

HEBER PUBLIC UTILITY DISTRICT

REPORT TO BOARD OF DIRECTORS

MEETING DATE: April 21, 2022

FROM: Laura Fischer, General Manager

SUBJECT: Authorize the General Manager to Execute Documents Necessary to Enroll the District in the California Low Income Household Water Assistance Program.

ISSUE:

Shall the Board of Directors authorize the General Manager to Execute Documents Necessary to Enroll the District in the California Low Income Household Water Assistance Program?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors authorize the General Manager to execute the documents necessary to enroll the District in the California Low Income Household water Assistance Program.

FISCAL IMPACT:

None. Customers are eligible for a one-time benefit (up to \$2,000) on a qualified, low-income customer's water or wastewater bill.

DISCUSSION:

The Board gave direction to staff to implement a low income water rate for our qualified residents. Staff requested the information from the State and signed up for further information. We received an invitation to submit an interest form regarding the new California Low Income Household Water Assistance Program (LIHWAP) and subsequently the forms to sign up for the program.

The State has partnered with HORNE as the program funds disbursement partner. Any customer that is unable to pay their utility bill, can sign up for the program. If they qualify, the State Community Services & Development department through their partners HORNE will make a one-time payment of up to \$2,000 to HPUD for payment of their account.

The HPUD staff will not have to qualify our customers, however we will assist by identifying customers that are past due, assisting the customers with access to the applications and with submitting the application, and applying payment we receive to the appropriate accounts.

Additional information about the program can be found at the CSD website: [Low Income Household Water Assistance Program \(ca.gov\)](https://www.ca.gov/low-income-household-water-assistance-program).

CONCLUSION:

Staff recommends authorizing the General Manger to execute documents necessary to enroll the District in the California Low Income Household Water Assistance Program.

Respectfully Submitted,

Laura Fischer,
General Manager

Slides outlining the program are attached.



California Low-Income Household Water Assistance Program (LIHWAP) Enrollment Package



Purpose

The purpose of this Enrollment Package is to provide information on the LIHWAP program, step-by-step guide on the Enrollment Portal, and an example of the Direct Payment Agreement.

Summary of CA LIHWAP

The new LIHWAP provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The LSP network is made up of nonprofit and local government organizations who will administer the program at the local level which includes customer outreach, intake, eligibility verification and identification of the LIHWAP credit amount.

For more information related to this program, click here: <https://www.csd.ca.gov/Pages/LIHWAP.aspx>

For information to share with customers, click here: <https://csd.ca.gov/waterbill>

In order for your customers to apply for LIHWAP, your water or wastewater system must complete the LIHWAP Direct Payment Agreement in the Enrollment Portal. The agreement will allow your organization to receive payments from HORNE, CSD's third-party funds disbursement partner. To complete the agreement, this application will ask you for items such as:

- Entity Contact Information
- Payment Method (financial institution method if ACH, billing address information if by check)
- A W9 for tax purposes
- Signed Direct Payment Agreement

Enrollment Due Date: April 30, 2022.

Summary of Enrollment Process:

Step 1 – Water, Wastewater, and/or Billing System to Complete Web Form

Step 2 – HORNE to Verify Eligibility of Water, Wastewater, and/or Billing System

Step 3 - HORNE Sends Invitation to Enroll in System via Email

Step 4 – Water, Wastewater, and/or Billing System Follows Link in Email to Complete Enrollment

Step 5 – HORNE’s Enrollment Specialist Reviews for Completeness & Accuracy

Step 6 – Water, Wastewater, and/or Billing System will Receive Confirmation Email Once Enrollment is Complete

For additional details, the recording of our webinar is now [available to watch](#).

Completion of Web Form:

If your company is interested in participating in the program, please take 2-3 minutes to complete the Web Form and provide the required information. The Web Form will allow us to confirm the correct point of contact for your company and begin the enrollment process. Completion of the Web Form does not complete the enrollment process. A summary of the Enrollment Process is listed above.

Please use the link below to access the Web Form:

<https://app.smartsheet.com/b/form/68f3e45e80594a60814f359001989986>

Once you have completed the web form, our team will be in touch to provide you with access to the enrollment portal. Please see below for instructions on navigating the portal once access is granted.



