



**Water & Sewerage
Department**

DIRECTOR'S REPORT

February 19, 2020



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DIRECTOR'S MESSAGE TO THE BOARD



- The Detroit Water & Sewerage Department (DWSD) **announced key leadership changes to further improve operations** under its new business model created in 2016 after the bifurcation with the Great lakes Water Authority.
 - Robert Presnell transitioned to a newly created role, Chief Innovation and Transformation Officer, and will be responsible for enhancing the customer experience and improving business process through key initiatives.
 - Timothy Cavitt has been hired as the Chief Operating Officer and will oversee several operating groups.
- Recognizing the success of WRAP (Water Residential Assistance Program) while there remains ongoing needs in the community, DWSD will ask Detroit City Council and the GLWA board to approve a revision to the lease agreement between the City of Detroit and GLWA to expand WRAP, which includes the following:
 - Open eligibility to more residential households by expanding the qualifications from 150% of poverty level to 200% of poverty level; therefore, a four-member household with a \$50,000 annual income will now be eligible;
 - Double annual funding for Detroit from \$2.4 million to \$5 million;
 - Increase the minor home plumbing repairs from \$1,000 maximum to \$1,500. on average to replace inefficient fixture and fix leaks which cause high water and sewer bills; and
 - Benefit an estimated 5,000 more households annually in Detroit to maintain their water service.



- DWSD will produce with its agency of record, MCCI, a video series that educates customers about the water and sewer systems and their responsibility and clear up misinformation.
 - The image at the right is screenshot of the first “DWSD Director Shares the Facts” video.



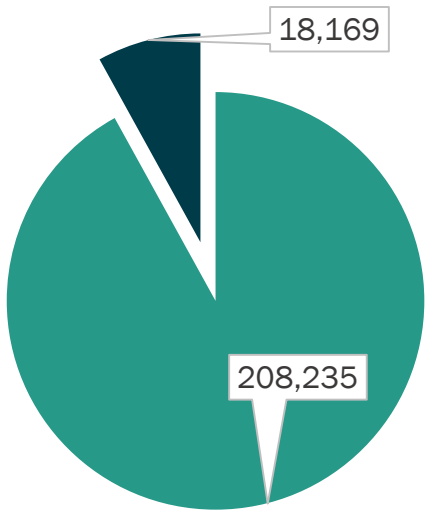
**Water & Sewerage
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Customer Care

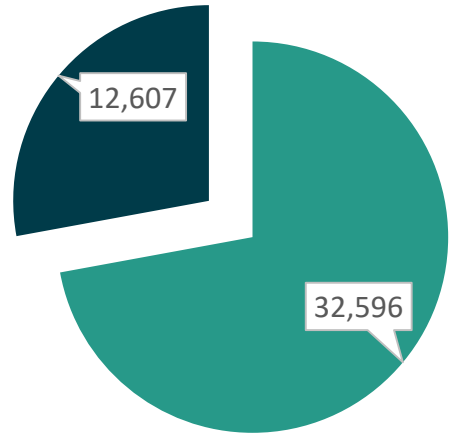
CUSTOMER CARE: Number of Active Accounts



Active Residential Accounts



Active Non-Residential Accounts



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

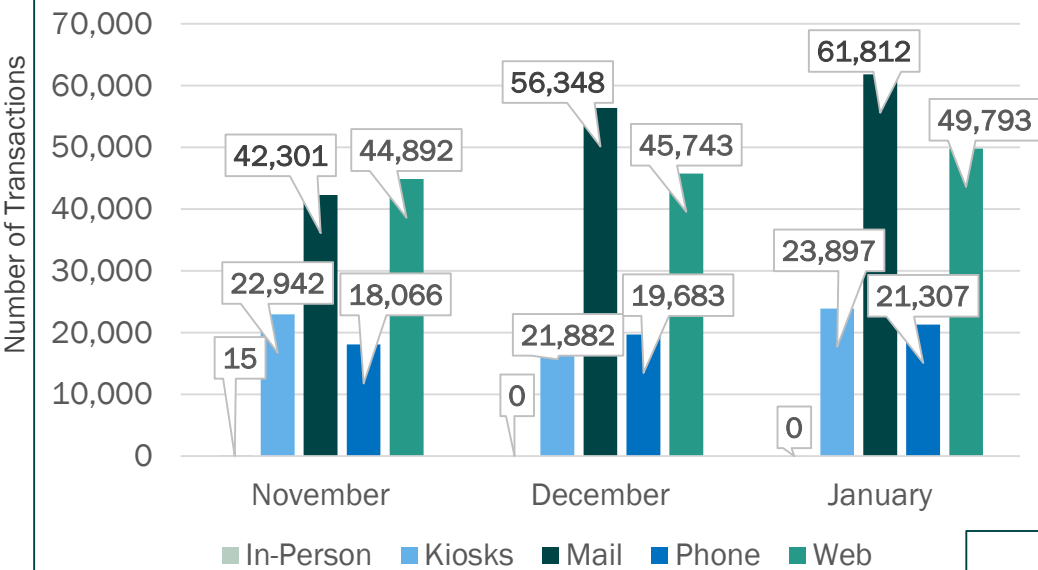
■ Water/Sewerage/Drainage ■ Drainage Only (no water service)

