



**Water & Sewerage
Department**

DIRECTOR'S REPORT

December 18, 2019



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DIRECTOR'S MESSAGE TO THE BOARD



- Water and sewer systems upgrades in the first two neighborhood-based Capital Improvement Program project areas are expected to begin in early 2020 in North Rosedale Park and Cornerstone Village.
 - The projects include water main replacement/lining, sewer lining/replacement and stormwater management based on condition assessments and other factors.
 - Public Affairs is coordinating outreach through the neighborhood associations and the Department of Neighborhoods ahead of the construction and will continue throughout the projects.
 - The projects are scheduled to be two years, and each neighborhood will have a field office which will further help with customer outreach.
- DWSD is continuing to adapt to new technology to improve our business practices, which has resulted in some steep learning moments.
 - The back-end transaction processing vendor was changed for improved technology, efficiencies and reduced costs long-term, however this caused short-term delays in transaction processing of checks due to the change in ACH and how one payment is processed for several accounts.
 - The Information Technology Group, along with Customer Care and Finance, are continually addressing the necessary alterations to adapt to the new processor.
- We are collaborating with other city departments and agencies on several projects, including infrastructure coordination, permitting, lead remediation, housing efficiency, water conservation, housing sustainability, and economic development.
 - The infrastructure workgroup has seen progress, including the shared project for the Grand River Streetscape construction which includes water main replacement.
 - Most of the workgroups are one year into the work or in their infancy, with progress expected in the near future.

WATER & SEWER UPGRADES IN CORNERSTONE VILLAGE
Construction contracts for the capital improvement project in Cornerstone Village have been approved.

The Detroit Water and Sewerage Department (DWSD) is now working with contractors to finalize a schedule to begin construction. To continue to keep the community informed, DWSD would like you to know the next steps for proceeding with construction.

- Cornerstone Village will have a contractor for water system upgrades and another contractor for sewer system upgrades. Therefore, it is likely that work will be performed simultaneously on multiple streets. When possible, DWSD will coordinate the contractor's schedules to minimize the impact to residents.
- If construction is planned on your street, you will be notified with a door hanger prior to construction beginning.
- As a precautionary measure, addresses impacted by water main construction will receive a water gator and replacement cartridge (sufficient for six months, depending on usage) because construction on the water system can disrupt any sediment laying on the bottom of the pipe.
- Addresses impacted by water main construction will receive a packet containing important information regarding DWSD's Load Service Line Replacement Program.

What you should expect
During construction, it is DWSD's intention to minimize inconvenience to residents and businesses. However, you should expect the following:
Brief interruptions of water supply when a new service line is being connected to the system. Every attempt will be made to inform impacted residents and businesses prior to disruption and service is generally restored the same day. Please contact DWSD Customer Care if you do not have water service for more than six hours or overnight.
Construction will bring some noise, dirt and debris to the neighborhood.
Contractors working on sewer pipelines will need to access manholes in back yards and alleys. All manholes need to be accessible – free of vegetation, fencing or other objects.
Contractors will have large trucks and heavy equipment. For the safety of everyone in the neighborhood, please keep a safe distance from all machinery.
There may be traffic impediments, but residents and businesses will have access. You should also expect street closures and restrictions to street parking during construction. Please try to avoid parking on impacted streets.
Water main work may require some hydrants to be out of service intermittently. These hydrants will be tagged as out of service and DWSD will coordinate with the Detroit Fire Department with up to date information.
Lawns, sidewalks and driveways may be disturbed. Contractors will return to restore property. Temporary restorations may occur before permanent work is completed during April - October when weather permits.
The community may experience an odor during sewer construction activities.

We thank you in advance for your patience as we work to upgrade and enhance the water and sewer systems in your neighborhood.



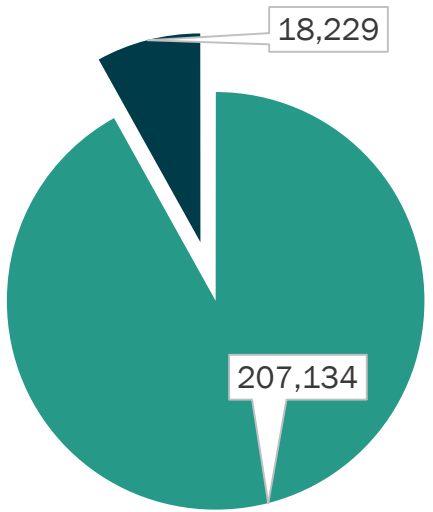
**Water & Sewerage
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Customer Care

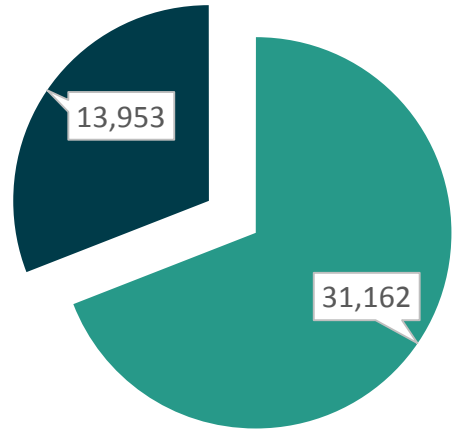
CUSTOMER CARE: Number of Active Accounts



Active Residential Accounts



Active Non-Residential Accounts



■ Water/Sewerage/Drainage ■ Drainage Only (no water service)

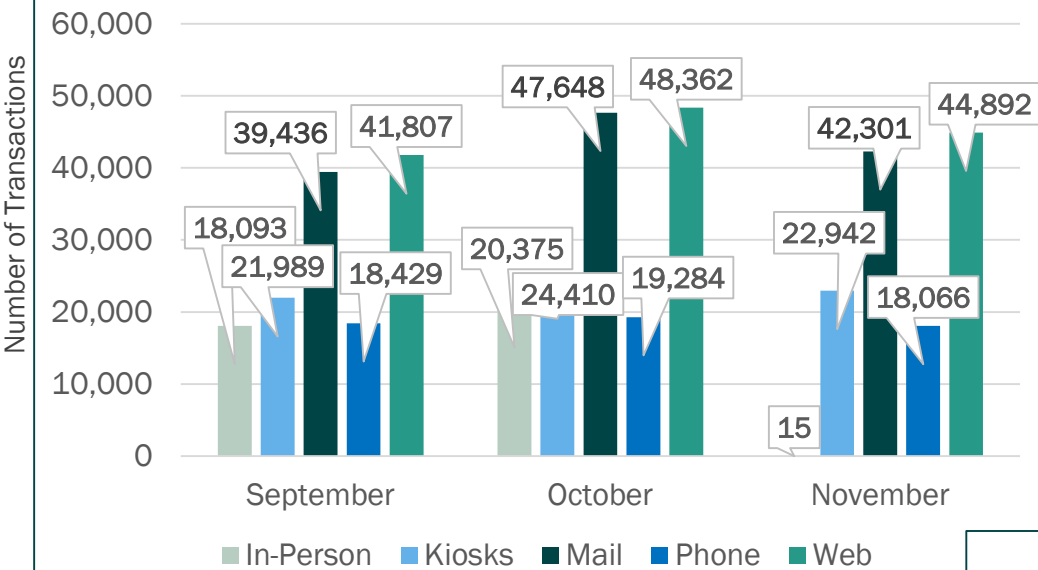
■ Water/Sewerage/Drainage ■ Drainage Only (no water service)

Vacant parcels, parking lots and other properties with no need for water service, receive stormwater charges only (drainage).

