September 22, 2005

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services
Steve Vandette, City Engineer

SUBJECT: **AGENDA ITEM-** Assembly of Rouge Communities and Watershed Alliance Legislation

RECOMMENDATION

It is recommended that the City of Troy become a member of the Alliance of Rouge Communities (ARC) by supporting and endorsing the new Bylaws and passing the attached Resolution. These bylaws establish a framework for a formal watershed organization to replace the transitional Assembly of Rouge Communities (Assembly) organization that has been in place since 2003. This organization will continue to work with all of the participating Rouge River Watershed communities by providing services to help meet the Federal Phase II Storm Water Permit requirements along with the on-going restoration efforts for the Rouge River. Attached to this memo is a copy of the letter from the Chair of the Assembly and the final bylaws to create the Alliance of the Rouge Communities.

HISTORY

In 2002, representatives from Oakland County Drain Commissioner's Office, Wayne County, Washtenaw County, Farmington Hills, Dearborn Heights, and Plymouth Township gathered to discuss the continuing efforts to restore the Rouge River. These community representatives looked to the future and planned for the eventual farewell of the Rouge Program Office and the federal grant money that funded a majority of stormwater projects in the Rouge River Watershed. These community representatives developed a plan for a formally organized group that will oversee and ensure that the efforts in the Rouge River Watershed are continued. The plan was to create a formal watershed organization with representatives from all the communities and counties in the Rouge River Watershed. The ultimate goal was the creation of a Rouge River Watershed Local Management Assembly to take over the responsibilities of the Rouge River National Wet Weather Demonstration Project once the federal grant money was no longer available.

The Assembly of Rouge Communities (Assembly) was created in 2003 as a transitional organization and was funded through membership dues from the participating communities and federal grant funding from the Rouge River National Wet Weather Demonstration Project. The Assembly is a watershed organization that assists the member communities in the Rouge River Watershed with meeting the requirements of the federally mandated Storm Water Permit, including water quality monitoring and public education activities. The Assembly relied upon voluntary participation from its member communities in the form of membership dues. These dues are based on population and land area in the Rouge River Watershed. The City of Troy has been a member of the Assembly of Rouge Communities since March 17, 2003 when City Council passed a resolution to join the Rouge River Watershed Local Management Assembly as it was known at that time.

Upon the creation of the Assembly, representatives from various communities and agencies developed a Memorandum of Agreement for the Rouge River Watershed Local Management Assembly. All of these communities were required to sign the Memorandum of Agreement for the Rouge River Watershed Local Management Assembly, have voting rights and pay dues.

Since the inception of the transition Assembly, the member communities of the Assembly worked to draft the formal bylaws for the proposed Alliance of Rouge Communities (ARC.) The proposed ARC is a watershed organization that will continue to assist the member communities in the Rouge River Watershed with meeting the requirements of the federally mandated Storm Water Permit. The ARC has no punitive function, nor methods of governing above or beyond local governmental control. The ARC will continue to rely upon voluntary participation from its member communities in the form of membership dues. Additionally, the ARC will be able to receive grant funding to assist with various storm water permit requirements including water quality monitoring, public education material development, and illicit discharge elimination programs.

FUNDING

In July 2004, the City of Troy paid membership dues of $4,443.00.

The payment for 2005 will be $4,445.00, due upon completion and adoption of the by-laws.

Dues will be paid for out of the Capital Drains Account #410516.7989.1000.

Approved as to form: _____
Lori Grigg Bluhm, City Attorney

Prepared by Jennifer Lawson, Environmental Specialist

Assembly of Rouge Communities

OURS TO PROTECT

Working together, restoring the river

Robert Beckley, Chair
Assembly of Rouge Communities
Department of Public Works, City of Livonia
12973 Farmington Rd
Livonia, MI 48150-4202

Allen Park
Auburn Hills
Beverly Hills
Bingham Farms
Birmingham
Bloomfield Hills
Bloomfield Twp.
Canton Twp.
Commerce Twp.
Dearborn
Dearborn Heights
Farmington
Farmington Hills
Franklin
Garden City
Inkster
Lathrup Village
Livonia
Melvindale
Northville
Northville Twp.
Novi
Oakland County
Plymouth
Plymouth Twp.
Pontiac
Redford Twp.
Rochester Hills
Romulus
Southfield
Superior Twp.
Troy
Van Buren Twp.
Walled Lake
Washtenaw County
Wayne
Wayne County
West Bloomfield Twp.
Westland
Wixom
Ypsilanti Twp.

July 6, 2005

Dear Assembly Member and
Eligible Members of the Alliance of Rouge Communities:

I am pleased to attach a copy of the final bylaws to create the Alliance of Rouge Communities. The attached bylaws are those recommended for approval by the Assembly of Rouge Communities at its June 9, 2005, meeting in Farmington Hills. The Preamble has been revised as suggested at the meeting to indicate the date steps were taken to develop the bylaws. In addition, as recommended at the June 9, 2005, meeting, a new Article has been added that provides for indemnification of Alliance officers and committee chairs while acting on behalf of the Alliance. All other provisions of the bylaws are identical to those presented and approved at the Assembly meeting.

I have also attached for your information a copy of Act 517 Public Acts of 2004 signed by the Governor with immediate effect on January 3, 2004, that was drafted and supported by the communities within the Rouge River watershed.

Consistent with the statutory requirements, the attached bylaws must be approved by the governing bodies of the watershed public agencies that voluntarily agree to membership in the Alliance. Under the attached Preamble to the Alliance of Rouge Communities bylaws, the Assembly of Rouge Communities established by the 2003 Memorandum of Agreement will be dissolved and the Alliance of Rouge Communities created in its place once the governing bodies of at least twenty (20) of the eligible cities, villages, townships or counties adopt the attached Alliance bylaws. The Assembly will continue to function as it has for the past two and half years until the Alliance is formed.

Our goal is to have the Alliance established by the end of September 2005, in time to develop the budget for 2006. Wayne County has indicated that there are sufficient federal funds remaining from the Rouge River National Wet Weather Demonstration Project to again provide a fifty percent match to assist the Alliance in its first year of operation.

