



Legislation Text

File #: 2024-120, Version: 1

Water Residential Assistance Program (WRAP) Service Delivery Partner Funding Authorization for FY 2025 and Related Contract Amendments

Agenda of: June 26, 2024

Item No.: **2024-120**

Amount: \$4,418,000

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: June 26, 2024

RE: Water Residential Assistance Program (WRAP) Service Delivery Partner Funding Authorization for FY 2025 and Related Contract Amendments

MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer\Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA),

- 1. approves a contract amendment with each of the Water Residential Assistance Program (WRAP) service delivery partners totaling \$4,418,000 as presented in the FY 2025 WRAP Funding Report with the following allocation:**
 - a. Wayne Metropolitan Community Action Agency in the amount for Area 1 - City of Detroit of \$1,323,900), Area 2 - City of Flint of \$54,800, and Area 3 - Wayne (Not Including Detroit), Washtenaw, and Monroe Counties of \$1,216,200 for a total of \$2,594,900;**
 - b. United Way for Southeastern Michigan in the amount for Area 4 - Oakland County of \$1,006,100; and**
 - c. Macomb Community Action in the amount for Area 5 - Macomb, St. Clair, and Lapeer Counties of \$817,000; and**
- 2. authorizes the CEO to take such other action as may be necessary to accomplish the intent of**

this vote.

BACKGROUND

Upon the approval of the Great Lakes Water Authority (GLWA) FY 2025 & FY 2026 Biennial Budget and FY 2025 charges by the Board of Directors, an allocation of Water Residential Assistance Program funding by Service Delivery Partner is prepared. Service Delivery Partner contracts are in place, however the dollar amount of that contract is updated each year with the new WRAP funding amount based upon the approved budget. This report serves as the request for authorization to allocate FY 2025 WRAP funding by Service Delivery Partner and to amend the contracts for those amounts accordingly.

JUSTIFICATION

The attached "FY 2025 Water Residential Assistance Program (WRAP) Funding Report - Proposed as of June 24, 2024 for Presentation to the Board of Directors on June 26, 2024" provides analysis and calculations to support the WRAP annual budget and allocation of funding among service delivery partners and areas. Notably, Table 5 of that report provides the details that supports the request to amend the contracts with service delivery partners to include the FY 2025 budget in the following manner.

- ✓ **Wayne Metropolitan Community Action Agency** in the amount for Area 1 - City of Detroit (\$1,323,900), Area 2 - City of Flint (\$54,800), and Area 3 - Wayne (Not Including Detroit), Washtenaw, and Monroe Counties (\$1,216,200) for a total of \$2,594,900.
- ✓ **United Way for Southeastern Michigan** in the amount for Area 4 - Oakland County of \$1,006,100.
- ✓ **Macomb Community Action** in the amount for Area 5 - Macomb, St. Clair, and Lapeer Counties of \$817,000.

BUDGET IMPACT

The GLWA Board of Directors approved the FY 2025 & FY 2026 biennial budget on February 28, 2024. The WRAP calculation was an estimate at the time. An FY 2025 first quarter budget amendment will be proposed to align the WRAP budget, service area calculation, and authorized funding percentage with the calculation shown in Table 3 of the attached report. The impact is a reduction of the WRAP expense by \$71,300 for the water system and \$110,200 for the sewer system.

COMMITTEE REVIEW

This matter was reviewed by the Audit Committee at its meeting on March 22, 2024. At the time the Audit Committee unanimously recommended that the Board of Directors approve the Service Delivery Partner Funding Authorization as presented. That action was, however, prior to the preparation of the attached report which provides a significant process improvement and a greater level of detail and improved analysis that includes the final operating revenue amounts. This level of

analysis and detail will be presented more timely in future years that will also incorporate approved versus estimated operating revenue amounts. With the start of the new fiscal year on July 1st, staff requests that this item be brought to the full Board as the next Audit Committee meeting is after July 1st.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.