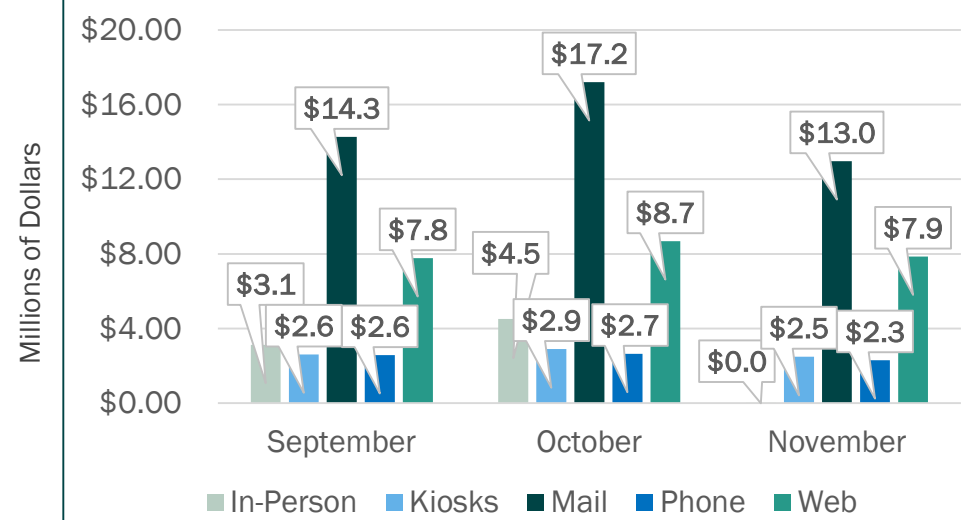
CUSTOMER CARE: Transactions



Payment Transactions by Platform Type



Revenue Collected by Platform Type



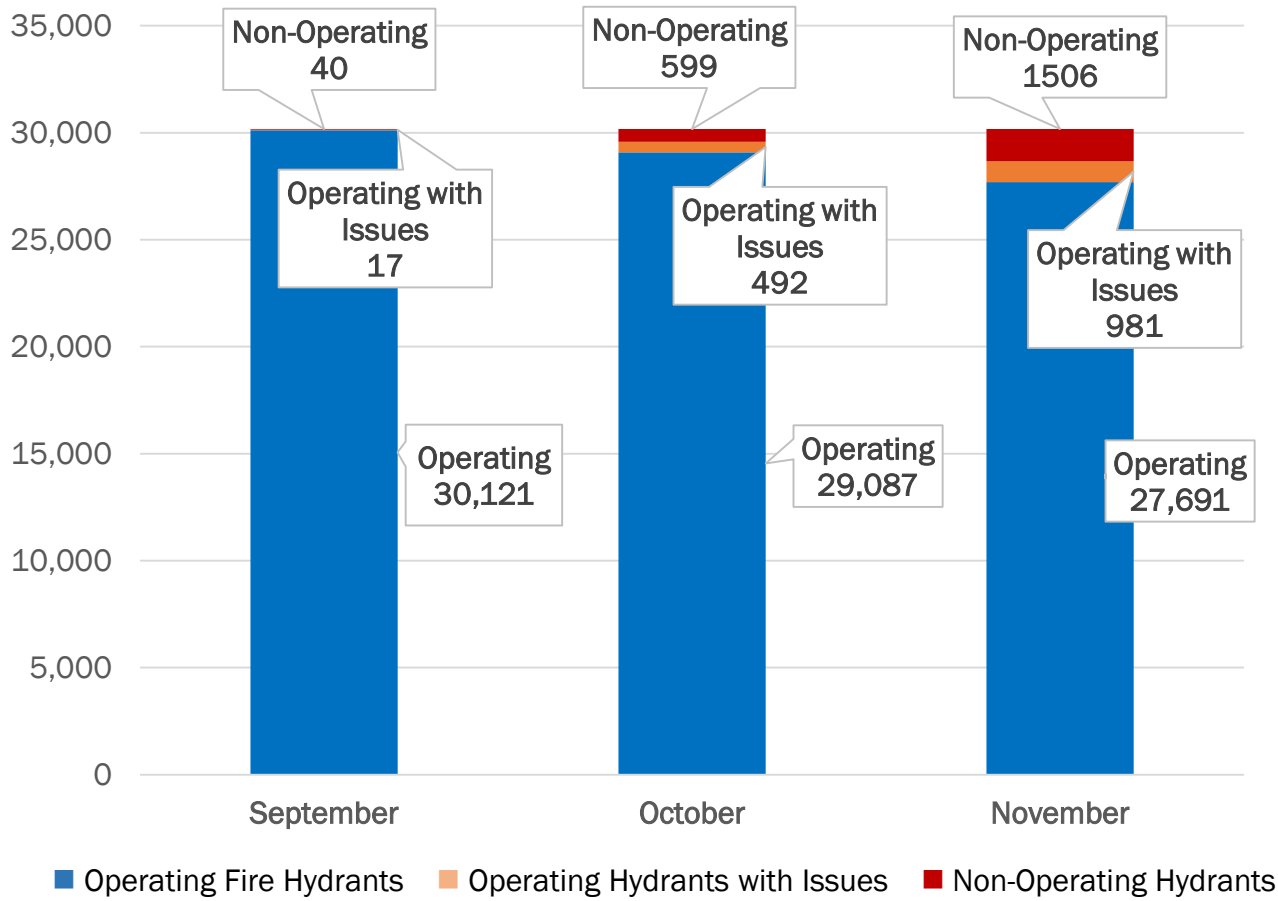
DWSD changed back-end processing to further improve business practices long term. As a result, the short-term impact reduced in-person transactions during the month of November. We expect an increase in transactions in December and January to catch up to the shortfall.