I urge you to present the attached bylaws to your governing body (or appropriate elected official) for formal adoption as soon as practical. The bylaws are modeled

after the 2003 Memorandum of Agreement that has served the Rouge watershed communities and three counties well over the past two and a half years. It will authorize the members of the Alliance to continue the successful cooperative efforts to more effectively and efficiently meet state storm water discharge permit requirements, satisfy the U.S. District Court's concerns, and improve the management of the river to benefit all our residents.

If you have questions about the formation of the Alliance or the bylaws, please contact me or the other current officers of the Assembly of Rouge Communities.

Robert Beckley (Livonia), ARC Chair
Voice (734)-466-2606; email rbeckley@ci.livonia.mi.us

Wayne Domine (Bloomfield Township), ARC Vice Chair
Voice (248-433-7731), email wdomine@bloomfieldtwp.org

Kurt Giberson (Dearborn) ARC Treasurer
Voice (313) 943-2075; email kgiberso@ci.dearborn.mi.us

Please advise me when your governing body has taken action on the bylaws and forward a copy of the official action as indicated in the Model resolution attached as an appendix to the bylaws.

Sincerely,

Robert Beckley, Chair
Assembly of Rouge Communities

PREAMBLE

ROUGE RIVER ASSEMBLY OF LOCAL GOVERNMENTS (ASSEMBLY) TRANSITION TO THE ALLIANCE OF ROUGE COMMUNITIES (ARC)

The Rouge River watershed, located in southeast Michigan, runs through the most densely populated and urbanized land area in the state. The watershed is approximately 438 square miles in size and includes all or part of 48 municipalities in three counties, with a population of over 1.4 million. The industrial growth of the lower Rouge River in the first half of the twentieth century and the rapid residential and commercial growth in the last half of the century in the upper portions of the watershed created serious pollution problems. Despite pollution control efforts as early as the 1940s, when the Detroit wastewater treatment facility was built to serve southeast Michigan including many of the Rouge River watershed communities, pollution problems have increased in the river. It has only been in the last decade that significant restoration of water quality has begun to be documented as a result of over one billion dollars of investments by area residents for pollution control.

In 1985, at the urging of local citizens and organizations the State of Michigan adopted the Rouge River Basin Strategy. In 1987, the International Joint Commission designated the Rouge River as one of the 43 most polluted areas in the Great Lakes. In 1989, the original Rouge River Remedial Action Plan (RAP) was completed and endorsed by a majority of the watershed communities. This original RAP called for an ambitious twenty-year plan to address pollution problems. The progress in achieving restoration has been documented in Rouge River RAP 2004 Revision (Available at http://www.rougeriver.com/geninfo/remaction.html). In the early 1990s, the United States District Court, at the urging of local communities, facilitated a phased process for correcting combined sewer overflows (CSOs) affecting the river. In 1992, with the bipartisan assistance of the Michigan congressional delegation representing the watershed, Wayne County received the first U.S. Environmental Protection Agency grant for the Rouge River National Wet Weather Demonstration Project (Rouge Project).

The U.S. District Court, as part of its oversight responsibilities for pollution control on the Detroit River stemming from a court case filed in the 1970's and its role in facilitating the CSO resolution (i.e., the "Bulkley Settlement"), has maintained a continuing interest in the results of the Rouge Project. In the mid-1990s, the U.S. District Court strongly urged the 48 local public agencies within the Rouge River watershed to adopt a more comprehensive approach to control pollution from sources other than CSOs. The U.S. District Court proposed a watershed-wide authority under the Michigan Drain Code to manage water issues within the Rouge River watershed. At the same time, the U.S. EPA was required by a

Federal Court consent judgment to adopt regulations to control storm water discharges under the Federal Clean Water Act.

As an alternative to the Drain Code authority proposed by the U.S. District Court, and to comply with the pending U.S. EPA storm water regulations, a group of local agencies and communities within the Rouge River watershed proposed a watershed-based approach to the control of pollution sources related to storm water discharges. In 1997, the MDEQ adopted this unique watershed approach developed by local agencies under the Rouge Project. Subsequently, 41 public agencies with storm water responsibilities within the Rouge River watershed entered into this voluntary general storm water permit which was later endorsed by the United States Environmental Protection Agency (U.S. EPA) as meeting Phase II federal storm water discharge regulation requirements that became mandatory for urbanized communities in 2003.

The watershed-based storm water permit approach, developed with assistance from the Rouge Project, has become a national model. There are now seven cooperatively developed subwatershed water management plans in place for the Rouge River. Each local agency has prepared and submitted a Storm Water Pollution Prevention Initiative Plan (SWPPI) to the MDEQ that identifies their commitments to implement their part of each of the plans. However, the federal funds from the Rouge Project that initially provided the basic monetary support for this joint effort were being substantially reduced and alternative means to continue this cooperative effort was needed as the federal funding was being phased down.

As an interim arrangement in 2003, 38 cities, townships and villages and 3 counties within the Rouge River watershed formed a partnership to address their storm water permit requirements. After successfully operating since August of 2003 under a Memorandum of Agreement establishing the Rouge River Watershed Assembly of Local Governments (hereinafter, Assembly), the Rouge River watershed communities supported the passage of state legislation that would authorize local governments to form watershed alliances. That legislation, Public Act 517 of the Public Laws of 2004, (herein after Watershed Alliance legislation), was signed by the governor on January 3, 2005 with immediate effect. The following outlines the process for transitioning from the informal Assembly to the adoption of the required bylaws to form the new Alliance of Rouge Communities (hereinafter ARC) under this new state law.

