

BEAVER CREEK/GRAYLING TWP

Utility Authority

Minutes of Regular Board Meeting,

June 15, 2026

Call to Order: Meeting called to order by Chairman Lawe at 4:02 pm at the Beaver Creek Township Hall.

Roll Call: Board Members Present: Hanson, Lawe, Peacock, Robson

Board Members Absent: Helsel

Others in attendance: Alma, Lang, Stephan, Wolcott, Toro

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

Approval of Minutes: Motion by Robson, second by Hanson, CARRIED to approve the minutes of the regular meeting of May 18, 2026. Yeas: All.

Meeting Business:

IAI Report: Lang reviewed the monthly IAI operations and maintenance report.

Lang stated that Johns has been working on troubleshooting the wastewater discharge irrigation system by reducing the number of sprinkler heads per zone to improve coverage.

Treasurer's Report: Lawe stated that he will have the final/amended 2025-2026 budget prepared for next month's meeting.

Accounts Payable: Motion by Robson, second by Peacock, CARRIED to approve the accounts payable in the amount of \$53,579.93 for May 18, 2026 – June 14, 2026. Roll call vote: All Yeas.

Report From Staff: Alma stated that Consumer's Energy reported a power outage at the lagoons on 6/12. Alma will look into setting up outage notification alerts.

Correspondence: Alma stated C2AE's BioWin modeling report was not able to be completed early in time for today's meeting, and that the report is expected to be completed on June 19th.

Lawe inquired about the Consumer Confidence Report status. Alma reported that IAI is working on its completion and reporting to EGLE.

Old Business:

1. Water Tank Cleaning Quote Update: IAI has yet to find a company that can replace the tank anodes and clean the tank without taking the tank offline. Stephan volunteered to contact Grand Traverse Construction, who is working on the Grayling Twp. expansion project.

New Business:

1. Grayling High School Irrigation: Discussion regarding irrigation water rate for school. C2AE will analyze school's estimated water usage, meter size requirements, and main line flushing needs.
2. BCGTUA Sewer Rates & Fees Increase: Lawe stated that the sewer rate study, conducted by Jonathan Edwards of Michigan Rural Water Association back in March, revealed that the current Sewer Ready to Serve Fees should be increased by 14.53%, while the current Sewer Commodity Rate/1,000 gallons should be increased by 24.47%, to meet BCGTUA's projected future sewer operating costs and expenses.
 - Motion by Robson, second by Hanson, **CARRIED** to increase the existing Sewer Commodity Rate of Tier 1 sewer usage for current customers by 24.47%, and to increase the existing Sewer Ready to Serve Fees for current customers by 14.53%, with said increases to be effective as of the next billing cycle. Roll call vote: All Yeas.

As a result, the sewer rates and fees for current customers are adjusted as follows:

- Sewer Commodity Rates:
 - o Tier 1 sewer usage per 1,000 gallons: Increased from \$10.25/1,000 to \$12.76/1,000.
 - o Tier 2 sewer usage per 1,000 gallons: No increase, to remain at \$20.50/1,000.
 - Sewer Ready to Serve Fees:
 - o 2" Meter: Increased from \$900/month to \$1030.77/month.
 - o 3" Meter: Increased from \$1,500/month to \$1,717.95/month.
 - o 6" Meter: Increased from \$5,000/month to \$5,726.50/month.
3. IAI Electrical Quote: Lang presented a quote from IAI's in-house electrician to perform certain electrical repairs and maintenance. The board requested Lang obtain a second quote from another company such as Primary Electric.

Miscellaneous: Robson inquired as to DoD grant money availability as well as EGLE grant money availability related to the Grayling Twp. water expansion project. Stephan stated the DoD monies are available for up to 2 years, ending September 2027, and the EGLE monies are available for up to 5 years.

Member Comments: Robson inquired as to board member liability coverage. Lawe stated that the BCGTUA insurance policy includes public official liability coverage. Lawe also stated that there is an indemnification clause in the By-laws for members.

Discussion regarding possibly holding a special meeting the following week, date TBD, to follow-up with C2AE report, electrician quote, ordinances, and manager contract.

Public Comments: None.

Adjournment: 6:00 p.m.

Respectfully submitted,



Robert J. Lawe
Secretary