



Legislation Text

File #: 2021-155, Version: 1

Water Residential Assistance Program- Extension of Temporary Program Change Related to Participant Removal Due to COVID-19

Agenda of: April 28, 2021

Item No.: **2021-155**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 23, 2021

RE: Water Residential Assistance Program- Extension of Temporary Program Change Related to Participant Removal Due to COVID-19

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approves the extension of the temporary Water Residential Assistance Program change to 1) temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program provided that participants 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 June 30, 2021, 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 currently funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the budgeted FY 2021 funding level of \$6.1 million combined for water and sewer services.

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 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. The program is administered by Wayne Metro Community Action Agency ("Wayne Metro"), a nonprofit agency.

The current program design requires that a participant is removed from WRAP if they do not stay current on their payments. If they are removed from the program they can re-enroll in the program after six months.

JUSTIFICATION

In an effort to keep WRAP participants that have experienced a loss in income due to the COVID-19 pandemic in the program, Wayne Metro is recommending an extension of the temporary exception in WRAP ongoing eligibility criteria through June 30, 2021 as discussed in the included letter dated March 15, 2021.

At its meeting on October 28, 2020, the GLWA Board of Directors approved Wayne Metro's previous recommendation to temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program if participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19 and that participants will still be eligible to receive monthly bill credits and arrears payments if applicable until December 31, 2020.

On December 22, 2020 the State of Michigan passed Public Act 252 of 2020 (Water Shutoff Restoration Act), which extended the shutoff moratorium to March 31, 2021. This temporary period has expired and during the weeks following, WRAP participants have not been removed from the program if they have missed payments, pending a decision from GLWA on this extension request. Based on recent experience in Wayne County, almost a thousand households have missed a payment and are at risk of being removed from WRAP.

BUDGET IMPACT

None

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on April 23, 2021. The Audit Committee recommended that the GLWA Board of Directors approve the extension of the temporary Water Residential Assistance Program change to 1) temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program provided that participants 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 June 30, 2021.