Transition from Assembly to ARC

Thirty-eight cities, villages and townships and three counties signed an August 15, 2003, Memorandum of Agreement (herein after, MOA) establishing the Rouge River Watershed Assembly of Local Governments (hereinafter, Assembly). The 2005 Budget, the officers, policies, procedures and assessments to members adopted under the August 15, 2003 MOA will remain in effect until

the formal establishment of the ARC under the proposed attached Bylaws. The Officers elected for the 2005 calendar year under the August 15, 2003, MOA formally noticed all communities, counties and public agencies eligible for membership in the Alliance of Rouge Communities of an organizational meeting hosted by Canton Township on February 22, 2005. At this first meeting, the signatories to the August 15, 2003, MOA determined that there was broad interest in forming a permanent Rouge River watershed organization under the new Watershed Alliance legislation. A transition committee composed of members of the Assembly began drafting the bylaws to form an Alliance of Rouge Communities as required under the new statute. A draft set of bylaws was presented to and modified by the Executive Committee of the Assembly at its April 20, 2005, meeting in Farmington Hills and subsequently provided all prospective members of the proposed Alliance. The Assembly formally recommended that the Bylaws as presented at the June 9, 2005, meeting of the Assembly in Farmington Hills Library be presented to the respective governing bodies for adoption. All members present and voting at the meeting approved the Bylaws with one member abstaining. One additional article, indemnification of officers and certain other members for activities conducted on behalf of the Alliance, was added following the meeting with the approval of the three Assembly Officers and the co-chairs of the Organization Committee as authorized by the Assembly members.

Establishing Alliance of Rouge Communities (ARC)

The formal Alliance of Rouge Communities (hereinafter ARC) shall be established following the adoption of the attached Bylaws by the governing bodies of at least twenty (20) of the eligible cities, villages, townships or counties. A certified resolution of the governing body of the prospective member approving membership under the Bylaws, <u>or</u> the payment of the 2005 assessment will be used to establish those communities with voting privileges for actions taken by the ARC prior to September 30, 2005. After September 30, 2005, a certified resolution accepting membership by the appropriate governing body, designation of a voting representative and alternate representative, and payment of any assessment shall be required for continuing membership and the exercise of voting privileges. Once the ARC is established, the Rouge River Assembly of Local Governments (Assembly) established under the August 15, 2003, MOA shall be dissolved, and all its responsibilities including its oversight in the expenditure of assessments provided by Assembly members shall be transferred to the ARC.

BYLAWS
ALLIANCE OF ROUGE COMMUNITIES

Adopted pursuant to
Part 312, Watershed Alliances,
Michigan Natural Resources and Environmental Protection Act
as amended by Public Act 517 of 2004

ARTICLE I. PURPOSE

It is the purpose of these Bylaws to set forth the composition, duties, and responsibilities of the watershed Alliance of Rouge Communities (hereinafter the ARC) formed under the provisions of Part 312 Watershed Alliances, Natural Resources and Environmental Protection Act as amended by Public Act 517, 2004. Local public agencies and communities within the Rouge River watershed believe there are substantial benefits that can be derived under this Watershed Alliance through cooperative management of the Rouge River and in providing mutual assistance in meeting state water discharge permit requirements to the Rouge River. The Appendices attached and referred to in these Bylaws are provided for informational purposes only and are not a part of the Bylaws. The Appendices will be periodically updated to reflect the actual boundaries of the ARC based upon the number of eligible public entities which formally accept membership, as well as the annual budget, allocation of assessments, and voting shares in subsequent years.

ARTICLE II. Description, Structure, Decision Making and Operations of ARC

A. Geographic Boundaries

The proposed geographic boundary encompasses the land area within the Rouge River watershed located in portions of Wayne, Oakland and Washtenaw counties in southeastern Michigan shown in the informational map attached as Appendix A to these Bylaws. Under state law the boundaries of the ARC are limited to the jurisdictional boundaries of its members. Appendix A will be updated periodically to show the jurisdictional boundaries of those cities, townships, and villages that have adopted the Bylaws and formally accepted membership. In the event that some eligible Rouge River watershed communities (cities, townships, or villages) do not become members, county members may: 1) include all of their county political boundary within the Rouge River watershed where they intend to exercise their independent water management responsibilities; or 2) include only that portion of the county within the Rouge River watershed where communities have accepted membership in the ARC.

B. Membership of the ARC

1. *Membership*

   a. Primary Members

   The Primary Members of the ARC shall consist of a representative, or designated alternate of each township, city, village and county (or county agency) whose legal jurisdiction incorporates areas wholly or partially within geographic boundaries identified in Appendix A and whose governing body by resolution, voluntarily adopts these Bylaws. The eligible Primary Members are listed in Appendix B.

   b. Associate Members

   The Associate Members of the ARC shall consist of a representative, or designated alternate of a public school district, public college or university, or any other local or regional public agency that has been issued a state permit for a water discharge into the Rouge River and whose governing body by resolution, voluntarily adopts these Bylaws.

2. *Cooperating Partners*

   The ARC encourages the involvement of non-profit organizations, other public agencies or entities, businesses, and residents who share a common interest in protection and restoration of the Rouge River. Those who provide their time, services, expertise or other resources toward the common goal of protection and restoration of the river will be recognized as non-voting, *Cooperating Partners.*

C. Structure of the ARC

1. *Election of Officers*

   The ARC shall elect for a two-year term, from among its members, a Chair, Vice-Chair and Treasurer. The three ARC officers shall be limited to an elected or appointed official, or employee of a *Primary Member* of the ARC as defined in these Bylaws. Officers shall be elected to two year terms at a regularly scheduled ARC meeting through a formal action as described under Article II. D. of these Bylaws. The Chair, Vice Chair and Treasurer of the Assembly shall serve until replaced by a majority vote of the members. The elected Vice Chair, or the elected Treasurer in the event the Vice Chair is unavailable, shall assume the duties of the Chair if the Chair is unavailable. Newly elected officers will assume their duties at the conclusion of business of the meeting at which those officers were elected.

2. *Executive Committee*

   The ARC Executive Committee shall have 14 voting members consisting of

   - (3) The elected Chair, Vice-Chair, Treasurer of the ARC,
   - (3) One representative or alternate from each member county,
   - (7) One representative or alternate from each of the seven Subwatershed Advisory Groups, herein after SWAGS, established under the State of

Michigan, watershed-based, general storm water permit as implemented by communities within the Rouge River watershed, and

- (1) The immediate past Chair, past Vice Chair, or past Treasurer of the ARC shall serve as a member or alternate member with preference given first to the past Chair, then the past Vice Chair, and then the past Treasurer.