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Field Services

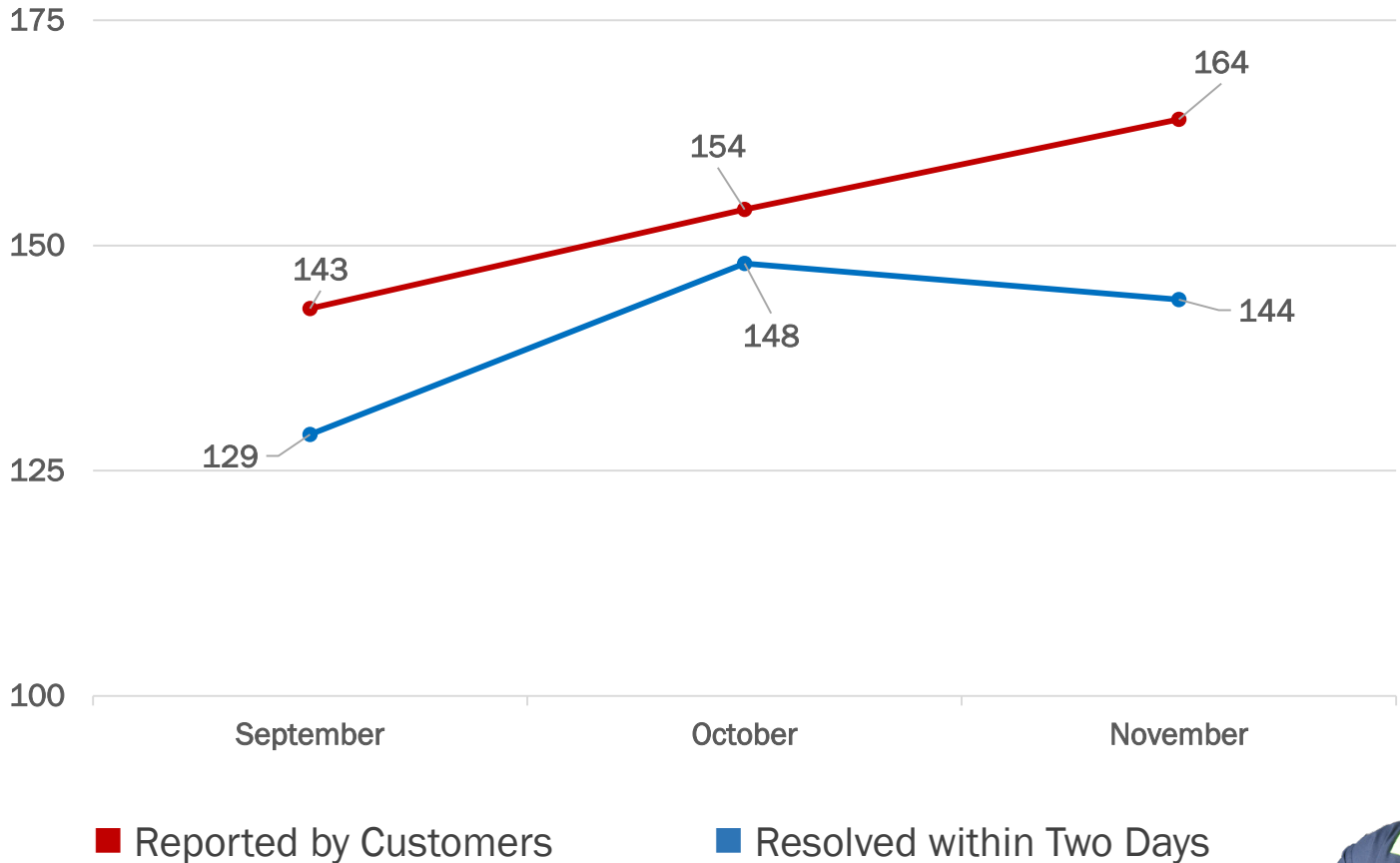
FIELD SERVICES: Fire Hydrant Maintenance



Firefighters are inspecting hydrants, which they do during the fall months. The data transfers to DWSD in order to create work orders, when necessary, to repair or replace hydrants. These inspections will result in an increase in work orders for the next few months while firefighters are inspecting and DWSD crews are making repairs.

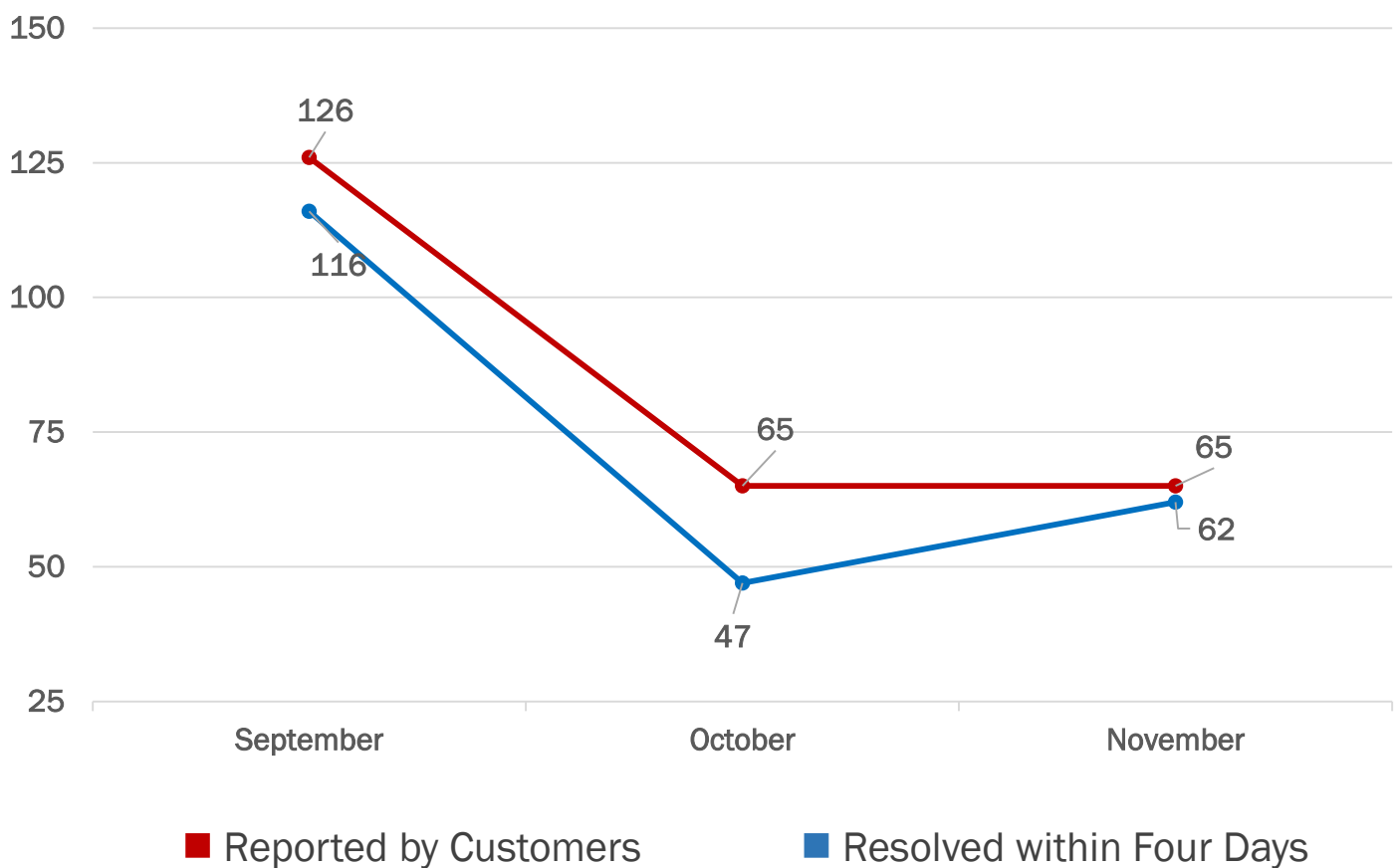
*Due to a data update, there is a change in the three categories in October versus previous months which is shown here.

