



HCA Appeals to MI Supreme Court February 18, 2025

Current Situation

- Due to HCA legal action FLTF cannot secure bonds to continue work and construction is forced to suspend.
- Both the Circuit Court and MI Court of Appeals have DENIED all HCA claims due to “lack of credible evidence.”
- At this point, the federal courts have two motions to rule on having heard oral arguments on December 12, 2024.
- HCA will not accept the MI Court of Appeals decision and filed an appeal of their ruling to the MI Supreme Court. This will likely extend construction delays through 2025.

A common question, what is the appeal to the Supreme Court?

Here is a simple explanation. HCA did not like how the FLTF and Counties created the special assessment. HCA went to the Circuit Court to ask the Judge to review how the Counties and FLTF created the special assessment. HCA did not like the first Judge and had him disqualified. HCA then got a new Judge. HCA had the opportunity to present both written and oral evidence and case law to support their position. The Circuit Court Judge ruled, based on the law, the assessment is appropriate and was done correctly. The Judge cited HCA lacked credible evidence.

HCA did not like the Circuit Court Judges’ ruling. So, they asked the 3 panel MI Court of Appeals Judges to review the ruling of the Circuit Court. This was not a “new trial” with new evidence, rather a review to determine if the Circuit Court Judge applied the evidence and case law correctly. After looking at the evidence (both written and oral) and the law, the MI Appeals Court ruled unanimously (3-0) the Circuit Court Judge made the correct ruling. The MI Court of Appeals agreed based on the law, HCA lacked credible evidence.

Now, HCA does not like the decision of the MI Court of Appeals. So, they ask the MI Supreme Court to review the ruling of MI Court of Appeals. This is not a “new trial” with new evidence, rather a review to determine if the 3 Judges of the MI Court of Appeals applied the evidence and case law correctly.

Now we wait. There will be briefs submitted by HCA and FLTF over the coming weeks / months. The MI Supreme Court is not required to accept the HCA application for appeal. The Court will decide whether to review the MI Court of Appeals decision or deny the application submitted by HCA.

The key point, this is not a “new trial” with new evidence - - rather a request to review the decision of the MI Court of Appeals based on the evidence and case law presented during that appeal hearing.

With construction stalled, people appear to be interested in two things: **TIME and MONEY.**

TIME Based on information shared by FLTF, due to the continued HCA legal action the ‘most likely’ scenario is outlined by the red box. This, however, may change depending on the resolution of HCA legal challenges.

	Before HCA Delay - July 2023 Estimate		2024 HCA Delay --> EARLY 2025 Restart		New HCA Delay - FALL 2025 Restart	
	Est Substantial Construction Completion (+ or - 3 Mos)*	Est Lake Fill	Est Substantial Construction Completion (+ or - 3 Mos)*	Est Lake Fill	Est Substantial Construction Completion (+ or - 3 Mos)*	Est Lake Fill
Secord	Dec 2024	Spring 2025	May 2026	Summer 2026	Oct 2026	Spring 2027
Smallwood	Dec 2024	Spring 2025	Nov 2025	Spring 2026	May 2026	Summer 2026
Wixom	Dec 2025	Spring 2026	Aug 2027	Fall 2027**	Aug 2028	Fall 2028**
Sanford	Dec 2025	Spring 2026	May 2026	Summer 2026	Oct 2026	Spring 2027
*Note that substantial completion does not equal lake fill which will add approximately 2-4 weeks post construction if construction is completed in the spring.						
** Ahead of October - - fill may be delayed until the following spring.						

MONEY Back to 2023 →

FLTF indicated in 2023 the State of MI Grant money will be exhausted in mid-2024 and bond financing was required to finish Secord and Smallwood. **In 2023, FLTF planned to proceed with an \$80 million Bond by June 1, 2024, to fund the Secord and Smallwood project through 2024.**

FLTF indicated due to permitting challenges, State of MI funds will need to be used at Edenville. (Edenville is extraordinarily complex and deserves its own recap. Permitting issues with Edenville **DO NOT impact Secord, Smallwood, or Sanford** as these three dams are fully permitted and under construction). FLTF has provided extensive documents to explain the challenges at Edenville. https://preview.mailerlite.com/u4f7c9l9s3/edenville_restoration_overview.pdf

During their January 2025 informational webinar, FLTF explained in detail the permitting challenges and where they are in the process at Edenville.

Despite what Facebook says:

- 1) Due to HCA legal action FLTF cannot secure bonds to continue work and construction is forced to suspend.**
- 2) FLTF reiterated again the Edenville permitting challenges DO NOT impact Secord, Smallwood, or Sanford.**
- 3) FLTF also emphasized again that Smallwood and Secord will be filled when EGLE indicates construction is complete. Filling of the northern lakes is NOT contingent on Edenville or Sanford being completed.**

As FLTF was not able to secure bonds due to HCA legal challenges, the State of MI grant money was required to complete construction phases to a point for safe suspension as required by EGLE. HCA legal action forced FLTL to suspend Edenville in June 2024 to allow use of the remaining grant money to prepare the other three dams for suspension of work.

FLTF reported last year assuming the legal challenges conclude to allow construction to begin in EARLY 2025, the cost of the delay would be between \$10 - \$20 Million. As HCA filed to appeal to the MI Supreme Court forcing more delay, we can expect cost increases to likely exceed \$20 million. These cost increases will be absorbed by ALL property owners in the FLSAD.

For a property with a total benefits factor of '1', \$20 million represents about \$4,033. If one takes the total benefits factor for their property and multiplies by \$4,033, they can calculate an estimate. For example, .75 X \$4,033 = \$3,024. The HCA legal action is creating additional costs for ALL property owners in the FLSAD.

Before we leave the assessment topic - - - FLTF addressed the Facebook rumor they can increase the assessment by 10% a year. This is NOT TRUE. The law and special assessment guidelines are extremely specific in this area regarding the FLSAD.

FLTF also provided an update on their continuous efforts to seek additional grants to reduce costs for ALL property owners. As we have stated in the past → *The HCA legal challenges make it difficult for our elected officials at the state and federal level to secure additional support. A common requirement of grants is the organization must not be encumbered with a lawsuit and needs to have the ability to provide required matching funds (for instance, the \$200 million MI grant requires a 20% match).*

More Information

People are encouraged to review the FLTF website for information, past webinars, news, assessment information and Frequently Asked Questions. <https://www.four-lakes-taskforce-mi.com/> One can use the search function on the FLTF website or send an email to info@fourlakes-taskforce.com

Another resource available is the Secord Lake Association. www.SecordLakeAssociation.org You can sign up on our website to receive future updates delivered to your email address.

The **Resources** section contains several years' worth of published newsletters, updates, FAQ's, and Year In Review summaries. You can also send us an email and we will do our best to research your questions. SecordLakeAssociation@gmail.com

We also provide updates with Q&A sessions at our monthly meetings. We meet each month during the season (April to October). You are invited to attend - - - watch for more information.

Our Members Make a Difference! From ongoing advocacy at the local, state, and federal levels, to social events to bring our lake community together to include **FUN**draisers, to the SLA investing back into the Secord Lake Community. We encourage you to read our 2024 YEAR IN REVIEW https://www.secordlakeassociation.org/files/ugd/cd86dd_15bc31f5735649d5b6fffffe6758f4aa.pdf

If you like what we did in 2024, please join us in 2025. You can learn more at www.SecordLakeAssociation.org

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