENDIX	.106



§1 — Chapter 1: Executive Summary

Introduction

On May 19, 2020, and after days of steady rain, the Edenville Dam in Gladwin County, Michigan, failed. The resulting surge overwhelmed the Sanford Dam in Midland County, causing it to fail. The upstream Secord and Smallwood dams were also damaged by the flood and the Federal Energy Regulatory Commission (FERC) ordered the private dam owner, Boyce Hydro Power (Boyce), to fully lower both lakes for inspection and repair. Ten thousand people were evacuated, the area was declared a national disaster by the president of the United States and the community was left with extensive economic, environmental and property damage.

The recovery (i.e., interim stabilization) and restoration of the four dams (Secord, Smallwood, Edenville and Sanford), and the four lakes (Secord, Smallwood, Wixom and Sanford) (Four Lakes) along with their ecosystems is estimated to cost between \$250 and \$300 million.¹ The Four Lakes communities consist of more than 8,400 properties, with an average home value of approximately \$117,909.² If the lakes are not restored, the cost for dam removal and environmental mitigation alone could cost \$125 million.³ The impact on the economy of the four communities that have lost their lakes is incalculable. Amidst this tragedy, Boyce filed for bankruptcy protection and is insolvent.

The only path forward to protect the safety, welfare and environment of the lake communities was for Gladwin and Midland counties to take the properties through their eminent domain authority under Part 307, inland lakes of the Natural Resource and Environmental Protection Act 451 of 1994 (Part 307). Through this authority, Four Lakes Task Force (FLTF), as the counties' delegated authority, performed emergency repairs and continues to manage the recovery and restoration of the Four Lakes System and make plans to restore the lakes to their Part 307 legal levels as defined.

FLTF published its Recovery and Restoration Plan in September of 2020. In it, FLTF committed to having a feasible plan for the restoration of the lakes by May of 2021. In December 2020, the counties obtained the title of the dams, gaining control of the properties, and making it possible to begin work in earnest to restore the lakes.

Engineering and financing to fund the capital improvements to restore the four dams are underway. FLTF is committed to restoring Secord and Smallwood legal lake levels by 2024, Sanford by 2025 and Wixom by 2026. FLTF's plan to accomplish this is summarized below.

Public Sector Consultants Survey

FLTF hired Public Sector Consultants (PSC)⁴ to survey all property owners within the Four Lakes Special Assessment District (SAD). FLTF was interested in understanding property owners' willingness to pay an assessment to rebuild the dams to restore the lakes, as well as understand property owners' preferences and concerns as it relates to the dams. Several key takeaways are highlighted below and discussed in greater detail in the report findings.

¹ Estimated costs of recovery, engineering, design and construction.

² See Public Sector Consultants Demographic Report in Chapter 1 Appendix.

³ See Decommissioning Report for Secord, Smallwood, Edenville and Sanford Dams in Chapter 1 Appendix.

⁴ Results of the Public Sector Consultants community survey are shared in detail in Chapter 5.

- Survey respondents were overwhelmingly in favor of rebuilding and restoring the dams to restore their lake.
- Respondents who owned lakefront property were more in favor of rebuilding the dams.
- Property owners on Secord Lake were willing to pay at least \$500 annually to support the
 repair of the dam on Secord Lake. This was the highest level of support for paying something
 to repair and rebuild the lakes and may indicate the property owners on Secord Lake are the
 most comfortable with current assessment estimates.
- The lakes are incredibly important to property owners within the SAD.
- Most property owners have owned their property for 10 years or more, indicating a strong connection to the property. Given the length of ownership, it was interesting that 50% of respondents indicated they would consider selling their property if the lakes were not restored.
- Property owners across all four lakes agreed that people outside the SAD should be contributing to the cost of rebuilding and repairing the dams, in particular, the state and federal government should be contributing more.

Legal Structure for the Four Lakes

Failed System of Federally Regulated Hydroelectric Dams: Four privately-owned dams and lakes that existed for almost 100 years ended in an avoidable disaster in May 2020. This group of dams included perpetually deeded lake properties and access for adjacent properties. After years of non-compliance and neglect by the dam owner, a worst-case scenario occurred. Neither FERC nor the Michigan Department of Natural Resources (MDNR) was able to enforce Boyce to maintain its facilities, comply with emergency orders, or provide any recovery support. Boyce did not comply with FERC or State of Michigan orders and escaped its obligation through bankruptcy.