FIELD SERVICES: Running Water



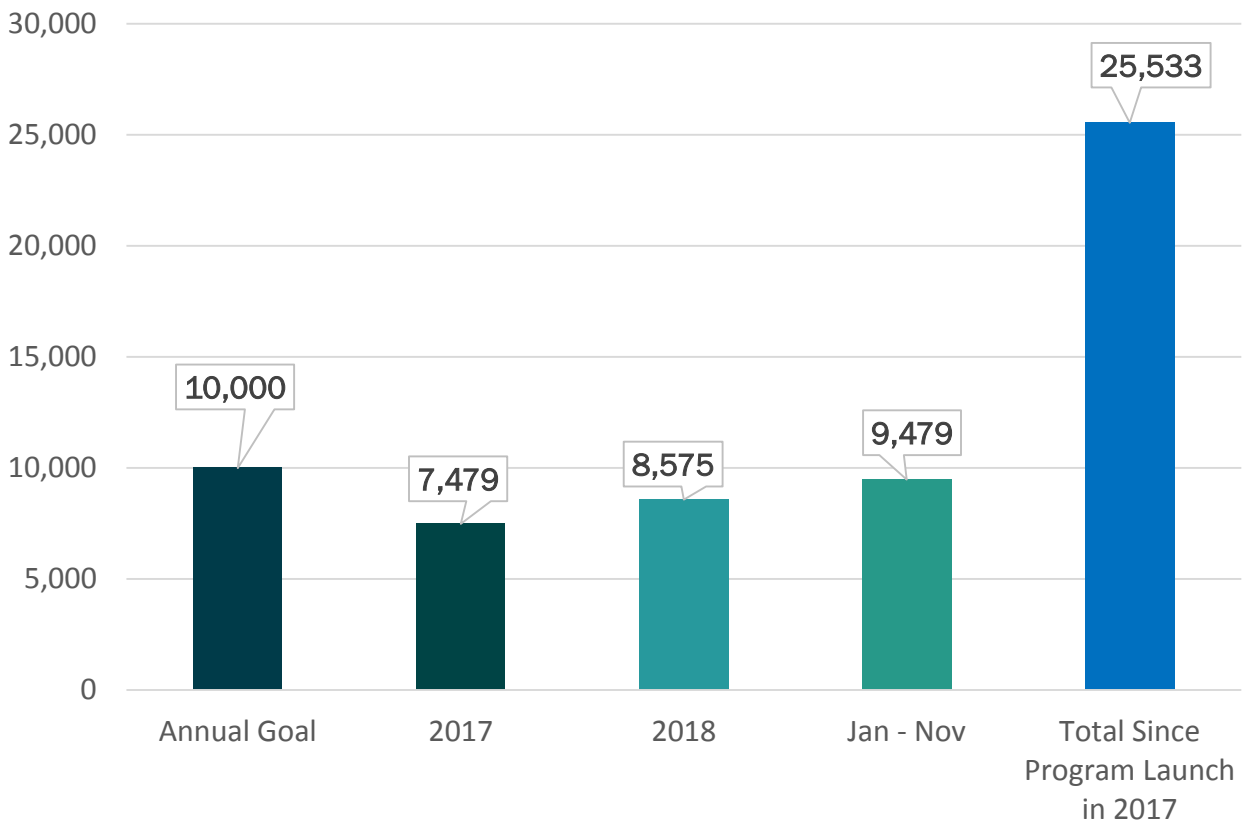
The running water reports remain comparable to the same period last year.

FIELD SERVICES: Water Main Breaks



When there is dramatic change in temperature --- hot or cold --- the ground can shift and cause tension on the pipes potentially resulting in water main breaks.