The meetings of the Executive Committee shall be chaired by one of the three elected officers. The elected Chair of the ARC shall chair the Executive Committee, with the responsibility succeeding to the elected Vice Chair if the elected Chair is unavailable. If neither the elected Chair nor the elected Vice Chair is present at an Executive Committee meeting, the elected Treasurer shall serve as chair for the meeting. The elected officers of the ARC shall not have alternates serve or vote on their behalf on the Executive Committee.

The three counties and the seven SWAGs shall appoint their respective representatives and alternates to the Executive Committee. Representatives and alternates serving on the Executive Committee, including those appointed by a SWAG, shall be limited to those individuals representing a member public agency that HAS adopted these Bylaws and has paid its membership assessment. In an effort to assure the broadest participation by ARC members, a SWAG appointment to the Executive Committee shall be neither a county representative nor a representative from the same city, township or village as those represented by any current or past ARC officer serving on the Executive Committee. Every reasonable effort will be made to assure that no one community has more that one representative on the Executive Committee.

The Executive Committee will seek consensus on all issues brought before it. In the absence of consensus, the Executive Committee will adopt motions only when a majority of its members (8) vote in favor of a motion. Each member will have one vote including the elected officers of the ARC. A county or SWAG may designate an alternate to serve and vote on behalf of their appointed representative to the Executive Committee.

3. *Meetings*

The ARC shall meet at least twice each calendar year at a designated time and location established by its Executive Committee. Agendas for ARC meetings will be distributed and circulated to all members at least two weeks in advance of all meetings. All official actions of the ARC including the election of officers, adoption of budgets, assessment of costs to members, and all other matters not otherwise specifically delegated to the elected officers, committees or executive director shall be by the full ARC at a regular meeting consistent with the voting procedures in Article II. D. of these Bylaws. The ARC Executive Committee will meet at least four times each year at the call of the Chair. All meetings of the ARC Executive Committee, standing

committees or special committees established under the ARC shall operate under the Robert's Rules of Order unless modified by a majority vote of the ARC members. The meetings of the ARC shall be rotated to locations throughout the Rouge River watershed allowing any member community or agency to host a meeting.

D. ARC Decision Making

The ARC shall take all formal actions, by a simple majority vote of all eligible *Primary* and *Associate Members* at a meeting at which a quorum is present. A quorum shall consist of one more than fifty percent (50%) of all members, eligible to vote and present. Voting shall be limited to members or their designated alternates who are physically present at an ARC meeting. Eligible members are those appointed by an appropriate governing authority that has adopted these Bylaws by resolution and that has paid its assessment. Provided, however, any eligible *Primary Member* may request that formal actions on a specific action item be subject to a voting of shares, and, if supported by at least four other *Primary Members*, the formal decision of the ARC will be based on voting shares. The elected officers may not vote on any issue before the ARC unless they are also serving as the designated ARC representative of their respective public agency. If a voting of shares is requested and supported by a total of five members, adoption of formal actions shall require a simple majority of the voting shares of a quorum based upon the following allocation:

1. *Primary Members*

   The voting shares for city, township and village members shall be based upon the financial contribution of each based upon the approved ARC annual budget and assessment of costs to members. The specific voting shares will be proportional to the annual assessments to each city, township and village as determined under Article III. A. of these Bylaws with one voting share based upon the annual assessment for each divided by $750 rounded to the nearest whole number. If an assessment is less than $750, one voting share shall be provided.

   The combined voting shares the three counties and county agencies combined shall be limited to twelve percent (12%) of total voting shares and the allocation of voting shares between the three counties shall be determined by the proportional amount of land in each county within the Rouge River watershed. For the purposes of these Bylaws, counties are defined as the appointed/elected Road Commission, the elected County Drain Commissioner, the elected County Executive, <u>or</u> the elected County Commission. Provided, however, only one member or designated alternative shall represent each county.

2. *Associate Members*

   The specific voting shares will be proportional to the annual assessments to each with one voting share based upon the annual assessment for each

divided by $750 rounded to the nearest whole number. If an assessment is less than $750, one voting share shall be provided.

3. *Cooperating Partners*
   Cooperating Partners shall not have voting privileges, but shall be invited to participate in meetings of standing committees and noticed of all meetings of the ARC and its Executive Committee.

E. ARC Duties

1. *Budget and Assessments*
   After the first year, the ARC shall adopt an annual, fiscal year budget for the period from January 1 through December 31 on or before December 15, of each year for the following calendar year. In the first year, the 2005 fiscal year budget of the ARC is attached as Appendix C along with the assessment to members as Appendix B to these Bylaws. Assessments for members will be set at the time each budget is adopted. Modifications to the budget may be adopted at any regularly scheduled ARC meeting, provided however, that assessments, once established for any member, shall not be increased during the calendar year for which they were established. Not withstanding this provision restricting mid-year changes in assessments, members may voluntarily agree to increase their payments for special services provided by the ARC.

2. *Standing Committees*
   The ARC shall establish and outline a purpose for three standing committees on technical issues (Technical Committee), financial management (Finance Committee), and public involvement and education (PIE Committee). The Treasurer shall chair the Finance Committee, and the officers shall appoint the chairs of the Technical and PIE committees from members of the Executive Committee. The standing committee chairs may appoint vice chairs of their respective committees provided such vice chairs represent members. Any member, designated alternate or other representative of a member may serve on any standing committee. Cooperating partners, or other members of the public may be invited to participate in a standing committee, but all official actions of a standing committee shall be limited to participation by those on the committee representing ARC members.

3. *Special Committees*
   From time to time, the ARC may choose to establish special committees to consider specific issues or questions. The Chair or Co-Chairs of any special committee established shall be appointed by the ARC, or, by delegation of the ARC, by the Chair. The special

committee Chair(s) and Co-Chair(s) appointed shall be representatives of members of the ARC.

4. *Organization Committee*
   The ARC shall establish a committee (Organization Committee) to consider changes to its Bylaws and new members, and to make recommendations to the ARC. The ARC shall appoint members and the Chair or Co-chairs of the Organization Committee that reflect the broad diversity of the ARC membership with respect to geographic location, land area and population within the watershed, and type of public agency.