Incredibly, there is no emergency power for FERC to assume control of a failed dam, or funding recourse to restore the property or environmental damages if the owner of the dam is unable or refuses to do so. FERC revoked Boyce's Edenville Dam license in 2018 and will likely rule that an implied surrender occurred by Boyce for the remaining three FERC licensed dams, putting all four lakes and their dams under the jurisdiction of the Michigan Department of Environment, Great Lakes and Energy (EGLE).

Michigan Legal and Regulatory Governance of Lakes or Dams: There are 2,500⁵ dams in Michigan. If a private owner chooses or cannot operate a dam safely, or if a dam fails, EGLE has emergency authority to order the owner of a high hazard dam to make necessary safety improvements. Although, as demonstrated by the Edenville case, once it assumes jurisdiction of a dam it must seek funding to accomplish what it ordered the owner to do. The only recourse for a community to save the lakes and their associated ecosystems is to acquire the property, repair the dams and maintain the lakes under Part 307.

The Four Lakes Situation: After the FERC revocation of the Edenville license, the counties petitioned the Gladwin and Midland Circuit Courts, which subsequently issued orders, with EGLE and the MDNR's concurrence, to establish legal lake levels for the four lakes and the Four Lakes

⁵ https://www.michigan.gov/egie/0,9429,7-135-3313_3684_3723-9515--,00.html.

SAD. FLTF was contracted as the counties' delegated authority under Part 307, and an affordable \$35 million⁶ plan was developed to acquire all four lakes and maintain the legal lake levels into the future, with an estimated average assessment of \$350 for a waterfront owner. That plan, along with the opportunity to offset costs to operate the dams with hydropower revenues, was extinguished by the May 2020 failures.

Recovery: Without the Part 307 legal lake level order, or had the counties not exercised their authority of eminent domain under Part 307 after the dam failures, the property would have remained in dispute through bankruptcy for years. Conditions for public safety would have continued to deteriorate, and damage to the ecosystems would amass, with no regulatory or legal path to resolve the situation.

Using its authority under Part 307, and FLTF as its agent, the counties acquired the properties from bankruptcy and sponsored a coordinated recovery. With private support, funds from the State of Michigan and matching grants from the U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), approximately \$40 million was raised to stabilize the damaged dams, abate shoreline erosion and remove tons of debris from the dry lake beds. It is costing approximately \$600,000 this year just to manage these lakes in their lowered state until the dams are rebuilt, and the legal lake levels are reestablished. Fifteen million dollars is being spent on studies and engineering to prepare for the restoration of the Four Lakes.

Public Policy: This disaster sounded an alarm throughout the United States on the issue of aging dams under private ownership. FERC asked for input on the need for financial considerations, and FLTF responded.⁷ Michigan's governor formed a Dam Safety Task Force, and FLTF provided input.⁸ FLTF's position on public policy simply stated is:

- Infrastructure that can impact the public and the environment cannot be allowed to "age" to failure. It must be managed safely on a lifecycle basis and improved in response to changing environmental conditions and evolving dam safety requirements.
- Federal and state governments need to establish reserve funds to take emergency action or restore damage to natural resources.
- Part 307 of the Michigan Natural Resources and Environmental Protection Act 451 of 1994 is the appropriate framework for the transition of lake ownership from private to public and restoration of the lakes.
- FLTF supports the general recommendations of the Michigan Dam Safety Task Force for reform.⁹ However, Four Lakes cannot simply be the poster child for what should be done for future dams and lakes. Going forward, this must be a private-public partnership to restore these lakes. FLTF is encouraged since the failure that the State of Michigan has funded \$17.5 million for initial recovery. EGLE and FLTF have been working together in partnership for recovery with a long-term plan for the region in mind.¹⁰

^{6 \$35} million was the "not to exceed estimate" for financing that was approved by the counties prior to the dam failures.

FLTF letter to FERC: https://www.four-lakes-taskforce-mi.com/uploads/1/2/3/1/123199575/fitf_to_ferc_re._taking_of_properties_and_comments_and_requests_related_to_fercs_dec._7_order_1.5.21.pdf.

⁸ FLTF Comments on Recommendations of Dam Safety Task Force, January 27, 2021: https://www.four-lakes-taskforce-mi.com/updates/fltf-comments-on-dam-safety-task-force-recommendations.

⁹ Michigan Dam Safety Task Force Report, February 12, 2021.

https://www.michigan.gov/documents/egle/egle-EdenvilleDamPreliminaryReport_700997_7.pdf.



FLTF will restore the system using current best practices for safety and ecosystem restoration. It will take the next two years to develop a financeable construction path forward for each dam. During that time, FLTF will advocate for regulatory and legislative intervention to lower the burden of the cost of restoration to the lake community and seek support for the failures of a regulatory system that not only failed to protect but left the financial burden of recovery on those that the regulations were intended to protect.

