

Annette DeMaria, P.E., PMP
Executive Director



DRAFT AGENDA - November 16, 2022, 1:30 p.m. – 3:00 p.m.
By computer: [Click here to join the meeting](#)
Or call in +1 352-374-3246 Phone Conference ID: 295 342 893 335#

Auburn Hills
 Beverly Hills
 Bingham Farms
 Birmingham
 Bloomfield Hills
 Bloomfield Twp.
 Canton Twp.
 Commerce Twp.
 Dearborn Heights
 Farmington
 Farmington Hills
 Franklin
 Garden City
 Henry Ford College
 Inkster
 Lathrup Village
 Livonia
 Melvindale
 Northville
 Northville Twp.
 Novi
 Oak Park
 Oakland County
 Orchard Lake
 Plymouth
 Plymouth Twp.
 Redford Twp.
 Rochester Hills
 Romulus
 Schoolcraft College
 Southfield
 Troy
 University of
 Michigan-Dearborn
 Van Buren Twp.
 Walled Lake
 Washtenaw County
 Wayne
 Wayne County
 Wayne County Airport
 Authority
 West Bloomfield Twp.
 Westland
 Wixom

[Cooperating Partners:](#)
 Cranbrook Institute of Science
 Friends of the Rouge
 Great Lakes Water Authority
 Rouge River Advisory Council
 SEMCOG
 Southeastern Oakland
 County Water Authority
 The Henry Ford

			<u>Page</u>
1. Welcome –Doug Moore, Chair	Information		
a. Roll Call/Determination of Quorum			
b. Additions or changes to the Draft Meeting Agenda			
c. Approval of August 11, 2022, Meeting Summary	Action	follow link	
2. Executive Director Report – ARC Staff			
a. MS4 Update – A. DeMaria	Information		
b. GLWA Investigational Sampling Update	Information		
c. Grant Status Report – J. O’Meara	Information		2
d. Call for Projects	Information		
3. Treasurers/Finance Committee Report – Rebecca Runkel, Treasurer			
a. A/R, A/P and Profit/Loss Reports	Information		5
b. 2022 Member Dues	Information		
c. 2021 Single Audit	Action		9
d. Ratify E-mail Vote	Action		
• 9/8/22: 22 yay 0 nay – Revisions to ARC policies and the ARC Accounting Procedures Manual to meet EPA and Office of Management & Budget compliance and become pre-award certified (PAC) until 9/12/26			
• 9/26/22: 26 yay 0 nay - 2022 Budget Amendment adding \$5,008,595 in grant funds for EPA10 Wilcox/Phoenix Implementation and \$810,000 in grant funds for EPA11 LTU wetland Implementation			
e. 2023 Budget Recommendations	Action		27
f. 2023 ECT and FOTR Work Orders	Action		45
4. Standing Committee Reports – Doug Moore			
a. Organization Committee Progress Report (T. Gabriel, Chair)	Information		
b. PIE Committee Progress Report (J. Garrison, Chair)	Information		
c. Technical Committee Progress Report (K. Mondora, Chair)	Information		
5. Report from Cooperating Partners – Doug Moore	Information		
6. Report from Counties – Doug Moore	Information		
7. Report from EGLE – Doug Moore	Information		
8. Opportunity for Public Comment – Doug Moore	Information		
9. Other Business – Doug Moore	Information		
10. Summary of Actions of Full Alliance – Tennille Newsome	Information		
11. Adjourn	Action		

ARC GRANT PROJECTS STATUS – October 2022

ARC CURRENT GRANTS

EGLE PAC Support Grant

- Completed and final report submitted.

EPA Wayne County Henry Ford Estate Dam Fish Passage

- Partial opening of the fishway was done in August. Full opening will occur in July/August 2023.
- Pedestrian barriers will be in place at the maintenance bridge and under the road through this October.
- Contractor has completed vegetation maintenance for season and site corrections needed.

Nankin Lake Restoration

- Contractor has installed all in lake plants
- Dredging is complete and removal of sediment from site starting has started.
- Site restoration will occur in spring 2023.

EPA Johnson Creek Fish Hatchery and Tamarack Creek Restoration Implementation

Johnson Creek Fish Hatchery Restoration

- Contractor finishing vegetation maintenance and some punch list items

Tamarack Creek Restoration

- Contractor performing final site work and vegetation maintenance.

EPA Seeley Creek Habitat Restoration

- Bidding was completed in September
- Contractor will do some invasive treatments this fall and begin stream work spring 2023.

EPA Colonial & Venoy Restoration

Colonial Restoration

- Contractor has completed all grading and plantings.
- Vegetation maintenance will be conducted in 2023.

Venoy Restoration

- Construction grading of wetlands has been completed
- Most of the planting will be completed this fall
- Vegetation maintenance will be completed in 2023.

EPA Wayne County Parkland Implementation

- ARC will be turning in a EPA Grant budget amendment request based on the bids/contracts for the Sherwood, Lower Rouge, Bell, and Lola projects. This will also request a time extension to complete the start and complete the Riverview project.

Sherwood Restoration

- Construction has been completed, with exception of a few plants to be installed this October.
- Vegetation maintenance will be completed in 2023.

Bell Restoration

- Construction work will be completed this fall with exception of plantings to be done in Spring 2023 (seeding done this fall).

- Vegetation maintenance will be completed in 2023.

Lola Restoration

- Construction work will be completed this fall with exception of plantings to be done in Spring 2023 (seeding done this fall).
- Vegetation maintenance will be completed in 2023.

Lower Rouge

- Log Jam removals complete
- Reforestation work on pause to be completed next spring 2023

Riverview Restoration

- Anticipation of construction bidding late this November/December 2022.
- Contractor on under contract in early 2023.
- Some invasive work may occur in 1st Q 2023 otherwise construction will begin in spring 2023.

EPA LTU Wetland Habitat Restoration Design and New Implementation Grant

- Design grant final report completed and submitted to EPA.
- EGLE permit application in process
- EPA Implementation grant received by ARC
- Construction bidding anticipated for later fall with construction in November 2022
- Contractor on under contract in early 2023.
- Some invasive work may occur in 1st Q 2023 otherwise construction will begin in spring 2023

EPA Wilcox/Inkster/Phoenix Restoration Design & New Wilcox/Phoenix Implementation

Wilcox Lake Restoration

- Field work completed
- Design is at 75%
- EGLE permit application to be submitted in October
- Construction bid documents to be completed in November 2022
- EPA Implementation grant received by ARC
- Anticipation of construction bidding late this November/December 2022.
- Contractor on under contract in early 2023.
- Some invasive work may occur in 1st Q 2023 otherwise construction will begin in spring 2023.

Phoenix Lake Restoration

- Field work completed
- Design is at 75%
- EGLE permit application to be submitted in October
- Construction bid documents to be completed in November 2022
- Anticipation of construction bidding late this November/December 2022.
- Contractor on under contract in early 2023.
- Some invasive work may occur in 1st Q 2023 otherwise construction will begin in spring 2023.

Inkster Restoration

- Design is at 30%
- Additional habitat areas will be designed for based on EPA conversation
- EGLE permit application to be submitted in winter 2023.
- Construction start anticipated in later summer/fall 2023.

USDA Forest Service – Reducing Runoff in the Rouge River AOC

- Requested extension granted by USDA
- Communities in process of acquiring trees for planting
- Some communities decided not to plant so redistribution of some trees to others
- Green Infrastructure design and implementation underway

Regional Investigational Monitoring Work Plan for Southeast Michigan

- Evaluating cost allocation options

ARC GRANT APPLICATIONS

USDA Forest Service – Reducing Runoff in the Rouge River AOC – ARC is in the process of turning in a new grant application for additional trees and green infrastructure for Rouge communities. This grant will be submitted in November 2022.

EPA Environmental Justice Underserved Communities – ARC is working with WC Parks, City of Inkster, and FOTR on a grant package for community connectivity/park amenities layer associated with the Colonial/Inkster Park Habitat Restoration and Venoy Park Habitat Restoration projects. This will be turned in the first of the year 2023.

2022-2025 EGLE PAC Support Grant – The ARC will be submitting in November, on behalf of RRAC, a new PAC support grant to EGLE. This grant will include RRAC administrative and business items and continued monitoring. The work under the grant will be done by the ARC staff and FOTR.