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

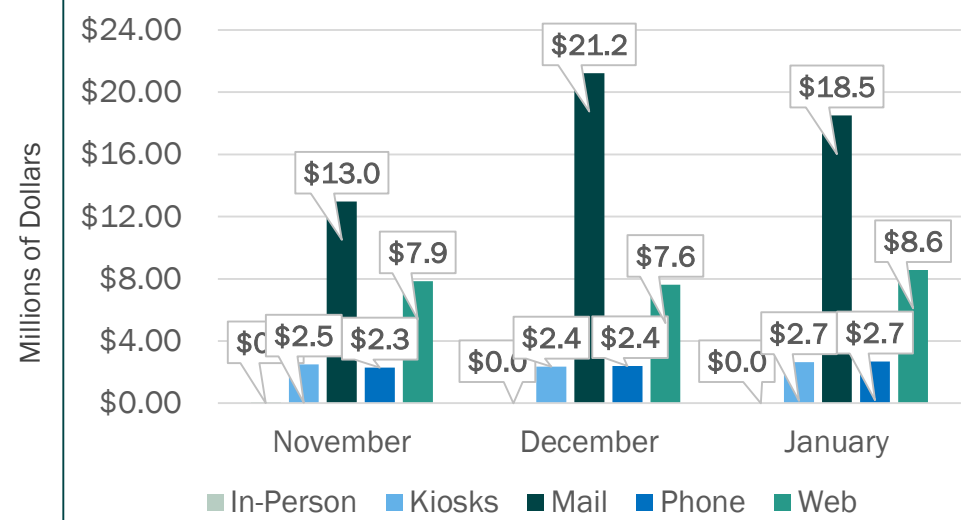
CUSTOMER CARE: Transactions



Payment Transactions by Platform Type



Revenue Collected by Platform Type



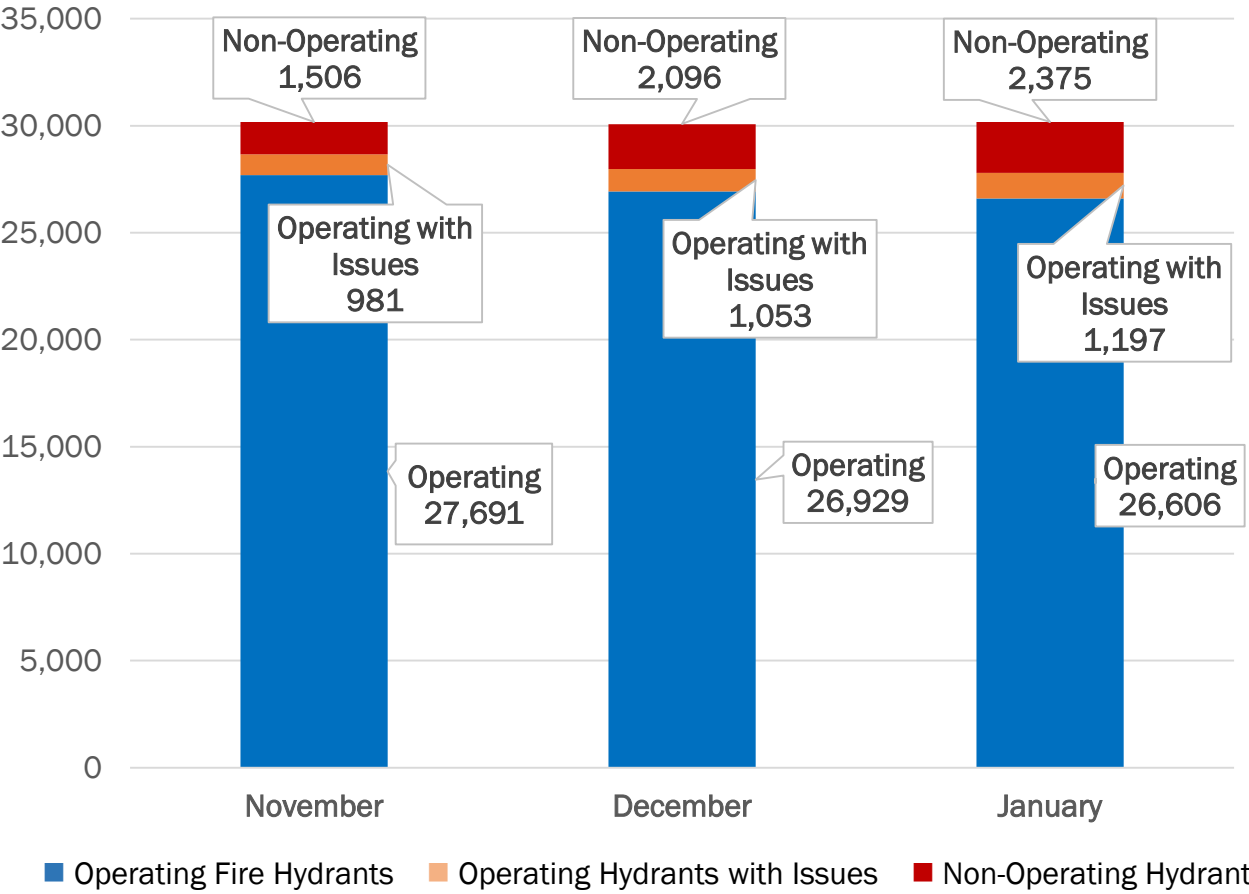
DWSD changed back-end processing to further improve business practices long term. As a result, the short-term impact reduced in-person transactions during the month of November and December. We expect an increase in transactions in January to catch up to the shortfall.



