

Forming, Managing, and Funding a Dam Management District

Gary and Barbara Casaly

How Boone Lake in Exeter, Rhode Island, took control of its present, and, hopefully, its future

About Boone Lake

Boone Lake is a 47-acre privately owned lake in Exeter, RI, part of the Wood-Pawcatuck watershed. The lake is on the Roaring Brook in Washington County, Rhode Island, and is used for recreation purposes. Construction was completed in 1885.

The dam is masonry, a gravity dam of earthen construction. Its height is 21 feet with a length of 265 feet. Maximum discharge is 472 cubic feet per second. Its capacity is 360 acre feet (over 15 million cubic feet). Normal storage is 295 acre feet (over 12 million cubic feet). It drains an area of 2.5 square miles.

Boone Lake is managed and funded by lake residents via the Boone Lake Dam Management District (BLDMD), established in 2007. This dam management district was created within the limits of Boone Lake Shores, developed in the 1940s by Resort Properties, a Massachusetts corporation. It comprises about 150 properties, which include lakefront properties on the three streets that surround the lake (East Shore Drive, West Shore Drive, and Birch Drive) and properties across those streets from the lake.

Gary's Wake-Up Call

On April 1st, 2004, I received a phone call early in the morning from the then-president of our association (at the time a voluntary group of residents at Boone Lake in Exeter, Rhode Island).

"There's a breach in the dam," she said, nearly yelling into the phone. "You're kidding, right?" I retorted (with almost a laugh, as I knew it was April Fools' Day), but she meant what she was

saying. A group of us assembled at the dam and became very concerned when we saw a small crevice carved out by water in the back of the dam, with a water and sediment mixture flowing as though it had eaten its way from somewhere under the front side of the dam, all the way through to the back side.

We immediately raised the gate (we were fortunate enough to have a gate that allowed us to control the flow of the water downstream through a sluiceway) in order to take as much pressure off the dam as possible. We then notified the government agency in the state that promulgates and enforces the safety regulations governing dams. It was clear that there was going to be no summer at Boone Lake that year (Figures 1 and 2)!

It takes a lot to fix a dam – even a small repair. We found that out firsthand when we sat with and talked to an engineering firm that guided us through what such a project entailed:

- Preparation of detailed engineering plans
- Presentation to governmental agencies in charge of dams, developing plans and the manner in which the proposed project would be carried out and the safeguards necessary to reduce the impact on marine life
- Applying for and paying fees to obtain permits to do the work
- Raising the astronomical amounts of money to carry out the project

We did it all – everyone working together, both association members and non-members – but it was an exhausting

undertaking. Raising money became discouraging because nearly every time we thought we had the amount to do the work, another "little problem" would crop up – another retaining wall that needed to be replaced, or some other unexpected expense. From the start we were at a disadvantage trying to catch the "freight train" because we had not planned on Mother Nature being so cruel. We didn't have the rainy day funds already set aside when the rainy day came.

Envisioning and Forming the Dam District

For a number of years before the breach developed in the dam our association had explored and envisioned the creation of a dam district – a quasi-governmental unit that had the authority to assess and collect management fees from all residents around Boone Lake (not just the voluntary members of the association). No such districts had been created in Rhode Island – there wasn't even legislation authorizing their creation.

After the \$186,000 cost it required to fix our dam, we started to seriously think about the issue. And, with the advent of the Great Rainstorms of 2005, even the government agency in the state that oversaw dams pushed for legislation that would allow for the creation of these districts. The State of Rhode Island passed enabling legislation (a law that sets out the basic parameters of what a district could do, with local town councils empowered to create the districts by ordinance) in 2005. That set the stage for our association to begin the process of trying to create what would become the first dam district in the state.

We prepared a proposed ordinance, which we had drafted based on some other states' legislation and some of our



Figure 1. Gate control mechanism. Photo: Larry Cotton.



Figure 2. Gatehouse and sluiceway. Photo: Larry Cotton.

own ingenuity, and filed it with the Exeter Town Council, which was now the local authority to create districts under the state-wide legislature. The Town Council scheduled many workshops to obtain input from the Boone Lake residents as to what they thought about the proposed ordinance. A number of presentations for the Town Council's and the residents' benefit took place at our own clubhouse and in the cafeteria of a local school. Attendees asked many questions and voiced views both for and against the formation of the district. In the end the ordinance was passed and we were on our own to get the district up and running.