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11/10/22

Alliance of Rouge Communities
A/R Aging Summary
As of November 11, 2022

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Beverly Hills	0.00	0.00	0.00	0.00	3,703.00	3,703.00
Henry Ford Community College	0.00	0.00	0.00	0.00	974.00	974.00
Lathrup Village	0.00	0.00	0.00	0.00	1,554.00	1,554.00
MDEQ SAW Grant	0.00	0.00	0.00	0.00	0.00	0.00
Romulus	0.00	0.00	0.00	0.00	2,758.00	2,758.00
Schoolcraft College	0.00	0.00	0.00	0.00	974.00	974.00
Southfield	0.00	0.00	0.00	0.00	23,307.00	23,307.00
USDA Forest Service	125.00	190.00	120.00	0.00	566.86	1,001.86
Wayne County DOE	0.00	11,943.75	0.00	0.00	0.00	11,943.75
TOTAL	<u>125.00</u>	<u>12,133.75</u>	<u>120.00</u>	<u>0.00</u>	<u>33,836.86</u>	<u>46,215.61</u>

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11/10/22

Alliance of Rouge Communities
A/P Aging Summary
As of November 10, 2022

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Anglin Civil	228,314.87	0.00	0.00	0.00	0.00	228,314.87
G-Force	3,950.00	0.00	0.00	0.00	0.00	3,950.00
TOTAL	<u>232,264.87</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>232,264.87</u>

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Accrual Basis

Alliance of Rouge Communities

Profit & Loss Budget vs. Actual

January through December 2022

	Jan - Dec 22	Budget
Ordinary Income/Expense		
Income		
47200 · Program Income		
4792 · 2022 ARC Membership Dues	343,539.00	343,539.00
4793 · WC Parks Amenities - Col/Ven	0.00	600,000.00
Total 47200 · Program Income	343,539.00	943,539.00
47500 · Contributions		
11501 · FS4 20-22 Reduce Runoff match	11,100.00	16,362.00
47500.1 · Contributions-Donated Service	0.00	30,000.00
Total 47500 · Contributions	11,100.00	46,362.00
48000 · Grants		
48908 · NOAA3-HFE Dam Fish Passage	0.00	500.00
48913 · EGLE PAC Supt 11 RRAC Fac 20-22	42,509.00	43,000.00
60665 · WC EPA1 HFE Fishway	11,943.75	
60667.1 · EPA4-Implement Tam/Johnson Crk	242,792.72	1,167,559.00
60667.2 · EPA5-Seeley Creek Hab Res	3,046.88	110,500.00
60667.3 · EPA6A-RR AOC Venoy	206,738.68	127,000.00
60667.4 · EPA6B-RR AOC Colonial	447,102.33	127,000.00
60667.5 · EPA7-WC 5 Parks Implementation	1,177,623.25	2,950,590.00
60670 · FS4 20-22 Reduce Runoff	20,513.11	49,083.00
60671 · EPA8 LTU Wetland Design	70,960.79	50,000.00
60672 · EPA9 - Wil/Pho/Ink Design	310,647.21	560,100.00
60673 · GLWA1	27,717.33	15,000.00
Total 48000 · Grants	2,561,595.05	5,200,332.00
Total Income	2,916,234.05	6,190,233.00
Expense		
60400 · ARC Awards and Grants		
60410 · Executive Director Services		
60410.2 · 101 Program Support	43,774.01	60,000.00
60410.3 · 102 MGT Admin & Financial	37,606.25	58,000.00
60410.4 · 103 Funding - grants	3,815.00	12,295.00
Total 60410 · Executive Director Services	85,195.26	130,295.00
60420 · Public Involv. & Education Com.		
60420.1 · PIE1-Col PEP/PPP Annual act.	36,872.77	52,280.00
60420.2 · PIE2-Col PEP/PPP 5yr activities	34,355.05	46,280.00
Total 60420 · Public Involv. & Education Com.	71,227.82	98,560.00
60430 · Technical Committee		
60430.5 · IDEP Investigations	12,222.51	
60432.1 · TC1-Col IDEP/TMDL annual	13,490.00	90,800.00
60432.2 · TC2-Col IDEP/TMDL 5yr	15,840.00	16,160.00
60432.3 · TC3-5 yr large scale outfall	0.00	66,000.00
Total 60430 · Technical Committee	41,552.51	172,960.00
Total 60400 · ARC Awards and Grants	197,975.59	401,815.00

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11/10/22

Accrual Basis

Alliance of Rouge Communities

Profit & Loss Budget vs. Actual

January through December 2022

	Jan - Dec 22	Budget
60430.6 · TMDL Sampling	33,662.46	
604608 · SPAC11 RRAC Facilitation 2020	36,069.00	43,000.00
606651 · WC EPA1 HFE Fishway	11,943.75	500.00
606655 · EPA5-Seeley Creek Hab Restor.	3,046.88	110,500.00
606656 · EPA4-Implement Tam/Johnson Crk	242,792.72	1,167,559.00
606658 · EPA6A-RR AOC Venoy	241,864.14	127,000.00
606659 · EPA6B-RR AOC Colonial	411,976.87	127,000.00
606660 · EPA7 WC 5 Park Implementation	1,405,938.12	2,950,590.00
606661 · FS4 20-22 Reduce Runoff	19,946.25	65,445.00
606662 · EPA8 LTU Wetland Design	70,960.79	50,000.00
606663 · EPA9 - Wil/Phoe/Ink Design	294,248.17	560,100.00
606664 · GLWA1 - Investigational monitor	35,950.00	15,000.00
606665 · WC Parks Amenities - Colonial	0.00	400,000.00
606666 · WC Parks Amenities - Venoy	0.00	200,000.00
62100 · Contract Services		
62110 · FC1-Accounting Fees	18,180.00	20,500.00
62140 · FC1-Legal Fees	0.00	1,000.00
65120 · FC2-Insurance - D&O	1,042.00	1,500.00
65121 · Mailbox and web hosting fee	0.00	1,750.00
Total 62100 · Contract Services	19,222.00	24,750.00
Total Expense	3,025,596.74	6,243,259.00
Net Ordinary Income	-109,362.69	-53,026.00
Net Income	-109,362.69	-53,026.00

ALLIANCE OF
ROUGE
COMMUNITIES

**Audited Financial
Statements**

For the years ended
December 31, 2021 and 2020

ALLIANCE OF ROUGE COMMUNITIES
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FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Alliance of Rouge Communities

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Alliance of Rouge Communities (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alliance of Rouge Communities as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alliance of Rouge Communities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alliance of Rouge Communities' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alliance of Rouge Communities' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alliance of Rouge Communities' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2022, on our consideration of Alliance of Rouge Communities' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alliance of Rouge Communities' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alliance of Rouge Communities' internal control over financial reporting and compliance.

Jason F. Clausen, P.C.

Fraser, MI
September 29, 2022

ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 310,122	\$ 217,904
Accounts Receivable	<u>266,958</u>	<u>250,106</u>
TOTAL ASSETS	<u>\$ 577,080</u>	<u>\$ 468,010</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts Payable	\$ 325,044	\$ 224,709
Accrued Expenses	<u>-</u>	<u>48,227</u>
TOTAL LIABILITIES	325,044	272,936
NET ASSETS:		
Without Donor Restrictions	(57,794)	(105,032)
Board Designated Quasi Endowment	<u>50,000</u>	<u>50,000</u>
Total Without Donor Restrictions	(7,794)	(55,032)
With Donor Restrictions	<u>259,830</u>	<u>250,106</u>
TOTAL NET ASSETS	<u>252,036</u>	<u>195,074</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 577,080</u>	<u>\$ 468,010</u>

See independent auditor's report and notes to the financial statements

ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			
	Without Donor Restrictions	With Donor Restrictions	Total	2020
REVENUE:				
Membership Dues	\$ 336,801	\$ -	\$ 336,801	\$ 330,142
Grants	-	2,117,644	2,117,644	1,843,923
Contributions	-	-	-	35
Services	4,050	-	4,050	-
In-kind Donations	94,945	-	94,945	37,500
Net Assets Released from Restrictions	2,107,920	(2,107,920)	-	-
Total Revenue	2,543,716	9,724	2,553,440	2,211,600
EXPENSES:				
Program	2,410,087	-	2,410,087	2,115,240
Management and General	73,378	-	73,378	66,631
Fundraising	13,013	-	13,013	11,887
Total Expenses	2,496,478	-	2,496,478	2,193,758
CHANGE IN NET ASSETS	47,238	9,724	56,962	17,842
NET ASSETS:				
Beginning of year	(55,032)	250,106	195,074	177,232
End of year	\$ (7,794)	\$ 259,830	\$ 252,036	\$ 195,074