5. *Other Duties*
   The ARC shall:

   - Maintain official written record of meetings that includes attendance, issues discussed, and official actions taken.
   - Recommend to members any subsequent changes needed to these Bylaws.
   - Take other actions required, including delegation of responsibilities to the elected Chair or Executive Committee to carry out the purposes and conduct the business of the ARC including, but not limited to, directing the activities of any committees established under the Bylaws.
   - Encourage and promote public involvement in actions and activities of the ARC and of committees established by the ARC, and assure compliance with Open Meetings and Freedom of Information state statutory requirements.
   - Develop policies and procedures related to official actions of the ARC, including but not limited to contracting for services, disbursement of funds, and related fiduciary responsibilities.
   - Prepare an annual report on the goals and accomplishments of the ARC together with a comprehensive audit report on the expenditures and revenues.

F. ARC Executive Committee

1. The Executive Committee shall:

   - With the advice of the standing committees, provide oversight of the expenditure of ARC monies consistent with the approved annual budget by reviewing quarterly financial status reports prepared by the Finance Committee.
   - Take those steps required to acquire the services of an ARC Executive Director, including approval of a compensation package consistent with annual budget of the ARC, other

specific terms of employment, and a description of duties and responsibilities.

- Make provisions for other ARC support services consistent with the annual budget.
- Provide fiduciary services for the ARC including preparation of financial reports required by state law.
- Provide a forum for discussion and, if appropriate, make recommendations to resolve issues related to the management of the ARC brought to its attention by any member of the ARC.
- Assist the standing committees, the Organization Committee and any other special committees of the ARC in meeting their respective responsibilities.
- Maintain a written record of each Executive Committee meeting including, as a minimum, attendance, list of issues, and a record of decisions and recommendations.
- Take other actions that are consistent with the provisions of these Bylaws and direction provided by the ARC.

G. ARC Executive Director

1. Any Executive Director selected by the Executive Committee under the provisions of Article II. F. of these Bylaws shall:

- Exercise his or her duties and responsibilities under the day-to-day direction of the ARC Chair or other ARC officer designated by the Chair.
- Not be a voting member of the ARC or any ARC committees, but will be encouraged to participate in meetings of the ARC, ARC officers or ARC committees, and to provide supporting information and recommendations.

ARTICLE III. ASSESSMENT OF COSTS TO MEMBERS

A. Primary Members

1. *City, Village and Township Members*

The assessments to cities, villages and townships will be determined by subtracting the amount of dollar contributions from the approved budget to be provided by counties, Associate Members, and from grants, money gifts, and other income including any balances from prior year ARC budgets. The amount remaining after subtracting these other sources of revenue will be prorated and assessed to each city, village and township primary members based upon equal weight to the population of the unit of government within the watershed according to the most recent United States census, and the land area within the watershed as shown as a part of Appendix B. Provided, however, that maximum assessment to any member shall be limited to no

more than 15% of the total assessments for all other Primary Members in any fiscal year.

2. *County Members*

a). Based upon the in-kind contributions currently provided by Wayne, Washtenaw, and Oakland counties, the three counties will not be assessed to support the budget of the ARC for fiscal years 2006 and 2007. By August 15, 2007, the ARC will determine whether or not assessments will be made to the counties taking into consideration the level of contribution of in-kind services for ARC related activities each county will provide during 2008 ARC fiscal year. Assessments to counties, if any, for each ARC fiscal year after 2008 will be determined by August 15 of year preceding the fiscal year for which any such county assessment is included in the ARC annual budget using the same criteria.

b.) The maximum assessment total in any year to all member counties shall not exceed 12% of the combined total assessment for the same fiscal year for all other *Primary Members.* The 12% assessment limitation will be determined based upon the total amount assessed other primary members in the adopted annual ARC budget for a given fiscal year and not the subsequent actual assessments paid. In the event that the total assessments to counties determined on or before August of any given year for the following fiscal year exceeds 12% of the total for all other primary members subsequently approved in the ARC budget for the same fiscal year, the total amount assessed to the counties will be reduced such that the total does not exceed 12% of that assessed all other primary members.

B. Associate Members

The ARC shall assess *Associate Members* at the time they become a member based upon a dollar amount approved by the ARC and agreed upon by the *Associate Member.* The assessment shall reflect the ARC membership benefits provided each *Associate Member,* and any other contributions made by the *Associate Member* to the ARC. The annual assessment to an *Associate Member,* however, shall not be less than the lowest amount assessed any *Primary Member* or $750 whichever is greater, nor more than $30,000 or the highest amount assessed any *Primary Member* whichever is greater

C. Adjustment of Assessments

Once adopted as part of a given fiscal year budget, the annual assessments to primary members shall not be lowered based upon the addition of new members or any other additions to income not considered as part of the approved annual budget for that year. *Primary Members* joining after the adoption of the fiscal

year budget shall be assessed as if they were members for the entire fiscal year using the same formula as was applied to other primary members.

ARTICLE IV. RESOLUTION

The eligible members adopting these Bylaws shall do so by the passage of a formal resolution, an example of which is attached as Appendix E, and the exercise of existing authority that includes the ability to commit to the annual payment of assessments for support of ARC as identified in the annual ARC budget. Once a resolution is passed and a certified copy forwarded to the ARC, the public entity will remain a member so long as its assessments are paid in a timely manner. A member may terminate its membership at any time. Provided, however, there shall be no refund of any assessment already paid to the ARC. Services provided through the ARC and any grant funding it receives shall be, to the extent practical, limited to Primary and Associate Members that have adopted the Bylaws and met their respective assessed financial obligations established consistent with the Bylaws

ARTICLE V. INDEMNIFICATION

To the extent permitted by law, the ARC may hold any officer, committee chair, executive director, agent or employee and their respective designees harmless from personal liability for claims made or civil actions commenced against the officer, committee chair, executive director, agent, employee or designee; when acting in good faith within the scope of his/her authority; while discharging his/her official duties on behalf of the ARC; for acts in or not opposed to the best interest of the ARC; or on account of liability of the ARC; only if their actions do not amount to gross negligence and are not contrary to the law. The ARC, pursuant to bylaw or resolution of its board, may obligate itself in advance to defend and hold harmless persons.

