

Legislation Text

File #: 2021-125, **Version:** 1

Water Residential Assistance Program Redesign Implementation - Proposed Program Changes

Agenda of: April 28, 2021

Item No.: **2021-125**

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 28, 2021

RE: Water Residential Assistance Program Redesign Implementation - Proposed Program Changes

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **1) approves the program change to enable categorical eligibility for WRAP Applicants; 2) approves the increase in the arrearage payment cap from \$700 per year to \$1,200; and 3) approves the updated outcomes and reporting measures as outlined by Public Sector Consultants**, and authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Great Lakes Water Authority (GLWA) engaged Public Sector Consultants (PSC) to serve as the WRAP Advisor to evaluate the current Water Residential Assistance Program (WRAP). PSC presented their report and recommendations at the October 23, 2020 Audit Committee meeting and to the GLWA Board on October 28, 2020.

GLWA has extended its engagement with PSC to help support the implementation of the recommended program changes through June 2021. As part of the engagement, the seventeen recommendations from the final report were prioritized into three phases of implementation by PSC and GLWA. Based on preliminary discussions, it is anticipated that the full

implementation of all recommendations may take at least twelve months, depending on the feedback from the community action agencies (CAA).

JUSTIFICATION

The included memo prepared by PSC provides three recommended changes to the current program based on the prepared analysis. The changes are in alignment with the initial recommendations provided by PSC in their October 2020 report and the three-phase implementation strategy that GLWA and PSC have started in conjunction with the community action agencies. The three recommended changes include:

- 1) *Enable Categorical Eligibility for WRAP Applicants*** - This is the next step toward making it easier for eligible households to access WRAP.
- 2) *Increase the Arrearage Payment Cap from \$700 per year to \$1,200*** - Based on historical data, this would enable WRAP to pay off over 75 percent of arrearage balances in the first year and up to 92 percent of arrearage balances after two years in the program.
- 3) *Updated Outcomes and Reporting Measures*** - The updated measures align more closely with the original program design and the simplified report format makes it easier to convey the annual progress of WRAP commitments.

Future recommended program changes will be brought forward to the Audit Committee as GLWA management and PSC progress through the last two phases of the recommended implementation.

BUDGET IMPACT

None

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on March 26, 2021. The Audit Committee recommend that the GLWA Board of Directors approve the recommended WRAP program changes.