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Field Services

FIELD SERVICES: Fire Hydrant Maintenance

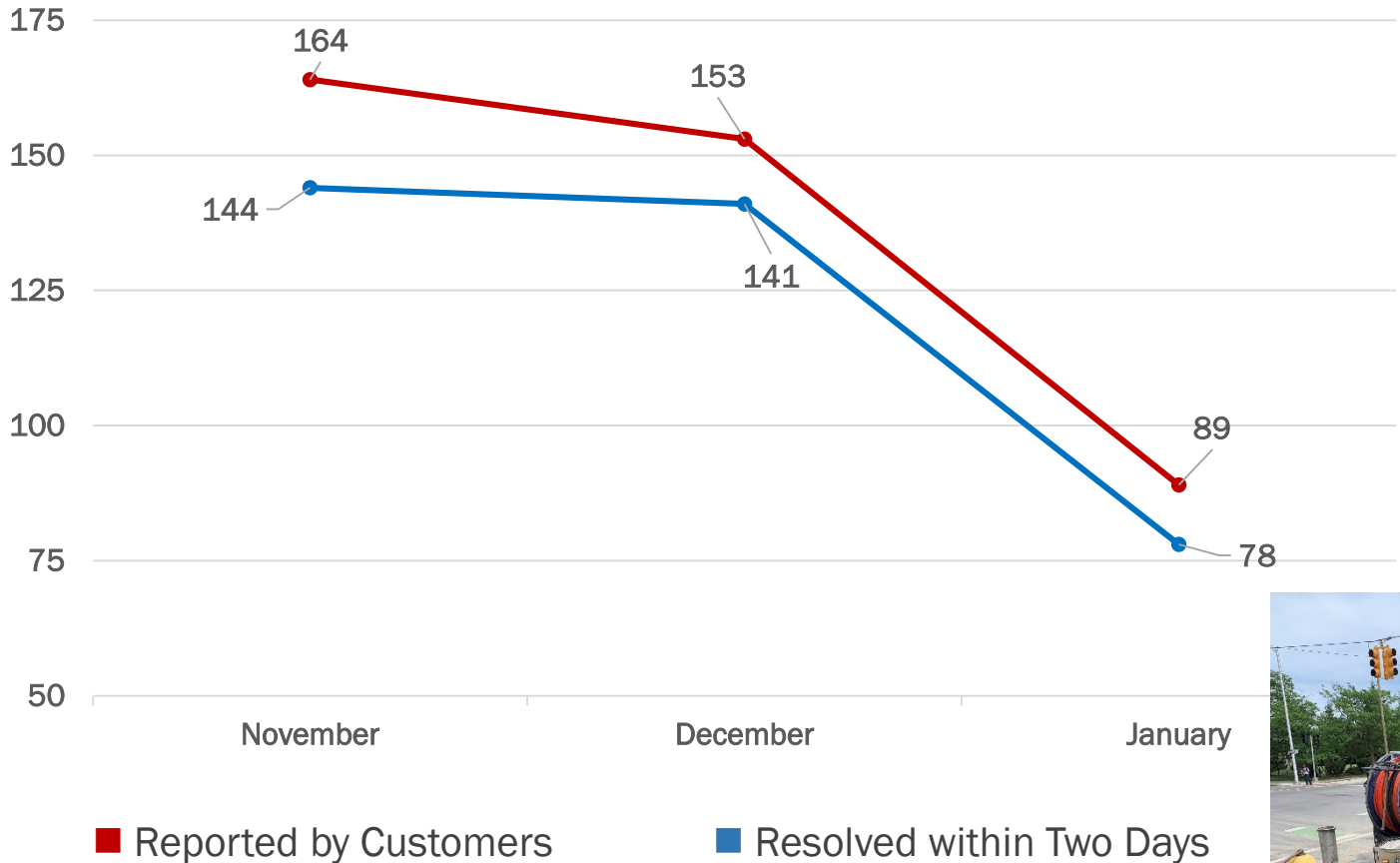


Firefighters are inspecting hydrants, which they do annually during the fall and early winter months. The data transfers to DWSD in order to create work orders, when necessary, to repair or replace hydrants. These inspections result in an increase in work orders for the next few months while firefighters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



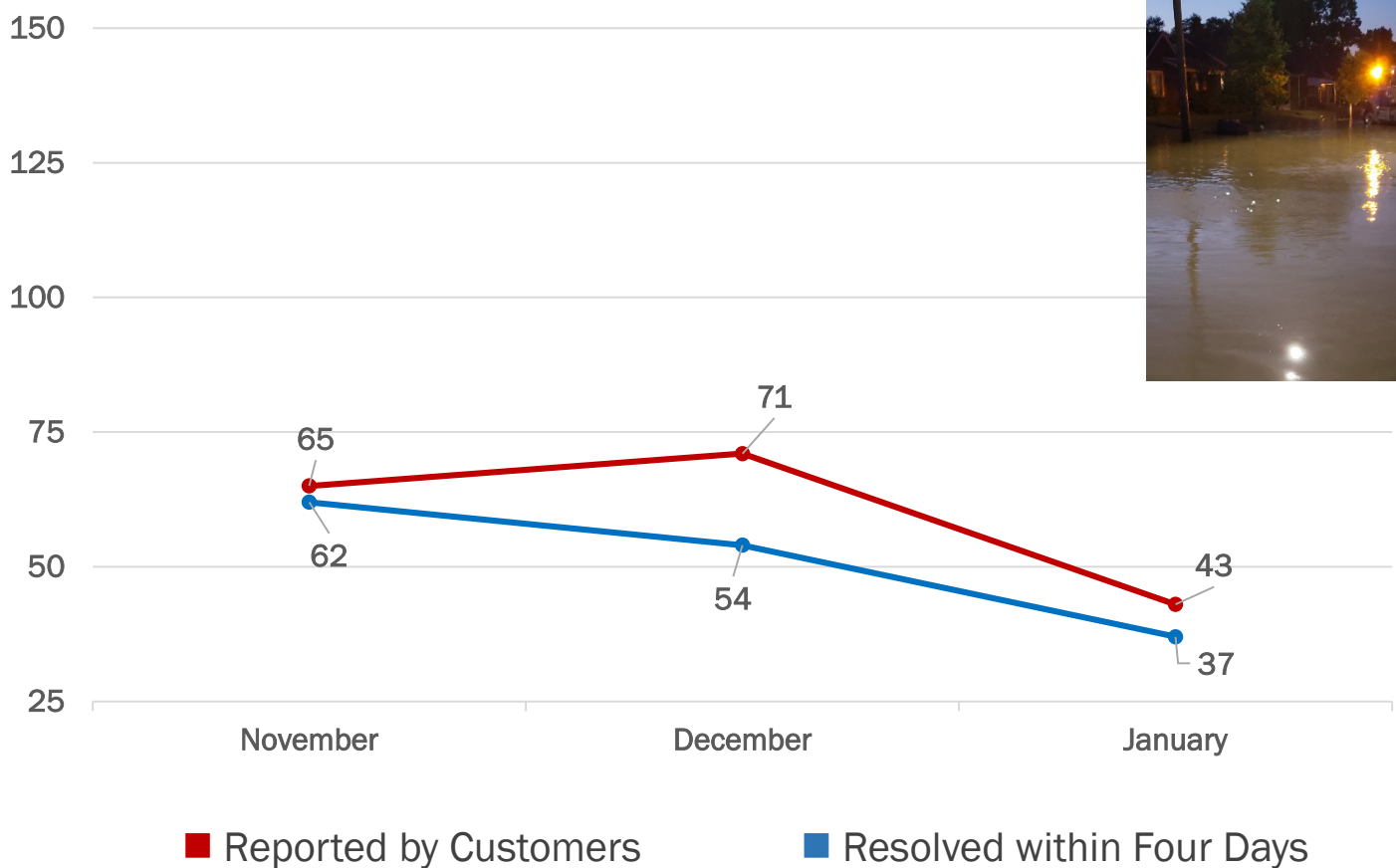
*Due to a data update, there is a change in the three categories in October versus previous months which is shown here.

