



Financial Services Audit Committee Communication

Date: March 25, 2022

To: Great Lakes Water Authority Audit Committee

From: Nicolette N. Bateson, CPA, Chief Financial Officer & Treasurer

Re: Water Residential Assistance Program Update

Background: In June 2020, the Great Lakes Water Authority contracted with Public Sector Consultants (PSC) to engage stakeholders and perform an evaluation of WRAP program effectiveness and opportunities for improvement. In November 2020, PSC presented the Board of Directors with a list of recommendations which have largely been put into place. The effectiveness of these changes, along with the performance of service delivery partners was difficult to evaluate as the COVID-19 pandemic restrained WRAP client service opportunities. The evaluation of these changes was also occurring at a time when an unprecedented level of one-time water assistance funding was distributed to the action agencies by the state of Michigan. Best use of public resources was to apply the state and federally supported funding first and WRAP second. The pandemic further limited in-home services to protect the residents and workers in alignment with public health requirements and guidelines.

Analysis: Beginning July 1, 2021, the service partner delivery model moved from a decentralization from Wayne Metro as the lead for the entire service area to Oakland Livingston Human Service Agency (OLHSA) and Macomb Community Action Agency (MCAA) being the lead agency for their respective county. With nearly nine months experience with the new WRAP delivery model, there has been improvement in Oakland and Macomb utilization, but the pace and trajectory are still below meeting the needs that we know exist. Additionally, as we now emerge from the pandemic era with one-time funding for arrearages and assistance and a return to in-person interactions, *the timing and implementation for broader amendments to the WRAP program design and delivery model is warranted.*

It is important to note that we are very appreciative and have the highest level of respect for each of our service delivery partners, Wayne Metro, OLHSA, and MCAA. They have risen to an immense challenge over the past two years. Each agency, and each county, is unique. I want to underscore this point, because the barriers to success may sound critical of the individual agencies. That is not the case. What we have discovered, is that 1) there are a number of competing priority programs to manage in the human services area, 2) fundamental changes that need to be made to the WRAP design and delivery methods for

greater success, and 3) a “one source” action agency, particularly for Oakland and Macomb, is leaving out a number of viable pipelines to reach out to constituents in need. It is important that the program moving forward retains what is working well and focus on the barriers to success. One of the areas working well is the relationship with the City of Detroit Water & Sewerage Department (DWSD) and Wayne Metro – particularly as it relates to program administration. The size of the city’s customer base makes it unique compared to the other member partner communities. For those reasons, proposals to amend some administrative processes may not be applicable to DWSD.

The table below is an executive summary of the barriers and **strategies** that we would like to begin to rollout with a target date of full implementation by July 1, 2022. There are many details to work through internally and with external stakeholders as well as the Board of Directors via the leadership of GLWA’s Affordability & Assistance Manager, Madison Merzlyakov. There is an attached memo from her related to details and next steps. The table below is presented to frame the discussion with the Audit Committee before we launch into an aggressive timeline to effectuate program changes.

Barriers to Success	Strategy
Program Benefits	
A payment amount of \$25/month is meaningful in some communities but not others	Utilize EPA’s model for determining water affordability where annual cost of water service is compared to household income and other relevant factors
Given the monthly bill compared to the \$25 payment, clients decline participation because they know they will not be successful based on their payment amount based on the relative size of their water bill	Scalability of payment, client education related to budget payments, reward participation of <i>some</i> payment to stay in program
Misnomer that someone needs to “have documented income” to receive benefits	Caseworker training that “proof of income” is helpful in determining eligibility but recognize that a person is in need because they have no income - allow for instances where there is temporarily no income and/or acknowledge that household support may come from other sources.
Lack of contractor resources and/or in-house action agency expertise to manage the water use efficiency audits and/or repairs	Expand client service delivery partners who have the staff resources and compatible programs to reach out and service more constituents; evaluate GLWA procuring master agreements for agencies to access for contractors

Barriers to Success	Strategy
Unique to the City of Flint – stop and start of WRAP based on funding available	Smoothing of existing resource commitments and perhaps more often reviews of overall program utilization/reallocation
Program Administration	
Three levels at which each community opts-in level 1, opt-in level 2, or complete opt-out; this is very confusing and burdensome for case workers. As a result, case workers do not promote WRAP at point of intake and/or the program becomes siloed from other agency offerings.	Eliminate the opt-in/opt out model and move to direct client service that eliminates workload on Member Partner communities. Train case workers with a simple list of eligible communities.
Tracking success of the monthly, bi-monthly, or quarterly payment is based on an unreasonably burdensome Excel file exchanged between Member Community and Action Agency.	Eliminate the burden on the Member Partner community. Empower caseworker to work with client to review the client’s progress in making payments as a pathway to long-term success rather than compliance validation by the Member Partner community.
Placing burden on a handful of action agencies are the best approach to reach constituents in need <i>throughout</i> the GLWA service area.	Expand “client service delivery partners” who have the staff resources and compatible programs to reach out to more people as well as provide services.
Action agency staffing is limited, program is burdensome, and other programs are higher priorities.	Expand client service delivery partners who have the staff resources and compatible programs to expand access to the program.
Data tracking monthly is not timely or effective for decision making and monitoring program effectiveness.	Client data sheet submitted to GLWA in some electronic method that provides statistical data (e.g., excludes client’s personal information).
Outreach	
Ensure the level of outreach matches the resources available for delivery on services promoted. If outreach increases client awareness, but there are not sufficient caseworkers, the program will falter.	Expand client service delivery partners who have the staff resources and compatible programs to reach out to more people and serve as secondary source to manage client needs.

Barriers to Success	Strategy
Expand grass roots partner engagement of WRAP to evaluate outreach effectiveness and networking.	Advisory panel including service delivery partners and others to support program success.

The next steps include the following.

1. Receive Audit Committee feedback
2. GLWA to build out the details of the WRAP strategy moving forward
3. Strengthen program delivery where it is most successful (Wayne Metro and DWSD)
4. Continue discussions with, and recruitment of additional service delivery partners with an emphasis on the GLWA service area outside of Wayne County

Proposed Action: Receive and file this report.