BEAVER CREEK/GRAYLING TWP

Utility Authority

Minutes of Regular Board Meeting,

May 18, 2026

Call to Order: Meeting called to order by Vice-Chair Robson at 4:00 pm at the Beaver Creek Township Hall.

Roll Call:

Board Members Present: Hanson, Helsel, Lawe, Peacock, Robson

Others in attendance: Alma, Johns, Lang, Polanic, Stephan, Hotchkiss, Wolcott, Apps

Approval of Agenda: Motion by Hanson, second by Peacock, **CARRIED** to approve the agenda. Yeas: All.

Approval of Minutes: Motion by Hanson, second by Robson, **CARRIED** to approve the minutes of the regular meeting of April 20, 2026. Yeas: All.

Meeting Business:

IAI Report:

Johns reviewed the monthly IAI operations and maintenance report.

Johns reported that the wastewater lagoons are near capacity (10 million gallons) due to excess rain this April and that he has started irrigating on 4/15 to reduce the lagoon levels.

Polanic reported that on 4/15 representatives from IAI, Arauco and BCGTUA had a virtual meeting with EGLE to discuss accepting Arauco's flaker water; and that EGLE position is that the flaker water cannot be accepted under BCGTUA's current permit due to the water being characterized as industrial wastewater.

The board requested that IAI reach out to C2AE to inquire if Phase 1 of the BioWin computer model analysis of the current wastewater system can be completed by the June board meeting on 6/15, rather than the original projected date of completion of 6/19.

Treasurer's Report:

1. Huntington CD Renewal: Lawe reported he renewed the Huntington CD on 5/4: $110,355.27, @ 3.00%, 6-month term.

2. $37,000.00 yearly Sewer Reserve Requirement Transfer: Lawe stated that he needs to transfer $37,000.00 from Sewer savings to the Sewer ER&R account to satisfy BCGTUA's yearly reserve requirement under for the USDA sewer bond.
    - Motion by Hanson, second by Helsel, **CARRIED** to approve the transfer of $37,000.00 to the Sewer ER&R account. Roll call vote: All Yeas.
3. 2026-2027 Proposed Budget: Lawe submitted the attached proposed budget for the upcoming fiscal year.
    - Motion by Hanson, second by Robson, **CARRIED** to approve the 2026-2027 fiscal year budget as presented. Roll call vote: All Yeas.

Accounts Payable: Motion by Lawe, second by Hanson, **CARRIED** to approve the accounts payable in the amount of $32,433.65 for April 20, 2026 – May 17, 2026. Roll call vote: All Yeas.

Report From Staff: Alma stated the website www.bcgtua.org is completed.

Correspondence:

1. C2AE Progress Report #2 received on 5/14/2026 regarding the wastewater BioWin modeling project. Report states that the project is on track to be completed on 6/19 for Phase 1.
2. Arauco Request for Specific Performance, dated 5/5/2026: Discussion regarding receipt of the request. Lawe stated that he has forwarded the request letter over to the BCGTUA attorney, Chris Patterson.

Old Business:

1. Water Tank Cleaning Quote Update: Lang stated that he has not yet received a response from Midco Diving regarding the water tank cleaning and anode replacement. Robson volunteered to reach out to his Michigan State Police diving contact that he worked with at Camp Grayling.
2. Water Main Valve Quote Update: Lang stated that he has not yet received a response from M&M regarding the valve repair work.
3. C2AE BioWin Model Building Update: Covered above in Correspondence.
4. Alfalfa Crop Update: Lawe reported that he met with Kaleb Butcher (the alfalfa farmer) on 4/21 so that Kaleb could evaluate the BCGTUA alfalfa fields. Lawe stated that Kaleb noticed a number of goffer holes in the field and expressed concern that the irrigation system did not provide adequate coverage to the crop area and that he would not want to disk and replant the field until the irrigation coverage is expanded; however, Kaleb agreed to return in late May or early June to re-evaluate and try and harvest what alfalfa he can when he is in town to harvest the City of Grayling's crop. Lawe stated that he and Johns had been troubleshooting the irrigation system and working on increasing coverage by cleaning existing irrigation heads and testing new heads but have had minimal success. Polanic will work with Johns to reduce the number of heads per zone.

5. Winterization Turn on/off Procedure/Fees:
    - Motion by Lawe, second by Robson, **CARRIED** to approve the attached "BCGTUA Winterization Turn-on/Turn-Off Policy and Fee Schedule" Roll call vote: All Yeas.

New Business:

1. Electrician Quote: Lang reported that he will have IAI's in-house electrician provide a quote to replace the breakers at the lagoons.
2. Board Chairperson Position. Lawe stated that since Doug Keipert stepped down from the board, we currently do not have an acting Chairperson; and that as part of our annual USDA reporting requirements, we need to turn in a list of all current board members, their positions, and contact info.
    - Hanson nominated Rob Lawe as Chairman. Motion by Robson, second by Hanson, **CARRIED** to approve the nomination of Rob Lawe as Chairman of the Beaver Creek Grayling Townships Utility Authority. Yeas: All.

Miscellaneous: None.

Member Comments: Peacock stated he owns a pest control company and can prepare a quote for the rodent issue on the fields. Peacock will email a quote to the board for approval.

Public Comments: Hotchkiss stated the John Laundry at M&M Excavating was the emergency contact for Arauco.

Adjournment: 6:18 p.m.

Respectfully submitted,

Robert J. Lawe

Robert J. Lawe
Secretary