Enrollment Portal Instructions:

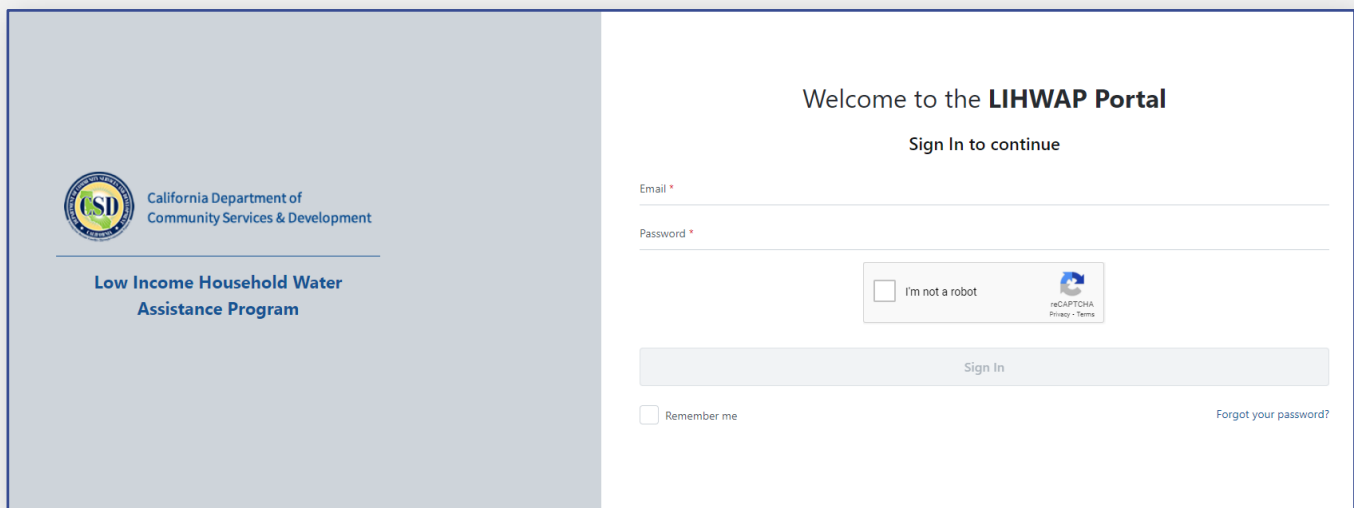
Access to the Portal

Water, wastewater, and billings systems will initially receive an email inviting them to enroll in the Direct Pay Program after contact information has been provided to us in the Web Form.



