



Legislation Details (With Text)

File #: 2018-910 **Version:** 1 **Name:**
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Title: GLWA-CS-010
Proposed Change Order No 2
Water Residential Assistance Program (WRAP)
Sponsors: Nicolette Bateson
Indexes: Finance
Code sections:
Attachments: 1. Budgeted WRAP Revenue Allocation

Date	Ver.	Action By	Action	Result
9/26/2018	1	Board of Directors	Approved	Pass

GLWA-CS-010 **Proposed Change Order No 2** **Water Residential Assistance Program (WRAP)**

Agenda of: September 26, 2018
Item No.: **2018-910**
Amount: \$950,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: September 21, 2018

RE: **Proposed Change Order No. 2**
Contract No.: GLWA-CS-010
Water Residential Assistance Program (WRAP)
Vendor: Wayne Metropolitan Community Action Agency

MOTION

Upon recommendation of Sue F. McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) **to enter into Change Order No. 2 of Contract No. GLWA-CS-010, "Water Residential Assistance Program (WRAP)" with Wayne Metropolitan Community Action Agency, a cost increase of \$950,000.00, for a total cost not to exceed \$2,255,900.00, and a time extension of 24 months for a total contract duration of fifty-four months**, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Water Residential Assistance Program (WRAP) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority's (GLWA) customers. The program is funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the FY 2016 funding level of \$4.5 million combined for water and sewer services, \$4.7 million in FY 2017, \$4.9 million for FY 2018 and \$4.9 million for FY 2019.

The scope of funding uses includes 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 (\$300 annually) and up to \$700 for arrearage assistance annually. High volume water users can receive a one-time home audit and home water conservation services up to \$1,000. Maximum annual assistance per household is \$2,000. To participate in WRAP, an applicant must have household gross incomes at or below 150% 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.

The program is administered by Wayne Metro Community Action Agency (Wayne Metro), a nonprofit agency. The WRAP began providing assistance to customers of GLWA on March 1, 2016 and has the potential to serve over 100 communities within the GLWA service area. In order to assist qualified households each community must opt into the program and sign a Memorandum of Agreement (MOA) with Wayne Metro. To date, 75 communities have opted into WRAP.

JUSTIFICATION

The WRAP is funded each fiscal year, based on 0.50% of budgeted revenues for that fiscal year. The contract with Wayne Metro (GLWA CS-010) specifies the not to exceed administrative fee amount based on the anticipated allocation of assistance dollars to each county. This change order extends the GLWA CS-010 through June 30, 2020 and it increases the contract amount based on the total budgeted WRAP funding amounts from the table below. Based on the budgeted WRAP funding, and the proposed allocation of WRAP funds to the City of Detroit and participating counties, the administration fees for FY 2019 and FY 2020 total \$950,000.

PROJECT MANAGEMENT STATUS

Original Start Work Date:	February 22, 2016
Original Contract End Date:	February 21, 2018
Change Order 1 Contract End Date:	June 30, 2018
Proposed Change Order 2 Contract End Date:	June 30, 2020

PROJECT ESTIMATE

Original Contract Price	\$825,000.00
Change Order No. 1	\$480,900.00

Change Order No. 2	\$950,000.00
New Contract Total	\$2,255,900.00

FINANCIAL PLAN IMPACT

The funding of the proposed administration fees for WRAP are paid from the 0.50% of the budgeted WRAP funds each year and do not impact the FY 2019 or FY 2020 Budget.

COMMITTEE REVIEW

This matter was reviewed by the Audit Committee at its meeting on September 21, 2018. The Audit Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

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