FIELD SERVICES: Catch Basin Inspection & Cleaning



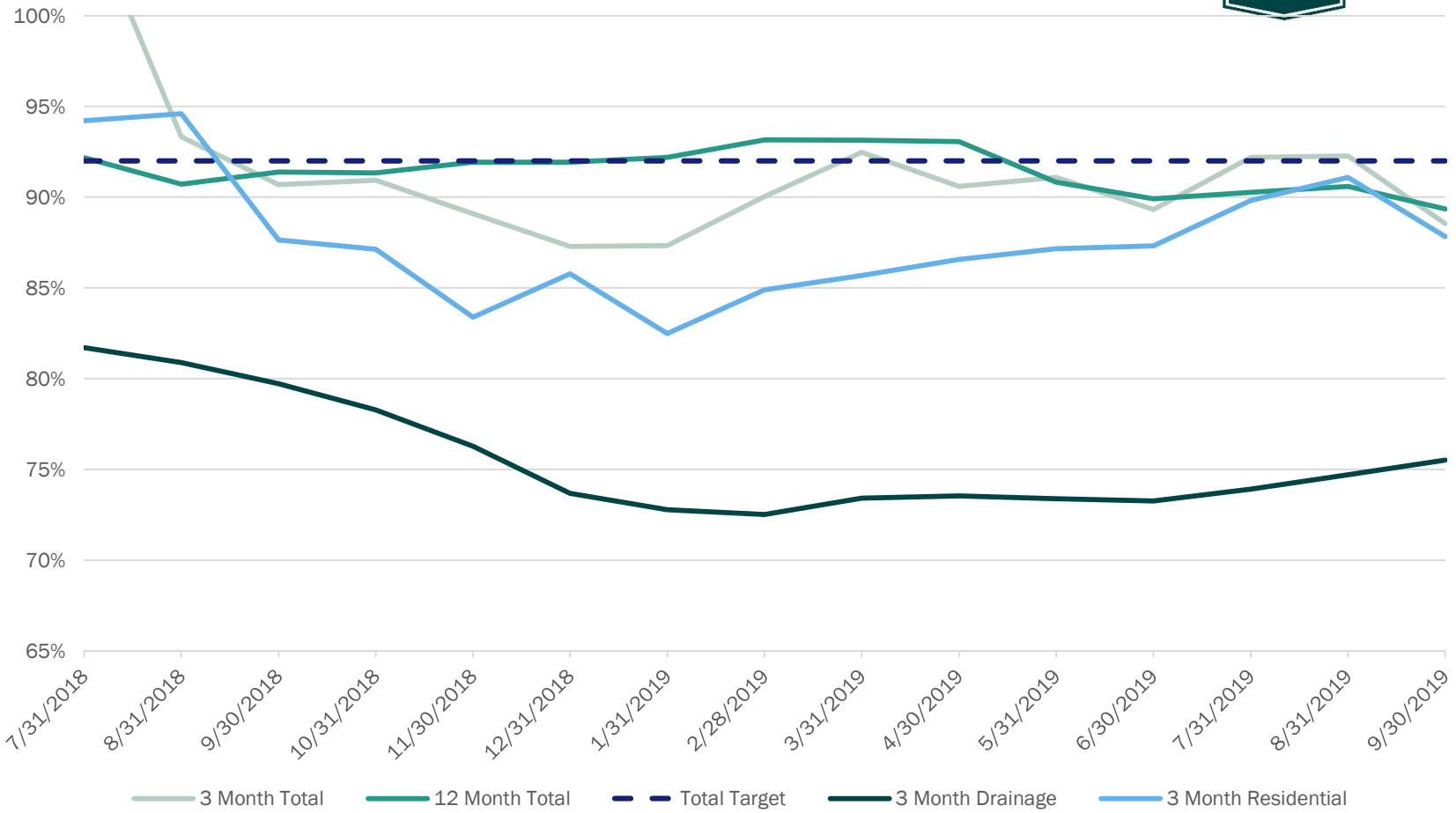
Since the catch basin inspection and cleaning program launched in 2017, crews have touched more than 25,000 of the estimated 90,000 catch basins. The goal is 30,000 in three years and DWSD is close to reaching that objective.



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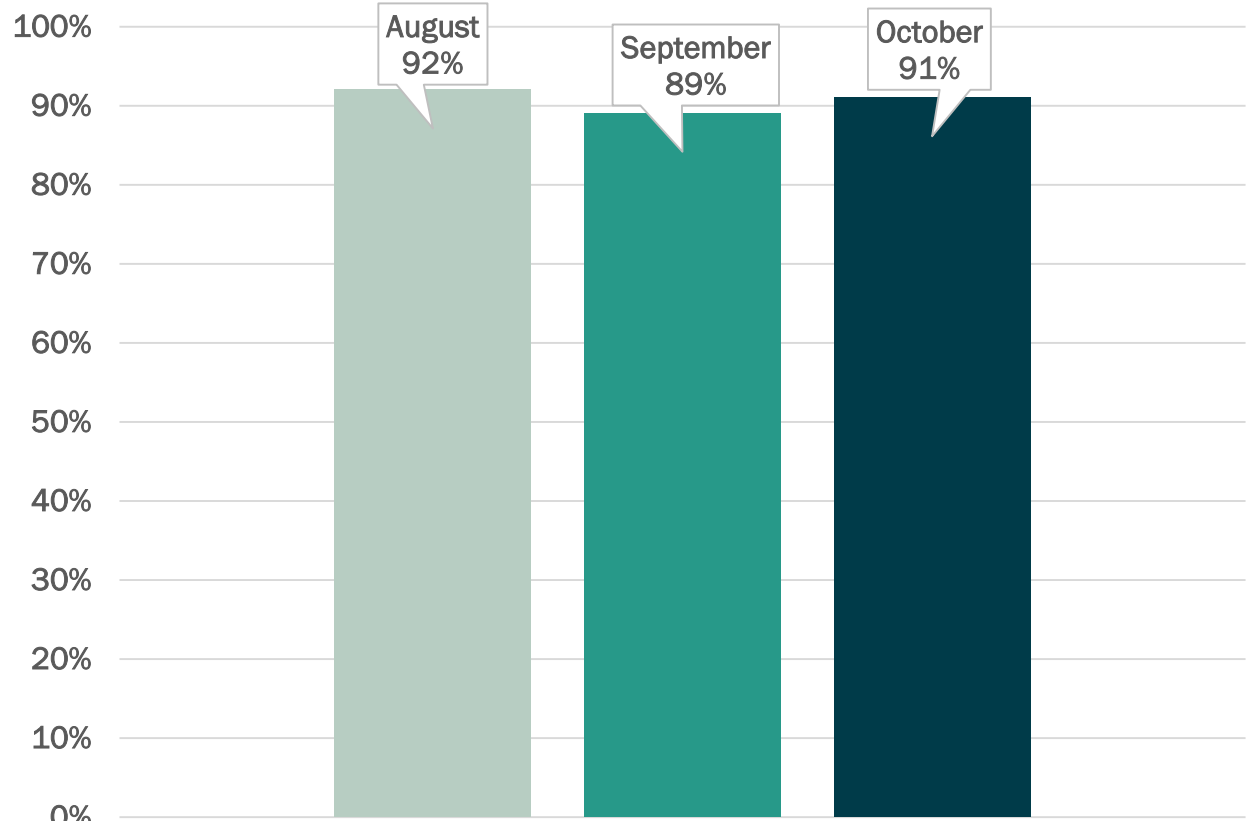
Finance

FINANCE: Bill Collection Rate



During the winter months, the collection rate historically decreases as households choose to pay their heating bills and catch up later with water bills in the spring, even moreso this past winter due to the temperatures falling well below zero for several days. Every percentage increase in the collection rate above 80 percent is an additional \$3.5 million which can be applied to the maintenance of and upgrades to the water and sewer systems.

FINANCE: Bill Collection Rate



3-Month Rolling Average Collection Rate for All Accounts

Prior to 2016 and the bifurcation with the Great Lakes Water Authority, the bill collection rate was 77 percent. Since the current leadership began at DWSD – changing the business practices, improving technology, customer service and outreach – the collection rate has remained above 90 percent the last three years.

FINANCE: Cash Balance



\$73,220,963
Water cash balance as of
October 31, 2019

\$148,909,003
Sewer cash balance as of
October 31, 2019

The operating cash days-on-hand as of September 30, 2019 is 151 days. The target is 120 days.

Due to when the books close after each month and following the reconciliation, the Finance Group data in this section is from two months prior to this report.



