



Oaks at Beach Lake HOA

April 24, 2026

RE: Wastewater System Serving Oaks at Beach Lake Property Owners.

Dear Homeowners:

We are providing this correspondence to update property owners on the status of the current wastewater disposal system serving your residence. As you may know, we have been working on issues associated with the sand filter component of your wastewater disposal system. (This component is critical to protecting the large septic field that ultimately incorporates the filtered wastewater into the ground). Early rehabilitation attempts such as the use of aeration and other strategies did appear to provide several additional years of service. However, it became clear in 2025 that the sand filter was nearing the end of its functional life. You may recall that an informational Zoom meeting was held on September 12, 2025 where we addressed the issue with residents and answered questions. Following that meeting, a letter was sent to residents to address the questions that were posed during the meeting.

Our conclusions at that time were:

- The sand filter had reached the end of its lifespan.
- Our recommendation was to replace the sand filter with an Advantex system since replacement with a new sand filter system meant less assurance of its longevity, coupled with our inability to find replacement filter media.

THE EGLE DILEMMA:

While past community systems, such as the Oaks system, were permitted by the local health department, the Michigan Department of **E**nvironment, **G**reat **L**akes, and **E**nergy (**EGLE**) has recently asserted their legal authority over these systems, under parts 31 and 41 of the Natural Resources and Environmental Protection Act (Act 451 of P.A. of 1994, as amended). Their main assertion is that the system was built without a Part 31 discharge permit. A Part 31 permit was never previously required at the time of construction for a system of this size, and has only been a requirement by the State since 2014; long after the system was built. When asked why we had never been informed, they quickly changed their tact to another accusation about the Health Dept inappropriately issuing the permit. Despite many other interactions with the State on these systems prior to last fall, they have never mentioned these facts, making it clear to us that this is another example of increased overreach by the state. In conversations with other operators of these systems, we've found that

communities across the state are experiencing similar conflicts with EGLE. Sadly, this overreach significantly impacts the residents of these systems with increased costs to deal with this overreach.

EGLE has switched positions on us numerous times over the past 9 months or so and have appeared unconcerned with this system continuing to operate without a sand filter, despite it being a critical piece of the treatment works. Their latest position is insisting on monthly sampling of the wastewater, which would add thousands of dollars in expense annually. After pushback, they have retreated somewhat from that position. Unfortunately, with each interaction with them, new “surprises” seem to emerge. We are working with our attorney and state legislators to hopefully curtail these games.

In response to this behavior, we re-initiated our search for materials necessary to replace the sand filter. While skeptical of finding the correct media in which to construct one, we called many places around the Midwest and spent a lot of time collecting stone samples from gravel pits and lugging them to our engineers to test. Sand filters are nearly a thing of the past with a few exceptions. Consequently, most gravel pits do not produce the material anymore, let alone to a standard that meets the engineer’s requirements. We were recently surprised to find a small amount of stone from last year in southern Michigan that met our standards.

MOVING FORWARD:

With the state showing little interest in changing their role as an obstacle to our completion of necessary repairs, we have concluded that the risk of waiting for the State to work in the best interests of the residents of the Oaks at Beach Lake is too great. Repairs to the sand filter need to be performed before serious damage is done to the septic field itself. With that in mind, we are moving forward with the following:

- We have pre-fabricated the wood support walls for a new sand filter at our field facility
- Secured bids for hauling material, installing electrical controls and demolition of the existing sand filter
- Started discussions with lending institutions on a loan to cover initial costs
- The gravel pit is now producing what we need and deliveries have already started.

Absent some unexpected return to reasonable policy by the state, we are anticipating moving forward with construction in the next several days. Work should be completed over the course of the next week to 2 weeks.

COST:

Naturally, the question on everyone’s mind is what this will cost homeowners. As you may recall, we presented some figures last year for the Advantex System and the sand filter options. These estimates were:

1. Advantex System: \$379,000
2. Sand Filter Replacement: \$288,000

These were simply estimates and not based on actual bids or known material costs. We have since secured bids for the work as well as quotes for the material costs. Our estimated cost to replace the current sand filter is \$188,000 (instead of the \$288,000 we estimated last year). While significantly cheaper than our original estimate, we also have engineering costs associated with the original Advantex system, as well as legal costs incurred from dealing with EGLE on their new regulatory interpretations. The sum total of these costs, both to replace the sand filter and for the legal costs (to date) to deal with EGLE, is presented below.

ESTIMATE OF COSTS FOR OAKS @ BEACH LAKE SANITARY SAND FILTER REPLACEMENT			
PRE-CONSTRUCTION COSTS (ENGINEERING/LEGAL)			
			\$ 36,696.25
LABOR, EQUIPMENT, MATERIALS			
1	LCDC Labor		\$ 31,800.00
2	Other Sand Filter Expenses		\$ 12,774.00
3	Materials/Media Expenses		\$ 53,215.00
4	Equipment Expenses		\$ 3,164.00
5	Contractor Expense		\$ 44,250.00
6	Pump/Electrical Expense		\$ 42,393.00
TOTAL CONSTRUCTION COSTS:			\$187,596.00
FINANCING COSTS:			\$ 15,082.50
CONTINGENCY	10.00000%	Percent of above costs	\$ 23,937.48
TOTAL PROJECT COST:			\$263,312.23

The following table illustrates the approximate annual payback cost, in addition to the annual maintenance cost of \$694 residents currently pay. As you can see, the structure of municipal debt repayment typically results in the payment declining over time with the first year being the highest payment and the last yr being the smallest payment.

Payback Period	Year 1 Pymt	Last Yr Payment	Total Payments*
8 Yr payback.	\$1,521	\$1,114	\$10,439
10 Yr Payback	\$1,308	\$891	\$10,864
15 Yr Payback	\$1,025	\$594	\$11,925

*assumes a 5% borrowing rate.

NEXT STEPS:

- We are moving forward with finalizing our preparations for the sand filter repair and intend to begin construction early next week.
- Expect to see equipment and personnel at the treatment site working on repairs to the sand filter.

My office will also be looking to the HOA to provide some input into the duration of the assessment of costs, as we need to make a decision on this relatively soon. In addition to ongoing legal fees, we have had to incur a significant amount of cost preparing for these options. We are cognizant of the additional cost to homeowners given the current economy, fuel prices, and other projects the HOA may be contemplating.

We appreciate your past input and working with us to resolve this issue. For us, this remains the most frustrating and baffling interactions with state agencies in more than 3 decades of my tenure. It is a disappointing reminder of the disconnect we see on multiple fronts from state and federal agencies. We have spoken to legislators about the potential of stepping in to apply pressure, and that may be a solution we employ to resolve the ongoing permit dispute. Whatever the case, we appreciate your patience through this process and will work to keep residents informed as to what is happening.

Respectfully,

A handwritten signature in blue ink that reads "Brian Jonckheere". The signature is fluid and cursive, with a large initial "B" and a stylized "J".

Brian Jonckheere
Livingston County Drain Commissioner