See independent auditor's report and notes to the financial statements

ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

	2021				2020
	Program	Management and General	Fundraising	Total	
Executive Director Services	\$ 61,976	\$ 52,513	\$ 12,666	\$ 127,155	\$ 132,361
Public Involvement & Education	67,040	-	-	67,040	74,626
Technical Committee	96,232	-	-	96,232	119,517
Project Expenses	2,179,089	-	-	2,179,089	1,843,923
Professional Fees	-	19,425	-	19,425	20,513
Subcontractors	4,050	-	-	4,050	-
Insurance	493	418	101	1,012	986
Website	712	603	145	1,460	1,179
Office Expense	495	419	101	1,015	630
Bank Charges	-	-	-	-	23
Total Expenses	<u>\$ 2,410,087</u>	<u>\$ 73,378</u>	<u>\$ 13,013</u>	<u>\$ 2,496,478</u>	<u>\$ 2,193,758</u>

See independent auditor's report and notes to the financial statements

ALLIANCE OF ROUGE COMMUNITIES
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FROM OPERATING ACTIVITIES:		
CHANGE IN NET ASSETS	\$ 56,962	\$ 17,842
Changes in operating assets and liabilities which increase (decrease) cash flow -		
Accounts receivable	(16,852)	9,255
Accounts payable	100,335	(127,120)
Accrued expenses	(48,227)	42,098
Deferred revenue	<u>-</u>	<u>(2,773)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>92,218</u>	<u>(60,698)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	92,218	(60,698)
CASH AND CASH EQUIVALENTS BALANCE - beginning of year	<u>217,904</u>	<u>278,602</u>
BALANCE - end of year	<u>\$ 310,122</u>	<u>\$ 217,904</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

See independent auditor's report and notes to the financial statements

ALLIANCE OF ROUGE COMMUNITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Alliance of Rouge Communities (ARC) was formed in 2005 as an unincorporated association operating under and authorized by Part 312 of the Michigan Natural Resources and Environmental Protection Act. ARC is a voluntary public watershed entity. Its members consist primarily of municipal governments located in Wayne, Oakland and Washtenaw counties. ARC's purpose is to encourage watershed-wide cooperation and mutual support to meet water quality permit requirements and to restore beneficial uses of the Rouge River to the area residents.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December, 31, 2020, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers all cash and amounts due from depository institutions that are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents for purposes of the statement of cash flows.

Receivables

Accounts receivable consist primarily of noninterest-bearing amounts due for membership dues and reimbursements due from local and federal agencies under various grant agreements. The determination for allowance for uncollectable accounts receivable is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At December 31, 2021 and 2020, the allowance was \$0.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Without Donor Restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- With Donor Restrictions: Net assets subject to donor (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition

The Organization's revenue consists primarily of membership dues and cost-reimbursable federal and state contracts and grants. Membership dues, which are nonrefundable, are comprised of an exchange element based on the value of benefits provided for assisting communities with state imposed water permit requirements, and are recognized over the membership period, which is the calendar year in which they

ALLIANCE OF ROUGE COMMUNITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

are billed. Cost-reimbursable contracts and grants are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received cost-reimbursable grants of \$8,512,106 that have not been recognized at December 31, 2021 because qualifying expenditures have not yet been incurred.

ARC has adopted Accounting Standards Update (ASU) No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605) as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

Two grantors accounted for approximately 81% and 78% of grant revenue during the years ended December 31, 2021 and 2020, respectively.

Allocation of Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Expenses that can be identified with a specific program are charged directly to that program. Program expenses that cannot be identified with a specific program require allocation on a reasonable basis that is consistently applied. The operation expenses that are allocated to programs are based on the ratio of program executive director services to total executive director services.

Use of Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Income Tax Status

Alliance of Rouge Communities is organized as a Michigan nonprofit corporation and has been recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to the Organization's exempt purposes. The Organization has determined that it is not subject to unrelated business income tax and is not required to file an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use due to contractual or donor-imposed restrictions within one year of the balance sheet date.

ALLIANCE OF ROUGE COMMUNITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

Financial assets at year-end:	
Cash	\$ 310,122
Accounts Receivable	266,958
Total financial assets	<u>577,080</u>
Less amounts unavailable to be used within one year:	
Quasi endowment established by the board	<u>50,000</u>
Financial assets available to meet general expenditures within one year	<u>\$ 527,080</u>

ARC's policy is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, management has determined that maintaining excess cash in the organization's bank account is sufficient to meet the cash flow needs of the organization.

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash account in a commercial bank located in Michigan. The account is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2021, the balance exceeded the FDIC limit by \$60,122. At December 31, 2020, the balance was fully insured.

NOTE 4 – CONTINGENCIES

The final determination of grant revenue is subject to the acceptance of qualifying costs by the grantor agencies. To the extent that costs are disallowed by any grantor agency, the Organization would be required to reimburse the applicable grantor. ARC does not believe that any potential disallowed costs would be material to the financial statements.

NOTE 5 – REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 Revenue from Contracts with Customers (Topic 606), as amended, as management believes the standard improves the usefulness and understandability of ARC's financial reporting. Analysis of various provisions of this standard resulting in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standards.

NOTE 6 – IN-KIND DONATIONS

The Organization received donated services from a non-profit organization and local government agencies for assistance with tasks related to the public involvement and education committee and technical committee. The Organization also received in-kind match for purchase of trees from its member communities. For the year ended December 31, 2021 and 2020, the total fair value of all in-kind donations received was \$94,945 and \$37,500, respectively.

ALLIANCE OF ROUGE COMMUNITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 7 – RELATED PARTY TRANSACTIONS

The Organization has a contract with ECT, Inc. for Executive Director services. The Executive Director is a shareholder and employee of ECT, Inc. The amount billed from ECT, Inc. for services and reimbursable expenses were \$1,100,465 and \$1,193,708 for the years ended December 31, 2021 and 2020, respectively.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 29, 2022, the date which the financial statements were available to be issued.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Alliance of Rouge Communities

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Alliance of Rouge Communities (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 29, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alliance of Rouge Communities' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alliance of Rouge Communities' internal control. Accordingly, we do not express an opinion on the effectiveness of Alliance of Rouge Communities' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alliance of Rouge Communities' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jason F. Clausen, P.C.

Fraser, MI
September 29, 2022



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Alliance of Rouge Communities

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Alliance of Rouge Communities' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Alliance of Rouge Communities' major federal programs for the year ended December 31, 2021. Alliance of Rouge Communities' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Alliance of Rouge Communities complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Alliance of Rouge Communities and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Alliance of Rouge Communities' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Alliance of Rouge Communities' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Alliance of Rouge Communities' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Alliance of Rouge Communities' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Alliance of Rouge Communities' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Alliance of Rouge Communities' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Alliance of Rouge Communities' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on Alliance of Rouge Communities' response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Alliance of Rouge Communities' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jason F. Clausen, P.C.

Fraser, MI

September 29, 2022

ALLIANCE OF ROUGE COMMUNITIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Agency/Cluster or Program Title	Direct or Pass-Through Grantor	Pass-Through Grant Number	CFDA Number	Federal Expenditures
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Great Lakes Programs Rouge River AOC Habitat Design Projects	Great Lakes National Program Office	GL-00E02344-2	66.469	\$ 8,900
GLRI: Seeley Creek Habitat Restoration		GL-00E02700-0	66.469	31,161
Rouge River AOC Habitat Restoration Implementation - Tamarack/Johnson Fish Hatchery		GL-00E02478-0	66.469	1,447,153
Rouge River AOC Habitat - Colonial & Venoy Restoration		GL-00E02830-0	66.469	90,671
Rouge River AOC Habitat Restoration Implementation - Wayne County Parkland		GL-00E02896-0	66.469	69,411
Rouge River AOC Habitat Restoration - LTU Wetland Habitat Design		GL-00E02976-0	66.469	52,425
Rouge River AOC Habitat Restoration - Wilcox/Phoenix/Inkster Habitat Design		GL-00E02997-0	66.469	55,065
Rouge River AOC PAC Support - Facilitation, Habitat, and Fish Surveys	Michigan Department of Environment, Great Lakes, and Energy	GL-00E02481	66.469	49,913
Great Lakes Restoration Initiative Rouge River Areas of Concern Wayne County Habitat Restoration	Wayne County	GL-00E02040-0	66.469	560
River Rouge AOC Wayne County Parks Habitat Restoration Design		GL-00E02432-2	66.469	263,830
USDA, FOREST SERVICE				
Region 9, State & Private Forestry GLRI: Reducing Runoff in the Rouge River Area of Concern	Great Lakes Restoration Initiative	21-DG-11094200-007	10.664	48,556
TOTAL FEDERAL AWARDS			\$	2,117,645

See independent auditor's report and notes to the schedule of expenditures of federal awards

ALLIANCE OF ROUGE COMMUNITIES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Alliance of Rouge Communities and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

NOTE 2 - INDIRECT COST RATE

Alliance of Rouge Communities did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

ALLIANCE OF ROUGE COMMUNITIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

SECTION I - Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? ☐ yes ☒ no

Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? ☐ yes ☒ no

Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.515? ☐ yes ☒ no

Identification of major programs:

CFDA Number:	Name of Federal Program or Cluster
66.469	Great Lakes Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? ☐ yes ☒ no

SECTION II – Corrective Action Plan

No matters were noted, therefore no corrective action is necessary.

