

Water Affordability Coalition

Affordability and Planning Grant

July 27, 2023






Welcome & Introduction Commissioner Nash



Meeting Agenda

-  State Legislation for Water Affordability
-  WRAP Enrollment
-  Changes In Paying Your Bill
-  Water and Sewer Rate Changes
-  Water Affordability Coalition Expansion
-  October Online Townhall Details
-  Open Discussion

State Legislation for Water Affordability

Manager and Chief Legal Officer Kelsey Cooke



Draft Water Affordability Plan and Fund Bills

Water Affordability Plan Bill

- Creates a statewide affordability plan
- Administered by the Michigan Department of Health and Human Services

OR

- Utilities can create their own plan and
- Utilities select an administrative partner
- Authorizes bill rates or discounts to keep water and sewer bills at or below 3% of household income
- Plan eligibility is set at 200% FPL
- Establishes an affordability task force



Water Affordability Fund Bill

- Create a sustainable funding source to support the affordability plan
- Sets a statewide fee of \$1 to \$3 per meter, per month
- Utilities collect the fee, and remit to the State Department of Treasury
- The Department of Treasury manages the funds
- Funds are distributed back to utilities to pay for the affordability plan

Draft Water Shutoff Protection Act

1. Does not prevent shut offs for all customers.
2. Does provide protections for customers before shut offs can occur.
3. Does prevent water shut offs for critical care customers.*

Contact Requirements

(4x using one or more of the following methods)

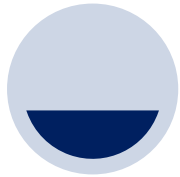
- Posting delinquency notice on door 60-90 days before shut off
- Posting shut off notice on door 10 days before shut off
- Personal visit and contact with head of household
- Phone call
- Text message
- First-class mail

Notice Requirements

- Service address
- Reason for shut off
- Date shut off will occur if no action taken
- Statement that no shut off will occur if customer is in affordability program or current on payment plan
- Number and address of water provider
- Statement that, if a landlord is responsible for bill, the tenant should contact the water provider

**A customer, or household member of a customer, who requires home medical equipment or a life-support system, and provides documentation to a provider from a physician or medical facility that interruption of water service would be immediately life threatening.*

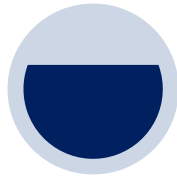
Other Related Draft Bills



Tenant Protections

Landlord must provide copy of water bill and/or transfer bill to tenant, if requested by tenant.

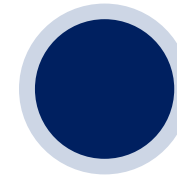
Prohibits landlords from increasing rent if tenant pays water bill directly.



Penal Code Amendments

Under current law, a person who turns water service back on after it has been shut off may be charged with a felony and sentenced to jail time.

Proposed amendment would change it to a civil infraction punishable with community service and fine, if the water services lines are not damaged.



Data Transparency

Mandates that water providers disclose and report water and sewer rates and other information, including data related to water service shut offs.

Creates a statewide "data bank" for the information. Intended to identify communities where there is the most need.

