



Candice S. Miller

Public Works Commissioner
Macomb County

December 11, 2023

Macomb County Leaders,

Re: Response to Detroit and Oakland WRC – State Mandated Meter Fee Legislation

You recently received a response from Detroit Water & Sewer Department (DWSD) and the Oakland County Water Resources Commissioner to my concerns with their proposed new State Mandated Water Meter Fee Legislation. Their response and pertinent points are easily challenged. This legislation requires your municipality to add a new monthly fee to every one of your water and sewer bills to fund a new state water affordability plan. Your customers would now be paying twice - once for this new state program, which will be in addition to what they already pay for the existing Great Lakes Water Authority's (GLWA) successful regional Water Residential Affordability Program (WRAP). WRAP funds over \$4.4 million annually for assistance to 40% of the state. The new state program would have the same income eligibility and financial benefits that WRAP already provides, which includes most of Macomb County, excluding septic and well water users.

Their response confirms:

- ✓ Every Macomb County water and sewer metered customer would now pay a new \$24-\$36 annual State affordability fee totaling \$7-8 million a year. This fee is in addition to the 0.5% of GLWA wholesale water and sewer charges your customers already pay.
- ✓ No Macomb community was included among the stakeholders reviewing the need for this legislation, so our community leaders have had no input.
- ✓ While Macomb is spending much of its allocated GLWA WRAP funds, we have never fully spent our annual \$750,000 allocation. Why do we then need to fund a separate program, and pay a second fee for a new state program when we have an existing program with available funds? If others in the state want their own program, they can create and fund it like we have. Oakland County has spent less than 50% of their WRAP funds paid by their residents since inception. Perhaps they should spend those funds first before advocating for higher fees on all.
- ✓ Fails to mention the WRAP program allows seniors and disabled residents to receive assistance indefinitely. The WRAP two-year assistance limit is for able bodied individuals experiencing a personal emergency or economic downturn. Since inception, improvements to WRAP have expanded income eligibility qualifications and now ensures payments that keep water bills at no more than 3% of a resident's monthly income.

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- ✓ We are unaware of an unmet water affordability need in Macomb County. If the need exists, we could simply increase our WRAP funding which we control, rather than pay a new duplicative mandated state-wide fee.
- ✓ Suggests a lack of WRAP enrollment does not indicate a lack of need. Perhaps, but why not improve the existing WRAP enrollment process instead? In Macomb County, we have greatly improved our WRAP program in the past several years by identifying and reaching out to those in need of assistance with their water and sewer bills.
- ✓ It compares this new fee with a state energy assistance program, but fails to mention the existing state energy assistance programs allow utilities to opt out. This new water legislation does not allow opt outs. Again, what is wrong with allowing communities to opt out when they already pay for the successful regional GLWA WRAP program? I've asked the authors of this legislation to allow for counties to opt out, but was told they couldn't agree to that because too many would.
- ✓ Doesn't deny Detroit already can increase their own WRAP contributions to fund their new income-based rate plan, rather than imposing a new second fee on all of us.
- ✓ Acknowledges Detroit will receive most of the net new funding as they need at least \$30 million to continue their new income-based water program. As a result, most of the new fee you will pay will end up going to Detroit. Also all GLWA customers already pay DWSD \$50 million annually as part of the GLWA lease which totals \$2 billion over the life of the lease. It further confirms the new dollars will not be allocated to the county or community that pays the cost – unlike the WRAP program.
- ✓ Ignores the fact that outstate communities can fund their own WRAP program without this legislation. Why should we pay for them when we already pay for our own regional program?
- ✓ Incorrectly states there is no sustainable funding source for water affordability. WRAP is funded annually by all GLWA ratepayers with annual funding increases.
- ✓ Fails to acknowledge Detroit admits the new assistance funds will generate additional dollars to pay for DWSD operations. This is only possible because Detroit now doesn't collect and enforce collection policies like the suburbs do. Unlike Detroit, the vast majority of the suburbs will see no increased revenues from these assistance dollars as these communities place unpaid water bills on the tax bill and enforce shutoffs for non-payment. Bottom line, I believe low-income assistance dollars should benefit the individual, not the utility.

I continue to raise this issue so that our Macomb County communities can weigh in if they want to. Perhaps you agree with this legislation, if so I'm guessing it will pass the state legislature next year. However, if you don't agree, you may want to consider contacting your State Representatives and State Senators.

In closing, this issue is very simple. We already pay for and have a low-income affordability program that works very well. Why pay for a second program when we are not fully spending the dollars we already pay? If Detroit or Oakland County wants to mandate a new fee and program, at the very least the legislation should allow each county the option to opt in or out.

Sincerely,



Candice S. Miller
Macomb County Public Works Commissioner