FIELD SERVICES: Running Water



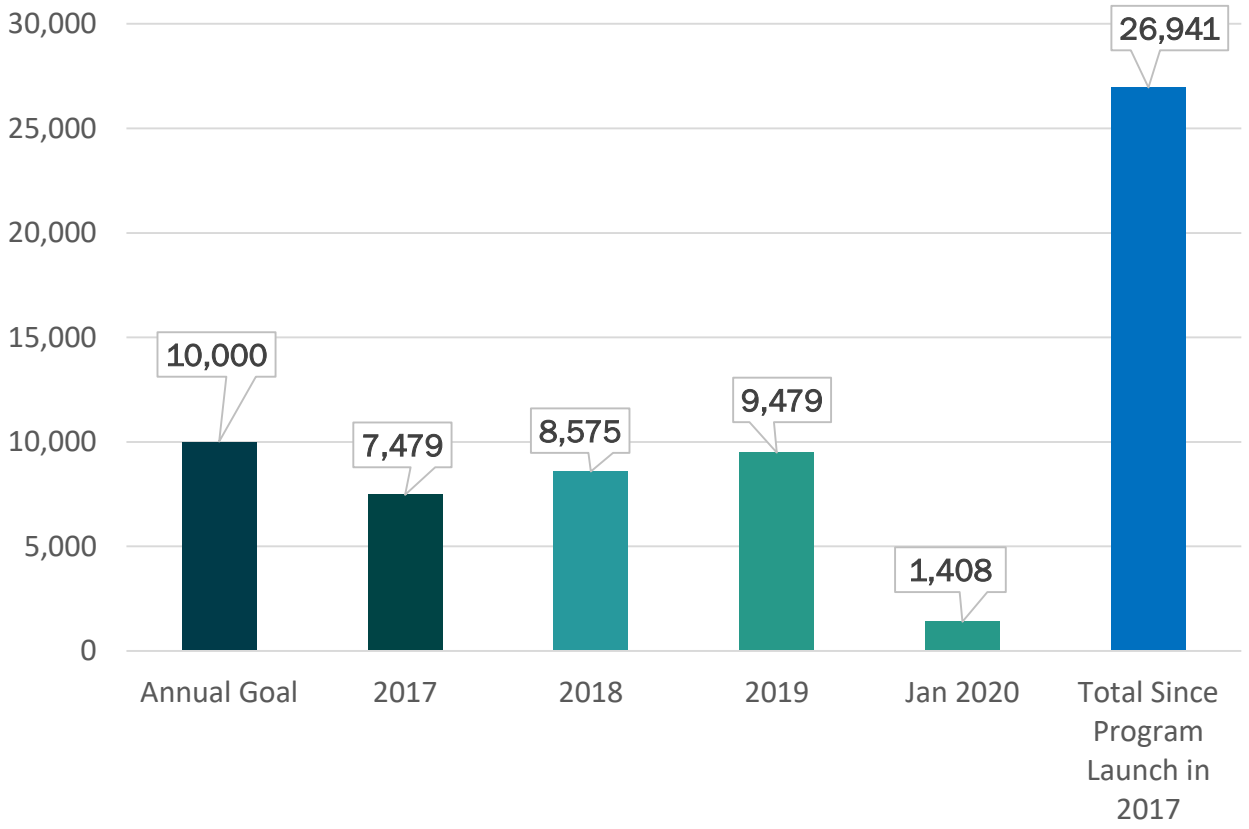
The running water reports have decreased from prior comparable years due to the preventative maintenance programs and the several unseasonably warm days this winter.

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. Fortunately this year's winter has been historically warm.