Four Lakes Task Force Conclusion: The Best Alternative Is to Move Forward

FLTF conducted this thorough feasibility report that includes the following three critical components:

- The experience and information we gained in the recovery phase to stabilize the dams and bottomlands
- Inspections, condition assessment, analyses and preliminary designs to rebuild the dams, performed by nationally recognized experts in dam engineering, design and safety
- Engagement with the community and consulting with government agencies

FLTF Conclusions:

The best alternative for Midland and Gladwin counties is to fulfill their legal obligations under Part 307 to return the four lakes, as soon as safely possible, to their legally defined lake levels. Survey respondents were overwhelmingly in favor of rebuilding and restoring the dams to restore the lakes.¹¹

The lake levels of the four lakes as legally defined under Part 307, best describes the end state of the restoration — "...that best protect public health, safety and welfare; that best preserve the natural resources of the state; and that best preserve and protect the value of property around the lake." 12

It is technically feasible to rebuild and repair the dams. FLTF assembled an experienced team that has the necessary expertise. FLTF's most recent cost projections are lower than originally estimated for Edenville and Sanford dams, and have slightly increased for Secord and Smallwood.

FIGURE 1: Dam Restoration Costs

	Restored By	Total Cost ¹³
Secord Dam	2024	\$25.1 million
Smallwood Dam	2024	\$17.9 million
Edenville Dam	2026	\$120.9 million
Sanford Dam	2025	\$51.2 million

¹¹ See PSC Survey data in Chapter 5 Appendix.

¹² http://legislature.mi.gov/doc.aspx?mcl-451-1994-iii-1-inland-waters-307.

¹³ GEI Report, Chapter 7 Appendix.



Restoration of the four hydroelectric facilities is not financially feasible.¹⁴ The hydroelectric facilities were marginally economic before the May 2020 failures. The additional costs to repair the damage and restore the power-generating facilities make hydropower impractical under current conditions.

Historical flooding would still exist without the dams. Flooding that occurred downstream in May 2020 was already in progress because of heavy rains before the dam failures. Forty percent of the water that flows into the City of Midland is from the Tittabawassee River watershed. The remaining 60% is from the Pine, Chippewa and other smaller rivers. Midland is a known flood zone that has been problematic for over a century and FLTF is working with the Midland and Gladwin communities, National Weather Service, U.S. Geologic Service, and other agencies to better understand the historic causes of flooding and collaborate to find solutions throughout the watersheds.

FLTF must be committed to being a responsible operator of the dams and a good steward of the public trust. While the independent investigation team has not completed its report, it has become clear to FLTF that these dams should not have failed if they were managed on a lifecycle basis, kept compliant, maintained to respond to changing conditions and received necessary improvements to maintain a high degree of public safety.

Critical Actions Underway:

Hydraulic modeling is being performed with and without the dams to establish flood depths, flow rates and water surface elevations at critical locations upstream and downstream of FLTF dams. Inundation maps and flood profiles are being developed upstream and downstream of FLTF dams to establish the floodplain inundation limits at critical locations. The inundation mapping also identifies roads, highways, bridges and other critical infrastructure impacted by the floods including major roads expected to be overtopped. The flood inundation limits and discharges downstream of Sanford Dam for the dam removed and dam reconstructed scenarios will be compared to ascertain the incremental impacts of reconstructing the four dams.

Towards this end, FLTF is conducting new extreme precipitation, hydrology and flood studies to establish the design criteria and proposed dam configurations to safely pass the inflow design flood per EGLE requirements. The scope of the new studies includes the total watershed from the headwaters above the Secord Dam to just downstream of Sanford Dam. In other words, this will include the total rainfall and runoff in the Tittabawassee River system upstream of the Sanford Dam. The extreme precipitation study will provide calibrated rainfall totals observed during historic flood events (including May 2020) and an estimation of the probable maximum precipitation (PMP). The hydrology study will include new estimates of recurrence interval flood events such as the 100-, 200- and 500-year storm events up to the probable maximum flood (PMF).

The design storm criteria on all FLTF dams will be based on an Inflow Design Flood (IDF) per the Federal Emergency Management Agency (FEMA) Dam Safety Guidelines¹⁵ as recommended by the Michigan Dam Safety Task Force.¹⁶ The selected design storm will likely exceed the current EGLE dam safety requirements for each of the FLTF dams.

¹⁴ See Chapter 1 Appendix for Update to Hydropower Feasibility.

