

TO: MAYOR AND CITY COUNCIL

FROM: NEIL JENSEN, City Administrator

SUBJECT: MN Water Assistance Program

MEETING DATE: December 21, 2021

BACKGROUND

The State of Minnesota received over 14 million dollars for emergency water assistance because of the Covid 19 Pandemic. The program is supported by Three Rivers Community Action. Water customers can apply for this assistance to pay for past due, current water and wastewater charges, fees, deposits, up to \$1,200.

The city's utility bill consists of 5 items in which 2 will qualify for this program. The customers are responsible for the recycling, storm water and state surcharge.

STAFF RECOMMENDATION

Please approve the City of Cannon Falls Vendor Registration for Energy Assistance Program.

REQUESTED COUNCIL ACTION

Please approve the City of Cannon Falls Vendor Registration for Energy Assistance Program.

Minnesota's Water Assistance Program

Overview

- Congress created an emergency water assistance program in response to the COVID-19 pandemic.
- Minnesota received \$14,666,970.
- The water assistance program begins October 1, 2021.
- Water assistance can make payments to public water suppliers on behalf of eligible residential customers.
- Program can pay for past due and current water and wastewater usage charges, fees, deposits, up to \$1200.
- Cannot pay for other municipal services like trash or cable television.

How Benefits are Distributed

- Customers apply for water assistance using the Energy Assistance Program (EAP) application.
- Local EAP Service Providers are the main point of contact for water suppliers and for customers.

Per federal guidance, water assistance benefits are prioritized for eligible residential customers in this order:

1. Currently disconnected from water or wastewater services.
2. With a pending water or wastewater disconnection.
3. With a past due water or wastewater bill.

What we ask of water suppliers

- Complete and submit a Vendor Registration Form – so water assistance can pay you.
- Sign and follow the Vendor Agreement – details about water supplier and Service Provider responsibilities.
- Refer customers to apply for water assistance.

When customers apply, Service Providers may ask water suppliers to verify information:

- Water/wastewater account number and name.
- Water/wastewater account balance – including past due amount, current bill amount, fees.
- Water/wastewater actual or scheduled disconnection date.
- Total annual water bill amount.
- Total annual wastewater bill amount.

Questions?

Contact Lynette Engelhardt Stott, Energy Programs Coordinator
Three Rivers Community Action

300 11th Avenue NW #110
Rochester, MN 55901
lstott@threeriverscap.org and/or 507-424-0729

Agreement Between Water Vendor and Service Provider

(Water supplier) at (address), and successor home water providers, hereafter referred to as “the water vendor,” hereby agrees to cooperate with (local EAP and LIHWAP Service Provider) hereafter referred to as “the Service Provider,” and the Minnesota Department of Commerce (COMM), Low-Income Household Water Assistance Program (LIHWAP), hereafter referred to as “the State” to deliver the Minnesota LIHWAP for the period October 1, 2020 through September 30, 2022.

I. The water vendor and the Service Provider will:

1. Follow Low-Income Household Water Assistance Program (LIHWAP) policies and procedures in the *MN Energy Assistance Program (EAP) Policy Manual*.
2. Comply with the Minn. Government Data Practices Act (MGDPA), Minn. Stat. Ch. 13, as it applies to all data provided by the water vendor, the State, or its contractors under this agreement and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the water vendor or the Service Provider, in performing the duties under this agreement. To administer this program, the water vendor and the service provider utilize a secure database with private information on individuals protected under the MGDPA. The water vendor and Service Provider agree to not release any private data, including from the database, to any third party without written authorization from the subject of the data. By signing the application, applicants consent to the use of their private information for purposes of this agreement.
3. Use information obtained from water vendor, the State, or its contractors for the sole purpose of performing responsibilities and duties for water programs run by the State. Further, Service Provider and water vendor shall implement and maintain appropriate and reasonable administrative, technical, and physical safeguards to protect such information from accidental or unauthorized access, use, disclosure, and loss or destruction.
4. Negotiate for continuation or reconnection of service to households determined eligible for LIHWAP benefits.
5. Establish a dispute resolution process to resolve issues arising during the term of this agreement.
6. Collaborate and do everything possible to ensure the customer has continuous access to home water service.
7. Minimize the risks of a customer’s home water crisis using the LIHWAP benefits.
8. Encourage regular payments from the household.
9. Work together to ensure LIHWAP payments are appropriately applied to accounts and used for LIHWAP services as designated by the Service Provider.

II. The Service Provider will:

1. Determine customer eligibility.
2. Provide new and existing water vendors with information about the eHEAT software system.
 - Work to ensure all water vendors become eHEAT users
 - Provide necessary and/or ongoing training to water vendors using eHEAT.
3. Make authorization through eHEAT, telephone, fax, or electronic communication of payments for current and past due amounts for water and sewer services.
4. Maintain customer authorizations for exchange of private data between the Service Provider and the water vendor.
5. Enter account number into eHEAT in the format supplied by the water vendor.

III. The water vendor will:

1. Ensure LIHWAP eligible households are not treated adversely compared to other households.
2. Supply account number format to the Service Provider.
3. Timely provide at the request of the customer, the Service Provider or the State, information on applicant households’ home water costs, bill payment history, or arrearage history. This information will be provided in the format requested.
4. Register with the State to receive LIHWAP payments.
5. Use the warrant or EFT date as the LIHWAP payment date.
6. Apply all LIHWAP payments to the household’s account within 5 business days of receipt of payment.

Energy Assistance Program

7. Apply LIHWAP payments to the household's water costs before applying other water payments.
8. Ensure the LIHWAP payment will not generate a credit on the account of more than \$1.00.
9. Accept all customer payments.
10. Use LIHWAP funds to pay for home water and sewer costs, as designated by the Service Provider. Expenses such as service contracts, garbage, cable, internet, telephone, etc. cannot be paid with LIHWAP funds.
11. Continue or reconnect service to households as negotiated by the Service Provider on behalf of the household.
12. When addressing household water emergencies, when possible, accept eHEAT payment status of "Payable" for payment. When eHEAT is not available, accept early notification authorization by telephone, fax, or electronic communication
13. Process and refund to the State any refunds requested by the Service Provider within 10 business days.
14. Process and refund to the State all credits attributable to LIHWAP payments remaining on a customer's account within 10 business days after a client ceases to be a customer.
15. Notify the Service Provider or State if there is reason to believe LIHWAP funds have been misused as described in the *MN EAP Policy Manual*.
16. Allow the Service Provider or State access to fiscal records of LIHWAP transactions for audit purposes for period of three (3) years after payment.
17. Use eHEAT when possible to administer LIHWAP program business, including but not limited to:
 - Maintaining water vendor account numbers
 - Monitoring eligibility and payments
 - Recording refunds
18. Implement and maintain eHEAT database security policies by:
 - Limiting access to authorized personnel only
 - Ensuring each user is assigned a unique user ID
 - Ensuring email addresses associated with each user ID are current
 - Deactivating users immediately upon termination of their role in LIHWAP service delivery
 - Deactivating users who are on a temporary leave of absence, extended vacation, etc.

IV. Either party to this agreement may terminate it at any time, with or without cause, upon thirty days written notice to each other and the State.

This document is for reference only; vendors sign the Agreement electronically in eHEAT.