Reasons for Creating a Dam Management District

We wanted to equitably distribute the cost of maintaining the dam for all Boone Lake residents, protect life and property against dam failure, and accomplish other

objectives mentioned in the enabling legislation (see references at the end of this article).

Governance and Voting

Property owners who attend the annual meetings or special meetings make all decisions for the Boone Lake Dam Management District. The Board of Directors (officers), made up of Clerk, Treasurer, and Collector/Assessor, reports to the property owners (Figure 3). The Board members select a chair/moderator from one of its officers. The officers receive no compensation.

Property owners get one vote per tax lot or per adjacent lots used as one site under the same ownership. Votes are cast by the eligible voter, either the sole owner or one person designated by all the owners. Assessor's tax records as of 60 days before the vote determine the list of owners. When Assessor's tax records

do not reflect a recent purchase, the new owner(s) must provide an affidavit and copy of the recorded deed at the meeting.

Meetings

Meetings are called with at least 30 days' notice. Assessed owners receive a notice of meetings, sent by mail, which includes:

- Time and place of the meeting
- Meeting agenda
- Proposed budget (put together by the Board)
- Annual management fee for that household if the budget is passed unmodified*

[* Note that changes or modifications to the budget raised and voted on at the meeting result in a different fee. An eligible voter is the owner, or one of the owners, of the parcel who is

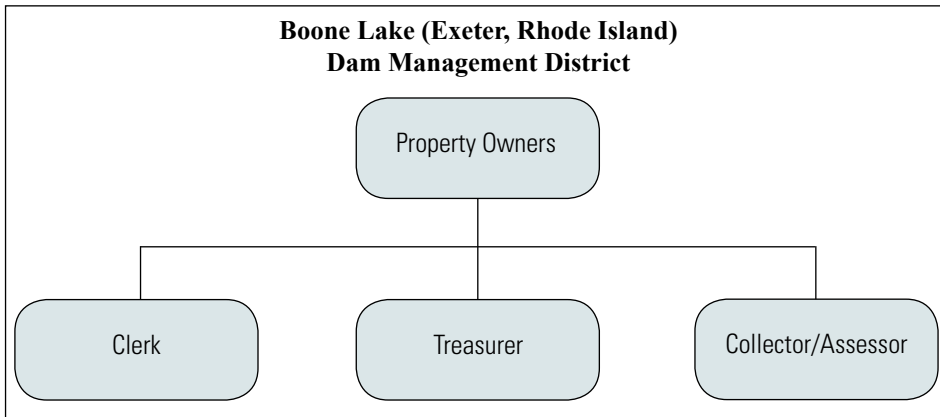


Figure 3. Property Owners and Board of Directors.

designated by the owners to cast the vote for that parcel. Eligible voters for 25 parcels represent a quorum. If the quorum is not reached, the meeting can be delayed (same date) for a reasonable time until a quorum is present, or postponed (new date). If the meeting is postponed but a quorum still is not reached, at the postponed meeting the members of the board and the eligible voters present are authorized to act at the postponed meeting.]

All matters (other than the election of officers) are determined by a majority vote. Election of officers is determined by plurality (the person who receives the most votes). *Robert's Rules of Order* control.

An informal meeting also takes place in June or July to discuss our "wish lists" for what might be included in the proposed budget. This allows for informal discussion and gives time for volunteers to investigate costs and options for the proposed budget items in time to present findings at the Annual Meeting.

What is this Budget For?

The budget is used to slowly build a reserve fund for dam maintenance and, if necessary, repair, and to cover the costs and expenses of regular maintenance and administration of the dam district (Figure 4). We include in the budget:

- Costs of regular maintenance (mowing, removing growth, inspecting the gate, etc.)
- Costs of administering the district
- Anticipated costs for major repairs that may be needed

Sharing the Amount of the Budget

Assessed amounts to property owners established by the budget are liens on properties under the enabling legislation. The Relative Weighted Value is the value of any property divided by the value of all properties. The budget is multiplied by the property's Relative Weighted Value to determine the Share. The Share is directly related to assessed property value, which is an objective value determined by the town.

For example, the annual budget is \$29,000, and the total assessed value of all properties is \$43,288,896. Property X has an assessed value of \$401,500.

The Relative Weighted Value is $\$401,500/\$43,288,896 = .009275$
 Property X's Share is $\$29,000 \times .009275 = \268.98

The annual assessments (Shares) range from \$16 to over \$400 per property.