DETROIT
Water & Sewerage
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Legal Services

LEGAL: Claims, Hearings and Cases



20
Cases handled by in-house staff

10
Cases handled by outside counsel

1
Lawsuits dismissed

9
Lawsuits dismissed in FY2020

18
Dispute hearings

5
Number of cases DWSD prevailed

\$43,570
Amount in dispute

\$8,588
Credited to customers based on hearing outcomes

\$34,982
Owed to DWSD after hearings

0
Property damage claims

\$0
Amount in property damage claims

\$0
Amount of total claims recommended to be paid

DWSD uses a mix of in-house and contracted legal counsel to handle damage claims, civil action for commercial delinquencies and lawsuits filed against the department.

Customers who have bill disputes may request a hearing at the City of Detroit Department of Appeals and Hearings.



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Investigations

INVESTIGATIONS: Results

495

[99 per month, on average]
Parcels investigated for delinquency, possible meter tampering and no meter since July 1, 2019



Money Owed to DWSD identified by Investigators

\$3,297,318

Total since July 1, 2019

\$736,701

Back billed

\$2,389,269

Future owed in 12 months

\$171,348

Water loss



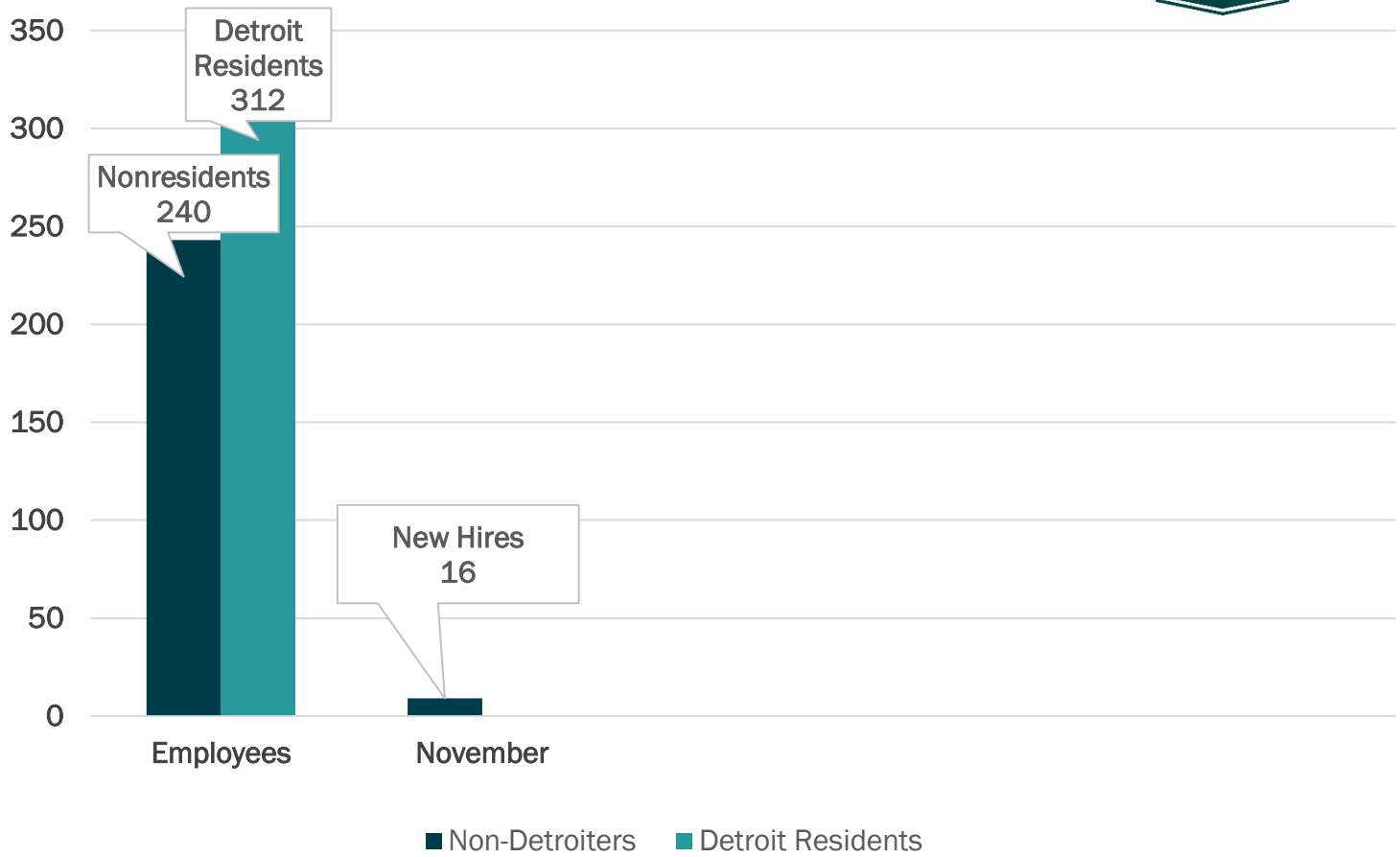
The DWSD Revenue Recovery Unit, in collaboration with customer service/billing, has identified more than \$12 million in services owed by primarily commercial customers since its creation in August 2017. They uncovered severe delinquencies, non-working meters, unauthorized use of fire hydrants, tampering with the meters, or connected to the city's water main without a meter and/or permit. The team works closely with the DWSD collections and legal staff.



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Human Resources

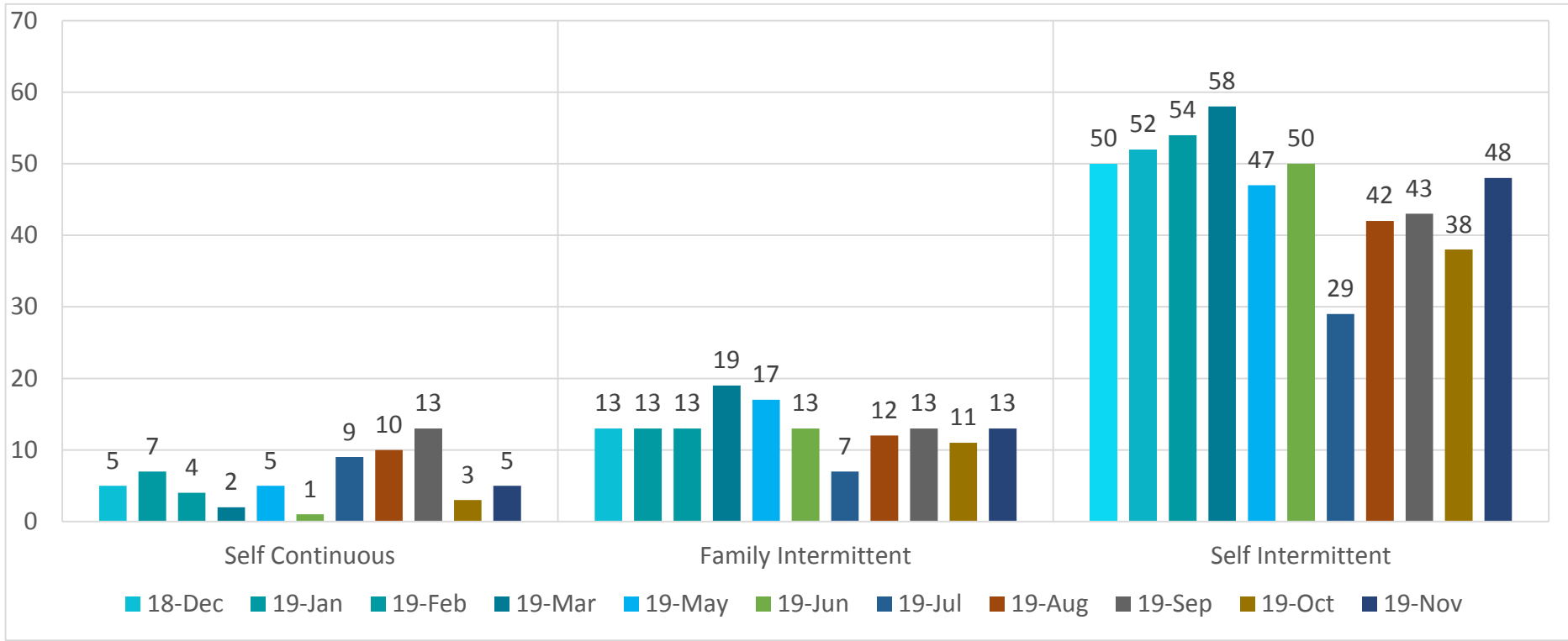
HUMAN RESOURCES: Detroit Residents and Hiring