¹⁵ https://www.fema.gov/sites/default/files/2020-08/fema_dam-safety_inflow-designs_P-94.pdf.

¹⁶ https://www.michigan.gov/documents/egle/2021-02-25-MI-Dam-Safety-Task-Force-Report-to-Governor-Whitmer_717510_7.pdf.

FLTF has a primary focus on the management of the system for public safety, preserving the environment and ecosystem services and proactively working with the counties on strategic flood mitigation and improved flood management during historical storms. To help address the regional flood issue, FLTF expanded the scope of the PMP study to include the entire Tittabawassee watershed upstream of Midland. FLTF will share the precipitation study results with other stakeholders and proactively work with public officials on strategies for flood mitigation and improved flood management during storms. The above studies are expected to be completed this year.

Short-term funding is needed to develop a financeable plan for all four dams to avoid delaying the project:

- An assessment will be needed by the winter of 2022 if additional funds are not received.
- Approximately \$10 million will be needed by early 2022 for the recovery phase, to complete the
 engineering and design to rebuild the dams and to avoid a year delay on Sanford and Wixom
 lakes' restoration. FLTF is working on this issue and believes it can be resolved. Twenty-five
 million dollars or more would significantly reduce the risk to project timing by addressing long
 lead time items.

An environmental framework has been established and will be implemented. This includes the environmental permitting requirements to repair or reconstruct each dam. Wetlands and other environmental resources directly impacted by reconstruction activities of the four dams will be addressed and mitigated. Secord and Smallwood, while in need of major repair, are still in serviceable condition, and EGLE has agreed these two dams will be treated as "drawdown and repair." Environmental restoration efforts at Wixom and Sanford lakes will focus on the ecosystems that will exist after the lakes are brought back up. FLTF and EGLE are cooperatively in dialogue to ensure all parties are aligned on an environmental restoration plan to restore all four lakes to their legal lake levels.

An assessment of property owners in the Four Lakes SAD needs to be in place by the end of 2022 to attract funding and assure there are financial means for long-term operations and maintenance. The Four Lakes system is complex based on its geographic reach, multiple communities and diversity of waterways. Benefit factors in connection with the apportionment of costs will be refined by the end of 2021.

If the cost to rebuild the dams cannot be significantly lowered, if additional public funds do not become available, or if there is not sufficient public support, property owners' ability to pay will be challenged. Property values and demographic data suggest most of the lake property owners can afford moving forward. Unfortunately, there would be many who could not. For those property owners, FLTF is working with the counties to identify options to support primary homeowners who risk being displaced because of the assessment if more state or federal funding does not become available.

Community advocacy is needed to support FLTF in its efforts. This disaster occurred under a private owner regulated by a federal agency that had no clear remedy for the affected communities. FLTF must find a way to lower the cost and impacts of this disaster. Approximately \$150 million in funding is needed to get close to the estimated assessment values to pre-failure and significant grants will be needed for much of the environmental restoration plans.

Status on Each Lake:

Secord has an estimated assessment that most of the property owners can financially manage and there are funds to finish the engineering and financing for the restoration of the lake level.

Smallwood has an estimated assessment roll that most lake owners would likely accept compared to not having a lake. There would be a moderate churn of ownership, most likely in vacation homes, without government support. There are funds to complete engineering and finance the restoration of the lake level.

Wixom has an estimated assessment that would have an economic impact on almost half of the lake homeowners and backlot owners, without state or federal funding. A total of \$4 million in funding is needed to complete engineering without delaying the 2026 timeline of the project.

Sanford, while its estimated assessment is high for waterfront property owners, the value of the homes on Sanford and the economic demographics suggest most can afford and will accept an assessment. Backlots are a different story, and more investigation of lake benefits and economic impact needs to be completed. Approximately \$4 million of funding is needed to complete engineering without delaying the 2025 timeline of the project.

Critical Success Factors

There are four key issues on which FLTF needs to make progress in 2021:

FLTF needs to acquire at least \$10 million from outside the SAD by early 2022. In the next
three years, approximately \$150 million would bring the funding to the level of assessment
estimated prior the dam failure and would be in the means of almost all property owners.

Secord	Smallwood	Edenville	Sanford	Total
F	unds Needed to Ad	hleve Below \$500	Year Assessmen	it
\$317,000	\$10 million	\$90 million	\$37 million	\$137.3 million
Fi	unds Needed to Acl	hieve Below \$1,000)/Year Assessme	nt
\$0	\$1.6 million	\$53 million	\$21 million	\$75.6 million

FIGURE 2: Funds Needed to Achieve Lower Assessment

- 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.
- 3. A fair and consistent methodology for the assessment of property owners of the Four Lakes SAD needs to be put in place to attract funding and assure that there are financial means for long-term operations and maintenance.
- Flood studies must be completed, and capacity designs must be acceptable to the state to move forward with the completion of engineering.

