

FOREST LAKE DAM SPILLWAY EVENT SUMMARY

OCTOBER 26, 2020

The following is a summary of the dam spillway events and related activities which have occurred since the September 12, 2020 annual Board Of Directors Meeting:

- On October 8th some members of the Board of Directors met with Arenac County staff, and USDA Natural Resources Conservation Services personnel, to review the requirements for the finalizing the proposed grant offered to FLPOA under the Emergency Watershed Protection Program. The grant amount is approximately \$858,000 for spillway construction and an undetermined amount which should cover the engineering fees. FLPOA will be required to contribute approximately \$286,000 to the project which will provide approximately \$1,140,000 available for construction. If the final project cost exceeds the budget, FLPOA will be responsible for the extra cost. USDA grants do not cover some items of work and specific items which are deemed to be an upgrade of the original facilities. For example, the USDA has indicated that repaving of the road over the dam, security fencing and installation of new slide gates for lake level control will not be eligible.
- The Board of Directors submitted a FEMA grant application on August 5th. Several documents and detailed cost information were provided to FEMA after the application was approved. We were finally able to have a virtual meeting with our case manager and FEMA staff on September 30th. At the end of the meeting we were advised that FLPOA was probably not eligible for any disaster relief funding due to our IRS Private Non-profit status. We received a FEMA Determination Memo for the denial of our request for assistance on October 1st. We also are attempting an appeal to the Interagency Recovery Committee for re-consideration.
- FLPOA experienced various damages to many of the rental docks around the lake and therefore we contacted our insurance company to make a claim. After the damage to the docks was inspected by an insurance adjuster, the bid of \$115,300 from Hammer Tyme Construction of Bay City was submitted to our insurance company. Our claim was denied since flood insurance is not included in our policy. The cost of dock repairs will be included in the cost calculation for the future special assessment which will be shared equally among all property owners.
- The Board has requested that our engineer, Lapham Associates, submit a supplemental quote for construction engineering services. The quote will be for the provision of full time construction observation services in lieu of periodic observation. Full time construction observation will better serve to fulfill the quality control requirements of the USDA grant.

- The Board has applied to the Small Business Association for a \$2.0 M low interest loan. The loan amount is the maximum amount available to a non-profit organization. We have not received approval of our application as of this date.
- A front page article of the October 21st edition of the Arenac Independent indicates that the Arenac County Board of Commissioners anticipates \$500,000 in the State Flood Relief Funds. The article states: "These funds are to be used for local match for "public damage" of roads, Forest Lake Spillway, and other Local municipal damage i.e. drains, waterways, etc." The Board of Commissioners has indicated that FLPOA will be contacted to discuss the issue after the funds have been deposited with the county treasurer. The FLPOA Board is hopeful that the State funding can be used for a portion or all of FLPOA's 25% share of the proposed USDA grant.
- At the present time we do not have a schedule for finalizing the USDA grant, receipt of possible State funding, completion of the design phase or start of construction.
- The Board is considering dredging the lake at this time since the cost will be substantially lower due to improved ground stability resulting from the extended period of low lake level.

FLPOA Board of Directors