SECTION III - Summary Schedule of Prior Audit Findings

There were no findings from prior years.

See independent auditor's report and schedule of expenditures of federal awards

ARC 5 YEAR PLAN FOR OPERATIONAL AND PERMIT SERVICES

Approved: 11-19-18, Revised: 11-7-2019, 9/30/20

Cash Flow	2019	2020	2021	2022	2023
Balance Rollover from 2018 (originally \$133,000, \$50k held as rainy-day savings)	\$ 83,000	\$ 127,232	\$ 145,074	\$ 202,036	\$ 234,010
ARC Recommended Dues (2% annual increase)	\$ 322,805	\$ 329,261	\$ 336,803	\$ 343,539	\$ 350,410
Estimated Funds Available	\$ 405,805	\$ 456,493	\$ 481,877	\$ 545,575	\$ 584,420
Operations and Permit Budget Costs	\$ 307,554	\$ 322,180	\$ 285,940	\$ 311,565	\$ 342,221
Year End Balance	\$ 127,232	\$ 145,074	\$ 202,036	\$ 234,010	\$ 242,199

Annual Operations and Permit Services							
		2019	2020	2021	2022	2023	Entity
Organization Committee							
ED1	Executive Director Operational Services	\$ 127,740	\$ 127,740	\$ 127,740	\$ 130,295	\$ 132,901	ED
	ARC Operations - Direct Expenses	\$ 1,250	\$ 1,500	\$ 1,500	\$ 1,750	\$ 1,750	ARC
Organization Committee Total		\$ 128,990	\$ 129,240	\$ 129,240	\$ 132,045	\$ 134,651	
Finance Committee							
FC1	Accounting/Legal Services	\$ 19,000	\$ 19,000	\$ 19,500	\$ 19,500	\$ 20,500	ARC
FC2	ARC Insurance	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	ARC
Finance Committee Total		\$ 20,000	\$ 20,000	\$ 21,000	\$ 21,000	\$ 22,000	
ARC Operational Services Total		\$ 148,990	\$ 149,240	\$ 150,240	\$ 153,045	\$ 156,651	
Public Education and Involvement Committee							
PIE1	Collaborative PEP/PPP Annual permit activities	\$ 29,780	\$ 29,780	\$ 29,780	\$ 29,780	\$ 29,780	ED
	Watershed Monitoring	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	FOTR
	Printing and reporting	\$ 15,000	\$ 14,000	\$ 15,000	\$ 15,000	\$ 15,000	ARC/FOTR
PIE2	Collaborative PEP/PPP -5yr Permit Cycle activities	\$ 20,584	\$ 23,270	\$ 9,050	\$ 15,570	\$ 11,110	ED
	Permit Cycle Support	\$ 4,500	\$ 6,310	\$ 4,650	\$ 5,260	\$ 21,260	ARC/FOTR
PIE Committee Total		\$ 74,864	\$ 78,360	\$ 63,480	\$ 70,610	\$ 82,150	
Technical Committee							
TC1	Collaborative IDEP/TMDL annual permit activities	\$ 20,800	\$ 20,800	\$ 20,800	\$ 20,800	\$ 20,800	ED
	IDEP Investigation and Training	\$ 60,000	\$ 63,500	\$ 63,500	\$ 63,500	\$ 63,500	ARC/WC
TC2	Collaborative IDEP/TMDL 5yr permit cycle activities	\$ 2,900	\$ 10,280	\$ 4,700	\$ 73,080	\$ 19,120	ED
	IDEP Effectiveness Reporting	\$ 2,060	\$ 7,080	\$ 2,060	\$ 7,080		
	Update Storm sewer GIS	\$ 840	\$ 840	\$ 840			
	IDEP Training		\$ 1,800	\$ 1,800		\$ 1,820	
	Facility Dye Testing		\$ 560				
TC3	TMDL Second Round Sampling				\$ 66,000		
	TMDL Effectiveness Reporting					\$ 17,300	
Technical Committee Total		\$ 83,700	\$ 94,580	\$ 89,000	\$ 230,460	\$ 103,420	
Total Amount Requested by All Committees		\$ 307,554	\$ 322,180	\$ 302,720	\$ 454,115	\$ 342,221	\$ 1,728,791

Updated to reflect EGLE-Approved TMDL Plan 11-7-2019

381035.25

**Alliance of Rouge Communities
2023 Budget Request By Agency**

10/21/2022

Line Items		ED	ARC Direct	FOTR	SEMCOG	Total
ED1	Executive Director Operational Services	132,901.00	1,750.00			134,651.00
FC1	Accounting/Legal Services		21,500.00			21,500.00
FC2	ARC Insurance		1,500.00			1,500.00
PIE1	PEP/PPP: Annual permit activities	29,780.00	7,500.00	9,000.00	5,000.00	51,280.00
PIE2	PEP/PPP: 5yr permit cycle activities	8,250.25	1,160.00	3,000.00		12,410.25
TC1	IDEP: Annual permit activities	60,800.00				60,800.00
TC2	IDEP: 5yr permit cycle activities	1,820.00				1,820.00
TC3	TMDL: 5yr permit cycle activities	17,300.00				17,300.00
TC4	Permit Reapplication support	117,683.00				117,683.00
Total Requested		368,534.25	33,410.00	12,000.00	5,000.00	418,944.25

**Alliance of Rouge Communities
DRAFT 2023 Budget**

ORIGINALLY APPROVED:
AMENDMENTS:

2023 Anticipated Dues from Communities	\$350,412
Rollover funds from 2022 (estimate) ⁽³⁾	\$234,010
Total ARC Dues Available	\$584,422
2022 ARC Activities Budgeted	\$418,944
2023 estimated balance (estimated 2024 rollover)	\$165,478

TOTAL 2023 ARC FUNDING	\$584,422
TOTAL 2023 OUTSIDE FUNDING	\$9,413,652
TOTAL 2023 FUNDING	\$9,998,074
TOTAL 2023 ACTIVITY COST (Committee & Grants)	\$9,832,596
TOTAL 2023 ESTIMATED BALANCE (ALL SOURCES)	\$165,478

Note ⁽³⁾: in 2019 \$50,000 was put aside for future use to meet sampling requirements and is not included on this budget.

