

BEAVER CREEK/GRAYLING TWP
Utility Authority
Minutes of Special Board Meeting,
January 8, 2026

Call to Order: Meeting called to order by Vice-Chair Robson at 10:10 a.m. at the Beaver Creek Township Hall.

Roll Call:

Board Members Present: Hanson, Lawe, Robson

Board Members Absent: Keipert

Others in attendance: Alma, Edwards, Stephan, VanNuck

Approval of Agenda: Motion by Hanson, second by Lawe, **CARRIED** to approve the agenda.
Yeas: All, 1 Absent.

Special Meeting Business:

MRWA Rate Study Review:

Jonathan Edwards, with Michigan Rural Water Association, reviewed the compiled water and sewer rate studies for the BCGTUA. The studies analyze and project the rates that should be charged for both water and sewer services to remain financially solvent by taking into account operating expenses, equipment repair and replacement costs, and capital improvement needs, against projected future revenue. One sewer study and three separate water studies were completed. The water rate studies were based on the following: (1) current customers, (2) 200 new residential customers coming online in early 2026, and (3) 800 new residential customers coming online after 2026.

Edwards reviewed Square Inch Standard vs. MRWA Standard regarding setting Ready to Serve fees. The board asked that the established ratios be kept for the current customer study and that the Square Inch Standard be used for new customer studies.

Edwards stated that in order to finalize the rate studies, a projected revenue number needs to be established, which is based on the quantity of water sold for a given year. Acceptable options include using the lowest, highest, or average number of gallons sold in a year. The board agreed to use the low year to create a high probability that all operating costs will be covered by rates even if the number of gallons sold for the year is on the historically low end of the range.

Edwards will be back in the office Tuesday, January 20th to finalize the current rate studies.

Edwards will be back on Thursday, March 12th at 10 a.m. for a final rate study review with new board members and updated data.

Miscellaneous: VanNuck stated that one new board member, Jesse Helsel, and one temporary member, Scott Peacock, will be sworn in prior to the January 19th board meeting.

Member Comments: Robson suggested that the board set new rates at the March meeting.

Public Comments. None.

Adjournment: 12:55 p.m.

Respectfully submitted,

Robert J. Lawe
Secretary

R. Douglas Keipert
Chairperson