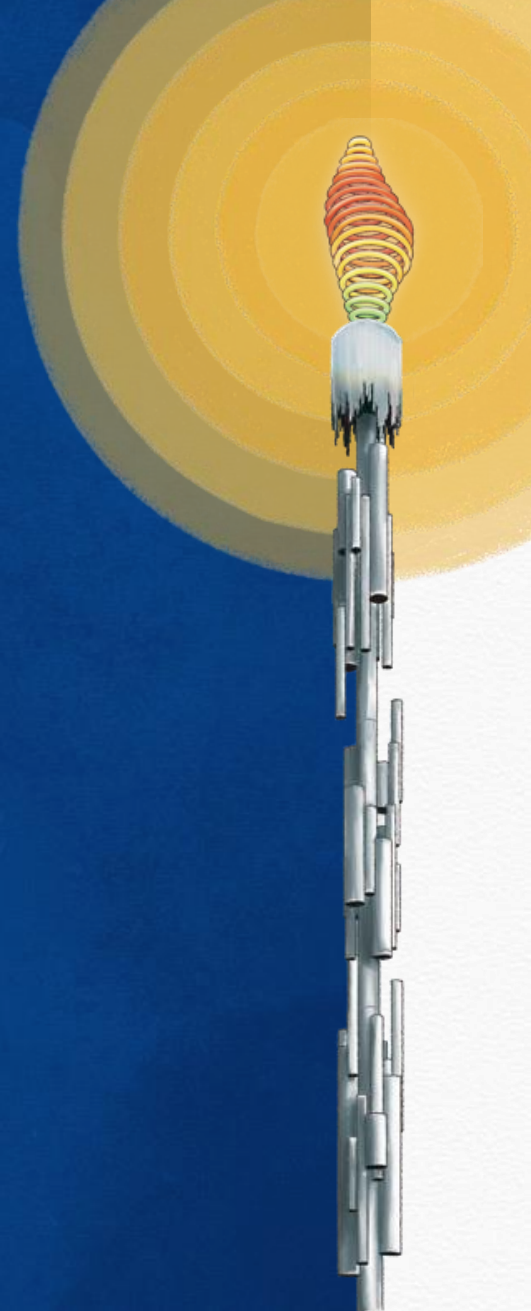




**United Way
for Southeastern Michigan**

United Way Water Assistance Update

Sean Scane, Director, Utility Services



United Way WRAP Overview



- United Way is the WRAP administrator for Oakland County as of 1/9/23
 - Thank you to GLWA, Wayne Metro and WRC for support over the last several months
 - Combining water and energy assistance - single application for approval in MEAP (Michigan Energy Assistance Program) and WRAP (Water Residential Assistance Program)
 - Easy, streamlined process for eligible applicants to apply and get approved
 - Online application that is optimized for any device
 - MEAP has been paused due to funding being exhausted, but clients can still apply for water assistance
 - Coordinators are available to assist applicants with completing applications
 - Call 248-983-5656
 - Go to unitedwaysem.org/utility-assistance

United Way WRAP Assistance Updates



- We continue to enroll households in Oakland County into WRAP, and our new enrollment total is **401** since January 1st
- In addition to the 261 existing enrollments that were transferred from Wayne Metro, we are now supporting a total of **662** households with WRAP in Oakland County
- All enrollees have been referred for water conservation services and we have done additional outreach to each household to get services scheduled
- To date, we have assisted **101** households with an in-home audit or repair in partnership with Wayne Metro

How to Apply

- United Way has a **single application** for Utility Assistance (water and energy assistance through MEAP)
 - Online application can be accessed by visiting our webpage at unitedwaysem.org/utility-assistance
- Care Coordinators provide full application assistance and answer questions over the phone
 - Our utility assistance phone line is 248-983-5656
 - Current wait times over the last two weeks are under one minute



Changes in Paying your Bill

Manager and Chief Legal Officer Kelsey Cooke



Water and Sewer Rate Changes

Water Affordability Coordinator Demar Byas



City of Pontiac Rate Changes

Q: Who oversees setting water and sewer rates for Pontiac residents?

A: Oakland County, through our office, budgets, plans, and sets rates to support the City of Pontiac's water and sewer systems. These rates are presented to Pontiac City Council.

Q: What are the rate changes that will be made?

A: Water rates are increasing 8.7% from the rates charged last year and sewer rates are increasing 10% from the rates charged last year.

Q: How will the rate increases impact customer bills?

A: On average, a monthly water bill will increase by \$3.41, from \$39.23 to \$42.64 and on average, a monthly sewer bill will increase by \$4.83, from \$48.14 to \$52.97.

Q: When do the new rates take effect?

A: The new rates took effect on July 1, 2023.

Calculated Monthly Bill Using 0.6 Mcf Volume and 1 MEU (5/8" Meter)			
Rate Year	Water	Sewer	Total
2022-23	\$ 39.23	\$ 48.14	\$ 87.37
2023-24	\$ 42.64	\$ 52.97	95.61
Difference	\$ 3.41	\$ 4.83	\$ 8.24
% Change	8.7%	10.0%	9.4%

Charter Township of Royal Oak Rate Changes

Q: Who oversees setting water and sewer rates for the Charter Township of Royal Oak residents?

A: Oakland County, through our office, budgets, plans, and sets rates to support the Charter Township of Royal Oak's water and sewer systems. These rates are presented to Royal Oak Township Council for approval.

Q: What are the rate changes that will be made?