Proposed ARC Budget Items		Activity Cost	ARC Dues	Funding Source					Other Source/Match	"Provider" Using Budget (1)
Organization Committee										
OC1	Executive Director Operational Services									
	101-Program	\$ 62,000	\$ 62,000							ED
	102-Management	\$ 60,901	\$ 60,901							ED
	103-Fundraising	\$ 10,000	\$ 10,000							ED
	ARC Operations - Direct Expenses	\$ 1,750	\$ 1,750							ARC
Organization Committee Total		\$ 134,651	\$ 134,651							
Finance Committee										
FC1	Accounting/Legal Services	\$ 21,500	\$ 21,500							Outside vendor
FC2	ARC Insurance	\$ 1,500	\$ 1,500							Outside vendor
Finance Committee Total		\$ 23,000	\$ 23,000							
ARC Operational Services Total		\$ 157,651	\$ 157,651							
Public Education and Involvement Committee										
PIE1	Collaborative PEP/PPP Annual permit activities	\$ 29,780	\$ 29,780							ED
	Watershed Monitoring	\$ 9,000	\$ 9,000							FOTR
	Printing	\$ 12,500	\$ 12,500							ARC/SEMCOG
PIE2	Collaborative PEP/PPP -5yr Permit Cycle activities	\$ 8,250	\$ 8,250							ED
	Permit Cycle Support	\$ 4,160	\$ 4,160							ARC/FOTR
PIE Committee Total		\$ 63,690	\$ 63,690					\$ -		
Technical Committee										
TC1	Collaborative IDEP Plan annual permit activities	\$ 20,800	\$ 20,800							ED
	IDEP Investigation	\$ 40,000	\$ 40,000							ED
TC2	Storm Sewer GIS/Facility Dye Testing/Reporting 5yr Permit Cycle	\$ 1,820	\$ 1,820							ED
TC3	Collaborative TMDL Plan permit activities	\$ 17,300	\$ 17,300							ED
TC4	Permit Reapplication Support	\$ 117,683	\$ 117,683							ED
Technical Committee Total		\$ 197,603	\$ 197,603	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Amount Requested by All Committees		\$ 418,944	\$ 418,944	\$ -	\$ -	\$ -	\$ -	\$ -		
Grants (2)		Activity Cost	ARC Match Dues	SPAC or State	USFS	EPA	Wayne County	Other Source/Match	Outside Funding	
WCEPA1	HFE Dam Fishway Implementation thru 9/23/23 (total authorized \$493,000)	\$50,000	\$0				\$50,000			
EPA4	Rouge AOC Habitat Restoration Implementation - Tamarack/Johnson thru 4/01/23 (total award \$3,367,559)	\$587,000	\$0			\$587,000				
EPA5	Rouge AOC Seeley Creek Habitat Restoration thru 9/30/23 (total award \$815,000)	\$600,000	\$0			\$600,000				
EPA6 (A&B)	Rouge River AOC Colonial & Venoy Habitat Restoration thru 12/31/24 (total award \$1,834,000)	\$600,000	\$0			\$600,000				
EPA7	Rouge River AOC Habitat Restoration Implementation - Wayne Co. Parkland thru 12/31/23 (total award \$4,222,090)	\$2,237,250	\$0			\$2,237,250				
EPA9	Rouge River AOC Habitat Restoration Design - Wilcox/Phoenix/Inkster Habitat thru 2/3/23 (total award \$785,100)	\$142,000	\$0			\$142,000				
FS4	USDA FS Reducing Runoff in the Rouge River AOC thru 5/30/25 (total award \$261,780 & inkind match \$65,445)	\$197,402	0		\$193,402			\$4,000	FOTR volunteer match	
EPA10	Rouge River AOC Habitat Restoration – Wilcox/Phoenix Habitat Implementation (total award \$5,008,595)	\$4,350,000	0			\$4,350,000				
EPA11	Rouge River AOC Habitat Restoration – LTU wetland Habitat Implementation (total award \$810,000)	\$650,000	0			\$650,000				
Total Other Grants:		\$9,413,652	\$0	\$0	\$193,402	\$9,166,250	\$50,000	\$4,000		
TOTAL OUTSIDE FUNDING				\$0	\$193,402	\$9,166,250	\$50,000	\$4,000	\$9,413,652	

TOTAL ARC DUES AVAILABLE	\$584,422
TOTAL ACTIVITIES BUDGETED	\$418,944
Available Unallocated ARC Budget (total income minus total ARC Dues budget)	\$ 165,478

Notes

- (1) ED - Executive Director Services, WC - Wayne County, OC - Oakland County, FOTR - Friends of the Rouge, SEMCOG.
- (2) Dollar amounts may be adjusted throughout the year as they are estimates of what will be spent during the budget year.
- (3) In 2019 \$50,000 was put aside for future use to meet sampling requirements and is not included on this budget.

Budget Amendments/Adjustments

ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 WORKPLAN RECOMMENDATION

REQUEST DATE: October 21, 2022

LINE ITEM: OC1 Executive Director Services

COMMITTEE MAKING REQUEST: Organization Committee

BACKGROUND: The ARC hired, through a public RFP process, Environmental Consulting & Technology (ECT) in October 2018 to provide Executive Director and Operational & Technical Support Services to the ARC for a 5-year period beginning in 2019.

DESCRIPTION OF ANTICIPATED ACTIVITIES: The Executive Director Staff oversees the day-to-day affairs of the Alliance of Rouge Communities, including fiduciary and budgeting services as outlined in Work Order No. 2019-1. The duties for 2023 are summarized below (see Work Order for complete list of activities):

Executive Director Annual Services

- **101 – Program: Meeting and Technical Support** – ARC staff will attend, prepare for, and facilitate meetings of the Full ARC (2), Executive Committee (up to 4), Finance Committee (2), and 1 meeting for other committees as needed (organization, nominating etc.). This task includes the day-to-day ARC activities with staff, consultants and contractors, response to FOIA requests and activities to meet the Open Meetings Act requirements. This task includes communication with ARC members, preparing the 2022 ARC Annual Report, market non-ARC member communities, coordinate activities with cooperating partners and RRAC, and maintain storage of ARC records.

ARC staff will also promote the ARC as an advocate for the Rouge River Watershed and foster external relationships with other agencies, organizations and individuals. ARC staff will provide review/recommendations as necessary on various topics and serve on agency boards to promote the ARC. ARC Staff will coordinate presentations and activities with other watershed groups. ARC staff will respond to outside data/information requests. ARC staff will act as the primary liaison to state and federal agencies. ARC staff will staff the ARC booth at member community events and serve as primary liaison to all members and cooperating partners assisting with member questions and requests for information (general & technical). ARC staff will host the ARC's phone number and work with member communities to respond to citizen requests/concerns and conduct member surveys as necessary. ARC staff will also provide formal and informal interaction with government officials and provide technical support as requested.

- **102 – Management: Administration and Financial Services** –This task includes the following:
 - Maintaining the ARC's accounting using Quickbooks to track payables and receivables and conducting all procedures associated with the ARC Accounting Procedures Manual.
 - Work with an outside accountant to prepare the ARC's taxes and audit annually.
 - Administration of subcontractors.
 - Maintain/develop/review contracts and IAAs as necessary.
 - Update or prepare policies/procedures, bylaws and strategic plan as necessary,
 - Annual budget preparations.

- **103 – Fundraising: Grant Procurement Services** – Executive Director Staff will monitor, research and prepare up to 3 grant applications. Staff will maintain the ARC’s logins and eligibility status under various agencies. Upon grant awards staff will conduct discussions with granting agencies and review grant awards and secure signatures.

ARC Operational Direct Expenses – This includes web hosting fees, business license fees and the ARC’s mailbox fee.

RATIONALE: The ARC needs an executive director to manage its day-to-day activities and finances.

BUDGET: The estimated budget for this task is \$134,651 as shown below.

Item	Budget	Responsible Party
101 – Program: Meeting and Technical Support	\$62,000	ED
102 – Management: Administration and Financial Services	\$60,901	ED
103 – Fundraising: Grant Procurement Services	\$10,000	ED
ARC Operational Direct Expenses	\$1,750	ARC
Total	\$134,651.00	

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The Executive Director will report to the ARC Chair.



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ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 RECOMMENDED WORKPLAN

REQUEST DATE: September 22, 2022

LINE ITEM: FC1 – Accounting and Legal Services

COMMITTEE MAKING REQUEST: Finance Committee

BACKGROUND: The Alliance of Rouge Communities began budgeting for legal and accounting fees in 2010. In 2011 the ARC was designated by the IRS as a 501(c)(3) organization. Because of the federal grants received, the ARC is required to provide a Single Audit if the ARC receives more than \$750,000 in federal funds. The ARC is also responsible for preparing taxes. This line item also provides budget for legal advice regarding contracts or other legal issues that may arise during the year.

DESCRIPTION OF ANTICIPATED ACTIVITIES: These funds will be used for the preparation of the taxes, preparation of the financial report and the anticipation of needing a Single Audit. These funds would also cover any legal issues that may arise related to the ARC.

RATIONALE: The budget allocation would cover the costs incurred by a law firm and accounting firm.

BUDGET: \$21,500 (legal - \$1,000, accounting - \$20,500). This budget item will be paid with 100% ARC dues.

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The Chair of the Finance Committee will oversee this task on behalf of the Finance Committee. The ARC Executive Director staff will work with the law firm and accounting firm.



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ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 RECOMMENDED WORKPLAN

REQUEST DATE: September 22, 2022

LINE ITEM: FC1 – Accounting and Legal Services

COMMITTEE MAKING REQUEST: Finance Committee

BACKGROUND: The Alliance of Rouge Communities began budgeting for legal and accounting fees in 2010. In 2011 the ARC was designated by the IRS as a 501(c)(3) organization. Because of the federal grants received, the ARC is required to provide a Single Audit if the ARC receives more than \$750,000 in federal funds. The ARC is also responsible for preparing taxes. This line item also provides budget for legal advice regarding contracts or other legal issues that may arise during the year.

DESCRIPTION OF ANTICIPATED ACTIVITIES: These funds will be used for the preparation of the taxes, preparation of the financial report and the anticipation of needing a Single Audit. These funds would also cover any legal issues that may arise related to the ARC.

RATIONALE: The budget allocation would cover the costs incurred by a law firm and accounting firm.

