



DETROIT
**Water & Sewerage
Department**

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TO: City of Detroit Board of Water Commissioners
Gary A Brown, Director

FROM: Debra N. Pospiech, Esq., Chief Administrative Officer and General Counsel

DATE: August 19, 2019

RE: Memorandum of Understanding Between Detroit Health Department and Detroit Water and Sewerage Department - Pilot Program to Connect Customers At-Risk of Service Interruption with Social Services

The Detroit Water and Sewerage Department takes pride in its many efforts to help customers avoid service interruption. We identify three categories of customers who become subject to service interruption: (1) those who can pay and choose not to or forgot; (2) those who can pay if they utilize the myriad of public assistance programs available; and (3) those families who despite all the assistance programs available cannot afford their water bill. DWSD is *actively* addressing customers in these three categories and helping them avoid service interruption through several means.

We are now part of an unprecedented coalition of stakeholders who are sharing data and resources to develop a comprehensive strategy to address our citizens facing water insecurity.¹ The attached agreement codifies DWSD's partnership with the Detroit Health Department (DHD). It will be a six month pilot project managed by the Human Services Division. Key provisions are as follows:

- DWSD will provide data showing people subject to service interruption (focus is on preventing service interruption)
- Program is for people who do not/cannot qualify for WRAP or a 10-30-50 Payment Plan, or who have difficulties accessing and complying with the programs.
- DWSD will provide a cubicle at East Side Service Center for face-to-face case management
- DWSD will contribute \$150,000 toward personnel costs, mileage and supplies and costs associated with project. DHD will hire a case manager and possibly a part time employee to do door to door outreach.

¹ Michigan Department of Health and Human Services; Wayne County Department of Public Health; Detroit Department of Transportation; Office of Sustainability; Buildings, Safety, Engineering and Environmental Department; Detroit at Work; Workforce Development; Detroit Land Bank; Gleaners Food Bank; Assurance Wireless; Wayne Metro Community Action Agency; Human Utility; Detroit Wayne Mental Health Association; Wayne State Street Medicine; United Community Housing Coalition; Southwest Solutions; Detroit Area Agency on Aging; University of Michigan – Poverty Solutions, University of Michigan School for Environment and Sustainability.

- DWSD will allow DHD to forgive up to \$25,000 of debt for the 70 or so customers recruited for pilot program. The \$25,000 “forgiveness fund” will be:
 - Used to subsidize a percentage of the past due amount, based on a financial assessment and coaching plan
 - Used only after all other possible resources for payment assistance have been exhausted
 - Used at the end of program period if person successfully completes their case management plan or may be used as a downpayment for a payment plan going forward
 - Tracked to determine if forgiveness funds result in a greater collection rate overall for the pilot pool
- DHD will identify candidates for pilot based on geographic prevalence of arrearages/shutoffs, median income and amount of arrearage (starting with 48234 zip code based on data points)
- DHD has data analysts who will track various metrics
- DHD will train and manage the community health worker and outreach worker

DHD will build and manage a large resource network made up of human and social service agencies and organizations to help customers obtain wrap around services, improve quality of life and identify and establish household utility affordability. We are excited about our partnership and we will report project results to you at a future date.

I am happy to answer any questions.

DNP

Enclosure