Detroit Water and Sewerage Department



735 Randolph Street, Detroit, MI 48226

313-267-8000 • detroitmi.gov/DWSD

June 18, 2025

Norell Hemphill, Esq. We the People of Detroit P.O. Box 7033 Detroit, MI 48207

> RE: Freedom of Information Act Request No. 25-122 Easy Pay and Promise Pay

Dear Ms. Hemphill,

Pursuant to the Michigan Freedom of Information Act, MCL 15.231, *et seq*, the City of Detroit Water and Sewerage Department ("DWSD") approves your request in part as follows:

<u>Preface</u>: The DWSD's Easy Pay is not a Promise Pay program nor is it a separate program from Promise Pay. Promise Pay is the name of a vendor selected as DWSD's third-party administrator for the DWSD Easy Pay program. Promise Pay has not assumed administrative duties for Easy Pay as of the date of this response. We anticipate it will assume its duties during the summer of 2025.

Given the above information, we respond to your requests as follows:

<u>Request No. 1</u>: At the Board of Water Commissioner's meeting on April 16, 2025, why did members of the Board and Director Brown state that DWSD has no relationship with Promise Pay and that there are no customers enrolled in Promise Pay's payment program called Easy Pay?

<u>Response</u>: This request is denied as it is not a request for a public record. See Preface above.

<u>Request No. 2</u>: Please provide clarity about Promise Pay's Easy Pay program for DWSD customers:

1. Relationship: DWSD & Promise Pay

- a. Please share the request for proposals (rfp) process used when selecting Promise Pay for servicing past due DWSD accounts.
- b. What date was the contract signed with Promise Pay?
 - i. By whom?
- c. When did Promise Pay begin servicing DWSD accounts?
- d. Does Promise Pay receive 11% of the money collected from DWSD customers through Easy Pay as reported?
 - i. If so, is there a cap?

e. How are the funds collected by Promise Pay distributed to DWSD?

Responses to 1:

- a. See the DWSD Procurement Policy, which is posted on DWSD's website.
- b. October 2024.
 - i. Director Gary Brown and the Principal of Promise Pay.
- c. See Preface above.
- d. Yes.
 - i. We do not understand what is meant by a "cap."
- e. ACH

2. Customer Accounts & Easy Pay/Promise Pay Impact

- a. Are industrial and commercial customers with arrears being transferred to Easy Pay?
- b. How many customers enrolled in Easy Pay were formerly on Lifeline?
- c. What is the average amount of arrears owed by residential customers enrolled in Easy Pay?
- d. How does enrolling customers into Easy Pay affect DWSD's billing system?
 - i. What happens to DWSD customer accounts when they are enrolled in Easy Pay?
 - 1. How are the arrears owed reflected on the customers' account after enrollment in Easy Pay?
 - 2. Are the customers' arrears transferred to Promise Pay/Easy Pay's billing system?
 - a. If so, how are past due water bills treated/categorized after the transfer?
 - i. Are these water bills now treated as debt?
 - ii. Will Promise Pay report past due water bills to credit bureaus?

Responses to 2:

- b. This information is not a public record as defined under Freedom of Information Act, MCL 15.231 et seq. Further, under MCL 15.233(4) and (5), DWSD is not required to create a compilation, summary, or report of information, or create a new public record. If the requestor wants this information, DWSD would need to run a special query report, in which a cost would be associated. The enclosed itemization of fees details the total fee as well as the breakdown of the cost. A deposit is required for these services.
- c. This information is not a public record as defined under Freedom of Information Act, MCL 15.231 et seq. Further, under MCL 15.233(4) and (5), DWSD is not required to create a compilation, summary, or report of information, or create a new public record. If the requestor wants this information, DWSD would need to run a special query report, in which a cost would be associated. The enclosed itemization of fees details the total fee as well as the breakdown of the cost. A deposit is required for these services.

- d. This request is vague. We do not understand what is meant by "affect."
 - i. The account is coded as an Easy Pay account.
 - 1. Arrears remain on the account.
 - 2. See Preface.
 - a. See preface.
 - i. Past due bills are debt.