The ARC may purchase and maintain insurance on behalf of any officer, committee chair, executive director, agent or employee and their designees against any liability asserted against the person and incurred by the person in any capacity or arising out of the status of the person as an officer, committee chair, executive director, agent or employee of the ARC.

The amount of fees and costs which the ARC shall pay for on behalf of the any officer, committee chair, executive director, agent, employee or designee's defense shall be limited to and shall not exceed insurance limits of the policy, if any, covering the claim or action.

The decision to defend and represent any individual, officer, committee chair, executive director, agent, employee or designee will be made in the sole discretion of the ARC; acting on advice from its legal counsel as to whether said individual, officer, committee chair, executive director, agent, employee or designee was acting while in the scope of

his/her authority, was discharging his/her official duties on behalf of the ARC and if the acts were in or not opposed to the best interest of the ARC.

ARTICLE VI. FIDUCIARY SERVICES

A. Interim Fiduciary Agreement

The Wayne County Department of Environment (hereinafter WCDOE) has agreed to provide fiduciary services for the collection and expenditure of member assessments paid for fiscal year 2005. Under the Fiduciary Agreement with Wayne County, the member assessments paid shall be used only for the services identified in the 2005 Budget attached as Appendix C. It is further understood under the terms of the Fiduciary Agreement with WCDOE that the assessments paid by members may be used to provide the required local match for grant dollars used to support the 2005 budget.

B. Expenditure Controls and Auditing

WCDOE has agreed to provide the Executive Committee full and complete access to records concerning the use of the funds collected from the members so that all expenditures of monies collected through assessments to members can be audited through a process determined to be appropriate by the Finance Committee. WCDOE has further agreed to provide a financial accounting of all funds collected and expended to the Finance Committee by April 1, 2006. The Finance Committee will provide oversight of all expenditures of member assessments and report the status of income and expenditures at each meeting of the Executive Committee. It is understood that the existing provider arrangements for some of the services identified in the 2005 budget may be most efficiently and cost effectively managed in the transition period through the existing Rouge Project contracts administered by WCDOE, or by Wayne County staff currently assigned these responsibilities.

C. Long Term Fiduciary Services

Before December 1, 2005, the ARC will determine how fiduciary responsibilities will be managed beginning on January 1, 2006. It is envisioned that the ARC shall provide its own fiduciary services in the future either through its own staff or through contracted services.

ARTICLE VII. DISSOLUTION OF THE ARC

In the event that its members dissolve the ARC, any unused balances of membership assessments at the time of dissolution not needed to meet ARC obligations shall be redistributed back to the ARC members prorated on the basis of the total ARC assessment paid by each member during the immediately preceding fiscal year. Similarly, uncommitted balances from other sources of revenue (e.g. grants, gifts, contributions, etc) remaining at the time of dissolution of the ARC shall be returned to

the original provider or, if directed by the provider, transferred to a 501c3 organization or public agency that is willing and able to expend the funds for the originally intended purposes.

ARTICLE VIII. AMENDMENTS TO BYLAWS

Any amendments proposed to these Bylaws shall be first reviewed by the Organization Committee who shall, after consideration of proposed amendments, make recommendations to the ARC. The ARC shall not take an action to formally recommend any changes to the Bylaws except at its annual meeting at which the budget for the next fiscal year is presented for approval. To be formally recommended any amendment(s) to the Bylaws shall be: 1) formally noticed to all members at least 30 days prior to the ARC meeting at which they are to be voted upon; and, 2) approved by at least two thirds of all members (or two thirds of all member shares if a voting of shares is requested). Any amendments formally recommended by the ARC shall be sent to all members along with their annual ARC assessment for review and approval by the member's respective governing bodies as the basis for continuing membership. The members shall have five (5) months following the date of the ARC action formally recommending Bylaw amendment(s) to approve the amendment(s). The amended Bylaws shall become effective when at least half of the governing bodies of members approve the amended Bylaws within the specified time limitation.