FIELD SERVICES: Catch Basin Inspection & Cleaning



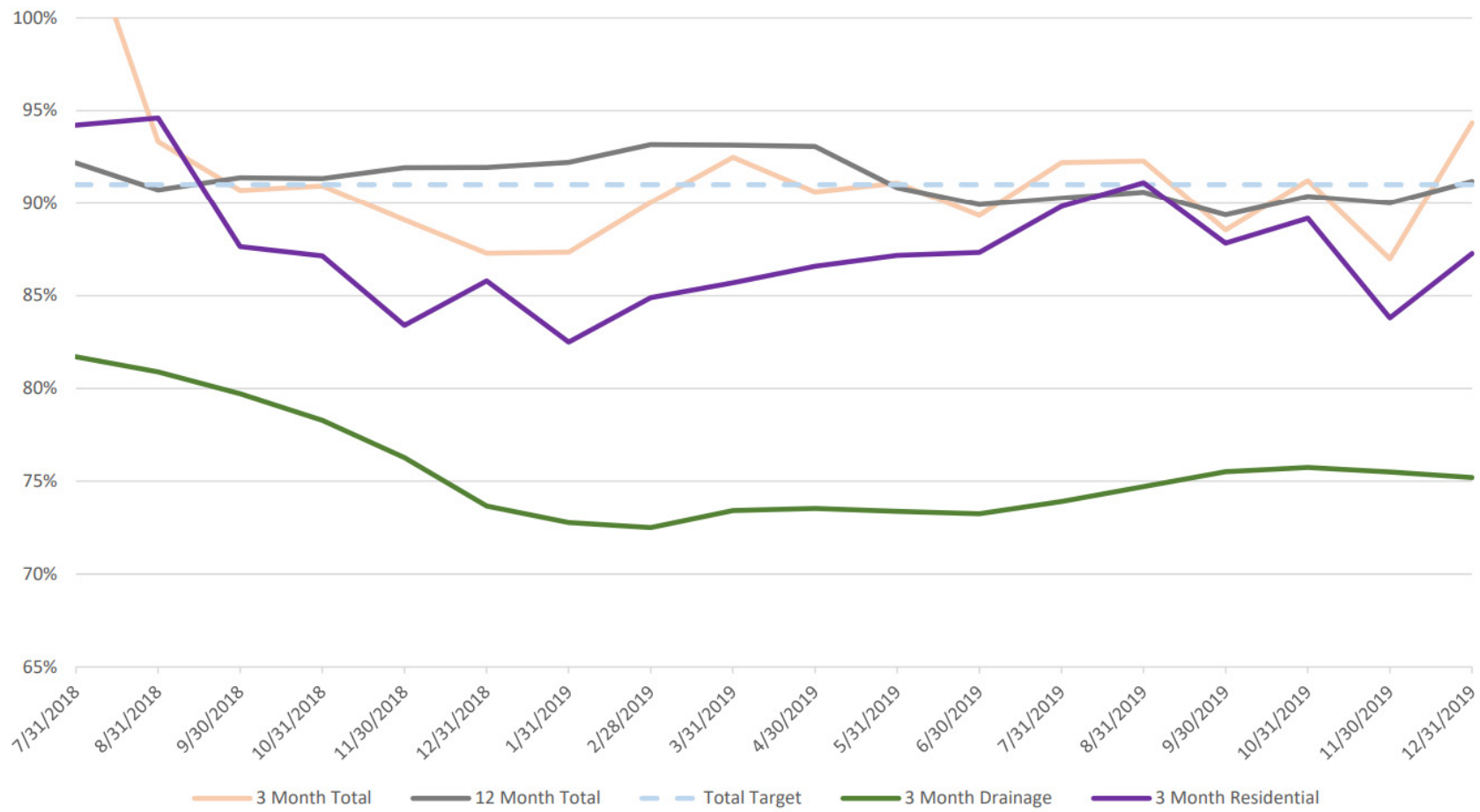
Since the catch basin inspection and cleaning program launched in 2017, crews have touched nearly 27,000 of the estimated 90,000 catch basins. The goal is 30,000 by August 2020 and DWSD is expected to exceed this objective.



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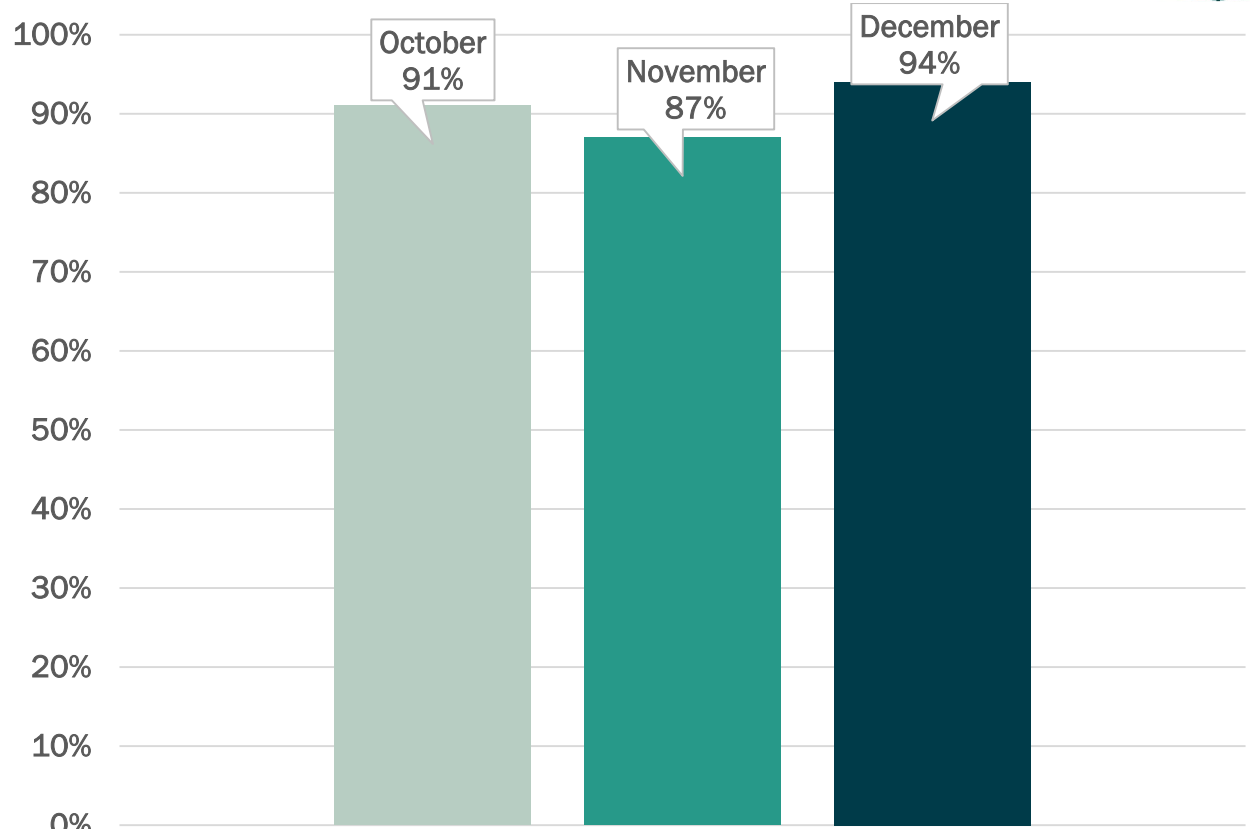
Finance

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



\$67,344,016
Water cash balance as of
December 31, 2019

\$142,042,297
Sewer cash balance as of
December 31, 2019

The operating cash days-on-hand as of December 31, 2019 is 128 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.



