

RESOLUTION NO. 2022-15

A RESOLUTION TO TEMPORARILY MODIFY THE WATER DISCONNECT REQUIREMENT UNDER CITY OF WARD ORDINANCE 2014-07, SECTION 5 FOR THOSE HOUSEHOLDS WHO HAVE RECEIVED BENEFITS UNDER THE FEDERAL LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM (LIHWAP)

WHEREAS, PUBLIC LAW 116-260, enacted in December 2021 established and provided appropriation for the Low-Income Household Water Assistance Program (LIHWAP); and,

WHEREAS, THE CITY COUNCIL OF THE CITY OF WARD authorized the mayor and or city clerk to enter into a Vendor Agreement with the Arkansas Department of Energy and Environment to participate in the program via Resolution 2022-14; and,

WHEREAS, WARD ORDINANCE O-2014-07, SECTION 5 (attached) states that "...if any bill is not paid within thirty (30) days after the bill is rendered, water service shall be disconnected"; and,

WHEREAS, VENDOR OBLIGATION #5 (attached) states that the Vendor¹ will "Continue the customer's household water service for at least ninety (90) days upon receiving from ACE² or HORNE³ a pledge to pay or payment of the LIHWAP benefit amount, whichever comes first."

NOW THEREFORE, BE IT RESOLVED BY WARD CITY COUNCIL THAT

SECTION 1: Ward Ordinance 2014-07, Section 5 as it pertains to disconnecting water service is hereby temporarily modified for households who will or have received benefits under the LIHWAP as noted in Section 2 below.

SECTION 2: Any household that will has been approved (pledged) or in which payment has been received under the LIHWAP **WILL NOT** have their water service disconnected for a period of ninety (90) days from such notice or payment whichever is earlier.

SECTION 3: This Resolution will expire November 30, 2023 unless other terminated earlier.

¹ Ward Water and Sewer System

² Administration of Children and Families

³ ACF Contractor for the administration of the LIHWAP

THIS RESOLUTION adopted this ____20th____ day of ____June____, 2022.

VOTES

YEAS ____5____ NAYS ____0____

DATE APPROVED:

__06/20/2022__



Charles Gastineau, Mayor

ATTEST:



Deborah Staley, Interim City Clerk

City Seal



ARKANSAS ENERGY & ENVIRONMENT

LOW-INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM (LIHWAP) VENDOR AGREEMENT

Public Law No: 116-260 signed on December 27, 2020, included funding with instructions for the Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS) to carry out grants to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water systems or treatment works to reduce arrearages of and rates charged to such households for such services. This act requires that certain assurances be satisfied before assistance payments are made, on behalf of eligible individuals, to suppliers of drinking water and wastewater services. This agreement defines the conditions that the Vendor must agree to so that the Arkansas Energy Office (AEO) or its Contractor (HORNE) can make assistance payments to the Vendor on behalf of eligible households.

Statutory language authorizing and appropriating funds for Low-Income Household Water Assistance Program (LIHWAP) specifies that assistance to households must be paid to public water utilities for household arrearages and rate reductions related to charges for water and wastewater services.

This Agreement shall govern the purchase of water services from the Vendor on behalf of households eligible for the LIHWAP as set by Term Eleven in the Supplemental Terms and Conditions promulgated by ACF.

LIHWAP Payment Program General Terms and Conditions

1. The Vendor enrolled in the LIHWAP Payment Program (Program) must be the responsible entity for applying the LIHWAP credit to customer accounts.
2. HORNE will provide the Vendor a pay file, via secure portal, that contains customer account information and the LIHWAP benefit amount for the purpose of crediting the accounts of qualified low-income residential customers of the Vendor who have been identified as eligible for water assistance payments under LIHWAP by AEO. Commercial customers are not eligible for the program.
3. HORNE will establish a secure method to provide the pay file and customer information to the Vendor and a secure method to receive the Direct Payment Summary from the Vendor as described in paragraph 17.
4. The Vendor is encouraged to offer a payment plan or other forms of assistance to customers who have a remaining balance after the LIHWAP benefit is applied to support the continuation of services or the restoration of services for accounts where services are terminated due to nonpayment.

- return any remaining amount of the LIHWAP payment to HORNE within 30 calendar days of receipt along with the Direct Payment Summary specified in paragraph 17.
16. Return to AEO or its HORNE the amount of benefit payment that cannot be credited to a designated account and clearly identify which LIHWAP household account(s) could not be credited.
 17. Vendor shall submit to HORNE a Direct Payment Summary (in a format provided by HORNE) that reconciles the associated pay file and return payments that could not be credited to customer accounts within 30 calendar days of receipt of payment. The Direct Payment Summary must contain information on the date the credit was posted, direct pay file date; the total number of customer accounts that the Vendor was successful in fully crediting; and the total number of customer accounts that the Vendor was not successful in crediting. For those customer accounts that were not credited, the Vendor shall reflect in the Direct Payment Summary the customer accounts that were not credited to include customer account information (customer name, account number, account address, benefit amount), and reason why the LIHWAP benefit was unable to be applied to the customer's account. The Vendor shall use customer and account information contained in the pay file to complete the reporting and identification of customer accounts that were not credited.
 18. Accept financial liability for any misuse or misapplication of payments due to failure by the Vendor to perform any of the terms of this agreement.
 19. Report any financial fraud or abuse or misconduct in the administration of LIHWAP funds to AEO.
 20. Maintain records of assistance benefits for a period of at least five (5) years from the date such benefits were received by the Vendor.
 21. Maintain accounting records in such a manner that will ensure that LIHWAP payments made on any customer's account can be readily identified and audited.
 22. Maintain accounting records in such a manner that will ensure that any balance which remains after a payment is applied can be traced until it has been expended.
 23. Make records available for review by authorized staff of AEO, HORNE, and the U.S. Department of Health and Human Services and cooperate with any Federal or State investigation, audit, or program review related to the administration of LIHWAP to ensure funds are accurately applied to customer accounts in compliance with this Agreement, including allowing AEO and its designated representatives access to all books and records related to the receipt and posting of LIHWAP benefits under review.
 24. Vendor is informed that failure to cooperate with any Federal or State investigation, audit, or program review may result in the immediate suspension or disqualification from participation in LIHWAP.
 25. Vendor shall take corrective action in the time frame specified by AEO if violations of this Agreement are discovered. Corrective action may include, but is not limited to, providing detailed documentation of changes made.
 26. Acknowledge that failure to implement corrective actions may result in the immediate disqualification from participation in LIHWAP.

TERM

The term of this agreement shall be the execution date of this contract through November 30, 2023.