Fifty-six percent of the DWSD workforce lives in Detroit.*

*DWSD and the City of Detroit do not require residency to be employed, per Michigan law.

HUMAN RESOURCES: Family Medical Leave Act





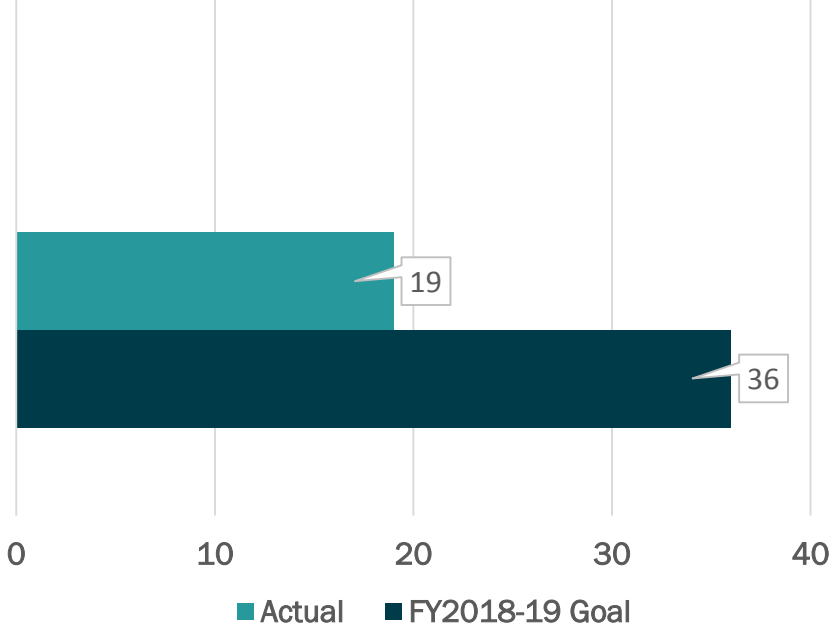
**Water & Sewerage
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Public Affairs

PUBLIC AFFAIRS: Good News



DWSD Good News Media Stories: FY2018-19



CRAIN'S DETROIT BUSINESS

November 24, 2019 10:54 AM

Online resource maps green stormwater projects in Detroit

Associated Press



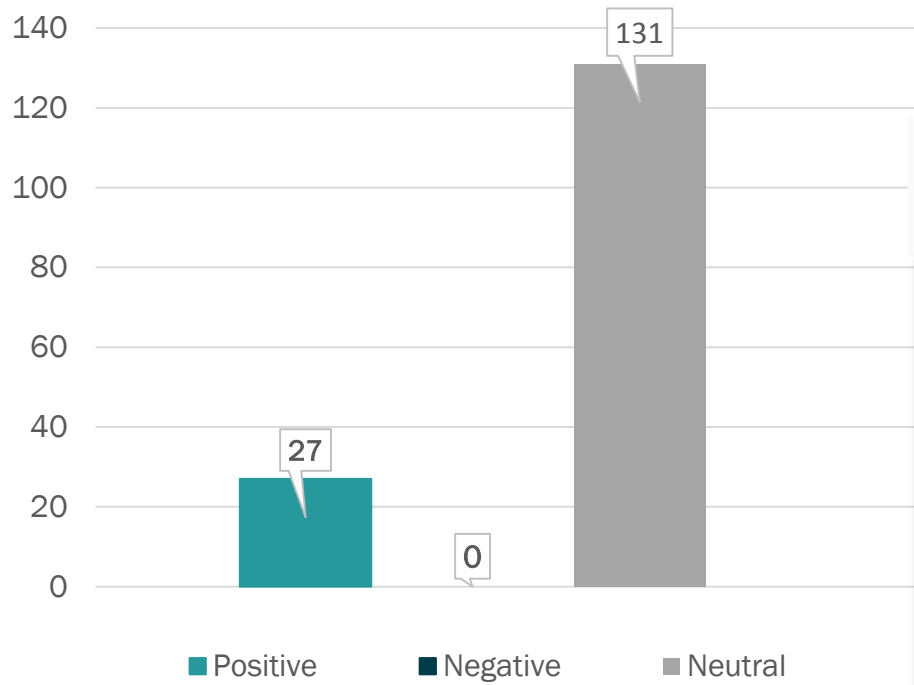
Liuzzo Park is among the green stormwater infrastructure projects in Detroit featured on a new map. Detroitstormwater.org

This month, the team garnered 2 positive news stories. One about the Detroit Stormwater Hub, an online resource to share and track green stormwater projects across Detroit. The Hub currently lists more than 150 public and private GSI projects from across the city. The second story was the release of DWSD's water sampling results in which the results were under the Lead and Copper Rule action level. **PLEASE NOTE: For this metric, news stories are only counted once per topic, not by the number of media outlets picking up the story.**

PUBLIC AFFAIRS: Positive vs. Negative News Stories



DWSD News Coverage: November 1 – November 30, 2019



The Detroit News

Detroit's lead results meet standards but city wants aid to replace pipes

Leonard N. Fleming, The Detroit News | Published 1:37 p.m. ET Nov. 19, 2019

Detroit officials touted Tuesday that sampling found the city's water didn't exceed the federal and state standards for lead but acknowledged the city won't be able to meet a 21-year deadline to replace every lead line without state financial assistance.