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Legal Services

LEGAL: Claims, Hearings and Cases



23
Cases handled by in-house staff

10
Cases handled by outside counsel

1
Lawsuits dismissed

10
Lawsuits dismissed in FY2020

12
Dispute hearings

2
Number of cases DWSD prevailed

\$8,503
Amount in dispute

\$2,505
Credited to customers based on hearing outcomes

\$5,998
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



606
[87 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

\$3,555,473
Total since July 1, 2019

\$777,059
Back billed

\$2,607,066
Future owed in 12 months

\$171,348
Water loss

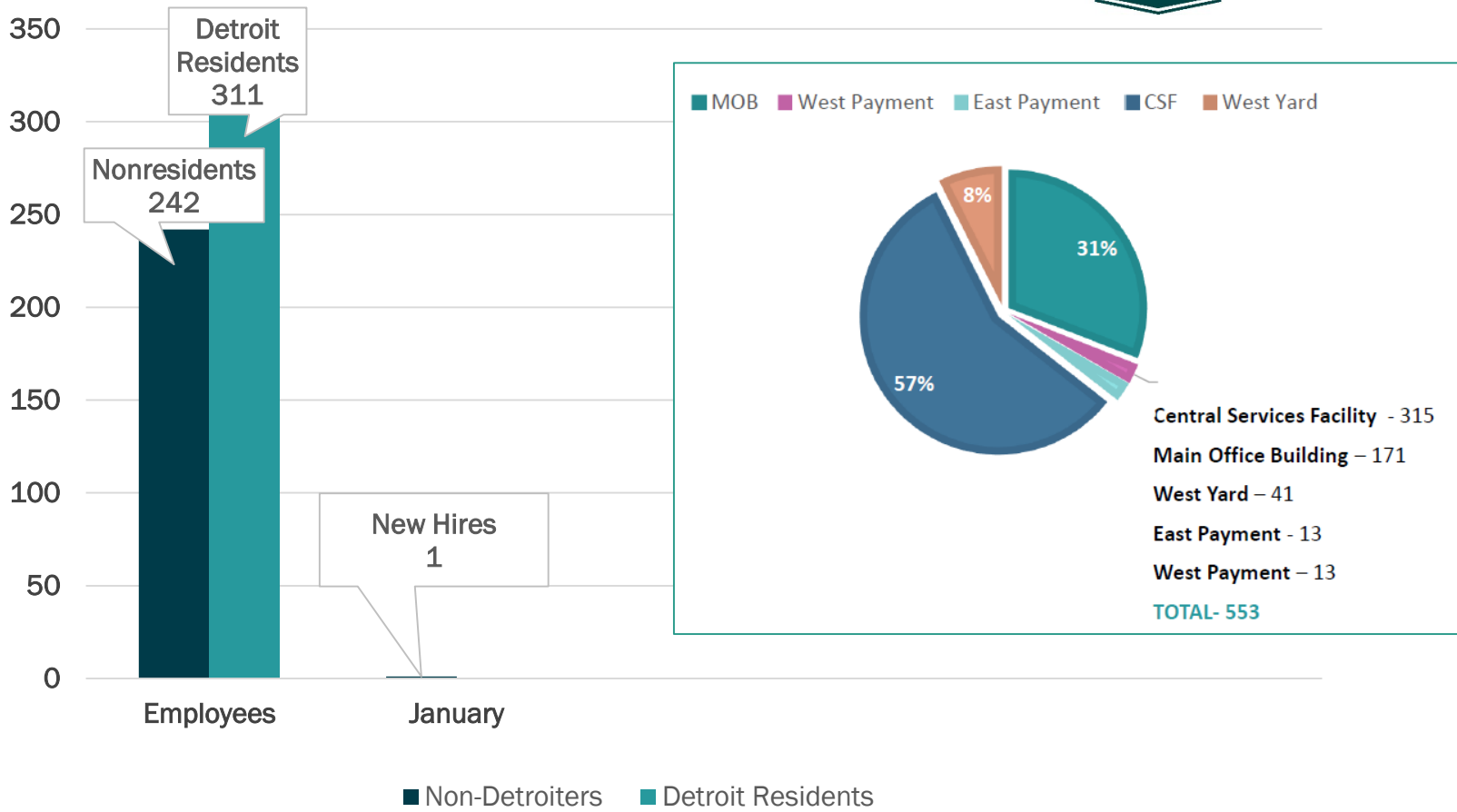
The DWSD Revenue Recovery Unit, in collaboration with customer service/billing, has identified more than \$12 million in services owed by primarily commercial customers since its creation in August 2017. They uncovered severe delinquencies, non-working meters, unauthorized use of fire hydrants, tampering 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: Recruitment