BUDGET: \$21,500 (legal - \$1,000, accounting - \$20,500). This budget item will be paid with 100% ARC dues.

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The Chair of the Finance Committee will oversee this task on behalf of the Finance Committee. The ARC Executive Director staff will work with the law firm and accounting firm.



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ALLIANCE OF ROUGE COMMUNITIES

FINANCE COMMITTEE

2023 RECOMMENDED WORKPLAN

REQUEST DATE: September 22, 2022

LINE ITEM: PIE1 & PIE2

COMMITTEE MAKING REQUEST: PIE Committee

BACKGROUND: This request supports the implementation of the Collaborative Plans for Public Education (PEP) and Public Participation (PPP) that were approved by Michigan Department of Environment, Great Lakes and Energy (EGLE) in 2017. These plans directly support the stormwater permitting requirements for the ARC members listed in Table 1.

Table 1. ARC Members Participating in the Collaborative PEP Plan

COMMUNITIES		
Beverly Hills, Village of	Franklin, Village of	Oak Park, City of
Bingham Farms, Village of	Garden City, City of	Plymouth, City of
Birmingham, City of	Inkster, City of	Plymouth Township
Bloomfield Hills, City of	Lathrup Village, City of	Redford Township
Bloomfield Township	Livonia, City of	Southfield, City of
Canton Township	Melvindale, City of	Troy, City of
Dearborn Heights, City of	Northville, City of	Walled Lake, City of
Farmington, City of	Northville Township	Wayne, City of
Farmington Hills, City of	Novi, City of	West Bloomfield Township
		Westland, City of
COUNTIES	SCHOOLS	OTHER
Oakland County	Henry Ford College	Wayne County Airport Authority
Wayne County	Schoolcraft College	

DESCRIPTION OF ANTICIPATED ACTIVITIES

PIE1 – 2023 ANNUAL PERMIT ACTIVITIES

BMP0 – PIE Committee Support and PPP (ARC Staff)

This task will include holding up to 2 PIE Committee meetings if necessary. ARC Staff will provide meeting facilitation, agendas and handouts. ARC Staff will also report on topics of interest to the PIE Committee throughout the year and will develop budget recommendations and provide supporting documentation. This task will also include documentation of public comments on the Collaborative Plans and will promote the Plans on the ARC website and Facebook. ARC Staff will also participate in regional partnership activities on behalf of the ARC members. ARC Staff will prepare the annual report information for ARC Members.

BMP1 – Design/Distribute Materials (ARC Staff, ARC Direct, SEMCOG)

ARC Staff will create at least 24 Facebook posts on topics detailed in the Collaborative PEP annually and document social media statistics. ARC Staff will distribute public education materials to ARC members

to display at their facilities. This task will also include copies of print materials and purchase of giveaways like the pet waste containers and fertilizer clips. This includes participation in the One Water Public Education Campaign being led by SEMCOG and GLWA.

BMP2 – Articles/Ad Graphics (ARC Staff)

ARC Staff will coordinate/distribute new and existing articles and ad graphics. ARC Staff will develop strategies to increase the ARC visitors to the website and Facebook.

BMP3 – Displays & Posters (ARC Staff)

ARC Staff will rotate the ARC displays in 3-4 ARC member community's facilities or events.

BMP4 – Promote Hotlines and Educate on IDEP (ARC Staff)

ARC Staff will promote environmental hotlines to educate the public on illicit discharges and promote public reporting of illicit discharges and improper disposal of materials into the Rouge River through materials and the ARC's website and Facebook.

BMP7 – Promote & Support Volunteer Activities (ARC Staff)

ARC Staff will promote and assist in coordinating Rouge River volunteer activities such as volunteer events, rain barrel sales and local water festivals on the ARC's website and Facebook and provide information to ARC Members to assist in their promotion of these activities.

BMP8 – Promotion of and Support for Volunteer Monitoring Activities within the Rouge River Watershed (ARC Staff, FOTR)

FOTR will conduct the Winter Stonefly Search which includes the cost for FOTR staff time and supplies to train volunteers, collect the data and develop a report of the findings. ARC Staff will assist ARC members with planning and coordinating volunteer monitoring activities and promote them on the ARC's website and Facebook.

PIE2 –2023 PERMIT CYCLE ACTIVITIES

BMP0 – PIE Committee Support (ARC Staff)

ARC Staff will survey members regarding any local public notice requirements and meet them as appropriate. ARC Staff will invite the public to participate in the implementation and review of the permit which will include advertising it on Facebook and ARC member and partner websites.

BMP1 – Design/Distribute Materials (ARC Staff)

No anticipated activities in 2023.

BMP2 – Articles/Ad Graphics (ARC Staff)

ARC Staff, with PIE Committee oversight, will distribute existing and create 1 new article and 1 new ad graphic on topics detailed in the Collaborative PEP for use by ARC Members in their community newsletters, website and social media.

BMP3 – Displays and Posters (ARC Staff)

ARC Staff will update or create 1 new static display consistent with the collaborative PEP. ARC Staff will work with Wayne County to update an existing display or create a new static display. This display will be available for loan to ARC member communities.

BMP5 – Development of Homeowner Education Materials (ARC Staff)

ARC Staff will continue strategies to distribute the homeowner's brochure through homeowner packets and other avenues throughout the ARC member communities.

BMP6 – Workshops & Presentations

No anticipated activities in 2023.

BMP7 – Promote & Support Volunteer Activities (ARC Staff, FOTR)

ARC Staff will assist FOTR in planning and determining locations for 1 workday at an ARC community green infrastructure site. FOTR will plan and facilitate the workday. FOTR attendance sheets will be provided to ARC Staff and a survey will be conducted after the event to meet permit requirements.

FOTR will host at least 1 rain barrel sale event in an ARC member community. ARC staff will work with FOTR to coordinate participation from the ARC member community to host the rain barrel sale. FOTR will provide information on number of barrels sold and distribution within watershed to meet permit requirements.

BMP9 – Rouge River Watershed Signage (ARC Staff, ARC Direct)

ARC Staff have distributed the Rouge River watershed road signs to ARC communities for installation by spring 2023. In summer of 2023, ARC Staff will verify sign installation and prepare a map of new signs and missing/damaged sign installation locations to meet permit requirements.

RATIONALE: These actions will fulfill those best management practices (BMPs) identified in the ARC Collaborative PEP/PPP.

BUDGET: The total budget for this workplan is \$63,690.25 as outlined below. Detail on ARC Staff's budget can be found in the Executive Director's contract.

2023 Budget Allocation

TASK	RESPONSIBLE PARTY	BUDGET
<i>PIE1: 2023 Annual Activities</i>		
BMP 0. Facilitation/Reporting BMP 1. Design/Distribute Materials BMP 2. Articles/Ad Graphics BMP 3. Displays & Posters BMP 4. IDEP Hot Lines BMP 7. Promote Volunteer Workdays BMP 8. Promote Volunteer Monitoring	ARC Staff	\$29,780
BMP 1. Design/Distribute Materials	ARC Direct	\$7,500
BMP 1. Design/Distribute Materials	SEMCOG	\$5,000
BMP 8. Volunteer Monitoring	FOTR	\$9,000
<i>Sub-total PIE1</i>		<i>\$51,280.00</i>
<i>PIE2: 2023 Permit Cycle Activities</i>		
BMP 0. Facilitation/Reporting BMP 2. Article/Ad Graphic BMP 3. Displays & Posters BMP 5. Homeowners Brochure BMP 7. Volunteer Workdays BMP 9. Watershed Signs	ARC Staff	\$8,250.25
BMP 3. Printing of displays	ARC Direct	\$1,160
BMP 7. Volunteer Workday & Rain Barrel	FOTR	\$3,000
<i>Sub-total PIE2</i>		<i>\$12,410.25</i>
TOTAL 2023 PIE Budget		\$63,690.25

Person/Agency Responsible for Implementation

The responsible parties for each task are listed above. The Chair of the Public Involvement and Education Committee will oversee ARC Staff efforts and ARC Staff will oversee FOTR's and SEMCOG's efforts.



ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 Workplan Recommendation

Working together, restoring the river

REQUEST DATE: October 21, 2022

LINE ITEM: TC1 and TC2 – Collaborative IDEP Plan Permit Activities

COMMITTEE MAKING REQUEST: Technical Committee

BACKGROUND: This request supports the implementation of the Collaborative IDEP Plan that was approved by Michigan Department of Environment, Great Lakes and Energy (EGLE) on September 29, 2017. The plan directly supports the stormwater permitting requirements for the ARC members listed in Table 1.