FLTF and the counties, under Part 307, have the authority and legal obligation to restore the lakes. With the implementation of this Four Lakes restoration plan, and through continued collaboration between the lake communities, the State of Michigan and the federal government, the lakes can all be returned by 2026.

Melanie Thume

From:

Turner, Judy <turner@hemlockps.com>

Sent:

Wednesday, May 19, 2021 4:04 PM

To:

Commissioners

Subject:

Fwd: Correction-Assessment changes explained

----- Forwarded message -----

From: Turner, Judy < turner@hemlockps.com>

Date: Tue, Apr 27, 2021 at 6:54 PM

Subject: Re: Correction-Assessment changes explained To: Four Lakes Task Force <info@fourlakestaskforce.org>

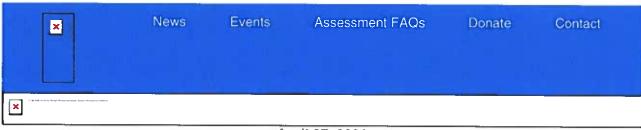
Question we have. Why not contract with a different company for each dam and have them all being rebuilt at the same time instead of one at a time making most of us wait much longer than others? To me that makes good sense. I also question why the Tobacco River segment is associated with Wixom Lake. To me this should be a separate entity as is Smallwood and Secord. The Tobacco River is a much smaller water segment than Wixom Lake.

Thx for the info you may provide.

J&G Turner

On Tue, Apr 27, 2021 at 1:06 PM Four Lakes Task Force < info@fourlakestaskforce.org > wrote:

View in browser



April 27, 2021

Operations Assessment Start Date Moved to 2022

After further evaluation, FLTF determined that the proposed Four Lakes operations assessment, which was set to begin on the winter 2021 tax bill, is better suited to begin in 2022. Before implementing an assessment we want to ensure we have a quality implementation plan, therefore we need:

1. A system in place across the two counties to manage the assessment.

Laura Brandon-Maveal

From:

mark kramer < mkjkramer@gmail.com>

Sent:

Wednesday, May 19, 2021 2:01 PM

To:

Commissioners

Subject:

Fwd: WE WANT OUR LAKE BACK!

Commissioners@gladwincounty-mi.gov

----- Forwarded message ------

From: Wixom Lake Association < wixomlakeassociation@pb04.ascendbywix.com>

Date: Wed, May 19, 2021 at 12:59 PM Subject: WE WANT OUR LAKE BACK!

To: Mark & Jan Kramer '16 < mkjkramer@gmail.com>

Can't see this message? View in a browser

WE WANT OUR LAKE BACK!

Please Forward this Email to

Commissioners@gladwincounty-mi.gov

or Contact at

989-426-4821

×		
	Gladwin County Commissioners:	
	Members of the Wixom Lake Association and others want our lake back!	We DO NOT
	support the NOSad Group.	
	Thank you,	
	Wixom Lake Association	
	Wixom Lake Association	
	X F	
•	Click to check out our website	

May 19th 2021

First name Last name

Laura Hackett

Wixom Lake Association Mike Broughman Mike **Appold** Kump Jay Mark Martin Doug Janes Shawn Ryan Stephanie Binder **Dennis** Simbeck Robert Beltz ΑI Seckman Don **Ferguson** Brian Bertsch Tim **Ewert** Chuck &Toni Hudler Robert Schenk Carleen Campbell Dirk Meister Chris Messing Dave Graham Barbara Hendricks Kar **Kishore**

Dee Zee

Dan

Donn

Corey

Dan

Terri

Rosemary

Tim Daugherty

Conner

Schafer

Pasmanter

Pies

Barb

Bill **Patrick** Dean Mathews Sal Cutino Mark Kramer Larry Woodard Jim Kalahar Todd Banach Kathy Barre Melinda **Fleminger** Brian Matthias Dale Langdon Julie VanKuiken Paul Zimmerman

Gary Oliver Sally Hilden Shannon Cline James Tucker Judy Turner Richard Kowal Μ Dittmer Ray Drumright Nancy Kaufman Whaley Priscilla Alan Ahrens Ryan Schlicht John Kujan Tony Wessel Mac McKellar Asborn/ by tx Dean John Sydenstricker Keith Anderson Luann Mann

Bonello

David