



Facebook FAKE NEWS Creates More Confusion . . . January 10, 2025

We have always contended this restoration project is complex, hence our commitment to frequent updates based on information available and not our opinion. The complication of this project provides an environment for “Facebook key board experts” to spread unsubstantiated claims.

Let’s address recent Facebook claims using a plan document FLTF issued over a year ago. The **Capital Assessment for the Four Lakes Special Assessment District** is a 19-page planning document that was available to all of us and is referenced in the assessment hearings process and materials. You can read the entire document here: https://www.four-lakes-taskforce-mi.com/uploads/1/2/3/1/123199575/capital_assessment_memo_with_attachments_final_updated_1.29.24.pdf

Facebook Claim #1 - The suspension of work on Secord, Smallwood and Sanford is caused by the permitting challenges at Edenville. **FALSE** – this planning document reads “**Secord, Smallwood, and Sanford design engineering and permitting are complete and the dams are under construction.** Edenville has begun construction on pull-ahead projects” PAGE 3

FLTF has repeated for years the permitting challenges at Edenville due to endangered species have NO IMPACT on permitting or construction on Secord, Smallwood, or Sanford. If Edenville challenges were an issue for the other dams as Facebook claims, how did those 3 dams secure all required permits for construction?

Facebook Claim #2 - Another tall tale boasts a ‘recent revelation’ the construction delay is due to the requirement to use State of MI grant money to fund construction at Edenville due to permitting issues for endangered species. FLTF indicated in 2023 the unique permitting challenges required State of MI grant money was to be used for Edenville. This is not new ‘hidden’ information as Facebook claims.

FLTF had a plan to issue \$80 million in municipal bonds to fund construction on Secord and Smallwood. This would free up State grant money for construction at Edenville. It is **FALSE** the Edenville challenges curtailed FLTF from issuing bonds for Secord and Smallwood. PAGE 18 PLAN OF FINANCING

When HCA filed their appeal and lawsuits, FLTF was unable to issue bonds. The HCA legal action forced FLTF to use the State Grant money to get both Secord and Smallwood to a point where EGLE agreed construction could safely suspend. FLTF was forced to use State Grant money to get Sanford dam to a point where it can safely suspend work in January ‘25. Hence, construction on Edenville was suspended in June 2024 because there was not enough State Grant money available to meet the suspension requirements of all 4 dam construction sites.

We have empathy for our friends on Wixom Lake and look forward to hearing more from FLTF about their continued efforts to secure the permits required to move forward.

Had HCA not engaged in their legal efforts, the financial plan that begins on page 18 would have been implemented and work would NOT have been suspended on Secord, Smallwood, Sanford or Edenville.

Facebook Claim #3 – The US Army Corps of Engineers (USACE) denial of a loan is the reason construction stopped. **FALSE** - FLTF indicated in this financial plan on the bottom of page 18, “If FLTF ultimately did not qualify for a USACE CWIFP loan, the remainder of the project financing would be completed through an additional municipal bond issuance.”

Facebook Claim #4 – There is no reason Secord and Smallwood should not be complete, and the lakes filled. **FALSE** – There is not enough State of Michigan grant money available to complete the required work on any of the dams. EGLE will not issue permits to fill the lake until the required work is complete.

Facebook Claim #5 – Secord and Smallwood will not fill until Wixom is done.

FALSE - EGLE can permit Secord and Smallwood to fill once requirements are met and before work is complete on Wixom and Sanford. As a run of the river dam ‘system’ the operations of the dams need to be coordinated to allow the proper flow through the 4-dam system. In simple terms, if 100 gallons flows into Secord, 100 gallons flows out down to Smallwood, 100 gallons then flows out of Smallwood to Wixom and so on down the system. FLTF has an informational video on this subject. <https://www.four-lakes-taskforce-mi.com/document-library-21/understanding-lake-levels-video>

How did HCA legal action impact this plan and create the suspension of construction?

- 1) FLTF cannot issue bonds or secure loans while the FLSAD is being challenged in court. Just like a mortgage, it’s hard to borrow money if there are legal actions against the borrower. As HCA has this tied up in the courts, issuing bonds or securing loans is made difficult if not impossible for institutional investors to buy those bonds.
- 2) The inability to issue bonds to complete Secord and Smallwood forced these projects into construction suspension. Sanford is scheduled to be suspended in January 2025.
- 3) While the plan was to use State funds for construction at Edenville, the HCA legal action forced FLTF to use available State funds to stabilize the dams for the suspension. Edenville was forced to suspend in June 2024.
- 4) Despite what Facebook says, there are not enough State funds remaining to complete any of the dams.
- 5) This summary does not address the projected added cost of the HCA legal delay to all property owners.

On January 7, 2025 the MI Appellate Court of Appeals AFFIRMED the Circuit Courts ruling that DENIED the claims made by HCA due to a lack of credible evidence. We now wait for HCA to decide whether after having 4 separate judges deny their claims, is it time to accept the courts’ rulings? Or do they want to appeal to the MI Supreme Court to create further delays and additional costs for all property owners?

FLTF has an informational webinar scheduled for Wednesday, January 22nd at 5 PM. You can watch / listen live or listen to a recording. To learn more and sign up <https://www.four-lakes-taskforce-mi.com/events.html>

We will continue to provide accurate, timely information to the Secord Lake community. While it is unfortunate others deem Facebook a platform to create confusion, we will continue to do our best to keep you informed.

To learn more, please www.four-lakes-taskforce-mi.com or www.secordlakeassociation.org

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