A: Water rates are increasing 8.9% from the rates charged last year and sewer rates are increasing 1.8% from the rates charged last year.

Q: How will the rate increases impact customer bills?

A: On average, a monthly water bill will increase by \$3.42, from \$38.49 to \$41.91 and on average, a monthly sewer bill will increase by \$1.35, from \$75.49 to \$76.84.

Q: When do the new rates take effect?

A: The new rates took effect on July 1, 2023.

Calculated Monthly Bill Using 0.7 Mcf Volume			
Rate Year	Water	Sewer	Total
2022-23	\$ 38.49	\$ 75.49	\$ 113.98
2023-24	41.91	76.84	118.75
Difference	3.42	1.35	4.77
% Change	8.9%	1.8%	4.2%

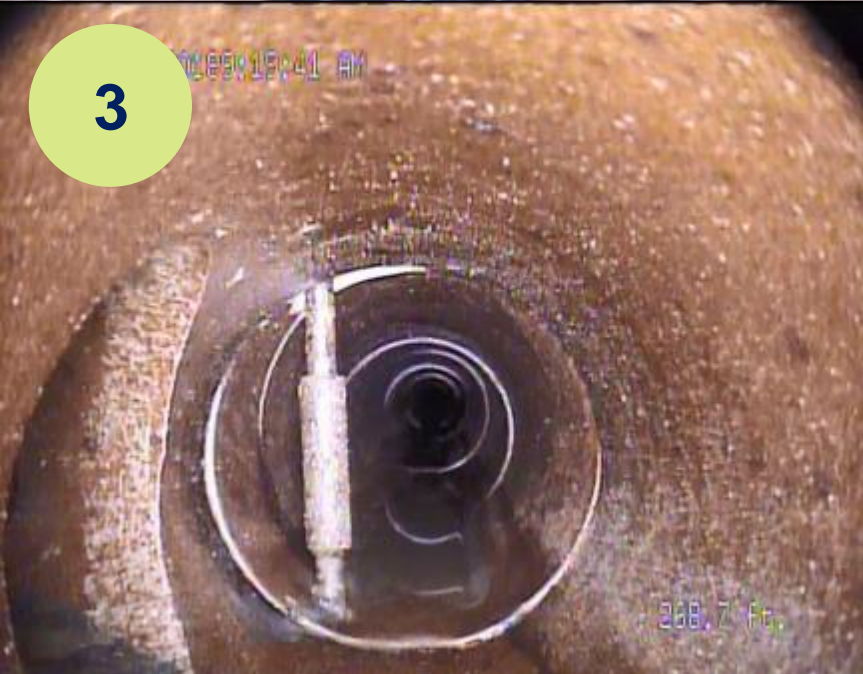
Why Are Rates Increasing?

- Established capital replacement and maintenance programs focus on long-term strategic improvements to water and sewer system infrastructure.
- We prioritize and plan projects that will provide customers with the most value and look for the best ways to pay for these projects, including grants or low-interest loans.
- The Pontiac sewer system has identified 71 assets with a severe risk for failure, 350 assets with a high risk, and 1,100 with an elevated risk. Approximately 400,000 feet of sewer and 3,200 manholes have not been inspected.
- The Pontiac water system has about 300 miles of watermain and about half is past the end of its useful life. The goal is to replace a portion of the water system each year to continue to operate and maintain the system to sustain the level of service and water quality.



Pontiac Sewer System

- 1** Broken pipes
- 2** Root infiltration
- 3** Outside Intrusion
- 4** Sewer collapse



Water Affordability Coalition Expansion

Water Affordability Coordinator Demar Byas



Water Affordability Coalition Expansion

Why expand the coalition to all Oakland County residents?

The Hardship Assistance Program is for all residents who meet the eligibility requirements.

To inform all on water affordability efforts.

To help county-wide with the potentially new Statewide Affordability Program.

October Townhall

As we open the meetings to other municipalities, they will need to be brought up to speed on our efforts.

For the October meeting, we are looking for current and new coalition members to solicit comments, questions, issues and/or concerns to be addressed by submitting them to our email address:

affordability@oakgov.com



Purely Resourceful

Open Discussion



Next Meeting

October 26, 2023, at 11 a.m. EST



Thank you!

 **Questions**
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