

The Quarterly WRAP Report includes the following:

1. Key Takeaways
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5. Reallocation Activity
6. Current Year Project Objectives

The Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) member partners. The program is funded by GLWA at an amount equal to 0.5 percent of budgeted revenues for the Regional System and not less than 0.5 percent, but not greater than 1.0 percent of budgeted revenues for the DWSD Local System. The budgeted WRAP funding for FY 2022 \$6.2 million combined for water and sewer services.

The approved guidelines include funding for a) payment assistance and b) water audit and water conservation measures. Eligible residential customers with a past due bill and/or who are in active shut off can receive assistance with paying down arrears and receive \$25 toward monthly bill payment assistance annually up to \$1,000. High volume water users can receive a one-time home audit and home water conservation services of an average \$1,500 per household. To participate in WRAP, an applicant must have household gross incomes at or below 200% of the federal poverty income thresholds. Customers with water usage at or above 120% of the average residential usage are eligible to participate in a water audit and install water conservation measures. WRAP participants are also encouraged to participate in both financial coaching and water conservation workshops as well as other support services. Wayne Metropolitan Community Action Agency (Wayne Metro), Oakland Livingston Human Services Agency (OLHSA), Macomb Community Agency (MCA), and Genesee County Community Action Resource Dept (GCCARD) are the community action agencies (CAA) currently administering the WRAP program.

The WRAP began assisting residents in the GLWA service area on March 1, 2016. Since inception through December 31, 2021, WRAP has committed over \$25.4 million in assistance and conservation funds to qualified participants. This program has the potential to serve over 100 communities within the GLWA service area.

The detailed performance metrics for the FY 2022 WRAP program as prepared by Public Sector Consultants, follows in Appendix A. Overall performance information as well as separate reporting for Wayne Metro, OLHSA, MCA and GCCARD are included.

Key Takeaways

- A 35% increase in enrollment in the WRAP program compared to Q1 of FY 2022.
- Arrearage payments have decreased significantly compared to Q1 of FY 2022. This is largely due to one-time funding from the Low-Income Household Water Assistance Program (LIHWAP) that is being used first to pay down arrearages rather than WRAP.
- The reallocation for FY2020 and FY2021 is being presented for Board of Director review in March 2022.

Community Participation

A community must receive water and/or sewer service from GLWA to be eligible for WRAP. Each eligible community can choose their level of participation. Option 1 includes bill assistance, arrearage assistance and conservation. Option 2 includes bill assistance and conservation, and Option 3 includes conservation only. To receive bill and arrearage assistance, eligible communities must formally opt into the program by signing a memorandum of agreement with their respective community action agency. To date, 80 communities have opted into WRAP. **Table 1 – WRAP Community Participation** shows the level of participation that each community has chosen.

Table 1 – WRAP Community Participation

Member Community	County	Option #1	Option #2	Option #3	In Progress	Not Opted In
Flint	Genesee	X				
Almont	Lapeer		X			
Imlay City	Lapeer					X
Lapeer	Lapeer	X				
Mayfield Township	Lapeer					X
Bruce Township	Macomb					X
Center Line	Macomb	X				
Chesterfield Township	Macomb	X				
Clinton Township	Macomb		X			
Eastpointe	Macomb	X				
Fraser	Macomb					X
Harrison Township	Macomb	X				
Lenox Township	Macomb					X
Macomb Township	Macomb	X				
New Haven	Macomb	X				
Romeo	Macomb					X
Roseville	Macomb					X
Shelby Township	Macomb	X				
St. Clair Shores	Macomb	X				
Sterling Heights	Macomb	X				
Utica	Macomb	X				
Warren	Macomb	X				
Washington Township	Macomb		X			
Ash Township	Monroe	X				
Berlin Township	Monroe					X
Carleton	Monroe					X
Estral Beach	Monroe					X
South Rockwood	Monroe					X
Auburn Hills	Oakland					X
Berkley	Oakland	X				
Beverly Hills	Oakland	X				
Bingham Farms	Oakland	X				
Birmingham	Oakland	X				
Bloomfield Hills	Oakland	X				
Bloomfield Township	Oakland	X				
Clarkston	Oakland					X
Clawson	Oakland	X				
Commerce Township	Oakland	X				
Farmington	Oakland	X				
Farmington Hills	Oakland	X				
Ferndale	Oakland	X				
Franklin	Oakland					X
Hazel Park	Oakland		X			
Huntington Woods	Oakland	X				
Independence Township	Oakland					X
Keego Harbor	Oakland	X				
Lake Angelus	Oakland					X
Lake Orion	Oakland	X				
Lathrup Village	Oakland	X				
Madison Heights	Oakland	X				
Novi	Oakland					X
Oak Park	Oakland		X			
Oakland Township	Oakland					X
Orchard Lake	Oakland	X				
Orion Township	Oakland	X				
Oxford Township	Oakland					X
Oxford Village	Oakland	X				
Pleasant Ridge	Oakland	X				
Pontiac	Oakland	X				
Rochester	Oakland					X
Rochester Hills	Oakland					X
Royal Oak, City of	Oakland	X				
Royal Oak Township	Oakland	X				

