



## CITY OF NILES

June 3, 2016

Mr. David R. Snyder  
Falling Waters LLC  
1657 Commerce Drive  
Suite 15-B  
South Bend, IN 46628

RE: Intent to Own, Restore, Operate and Maintain the Pucker Street Dam for Purposes of  
Hydropower Production, Niles, Michigan.

Submitted: Certified Mail

Dear Mr. Snyder:

As you may be aware, the City of Niles, in coordination with the United States Fish and Wildlife Service (USFWS), has retained the Southwest Michigan Planning Commission (SWMPC), to prepare an Environmental Assessment (EA) in accordance with the National Environmental Policy Act (NEPA) for the proposed action for the removal of the Pucker Street Dam and proposed Dowagiac River restoration activities. As part of the NEPA process, the environmental consequences of all reasonable alternatives are considered in the analysis in support of federal decision-making. This analysis is extensive and thoroughly assesses the effect on a full range of environmental factors that include water resources, water quality, terrestrial and aquatic ecology, sensitive species receptors, recreation, land use, social factors, wetlands and public safety.

As part of the NEPA process, a public scoping meeting was held on April 14<sup>th</sup> 2016 at the Law Enforcement Complex located at 1600 Silverbrook Avenue in Niles, Michigan from 6:00 PM to 8:00 PM to solicit input regarding the proposed removal of the Pucker Street Dam and proposed river restoration activities. The meeting was held in an open house format and included a PowerPoint Presentation prepared and presented by, the USFWS and the SWMPC. Comment forms were provided at the meeting and all participants were encouraged to provide written comments either at the meeting or subsequently via email, mail, or drop-off to the Niles City Hall at 333 N. 2<sup>nd</sup> Street, Niles, Michigan.

Although no written comments were received from yourself or your company, Falling Waters LLC, you did verbally indicate that rural development grants were available from the United

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Niles, Michigan 49120

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States Department of Agriculture (USDA), Rural Energy for America Program (REAP), to restore hydropower capabilities to the Pucker Street Dam. It is assumed that your comments were specific to the proposal submitted by Falling Waters to the City of Niles, dated November 18, 2011 for the development of hydrokinetic energy.

The purpose of this letter is to obtain a written response from you based upon your statements made at the public scoping meeting on April 14<sup>th</sup>, and in order to assess the viability of generating hydro, and/or hydrokinetic power, from the Pucker Street Dam as an alternative to the other possible actions. The City of Niles is requesting in writing (via certified mail), verification of your interest to own, restore, operate, permit (as applicable), and maintain (including all financial assurances/financial liabilities associated with the Pucker Street Dam) at no expense to the City of Niles, within 10 business days of receipt of this letter. All written communication on this matter should be directed to Richard Huff, City Administrator, City of Niles, 333 N. 2<sup>nd</sup> Street, Niles, Michigan 49120. If we do not receive written notification within 10 business days, we will assume that you are either not interested or capable of meeting the City's requirements for a credible entity for ownership and operation of the dam for hydro or hydrokinetic power, at no expense to the City of Niles.

If you confirm to the City of Niles in writing that you have interest in purchasing the dam for purposes of generating hydro and/or hydrokinetic power, please provide a detailed plan on the steps to be taken to bring the dam into compliance with all applicable federal, state and local regulations and associated costs. Proof of financial assurance must also be provided as well as proposed schedules. The City of Niles would recommend that as the proposed owner and operator of the dam, that you would perform an independent engineering and operation and maintenance evaluation in order to adequately evaluate the required financial assurances in ownership and operation of the Pucker Street Dam for hydro and/or hydrokinetic power, including costs associated with future repairs, modifications, future removal, if required, etc. The City of Niles would require this information, via certified mail as noted above, within 30 days of the receipt of this letter for its review and evaluation.

If you have any questions regarding this request, please feel free to contact me at 269-683-4700 or via email at [rhuff@nilesmi.org](mailto:rhuff@nilesmi.org).

Respectfully Submitted,



Richard A. Huff  
City Administrator  
City of Niles, Michigan

Cc: Rick Westerhof, USFWS  
Marcy Hamilton, SWMPC  
Jeff Dunlap, City of Niles Utilities Mngr.

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