INFORMATIONAL APPENDICES TO THE BYLAWS

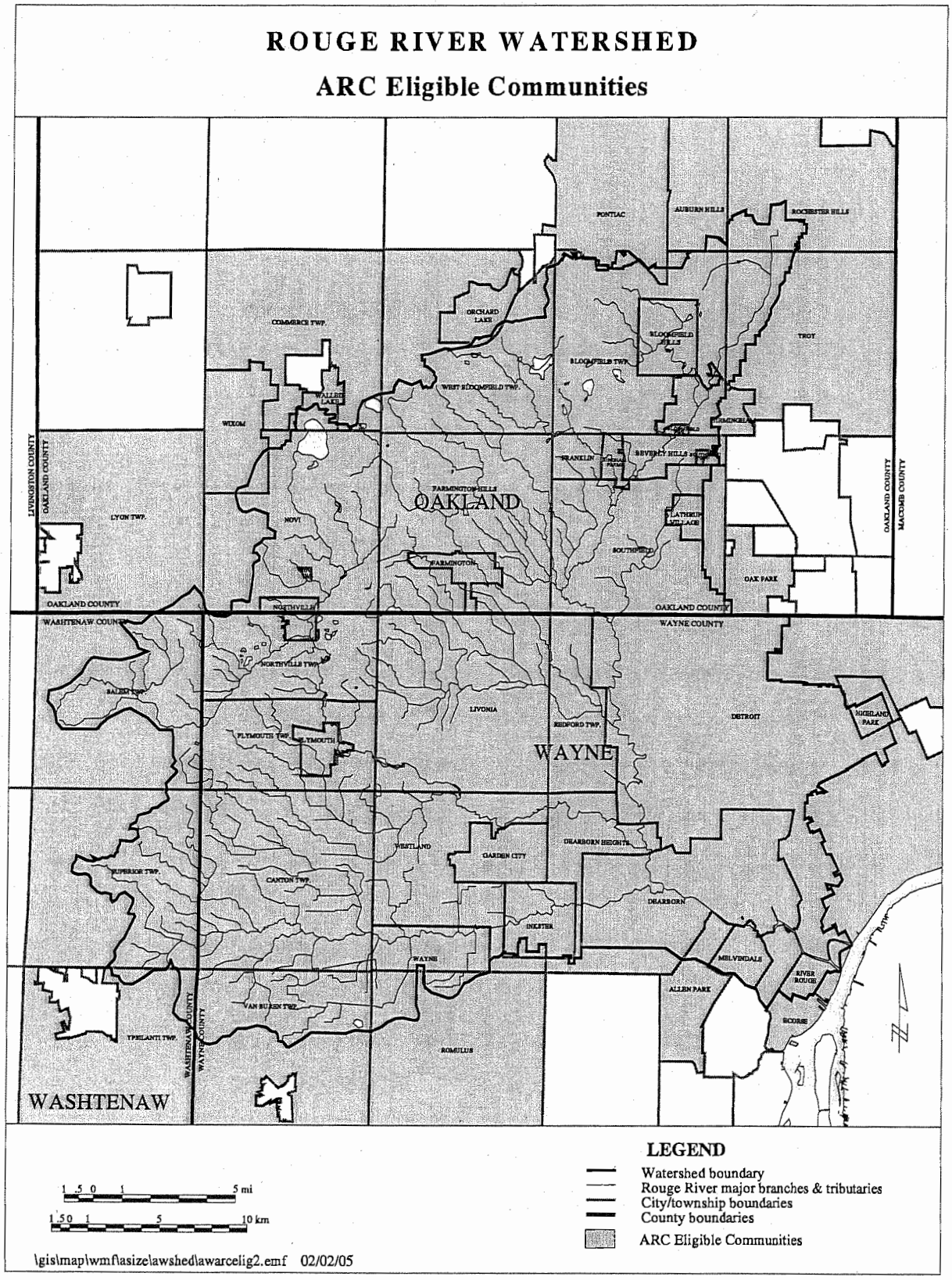
APPENDIX A – Proposed Geographic Boundaries of the Rouge River Watershed including the identification of the political boundaries of eligible primary members

APPENDIX B – Allocation of Costs and Voting Shares that includes: a list of eligible members that are currently members of the Assembly; their respective land area and 2000-census population within the Rouge River watershed, their proportional allocation of costs for support of the 2005 ARC budget based upon equal weight given to land area and population within the watershed, and the voting shares of each. Eligible members that did not participate in the 2003 MOA are listed separately since they have not yet agreed to membership and were not considered in allocating the assessments and voting shares for 2005.

APPENDIX C – 2005 ARC Budget that includes a list of storm water management services and costs, and sources of funding for calendar year 2005.

APPENDIX D – Model Resolution adopting the Bylaws, accepting membership, and committing to payment of 2005 assessment.

APPENDIX A (Page 1 of 1)



Informational attachment to July 2005, Alliance of Rouge Communities Bylaws submitted for adoption by member governing bodies.

APPENDIX B (Page 1 of 2)

Eligible Primary Members of Proposed Alliance of Rouge Communities

Current Assembly Eligible Members -- Watershed Acres/Population, and Allocation of Costs and Voting Shares for 2005 Fiscal Year

	Community/County [1]	Watershed Area (Acres) [2]	Watershed Population [3]	%Watershed Area [4]	% Watershed Population [5]	Weighted % Area & % Population [6]	Cost/$297,503 Weighted [7]	Member Voting Shares [8] [9]	Co. Watershed Area (Acres) [12]
1	Allen Park*	892	1,490	0.36%	0.15%	0.26%	$768	1	
2	Canton Twp.	23,123	76,366	9.39%	7.90%	8.65%	$25,722	34	
3	Dearborn	15,659	97,627	6.36%	10.11%	8.23%	$24,488	33	
4	Dearborn Heights*	5,301	37,740	2.15%	3.91%	3.03%	$9,012	12	
5	Garden City	3,752	30,047	1.52%	3.11%	2.32%	$6,892	9	
6	Inkster*	3,696	27,987	1.50%	2.90%	2.20%	$6,541	9	
7	Livonia	22,952	100,545	9.32%	10.41%	9.86%	$29,342	39	
8	Melvindale*	1,726	10,541	0.70%	1.09%	0.90%	$2,665	4	
9	Northville	1,298	6,458	0.53%	0.67%	0.60%	$1,778	2	
10	Northville Twp.*	10,603	20,990	4.30%	2.17%	3.24%	$9,635	13	
11	Plymouth	1,410	8,987	0.57%	0.93%	0.75%	$2,235	3	
12	Plymouth Twp.	10,251	27,833	4.16%	2.88%	3.52%	$10,476	14	
13	Redford Twp.	7,215	51,622	2.93%	5.34%	4.14%	$12,306	16	
14	Romulus*	2,458	3,994	1.00%	0.41%	0.71%	$2,099	3	
15	Van Buren Twp.*	8,421	8,535	3.42%	0.88%	2.15%	$6,399	9	
16	Wayne*	3,829	18,830	1.55%	1.95%	1.75%	$5,212	7	
17	Westland*	12,457	84,177	5.06%	8.71%	6.89%	$20,484	27	
18	**Wayne County**							32	176,099
19	Auburn Hills*	191	935	0.08%	0.10%	0.09%	$260	1	
20	Beverly Hills*	2,382	9,488	0.97%	0.98%	0.97%	$2,899	4	
21	Bingham Farms	783	1,030	0.32%	0.11%	0.21%	$632	1	
22	Birmingham*	1,978	12,243	0.80%	1.27%	1.04%	$3,080	4	
23	Bloomfield Hills	3,219	3,940	1.31%	0.41%	0.86%	$2,551	3	
24	Bloomfield Twp.*	16,303	41,204	6.62%	4.27%	5.44%	$16,190	22	
25	Commerce Twp.*	606	1,054	0.25%	0.11%	0.18%	$528	1	
26	Farmington	1,706	10,423	0.69%	1.08%	0.89%	$2,635	4	
27	Farmington Hills	21,311	82,112	8.65%	8.50%	8.58%	$25,513	34	
28	Franklin	1,680	2,958	0.68%	0.31%	0.49%	$1,470	2	
29	Lathrup Village	963	4,236	0.39%	0.44%	0.41%	$1,234	2	
30	Novi*	15,231	42,927	6.18%	4.44%	5.31%	$15,807	21	
31	Pontiac*	450	1,576	0.18%	0.16%	0.17%	$514	1	
32	Rochester Hills*	1,977	4,562	0.80%	0.47%	0.64%	$1,896	3	
33	Southfield*	14,982	64,683	6.08%	6.70%	6.39%	$19,007	25	
34	Troy*	3,835	13,826	1.56%	1.43%	1.49%	$4,445	6	
35	West Bloomfield Twp.*	11,081	40,956	4.50%	4.24%	4.37%	$12,998	17	
36	Walled Lake*	585	2,547	0.24%	0.26%	0.25%	$745	1	
37	Wixom*	548	1,319	0.22%	0.14%	0.18%	$534	1	
38	**Oakland County**							18	100,052
39	Superior Twp.*	10,371	7,668	4.21%	0.79%	2.50%	$7,444	10	
40	Ypsilanti Twp.*	1,097	2,624	0.45%	0.27%	0.36%	$1,066	1	
41	**Washtenaw County**							4	22,275
	All Assembly Members	**246,321**	**966,080**	**100%**	**100%**	**100%**	**$297,503**	**451**	**298,426**