Updating and Maintaining Our Records

A search of the Town Clerk's records provides a list of recent transfers of property. When we get an inquiry regarding amounts owed on a property, we ask whether the transaction is a refinance (mortgage) or a sale. If it is a sale, we ask for the purchaser's name and mailing address to update our records.

Communication to our Boone Lake email address helps us track and respond to inquiries from purchasers and from attorneys. We answer questions from residents (what they owe or if a payment was received, for example) promptly so they can be confident that the Boone Lake Dam Management District is an efficient and responsive entity.

How Do We Let People Know What is Owed?

The Collector/Assessor sends bills to owners on an annual basis with coupons for quarterly payments. The coupons are similar to those sent out for property tax assessments. Payment reminders are



Figure 4. A view of frozen Boone Lake, with Gary at the dam. Photo: Larry Cotton.

posted at the entrance to the lake. We respond to inquiries from attorneys and purchasers, who are prompted to do so by the fact that municipal lien certificates (certificates issued by the town specifying taxes and fees owed on properties) and/or filings at the Town Clerk's office indicate that there is a statutory lien that secures payments. We provide a ledger of the amounts that are owed to those who have made such inquiries.

How Do We Collect the Amounts Owed?

If an owner is late on a payment, the Collector/Assessor sends a reminder notice. In most cases, this reminder is sufficient for the owner to make the payment. If a property owner does not pay the assessed share for several years, the account is referred to an attorney for collection. This extreme measure is rarely needed.

Why Not Wait Until "Something Happens" Before Raising Money?

It is too much of a burden on owners' personal finances to try to raise money quickly. Similar to a personal retirement fund, if we start early and let the money grow, and the funds – or some of the needed funds – will be there when we need them.

We always think back – how long did it take us to raise money by voluntary contributions when repairs were needed last time? We don't want to go through that again!

How Much Do We Need to Reserve and What are the Goals?

We use history to guide us. Major repairs have been made in 1975, in the early 1980s, and most recently in 2003-2005. The last repair cost about \$186,000, and that was with outstanding volunteer help and discounted rates from some contractors who were doing a favor to friends.

We can only guess when the next repair might be needed and what it will cost. Also, regular maintenance is necessary and can hold off the need for more major repairs and potential failures.

Has This Been a Success?

Most, but not all, property owners feel that the dam district has been a

success and the assessments are fair. Fund-raising pleas have been replaced by animated discussions about how to maintain the dam and the lake, and how to get the best value from our money and time.

The decision at the Annual Meeting every year has been to keep the budget at the same level as the previous year. The down-side is that we are not building our rainy day fund as quickly as some may prefer; the up-side is that owners know that they have a say and that their share has remained fairly constant from year to year, rather than increasing (as often happens once a fund-raising entity is voted in).

We encountered the Town Council Chair at the Registry of Deeds one day a few years after the Boone Lake Dam Management District was in operation. We discussed how the management district was working out. He told us unequivocally that it was working out well, because if it wasn't, he said he'd be one of the first to hear the complaints.

For More Information


- Rhode Island Legislation: Dam Management Districts: <http://webserver.rilin.state.ri.us/PublicLaws/law05/law05145.htm>
- Boone Lake District Ordinance: http://www.boonelakeri.org/pdfs/boone_lake_dam_district_ordinance.pdf
- Boone Lake website: <http://www.boonelakeri.org>

- Photographs from the Boone Lake dam repair (2004-2005):

http://www.boonelakeri.org/photos_dam_repair_2004-05.html

Gary Casaly is a real estate attorney who has a private practice and has served as counsel for title insurance companies in Massachusetts. His involvement with Boone Lake leadership evolved from his enjoyment of the lake and interest in maintaining the quality of the lake and the integrity of the dam. He served as president of the Boone Lake Improvement Association (the sole governing body prior to the creation of the Dam Management District). Currently, he serves as Chair and Collector/Assessor for the Boone Lake Dam Management District. Gary can be reached at boonelakeri@gmail.com.



Barbara Casaly is a technical writer who specializes in websites and user documentation of all varieties. She is the webmaster for <http://www.boonelakeri.org>. In 2013, she was supportive of the collaboration effort between the University of Rhode Island course, "Writing Science for the Public," and Boone Lake residents, during which the students produced informative video presentations concerning lake quality and maintenance. 



Next Issue – Fall 2014 *LakeLine*

Terminal lakes of the West comprise some of the most productive waterfowl waters in the United States, yet their future is in doubt as demand for freshwater and climate change challenge their very existence. Some have already been lost, others are barely surviving.