Water & Sewerage
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Classification	Division	Open Positions	# of New Monthly Applicants	# selected for Interviews	Comments
Customer Service Specialist	Customer Service	4			Identified 4 candidates
Maintenance Tech/Master Plumber	Facilities	1	5		Reviewing Applications
Professional Administrative Analyst	Facilities	1	0	11	Hired begins 2/3/2020
Field Service Technician	Meter Operations	2	80		Manager reviewing applications
Professional Administrative Analyst	Field Engineering	3			3 Candidates Identified
Automotive Fleet Technician	Fleet	2	20	1	1 selected interviewing 1/29/2020
Applications Analyst II/III	I.T.	1			
IT Learning Specialist	I.T.	1			Reposting with new job description
IT Director	I.T.	1	2	2	Selection in progress
Field Services Technician	Maintenance & Repair	19	74	0	4 start 1/27- manager reviewing applications for additional.
Engineer	Field Engineering	1	0		Hired starts 2/3/2020
Procurement Specialist 3, PAA, Team Lead,	Procurement	5	239	5	Making offer to 3
Security Officer	Security	1			Reposting
Engineer	Storm Water Mgmt. Group	1			On Hold
Inspector	Storm Water Mgmt. Group	1	23		Awaiting managers selection

44 Open Positions



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Public Affairs

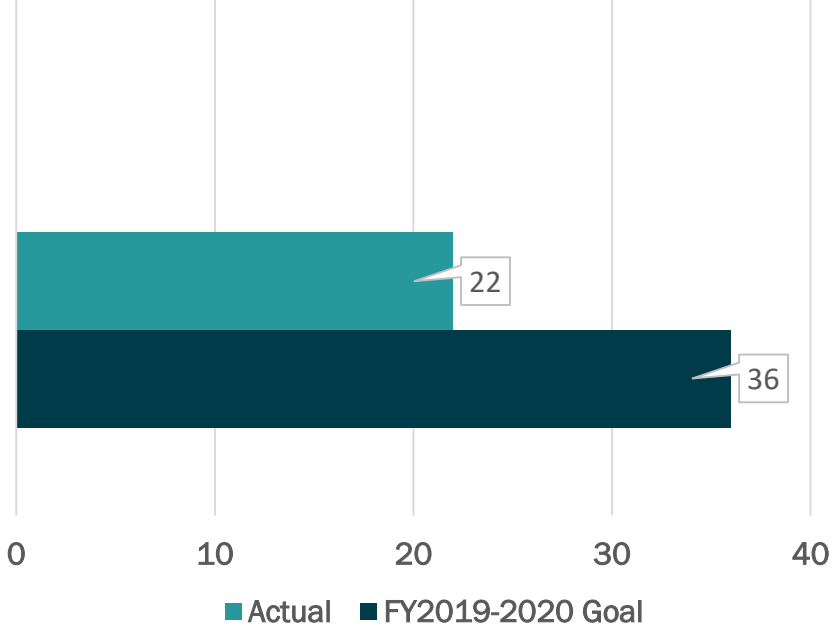
PUBLIC AFFAIRS: Good News



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VOICE OF THE COMMUNITY SINCE 1936
MICHIGAN CHRONICLE

DWSD Good News Media Stories: FY2019-2020



DWSD to hold Contractor Fair at Marygrove College

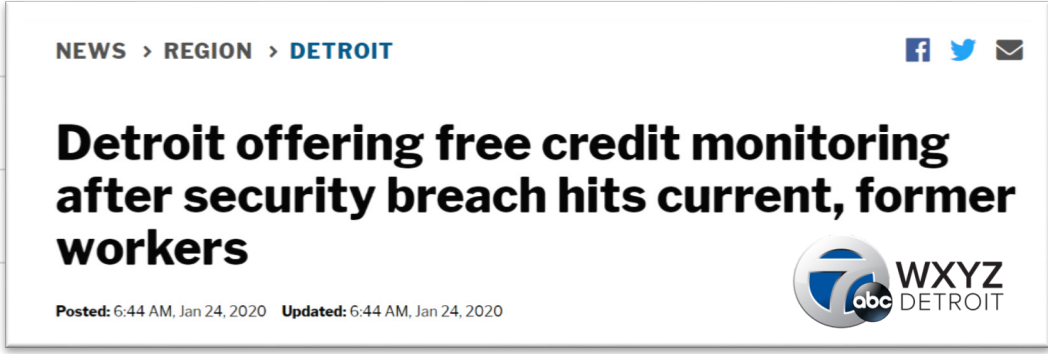
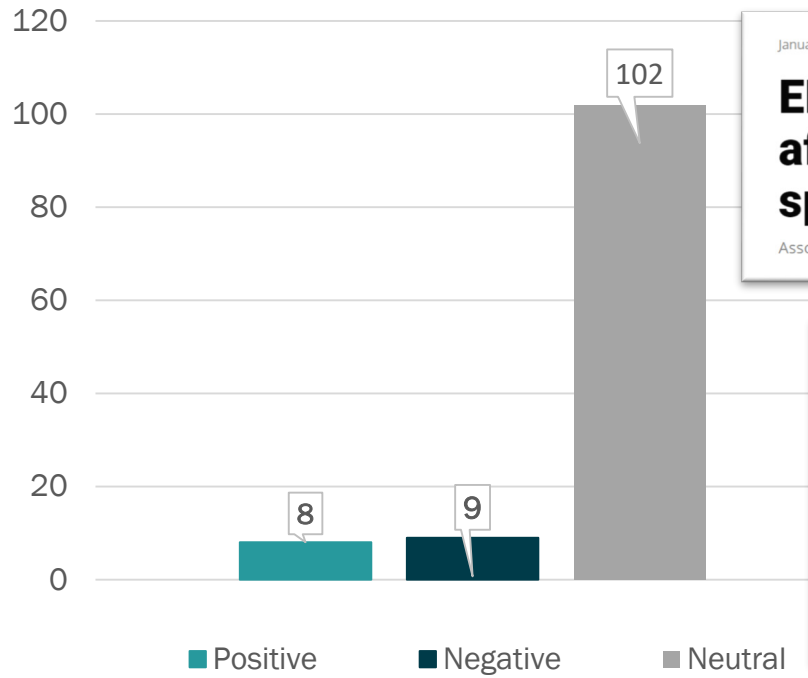
Andre Ellington
January 10, 2020



This month, the team garnered 3 positive news stories. The first was about DWSD’s Construction Opportunities Business to Business Workshop on January 14, 2020 at Marygrove College. The second story was helpful tips on preventing street flooding during the weekend’s predicted storm, and the last one was a pitched story about Durfee Elementary Robotics Team. DWSD invited Mayor Duggan and Deputy Director & Chief Engineer Palencia Mobley, P.E. to listen to their presentation. 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: January 1 – January 31, 2020



In January, the DWSD Public Affairs team saw a total of **119** media stories. The majority of the neutral stories were about the Revere Copper site collapse into the Detroit River. Most media requests were about the quality of the water and was referred to Great Lakes Water Authority (GLWA). The interviews that were conducted assured customers water was safe. The negative stories were about the city’s data breach. Of the stories, 10 were broadcast, 89 were print/online and 20 were radio. **PLEASE NOTE:** For this metric, each story/interview published or aired is counted.