Member Community	County	Option #1	Option #2	Option #3	In Progress	Not Opted In
Southfield, City of	Oakland	X				
Southfield Township	Oakland					X
Sylvan Lake	Oakland					X
Troy	Oakland					X
Walled Lake	Oakland	X				
Waterford Township	Oakland		X			
West Bloomfield Twp.	Oakland		X			
Wixom	Oakland					X
Burtchville Township	St. Clair					X
Augusta Township	Washtenaw	X				
Pittsfield Township	Washtenaw	X				
Superior Township	Washtenaw	X				
York Township	Washtenaw					X
Ypsilanti, City of	Washtenaw	X				
Ypsilanti Township	Washtenaw	X				
Allen Park	Wayne	X				
Belleville	Wayne					X
Brownstown Township	Wayne	X				
Canton Township	Wayne	X				
Dearborn	Wayne	X				
Dearborn Heights	Wayne	X				
Detroit	Wayne	X				
Ecorse	Wayne	X				
Flat Rock	Wayne	X				
Garden City	Wayne	X				
Gibraltar	Wayne		X			
Grosse Ile Township	Wayne					X
Grosse Pointe	Wayne					X
Grosse Pointe Farms	Wayne					X
Grosse Pointe Park	Wayne					X
Grosse Pointe Shores	Wayne	X				
Grosse Pointe Woods	Wayne					X
Hamtramck	Wayne	X				
Harper Woods	Wayne	X				
Huron Charter Township	Wayne					X
Inkster	Wayne	X				
Lincoln Park	Wayne		X			
Livonia	Wayne	X				
Melvindale	Wayne	X				
Northville, City of	Wayne	X				
Northville Township	Wayne					X
Plymouth, City of	Wayne		X			
Plymouth Township	Wayne					X
Redford Township	Wayne	X				
River Rouge	Wayne	X				
Riverview	Wayne					X
Rockwood	Wayne					X
Romulus	Wayne	X				
Southgate	Wayne	X				
Sumpter Township	Wayne					X
Taylor	Wayne		X			
Trenton	Wayne	X				
Van Buren Township	Wayne	X				
Wayne, City of	Wayne	X				
Westland	Wayne	X				
Woodhaven	Wayne		X			
119		68	12	0	0	39

Color Key
Wayne Metro
Macomb Community Action
OLHSA

Approved Program Changes

As a first-of-its-kind assistance program in the state of Michigan, changes to WRAP may be required as the program matures. Following is a summary of program changes made to WRAP since 2016, as approved by the GLWA Board of Directors.

November 30, 2016:

Allow member communities to opt into program features that best meet the needs of their community. This is captured in the three options below:

Option 1

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- Up to \$700 in arrearage assistance to be paid 50% (up to \$350) after six months in the program, and 50% (up to \$350) after one year. Enrollees are eligible for a second-year arrearage assistance totaling \$700.
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 2

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 3

- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

August 22, 2018:

- Removal of the 120% usage requirement for the lead fixture replacement for in-home faucets that pre-date the lead-free plumbing code change.

January 23, 2019:

- Extend the 2-year time limitation to provide monthly bill assistance to senior citizens and disabled citizens.

March 11, 2020:

- Increase conservation and plumbing repairs spending per household from \$1,000 to

an average of \$1,500 and a cap of \$2,000 per customer for eligible residential customers; and

- Allow eligible residential customers that are renters to take advantage of conservation and plumbing repairs to reduce their water consumption, upon landlord executing an agreement not to raise rents for one year.

October 28, 2020:

- Temporary change to 1) allow program participants who are unable to make monthly payments on time to remain in WRAP if they demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable, until December 31, 2020..

April 28, 2021:

- Enabled the use of categorical eligibility to determine if a household can receive WRAP funds.
- Increased the WRAP arrearages payment cap to \$1,200 per household, per year, for a total of \$2,400 per household if they complete two years of the program.
- Updated the program reporting to include additional data on number of applicants deemed not eligible for WRAP, timeframe from application submission to program enrollment, number of participants making on-time bill payments, amount of arrearages paid per household, number of water audits completed, average cost of repairs per household, water consumption per household, number of program referrals, and additional forms of assistance provided via supplemental funding.