3. Transfer to Promise Pay System, Arrears Payment & Default

- a. How many customers have been transferred from DWSD's Easy Pay into the Promise Pay collection system?
 - i. Or does that process begin in September 2025, as mentioned in the April 16, 2025 Director's Report?
- b. What happens as arrears are paid over the 36-month period?
- c. What happens if a customer defaults on the Easy Pay program payments?

Responses to 3:

- a. See Preface.
 - i. See Preface.
- b. Remaining Amount Due is reduced.
- c. See Detroit Water and Sewerage Department Easy Pay Policy, which is publicly available on the City of Detroit website.

Please be advised that, pursuant to MCL 15.235(5), the City is required to advise you that under MCL 15.240, if a public body makes a final determination to deny all or part of a request under the Freedom of Information Act, the requesting person has the right to do either of the following:

- (1) Submit to the head of the public body a written appeal that specifically states the word "appeal" and identifies the reason or reasons for reversal of the disclosure denial or;
- (2) Seek judicial review of the denial under MCL 15.240.

If you seek judicial review under MCL 15.240 and the court determines that the public records are not exempt from disclosure, the court shall order the City to cease withholding or to produce the public record withheld. The circuit court for the jurisdiction in which the complainant resides or has his or her principal place of business, or the circuit court in which the public records are located are the proper venue to bring the action. The court shall consider the case *de novo* and the burden is on the public body to sustain its denial.

If a person asserting the right to obtain the public record prevails in the action, the court shall award reasonable attorney fees, costs, and disbursements, or an appropriate portion. If the court determines that the public body has arbitrarily and capriciously violated the Freedom of Information Act, the court shall, in

addition to any actual or compensatory damages, award punitive damages in the amount of \$1,000 to the person seeking the public records.

If you have any questions or concerns, please feel free to contact me in writing or via email at donald.riggs@detroitmi.gov.

> Sincerely, Donald Riggs Jr. FOIA Coordinator

DETROIT WATER AND SEWERAGE DEPARTMENT FREEDOM OF INFORMATION ACT DETAILED ITEMIZATION OF FEES

Date: June 2, 2025

Requester's Name and Address:	
Norrell Hemphill, Esq.	
We the People of Detroit	
P.O. Box 7033, Detroit, Michigan 48207	
Fee Calculation – FOIA 25-122	Amount
1. Labor Costs ¹ to search, locate, and examine:	\$386.21
16 hours x \$17.88 (hourly wage) $+$ 35% (fringe benefits ²)	
2. Labor costs for review and separation of exempt and non-exempt material:	\$75.28
4 hours x \$13.94 (hourly wage) + 35% (fringe benefits)	
3. Nonpaper physical media: Describe (e.g. CD's DVD's, flash drive, etc) and list actual costs	
4. Duplication and publication: Describe (copying, scanning, etc)	
\$ (cost per page) x (number of pages)	
5. Labor costs to duplicate or publish:	
Hours x \$13.94 (hourly wage) + 35% (fringe benefits)	
6. Mailing: Describe and list actual costs	
Less Waiver for indigent persons (\$20.00) ³	
Less reduction for untimely response:	
\$ subtotal x 5% reduction per day x days (but no more than 50%)	
Make check payable to Detroit Water and Sewerage Department and mail to FOIA	Total Fee:
Coordinator, 735 Randolph, Detroit, Michigan 48226	\$461.49
If the total fee is more than \$50.00, you will be asked to pay a deposit of one-half	Deposit:
of the amount of the total fee. The total fee and deposit are estimates, and your	\$230.74
final costs may vary from these amounts.	
Part of all of the documents requested are available online at:	
If you prefer to have copies of these documents sent to you, please forward payment to the Department for processing.	
Balance to be paid.	\$230.75

¹ Labor costs will be calculated using the lowest paid Department employee capable of performing each task. If more than one hourly rate is used they will be listed on other copies of this form.

The multiplier of fringe benefits must not exceed 50% or the actual cost of fringe benefits MCL 15.234(2)

Vou must submit an affidavit of indigence to qualify for this fee waiver.