Fifty-four homes had lead results below the action level of 15 parts per billion, the Detroit Water and Sewerage Department reported at a Tuesday board meeting, while one home tested above it at 114 ppb.



Buy Photo

A section of lead pipe that was removed by crews replacing lead-tainted service lines at homes on the 1200 block of Durand in Flint, August 31, 2016. (Photo: David Guralnick, The Detroit News)

In November, the DWSD Public Affairs team saw a total of **158** media stories. The majority of the neutral stories were about the 36th District Court offering payment options through a mobile app and DivDat kiosks. DWSD was mentioned in the articles as another organization accepting payments through DivDat. The positive stories highlighted the launch of the online Detroit Stormwater Hub and DWSD's Lead and Copper water sampling results that were announced. Of the stories, 3 were broadcast, 148 were print/online and 7 were radio.

PLEASE NOTE: For this metric, each story/interview published or aired is counted.

PUBLIC AFFAIRS: Social Media Activity



38
New Facebook Followers

7,928
Total Followers on Facebook

9,434
Engagement on Facebook



5
New Twitter Followers

1,632
Total Followers on Twitter

218
Engagement on Twitter



40
New Instagram Followers

1,348
Total Followers on Instagram

27
Engagement on Instagram



The DWSD Public Affairs team gained **83** new followers on social media in November 2019, bringing the total number of followers to **10,908**. In addition to the metrics above, Facebook saw a total of 619,872 impressions and 4,978 link clicks for the month. The top performing post on Facebook was on November 14 when DWSD featured a Detroit resident that benefited from the WRAP program and her success story, with 124 reactions, 18 comments and 73 shares. The top performing post on Twitter was on November 22 about the new online Detroit Stormwater Hub and the top performing post on Instagram was the Veteran’s Day video on November 11.



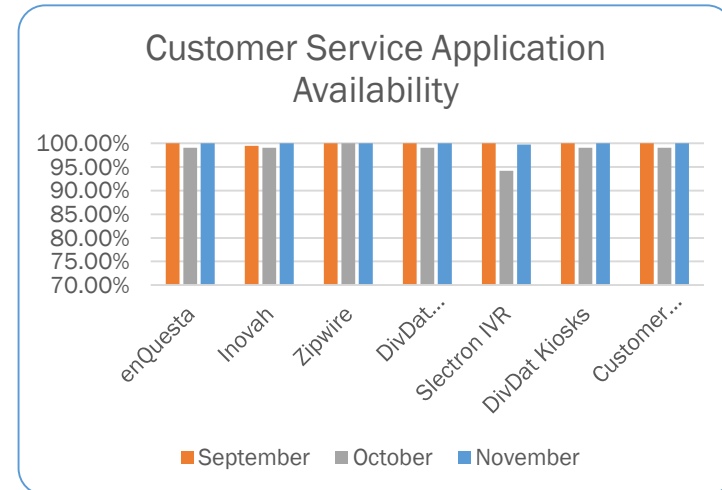
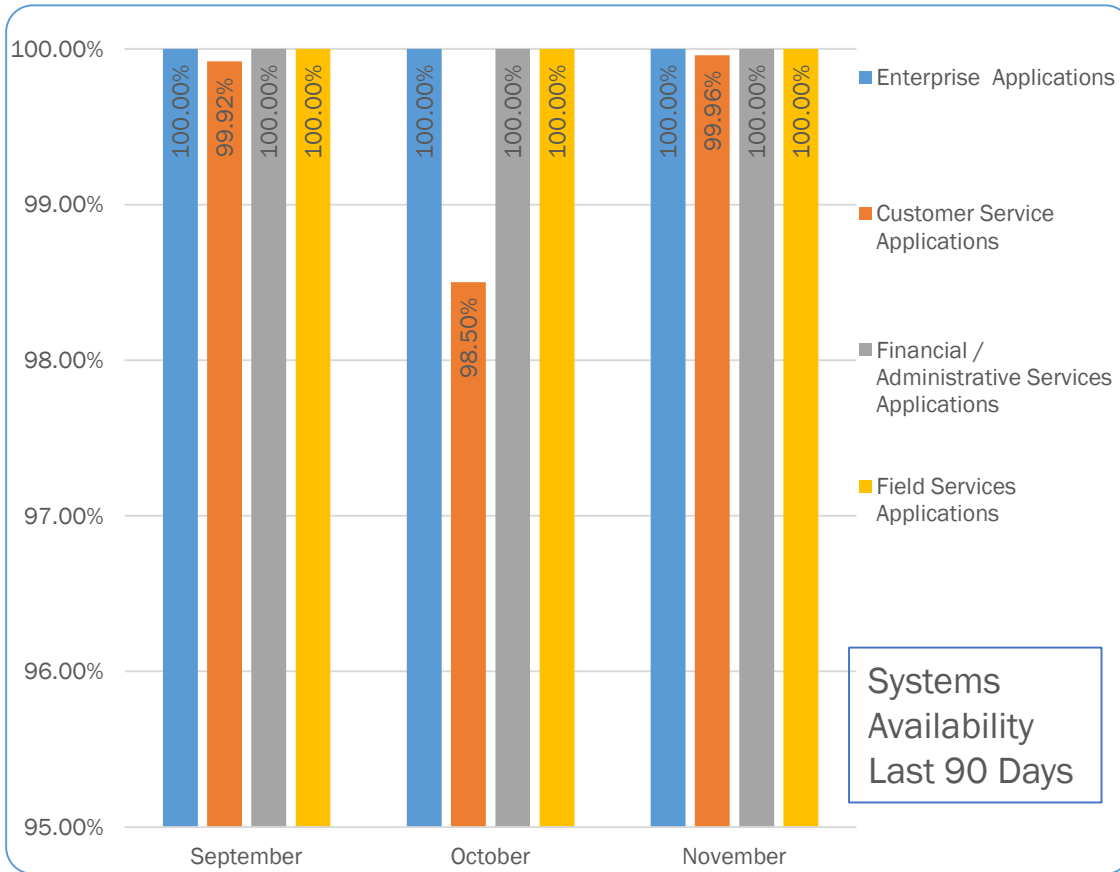
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Information Technology

Technology: Application Availability



Water & Sewerage Department



99.99%

MONTHLY AVAILABILITY

99.9% = TARGET

In the Informational Technology (IT) Group, the major projects underway are the transition from Great Lakes Water Authority (GLWA) IT shared services which includes new network, active director, BOX.com, print/fax services, IVR upgrade to the cloud, and GIS (Geographic Information System) to City of Detroit migration; launch of fleet management programs AssetWorks, FleetFocus and FuelFocus; CityWorks to replace WAM work order system; and Customer Care Web Portal phase two.