APPENDIX B (Page 2 of 2)

Eligible Primary Members of Proposed Alliance of Rouge Communities

Non-Assembly, Eligible Members -- Watershed Acres/Population, and Projected Allocation of Costs and Voting Shares for 2005 Fiscal Year

	Community/County [10]	Watershed Area (Acres) [2]	Watershed Population [3]	%Watershed Area [4]	% Watershed Population [5]	Weighted % Area & % Population [6]	Cost/$297,503 Weighted [7]	Adjusted Limit [11]	Member Voting Shares [8]
42	Detroit*	38,779	444,102	13.60%	31.49%	22.55%	$67,079	$44,625	60
43	Ecorse*	5	51	0.002%	0.01%	0.004%	$11	$11	1
44	Highland Park*	902	9,201	0.36%	0.94%	0.65%	$1,946	$1,946	3
45	Lyon Twp.*	468	243	0.19%	0.03%	0.11%	$319	$319	1
46	Oak Park*	82	689	0.03%	0.07%	0.05%	$155	$155	1
47	Orchard Lake*	159	125	0.06%	0.01%	0.04%	$115	$115	1
48	River Rouge*	1,370	9,731	0.55%	1.00%	0.78%	$2,306	$2,306	3
49	Salem Twp.*	10,339	2,389	4.03%	0.25%	2.14%	$6,359	$6,359	8
	Potential Total Additions	**52,103**	**466,531**					**$55,837**	**78**

Key to Notations for APPENDIX B Tables

[1] Communities/Counties that Signed August 2003 Memorandum of Agreement forming the Rouge River Watershed Local Management Assembly (Rouge Assembly)
[2] Community Acres within Rouge River Watershed, RPO Data Base
[3] Community Population within Rouge River Watershed, 2000 Census Data (SEMCOG/RPO)
[4] Percent Land Area within Rouge River Watershed Compared to Total within Watershed
[5] Percent of Population within Watershed Compared to Total Population within Watershed
[6] Percent Land Area Plus Percent Population Divided by Two (i.e., equal weight to each factor)
[7] Total $297,503 Assessed - Equal Weight Given to Population and Land Area Within Watershed
[8] Community Shares = Assessment Divided by $750 Rounded to the Nearest Whole Number
[9] County Shares = 12% of Total Shares -- Allocated Based on % County Land Area in Watershed
[10] Rouge Watershed Communities Who Did Not Sign August 2003 Memorandum of Agreement forming the Rouge river Watershed Local Management Assembly Rouge Assembly)
[11] Limited to No More Than 15% of Total Assessment of All Other Primary Members
[12] Includes All County Land Area Within the Watershed - Community Total Membership Land Area in County May Be Less
* Indicates Communities with Some Portion of Land Area Outside of the Rouge River Watershed

Informational attachment to July 2005, Alliance of Rouge Communities Bylaws submitted for adoption by member governing bodies.

APPENDIX C (Page 1 of 1)

Assembly of Rouge Communities Budget Adopted November 17, 2004, for 2005 Fiscal Year (January 1, 2005 through December 31, 2005)

	Alliance 2005 Budget Items	Recommended 2005 Budget	Source of Service
Staff Support for Alliance and SWAGs			
OC1	Administration Services (9 months)	$ 62,000	To be hired by ARC
OC2	Staff Support (3 months)	$ 18,000	RPO*
OC3	Subwatershed Advisory Group Facilitation	$ 81,000	RPO*
Staff Support Total		$ 161,000	
Public Involvement and Education			
PIE1	Public Education Committee Support	*$ 30,000*	RPO*
PIE2	Assembly Newsletter	*$ 5,000*	RPO*
PIE3	Coordination with SEMCOG	*$ 8,000*	RPO or SEMCOG*
PIE4	Assembly PIE Subgrant	*$ 72,690*	Variable
Public Involvement and Education Total		$ 115,690	
Technical Support			
TC1	Baseline Sampling Program	$ 314,000	RPO*
TC2	Rouge Data Dissemination	*$ 19,000*	RPO*
TC3	Lab Services	$ 12,000	Contracted Service*
TC5	Continuous Monitoring	$ 136,840	USGS*
Technical Support Total		$ 481,840	
Total Budget Approved		**$ 758,530**	

* Firms or Agencies under contract with WCDOE

Required Change in Assessments Compared to 2004 **0%**

Source of funds (assumed) for 2005 budget:		
2005 Alliance Assessments (Based on 2004 Assembly Members)	$	297,503.00
Matching Rouge Project Federal Funds	$	297,503.00
Carryover Funds from 2004 Assembly Member Assessments	$	163,524.00
Total Budget	**$**	**758,530.00**

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