PUBLIC AFFAIRS: Social Media Activity



176
New Facebook Followers

8,123
Total Followers on Facebook

12,936
Engagement on Facebook



2
New Twitter Followers

1,647
Total Followers on Twitter

263
Engagement on Twitter



18
New Instagram Followers

1,378
Total Followers on Instagram

43
Engagement on Instagram



The DWSD Public Affairs team gained **196** new followers on social media in January 2020, bringing the total number of followers to **11,148**. In addition to the metrics above, Facebook saw a total of 368,868 impressions and 2,665 link clicks for the month. The top performing post on Facebook was on January 2 when DWSD introduced the Detroit Stormwater Hub with 298 reactions, 45 comments and 83 shares. The top performing post on Twitter was on January 11 when DWSD's GSI projects were featured doing exactly what they were built to do during the weekend storm. The top performing post on Instagram was a post congratulating Durfee Elementary's Robotics Team on their Championship win on January 10.



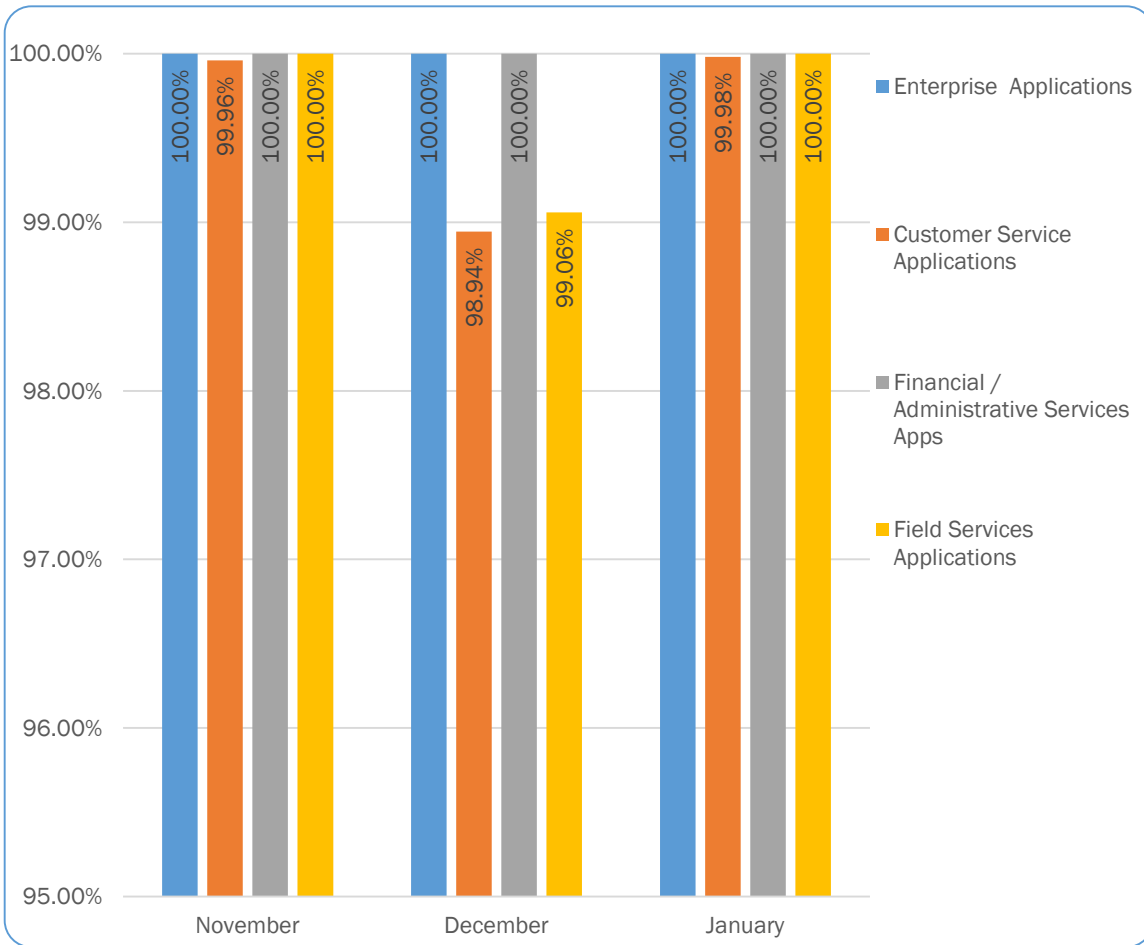
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Information Technology

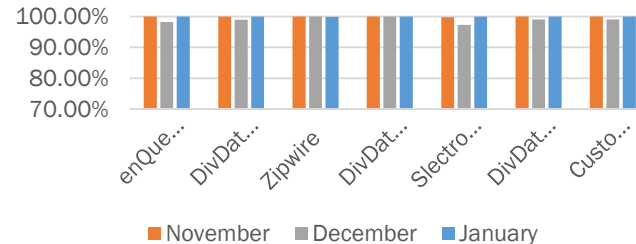
Technology: Application Availability



Water & Sewerage Department



Customer Service Application Availability



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.