Table 1. ARC Members Participating in the Collaborative IDEP Plan

COMMUNITIES		
Beverly Hills, Village of	Franklin, Village of	Oak Park, City of
Bingham Farms, Village of	Garden City, City of	Plymouth, City of
Birmingham, City of	Inkster, City of	Plymouth Township
Bloomfield Hills, City of	Lathrup Village, City of	Redford Township
Bloomfield Township	Livonia, City of	Southfield, City of
Canton Township	Melvindale, City of	Troy, City of
Dearborn Heights, City of	Northville, City of	Walled Lake, City of
Farmington, City of	Northville Township	Wayne, City of
Farmington Hills, City of	Novi, City of	West Bloomfield Township
		Westland, City of
COUNTIES	SCHOOLS	OTHER
Oakland County	Henry Ford College	Wayne County Airport Authority – Willow Run
Wayne County		

The Collaborative IDEP Plan elements to be addressed in this budget request are as follows:

- IDEP #0. Meetings and Facilitation (not included in the Plan but needed to facilitate implementation of the Plan)
- IDEP #3. Investigations
- IDEP #4. IDEP Training

DESCRIPTION OF ANTICIPATED ACTIVITIES:

IDEP #0. Meetings and Facilitation. Executive Director (ED) staff will

- Conduct up to two Technical Committee meetings including preparation of agenda and handouts; meeting facilitation; and the distribution of meeting summaries including recommendations for the Executive Committee;
- Develop budget recommendations for the following year's budget and provide supporting documentations;
- Survey members on various topics as necessary including the identification of additional priority areas;

- Coordinate an IDEP training session with SEMCOG; and
- Report on topics of interest to the Technical Committee throughout the year.

IDEP #3. IDEP Investigations. Conduct concentrated field investigations in priority areas (See Attachment A) to further isolate problem areas, identify illicit connections, and support community efforts to remove them. Work within Wayne County will be addressed by Wayne County Department of Public Services (WCDPS) and ED staff. Work within Oakland County will be undertaken by ED staff unless it falls within a county drain. County drain work will be undertaken by Oakland County Water Resources Commission (OCWRC) staff.

The field work will involve a combination of sampling, dye testing, smoke testing and CCTV inspections, as necessary, to locate illicit discharge sources. A report will be prepared by ED and WC staff to summarize the results of their investigations and recommended next steps for subsequent years. The budget includes analysis of 20 samples for human DNA. Prior to expending budget for this task, ED staff will present a scope of work and budget for review and approval by the Technical Committee.

BMP #4. IDEP Training. ED staff will coordinate with SEMCOG to schedule an IDEP Investigator and Stormwater Pollution Prevention training. Facility and administration costs will be funded by others

RATIONALE (including why needed): These tasks are consistent with the Phase II permit and the EGLE-approved Collaborative IDEP Plan.

BUDGET (including how the amount requested was established): The estimated total budget for this initiative is \$62,620 as summarized in the table below. The detail for the ED's budget can be found in the ED's contract and Work Order 2021-1.

Estimated Budget and Responsible Parties by Activity

TASK	RESPONSIBLE PARTY	AMOUNT
TC1: Annual Activities		
IDEP 0. Meetings and Facilitation	ARC Staff	\$20,800
IDEP 3. IDEP Oversight & Investigations*		\$40,000
Subtotal TC1		\$60,800.00
TC2: Permit Cycle Activities		
IDEP 4. IDEP Training	ARC Staff	\$1,820
Subtotal TC2		\$1,820.00
Total TC Budget		\$62,620.00

*Scopes of work to be defined and approved prior to budget expenditures.

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The responsible parties for each element are outlined in the table above. The Chair of the Technical Committee will oversee completion of the scope of work on behalf of the ARC.



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ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 Workplan Recommendation

REQUEST DATE: September 21, 2022

LINE ITEM: TC3 – Collaborative TMDL Plan Permit Activities

COMMITTEE MAKING REQUEST: Technical Committee

BACKGROUND: This recommendation supports the implementation of the Collaborative TMDL Plan that was approved by Michigan Department of Environment, Great Lakes and Energy (EGLE) on September 9, 2019. The plan directly supports the stormwater permitting requirements for the ARC members listed in Table 1.

Table 1. ARC Members Participating in the Collaborative IDEP Plan

COMMUNITIES		
Beverly Hills, Village of	Franklin, Village of	Oak Park, City of
Bingham Farms, Village of	Garden City, City of	Plymouth, City of
Birmingham, City of	Inkster, City of	Plymouth Township
Bloomfield Hills, City of	Lathrup Village, City of	Redford Township
Bloomfield Township	Livonia, City of	Southfield, City of
Canton Township	Melvindale, City of	Troy, City of
Dearborn Heights, City of	Northville, City of	Walled Lake, City of
Farmington, City of	Northville Township	Wayne, City of
Farmington Hills, City of	Novi, City of	West Bloomfield Township
		Westland, City of
COUNTIES	SCHOOLS	OTHER
Oakland County*	Henry Ford College	Wayne County Airport Authority – Willow Run
Wayne County	Schoolcraft College	

*Participating but this plan is not part of their pending permit application.

The Collaborative TMDL Plan elements to be addressed in this budget request is as follows:

- Reporting for the Event 2 monitoring completed in 2022.

DESCRIPTION OF ANTICIPATED ACTIVITIES:

Two reports will be prepared by ARC staff. First a metric summary report will be developed that describes the progress toward meeting the milestones provided in the Collaborative TMDL Plan (Table 2).

Table 2. Tracking Metrics for TMDL Plan Evaluation (ARC 2020)

Metric	Milestone
A. Success of Collaborative IDEP Plan Success of Wayne County IDEP Plan	See plans
B. Status of adoption of Post-Construction Stormwater Standards by Permittee	100% of permittees adopt new standards
C. Number of stormwater plans reviewed for private sites under new standards vs previous standards	100%
D. Percentage of permittee projects constructed under new standards vs previous standards; and Percentage of private projects constructed under new standards vs previous standards	100%
E. Success of Collaborative PEP Plan	See plan
F. Number of catch basins cleaned	100%
G. Miles of streets swept	100%
H. Number of stockpiles showing no impact to stormwater runoff	100%

In addition, a TMDL effectiveness report will be prepared that summarizes the monitoring data outlined in the Collaborative TMDL Plan (Table 3). This report will compare the 2022 data to the 2017 data to determine if the permittees are making progress toward meeting the pollutant reduction goals established in the *E. coli*, Biota and DO TMDL Assessment reports.

Both reports will be presented to the ARC in 2023.

Table 3. TMDL Monitoring Plan

Parameter	Anticipated Monitoring Sites	Frequency	Schedule
Dissolved oxygen	Event 1 and 2: Johnson Creek at 7 Mile east of Sheldon Road	Event 1: 5 months Event 2: 2 months	Event 1: May – Oct 2017 Event 2: May – Oct 2022, if needed
<i>E. coli</i>	Event 1: A) Communities: Terminus of initial priority areas and Priority outfalls with discharge B) Wayne County: Priority area outfalls with discharge Event 2: Communities and Wayne County: Terminus of initial priority areas and Priority outfalls that required advanced investigations (Category A and B outfalls) plus select Category C outfalls for a minimum of 100 sites	Event 1: A) 1 time B) 1 time Event 2: 1 time	Event 1: A) 2018 B) 2017-2018 Event 2: May – Oct 2022
Suspended solids	Event 1: 90 sites (Figure 1) Event 2: Sites with average wet weather TSS > 80 mg/l and with single samples > 120 mg/L from Event 1.	Event 1: 5 times Event 2: 1 time	Event 1: May – Oct 2017 Event 2: May – Oct 2022

RATIONALE (including why needed): This recommendation is consistent with the Phase II permit and the EGLE-approved Collaborative TMDL Plan. Based on this plan, these tasks are scheduled to be completed by March 30, 2023.

BUDGET (including how the amount requested was established): The estimated total budget for this initiative is \$17,300. The budget detail can be found in the ED's Work Order 2019-1, as revised.

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: The Chair of the Technical Committee will oversee completion of the scope of work on behalf of the ARC.



ALLIANCE OF ROUGE COMMUNITIES FINANCE COMMITTEE

2023 Workplan Recommendation

Working together, restoring the river

REQUEST DATE: October 21, 2022

LINE ITEM: TC4 – Permit Reapplication Support

COMMITTEE MAKING REQUEST: Technical Committee

BACKGROUND: This request provides permit reapplication support for the ARC permittees. The Michigan Department of Environment, Great Lakes and Energy (EGLE) has informed the ARC that MS4 permits will need to be reapplied for by April 1, 2023 for the permittees listed in Table 1.

