



Meeting Recap from Saturday, July 20, 2024

We appreciate the full Secord Township Hall for the July meeting. The Q&A session was robust with thoughtful questions, comments and suggestons. As we do after our meetings, this recaps the current challenges to return Secord:

APPEAL IS DENIED, HCA CONTINUES EFFORTS TO STALL THE RETURN OF SECORD LAKE With their appeal denied due to lack of evidence, HCA has 3 other court filings Secord Could Delay until Spring 2026 with an Increase of \$20 Million in Costs

What does this potentially mean for Secord?

- At this point, work on Secord dam is scheduled to suspend (stop) in September 2024.
- Assuming work can **restart by April 2025**, Secord is scheduled for completion in **November 2025 meaning a potential spring fill 2026**. (The scheduled completion without delay was mid to late summer 2025).
- FLTF indicates suspension of work on the 4 dams will increase the costs of the project by an upper range of \$20 Million. The impact of \$20 Million represents \$4,033 to a property with a benefits factor of '1'. Foot note (1).
- Bottom line the potential loss of at least one summer for Second and additional costs to ALL property owners.
 This negatively impacts property and local business owners.

NEW DEVELOPMENT – Late this past week, Federal Judge Ludington recused himself from hearing the lawsuits filed by HCA against FTLF and the counties of Gladwin and Midland. In his 14-page recusal filing, he outlines several deficiencies presented by the HCA. We encourage you to read the filing <u>HERE</u>

At the bottom of page 14, this Federal judge makes the point:

"Notably, in addition to requiring my disqualification, this zero-sum issue begs the question of how Plaintiffs—who filed the Complaint in their individual capacity and as members of HCA by vote of the members—believe they may ethically be represented by the same law firm. Indeed, a conflict of interest is inherent among the more than 1,000 total Plaintiffs (in this case and its companion case), just as there is a conflict of interest that requires my disqualification from presiding over this case. See Michigan Rule of Professional Conduct 1.7 ("[A] lawyer shall not represent a client if the representation of that client will be directly adverse to another client[.]")."

As mentioned by a Member during the meeting, it appears a new federal judge has been assigned. The FLTF is seeking to expedite all three HCA lawsuits in the courts.

We recognize there are more questions than answers available now. Between the FLTF and SLA you will be kept informed. Be very wary of anything you hear from "Facebook Guy," as many of these people do not live or have an interest in Second Lake.

Rather than rely on "Facebook Guy," we encourage you to:

- 1) Watch / listen to the FLTF webinar held Wed July 10th at this link.
- 2) Click <u>HERE</u> to read our recap from the FLTF webinar.
- 3) **Read the legal opinions** <u>HERE</u> regarding the denial of the HCA appeal in the Midland circuit court as the judge lays out the denial for lack of evidence. Read the federal court judges' recusal as he outlines several key areas of the situation.

To HCA members:

We agree property owners have the right to appeal their individual assessment as described by the laws of the special assessment district as outlined by the Midland Circuit Court. **HCA had their appeal trial with the court and the judge rendered a ruling regarding all the issues the HCA attorney presented.** HCA appears to have moved into a phase of using the courts (lawsuits) to delay and derail the process to restore the lakes.

If you have not, we encourage you to read the legal opinions rendered by two judges. These judges use the law to form their decisions, not opinions from Facebook posts.

The HCA leadership team has communicated NO plan to restore Secord Lake. Their actions are designed to further derail efforts to restore the lakes while <u>increasing costs to all property and business owners</u>. The increased cost will be felt by your friends, neighbors and in your own capital assessment. The delay in time cannot be measured as time is a non-renewable resource. Once time is gone, it is lost forever.

In the event any appellees want to be removed from the appeal, this is permitted by providing an email directly to Michael Homier at mhomier@fosterswift.com. A client has the legal right to terminate their attorney at any time. (Michigan Rules Professional Conduct 1.16). Provide a statement to the law firm Foster Swift such as the following:

"I wish to immediately withdraw from the appeal filed in Midland Circuit Court, Case No. 2024-002751-AA or any subsequent appeal to the Michigan Court of Appeals along with the separate filings in U.S. Federal Court, Eastern District of Michigan, being *Heron Cove Assoc v Midland County,* Case No. 2024-cv-11458 and *Heron Cove Assoc v Gladwin County,* Case No. 2024-cv-11473. Please file a dismissal on my behalf and provide me with email confirmation. I will no longer be responsible for any legal costs and request a return of any unused retainers at this time."

Other agenda items from Saturday:

GEESE - - Phil discussed the need and desire of the SLA to help coordinate with the townships the management of Geese on Secord. We seek a committee to explore options and to develop a plan for next season. If you are interested in helping, please send us a note at SecordLakeAssociation@gmail.com

SECORD DAM UPDATE - - Secord dam is in the 3rd phase of reconstruction. The gates were ordered a couple of years ago with delivery planned for the coming weeks. Work continues to rebuild the primary spillway and system to accept the gates. We sincerely hope construction is not halted by the HCA lawsuits.



Brent encouraged people to sign up for the golf outing as we sold out last year having to turn golfers away. Entry form available on the website.

Paul indicate the chili cookoff will be at the Eagles with more details to come.

Mike mentioned the "booze raffle" has historically been a popular raffle event. We seek donations for this.

We seek volunteers to help with these fun events. Please let us know how you can help SecordLakeAssociation@gmail.com





We continue to assist the FLTF to seek more money to reduce assessments for ALL property owners. We discussed the feedback received in our personal meetings at the state level - - while Rep. Hoadley and Schuette continue to seek help, their counterparts in Lansing have little interest in discussing this while the HCA lawsuits disrupt the ability to move forward. This is illustrated by the defeat of their motions in committee and on the house floor outlined above.

At the federal level there is \$8.25 million outlined in the appropriation process. FLTF will learn more this fall after the entire slate of federal appropriations is approved.

As mentioned, Ken, Brent and Tami have been working with FLTF the past months to provide additional help in finding appropriate grants to apply for. Tami shared FLTF has approximately \$21 million in additional grant applications submitted, accepted, and pending. More to come.

We support the FLTF's Restoration Plan as this is the only viable plan. We are committed to seeing Secord Lake returned as soon as possible and will continue to work to secure additional grants to benefit ALL property owners.

We recognize there are more questions than answers available now. Look for more informational updates from the FLTF and Secord Lake Association. Our next meeting is Saturday, August 17th at 10 AM – Secord Township Hall.

www.SecordLakeAssociation.org

Footnote 1 - For those wondering about the impact of \$20 Million. The SLA used the ratios of the construction assessment to calculate the impact of the potential suspension of construction. **For a property with a benefit factor of '1' the \$20 Million represents about \$4,033.** To illustrate the impact for your situation, take your benefits factor and multiply by \$4,033 (example: .69 X \$4,033 = \$2,783). Note: this applies to all property owners in the special assessment district.