

BEAVER CREEK/GRAYLING TWP
Utility Authority
Minutes of Regular Board Meeting,
March 23, 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: Lawe, Peacock, Robson, Hanson

Board Members Absent: Helsel

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

Virtual attendance: Erik Cronk and Brian Zatloukal

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

Approval of Minutes: Motion by Robson, second by Lawe, **CARRIED** to approve the minutes of the regular meeting of February 16, 2026. Yeas: All.

Motion by Robson, second by Lawe, **CARRIED** to approve the minutes of the special meeting of March 12, 2026. Yeas: All.

Meeting Business:

IAI Report:

Johns reviewed the monthly IAI operations and maintenance report. Lang stated that an electrician is scheduled to be on site on 4/3 to troubleshoot electric panel issues.

Treasurer's Report: Lawe stated the USDA bond payments for March were made.

Accounts Payable: Motion by Lawe, second by Robson, **CARRIED** to approve the accounts payable in the amount of \$26,329.24 for Feb. 17 2026 – Mar. 22, 2026. Roll call vote: All Yeas.

Alma to contact ATS for any invoice related to preparing 1099s.

Report From Staff: Alma and Lawe reported that a website domain has now been secured for BCGTUA, being www.BCGTUA.org.

Correspondence: None.

Old Business:

1. USDA Bathroom Requirements Update: Robson reported that he prepared a cost estimate for bringing the Beaver Creek Township Hall bathrooms into USDA compliance and that he will work with Kim VanNuck to complete any additional steps for potential grants to help fund this expense. Lawe stated that we still need to submit estimated dates of completion to the USDA as part of our assessment. Robson will work with VanNuck to determine estimated dates of completion, provided the funds are available.
2. Bakelite “Blowdown Water” Update: Bakelite has not sent any additional sampling results, or otherwise been in contact, following the virtual meeting with EGLE. Alma to contact Bakelite to discuss plan of action and if Bakelite would still like to move forward with sampling. Alma to send Bakelite the annual schedule for BCGTUA board meetings, along with an invitation to the meetings.
3. Arauco Wastewater Update: Lawe reported that he and Alma recently meet with representatives from Arauco to discuss their issue of currently not being able to send their higher strength process water due to it exceeding the BCGTUA wastewater permit; that Arauco’s position is the BCGTUA wastewater treatment system was designed correctly to be able to handle all of Arauco’s wastewater, but that the alfalfa crop that is grown for purposes of nutrient uptake as part of the BCGTUA Wastewater Discharge Management Plan has not been harvested and removed in recent years, thereby allowing excess nutrients to permeate into the monitoring wells. Lawe stated that he contacted the alfalfa farmer that the City of Grayling uses to manage and harvest its alfalfa crop to inquire if he would be interested in managing and harvesting the BCGTUA’s alfalfa crop; that the farmer stated that he was very interested in taking on the BCGTUA’s crop since it is in close proximity to the City’s; and that the farmer will contact Lawe when the snow melts to come and evaluate the BCGTUA alfalfa field to provide his recommendations to re-establish and manage the crop. Bryan Hotchkiss, plant manager for Arauco, offered access through Arauco property so the farmer can access the alfalfa field, along with access to Arauco’s truck scales to weigh crop yield to determine if the required amount of alfalfa is being harvested in accordance with BCGTUA’s Wastewater Discharge Management Plan. Hotchkiss also stated that he believes around 90% of Arauco’s “flaker water” is clean water and would aide in the dilution of nutrients. Polanic stated that flaker water samples have been sent to EGLE and we are waiting on a response from EGLE to determine if we can start accepting it.

New Business:

1. C2AE Proposal: Erik Cronk and Brian Zatloukal presented a proposal to evaluate the current BCGTUA wastewater treatment system through the building of a “BioWin” computer model to determine how the system should respond to actual influent data relative to the current system design and components. The model will be able to

determine what changes to the wastewater system are needed to handle different influent loads. Phase 1A of the proposal would include gathering influent data, soil sampling through MSU extension, characterizing the wastewater streams from all BCGTUA customers, building the BioWin computer model, and reviewing results and providing recommendations for any system changes. Phase 1A would begin on 4/1 and planned to be completed by 6/19/2026. Phase 1A cost is \$38,000.00.

- Lawe stated that BCGTUA has had an ongoing issue with high pH levels in the wastewater lagoons that has prevented us from discharging in accordance with our permit, thereby preventing us from properly irrigating the existing alfalfa crop; and that it is believed that additional aeration in the lagoons may be needed to correct the high pH issue, and the BioWin computer model will help the BCGTUA determine what amount of additional aeration, or other system components, are needed to remedy this issue.
 - Motion by Hanson, second by Lawe, **CARRIED** to approve the C2AE proposal for Phase 1A in the amount of \$38,000.00. Roll call vote: All Yeas.
2. IAI Contract Addendum: Polanic presented an amendment to the current IAI contract to cover the additional water services IAI will provide to BCGTUA with respect to the municipal water expansion into Grayling Township. The amendment would increase the charge for water services from \$60,153.00 annually to \$123,400.00 annually and would not charge for emergency callouts under 10 hours per month. The amendment would take effect on 4/1/2026 and continue through May of 2027.
- Motion by Hanson, second by Lawe, **CARRIED** to approve IAI Contract Amendment No. 1 and increase the monthly water contract service fee to \$10,283.33 per month, commencing on 4/1/2026. Roll call vote: All Yeas.

Miscellaneous: None.

Member Comments: None.

Public Comments: None.

Adjournment: 6:15 p.m.

Respectfully submitted,

Robert J. Lawe
Secretary