September 22, 2021:

- Created the ability for community action agencies to use special allowances for an additional \$1,000 in certain plumbing repair circumstances.
- Expanded eligibility to conservation and minor plumbing repair services to any household within a GLWA member partner community, regardless of whether the community participates in WRAP
- Removed the high-water user eligibility requirement for conservation and minor plumbing repair services

Current Year Budget and Allocations

Consistent with the previous fiscal years funding allocation for WRAP, the FY 2022 budgeted allocation is based on the proportionality of the revenues derived from each county and the city of Detroit, based on the approved FY 2022 water and sewer service charges and budget.

Table 2 - FY 2022 WRAP Budget and Allocations - This table shows the allocation of the budgeted WRAP funds, which is reflective of the approved FY 2022 budget of \$6.2 million. The city of Detroit is shown separately from the remaining Wayne County allocation. The city of Detroit is currently allocated 26% of total wholesale WRAP funding and contributes additional, local WRAP funding which increases the overall program impact.

Table 2 - FY 2022 WRAP Budget and Allocations

Community	Budgeted Direct Assistance	Budgeted Conservation Assistance	Budgeted Administration Cost Cap - 12%	Total Budgeted Revenue	Revenue Allocation
WAYNE METRO					
CITY OF DETROIT					
Wholesale Funding	\$756,264	\$189,066	\$116,839	\$1,062,169	26.14%
Local Funding	1,553,228	388,307	239,965	2,181,500	
TOTAL DETROIT	\$2,309,492	\$577,373	\$356,804	\$3,243,669	26.14%
WAYNE COUNTY	731,249	182,812	112,974	1,027,034	25.27%
GENESSE COUNTY	16,660	4,165	2,574	23,399	0.58%
WASHTENAW COUNTY	39,392	9,848	6,086	55,326	1.36%
MONROE COUNTY	6,350	1,587	981	8,918	0.22%
TOTAL WAYNE METRO	3,103,142	775,786	479,418	4,358,346	53.57%
OAKLAND LIVINSTON HUMAN SERVICE AGENCY					
OAKLAND COUNTY	806,739	201,685	124,637	1,133,060	27.88%
MACOMB COMMUNITY ACTION AGENCY					
MACOMB COUNTY	519,461	129,865	80,254	729,580	17.95%
LAPEER COUNTY	12,487	3,122	1,929	17,538	0.43%
ST. CLAIR COUNTY	4,825	1,206	745	6,777	0.17%
TOTAL MACOMB COMMUNITY ACTION AGENCY	536,773	134,193	82,928	753,895	18.55%
GRAND TOTAL	\$4,446,654	\$1,111,663	\$686,983	\$6,245,300	100.00%

(1) Based on allocation of assistance funds of 80% Direct Bill Asst. and 20% Conservation Asst.

(2) Based on FY 2022 Budgeted WRAP Funding of:

Wholesale Funding	\$4,063,800
Detroit Local Funding	<u>2,181,500</u>
Total WRAP Funding	\$6,245,300

Reallocation Activity

After the completion of each fiscal year, a GLWA staff makes a recommendation to the GLWA Board of Directors for the reallocation of uncommitted assistance and conservation funds to those member communities that have fully committed their annual budgeted funds due to the increased need within their community. The FY 2020 and FY 2021 reallocation analysis is complete and will be presented at the Audit Committee meeting on February 25, 2022, for recommendation to the GLWA Board of Directors.

Table 3 – Total WRAP Reallocation of Uncommitted Funds - This table summarizes the Board authorized reallocation of uncommitted FY 2016 to FY 2019 WRAP funds to the City of Detroit and the City of Flint. To date, \$4.4 million has been reallocated to Detroit and \$1.4 million to the City of Flint from the other counties within GLWA.

Table 3 – Total WRAP Reallocation of Uncommitted Funds

Reallocated Funds	Detroit	Flint	Total
FY 2016	\$1,664,833	\$117,485	\$1,782,318
FY 2017	786,981	425,635	1,212,616
FY 2018	794,400	427,755	1,222,155
FY 2019	1,182,593	471,562	1,654,155
Total Reallocation	\$4,428,807	\$1,442,437	\$5,871,244

Current Year Program Objectives

GLWA, PSC, the community action agencies (CAAs), and participating communities have been working together to improve WRAP program effectiveness. The following objectives have been identified for FY 2022 program year.

1. Provide flexibility for the community action agencies to administer the program
2. Codify decentralized program delivery model
3. Recruit nonparticipating member communities
4. Make WRAP more accessible for residents
5. Improve performance reporting, financial monitoring, cost of service, and program effectiveness
6. Simplify monthly bill payment process
7. Enhance conservation and water repair services
8. Leverage other forms of assistance