Table 1. ARC Members requiring Permit Reapplication by April 1, 2023

COMMUNITIES		
Auburn Hills, City of	Franklin, Village of	Orchard Lake, Village of
Beverly Hills, Village of	Garden City, City of	Plymouth, City of
Bingham Farms, Village of	Inkster, City of	Plymouth Township
Birmingham, City of	Lathrup Village, City of	Redford Township
Bloomfield Hills, City of	Livonia, City of	Rochester Hills, City of
Bloomfield Township	Melvindale, City of	Southfield, City of
Canton Township	Northville, City of	Troy, City of
Dearborn Heights, City of	Northville Township	Walled Lake, City of
Farmington, City of	Novi, City of	Wayne, City of
Farmington Hills, City of	Oak Park, City of	West Bloomfield Township
		Westland, City of
COUNTIES	SCHOOLS	
Oakland County	Henry Ford College	
Wayne County	Schoolcraft College	

DESCRIPTION OF ANTICIPATED ACTIVITIES:

ARC staff will support its members in reapplying for the MS4 permit. This includes:

- Updates to the Collaborative IDEP, TMDL, PEP and PPP plans for submission to EGLE by April 1, 2023. This includes plan edits to address comments from EGLE.
- Preparation of a 5-year work plan and budget to aid the ARC in planning for the 2024 – 2028 permit activities. The work plan will be based on the activities outlined in the revised Collaborative IDEP, TMDL, PEP and PPP plans.
- Review of Stormwater Management Plans (SWMP) with each community and school permittee with a focus on the post construction, IDEP ordinance and good housekeeping/pollution prevention sections.

- Updates of SWMPs, where needed.
- Assistance with updating permittee contact information on MiWaters.
- Submission of the SWMPs to EGLE via MiWaters.

Some ARC members have engineering firms that support their MS4 permitting requirements. ARC staff will engage these firms, as requested by the ARC members, to complete updates to the SWMPs, updates to MiWaters contacts and submission of the SWMPs to EGLE via MiWaters.

RATIONALE (including why needed): These tasks are required to maintain compliance with the MS4 permit.

BUDGET (including how the amount requested was established): The estimated total budget for this initiative is \$117,683 as summarized below and detailed in the ED's work order 2023-1.

TASK	RESPONSIBLE PARTY	AMOUNT
Permit Reapplications	ARC Staff	\$100,333
Collaborative plan updates and 5 Year work plan and budget	ARC Staff	\$17,350
Total Budget		\$117,683

PERSON/AGENCY RESPONSIBLE FOR IMPLEMENTATION: ED staff will carry out the activities outlined herein. The Chair of the Technical Committee will oversee completion of the work on behalf of the ARC.

WORK ORDER No. 2023-1

This Work Order, when approved and signed, supplements the Master Services Agreement effective January 1, 2019 between Environmental Consulting & Technology, Inc., and its Affiliates* (Consultant) and the Alliance of Rouge Communities (ARC). Except as modified herein, all requirements of this basic Agreement remain in force.

PARAGRAPH I--SCOPE OF SERVICES

TC1 – Collaborative IDEP Plan Permit Activities (IDEP Investigations)

The Consultant will follow-up on the findings of the 2022 illicit discharge investigations which identified suspicious discharges in outfalls located across the watershed. As such, the Consultant will perform professional services as follows:

- Meet with community staff in the priority areas, gather maps to identify the drainage areas and obtain feedback on potential sources.
- Conduct concentrated field investigations in priority areas to further isolate problem areas and identify illicit connections. The field work will involve a combination of sampling and dye testing, as necessary, to locate illicit discharge sources. If smoke testing or CCTV inspections are needed, the Consultant will request the services from the community.
- Prepare a report to summarize investigation results and recommended next steps for subsequent years.

Prior to expending budget, ECT will present the 2022 priority areas for review and approval by the ARC Technical Committee.

TC4 – Permit Reapplication Support & Collaborative Plan Updates

The Consultant will support 33 ARC members in reapplying for the MS4 permit. This includes:

- Updates to the Collaborative IDEP, TMDL, PEP and PPP plans for submission to EGLE by April 1, 2023. This includes plan edits to address comments from EGLE.
- Preparation of a 5-year work plan and budget to aid the ARC in planning for the 2024 – 2028 permit activities. The work plan will be based on the activities outlined in the revised Collaborative IDEP, TMDL, PEP and PPP plans.
- Review of Stormwater Management Plans (SWMP) with each community and school permittee with a focus on the post construction, IDEP ordinance and good housekeeping/pollution prevention sections.
- Updates of SWMPs, where needed.
- Assistance with updating permittee contact information on MiWaters.
- Submission of the SWMPs to EGLE via MiWaters.

Some ARC members have engineering firms that support their MS4 permitting requirements. The Consultant will engage these firms, as requested by the ARC members, to complete updates to the SWMPs, updates to MiWaters contacts and submission of the SWMPs to EGLE via MiWaters.

PARAGRAPH II--COMPENSATION

The maximum cost of this Cost Reimbursable Work Order is \$157,683 as shown below.

		IDEP Investigations		Permit Reapplication Support		Collaborative Plan updates		Total	
Key Staff/ Classifications	Rate/hr	Hrs	Cost	Hrs	Cost	Hrs	Cost	Hrs	Cost
Annette DeMaria, P.E.	\$210	30	\$6,300	16	\$3,360	30	\$6,300	76	\$15,960
Sr. Level Staff	\$180		\$0		\$0		\$0	0	\$0
Emily Levine	\$145	180	\$26,100	256	\$37,120	50	\$7,250	486	\$70,470
Jr. Level Staff	\$105		\$0		\$0		\$0	0	\$0
Chris O'Meara	\$95		\$0	48	\$4,560	40	\$3,800	88	\$8,360
Tennille Newsome	\$60		\$0		\$0		\$0	0	\$0
ODCs									
Reimbursable Expenses (labs, sampling supplies, field vehicle) (fee inclusive)			\$7,600						\$7,600
Mileage (fee inclusive)					\$1,063				\$1,063
Subcontractor (fee inclusive) 17 communities @\$2900)					\$54,230				\$54,230
TOTAL			\$40,000		\$ 100,333		\$ 17,350	650	\$157,683

PARAGRAPH III--SCHEDULE

The services in this Work Order shall be completed no later than December 31, 2023.

**ENVIRONMENTAL CONSULTING & TECHNOLOGY, INC.
and its AFFILIATES***

By



Sanjiv K. Sinha, P.E., Ph. D.

Its

Senior Vice President

Date

10/21/22

ALLIANCE OF ROUGE COMMUNITIES

By

Doug Moore

Title

Chair

Date

WORK ORDER No. FOTR-2023-1 PIE Activities

This Work Order, when approved and signed, supplements the Master Services Agreement effective January 1, 2017 between Friends of the Rouge (CONTRACTOR) and Alliance of Rouge Communities (ARC). Except as modified herein, all requirements of this basic Agreement remain in force.

PARAGRAPH I--SCOPE OF SERVICES

PIE1 – Annual Permit Activities

BMP8 – Volunteer Monitoring Activities

The CONTRACTOR will perform a Winter Stonefly Search which includes the cost for FOTR staff time and supplies to train volunteers, collect the data and develop a report of the findings.

PIE2 – 5-Year Permit Activities

BMP7 – Promote & Support Volunteer Activities

The CONTRACTOR will plan and facilitate a workday focused on maintenance at an ARC community green infrastructure site. FOTR attendance sheets will be provided to ARC Staff and a survey will be conducted after the event to meet permit requirements. ARC Staff will assist FOTR in planning and determining locations for the workday.

The CONTRACTOR will host at least 1 rain barrel sale event in an ARC member community. ARC staff will work with FOTR to coordinate participation from the ARC member community to host the rain barrel sale. FOTR will provide information on number of barrels sold and distribution within watershed to meet permit requirements.

PARAGRAPH II--COMPENSATION

The maximum cost of this fixed cost Work Order is \$12,000.00. Each element shall be invoiced within 30 days of completion of the activity according to the amounts below.

PIE1 – Volunteer Monitoring	\$9,000
PIE2 – Volunteer Workday and Rain Barrels	\$3,000

PARAGRAPH III--SCHEDULE

The services in this Work Order shall be completed between January 1 and December 31, 2023.

FRIENDS OF THE ROUGE

By _____

Marie McCormick

Title Executive Director

Date _____

ALLIANCE OF ROUGE COMMUNITIES

By _____

By _____

Doug Moore

Title Chairperson

Date _____

Annette DeMaria

Title Executive Director

Date _____