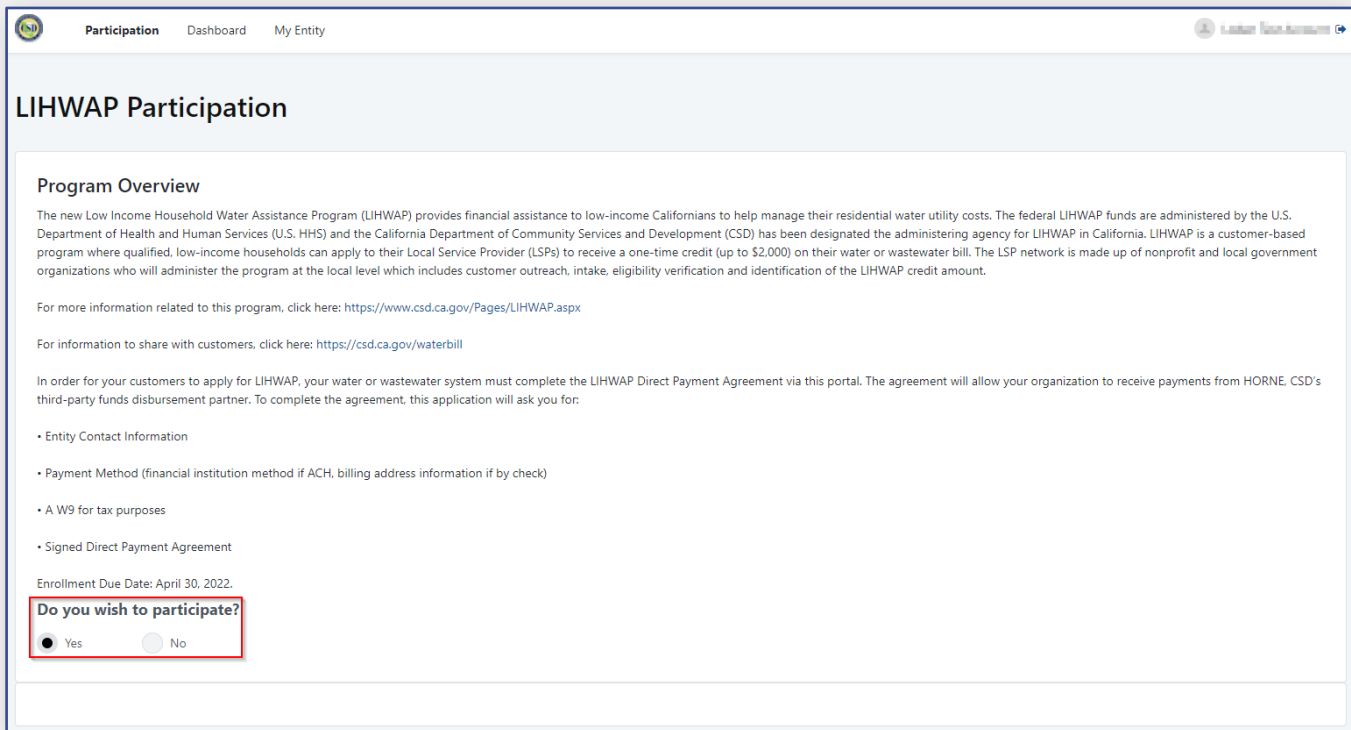
Login Screen

Once you have defined your password, you can login to the Direct Pay Program Enrollment Portal using the link provided to you in the email.



Program Overview & Participation Election Screen

Indicate participation preference and sign (note: signature will only be required here if electing “no”. If you elect “yes”, signature will be obtained later in the process.) If you choose no here, please refer to the Non-participation notice section for further instructions. If you choose yes here, continue on with instructions within this section.



The screenshot shows a web application interface for LIHWAP Participation. At the top, there is a navigation bar with a logo on the left and links for "Participation", "Dashboard", and "My Entity" in the center. On the right side of the navigation bar, there are user profile icons and a "Logout" button. Below the navigation bar, the main heading is "LIHWAP Participation". Underneath this heading is a section titled "Program Overview". The text in this section describes the LIHWAP program, its funding, and its purpose. It includes two links: one for more information and one for information to share with customers. Below the text, there is a list of requirements for customers to apply for LIHWAP. At the bottom of the page, there is a section titled "Do you wish to participate?" with two radio buttons: "Yes" (which is selected) and "No".

Participation Dashboard My Entity

LIHWAP Participation

Program Overview

The new Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The LSP network is made up of nonprofit and local government organizations who will administer the program at the local level which includes customer outreach, intake, eligibility verification and identification of the LIHWAP credit amount.

For more information related to this program, click here: <https://www.csd.ca.gov/Pages/LIHWAP.aspx>

For information to share with customers, click here: <https://csd.ca.gov/waterbill>

In order for your customers to apply for LIHWAP, your water or wastewater system must complete the LIHWAP Direct Payment Agreement via this portal. The agreement will allow your organization to receive payments from HORNE, CSD's third-party funds disbursement partner. To complete the agreement, this application will ask you for:

- Entity Contact Information
- Payment Method (financial institution method if ACH, billing address information if by check)
- A W9 for tax purposes
- Signed Direct Payment Agreement

Enrollment Due Date: April 30, 2022.

Do you wish to participate?

Yes No

Vendor Dashboard and Enrollment Screen

Once the participation form is signed, user will be taken to the vendor dashboard. Click “Start Enrollment” to begin.

Participation **Dashboard** My Entity Logout

LIHWAP Enrollment Start Enrollment

Program Overview

The new Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The LSP network is made up of nonprofit and local government organizations who will administer the program at the local level which includes customer outreach, intake, eligibility verification and identification of the LIHWAP credit amount.

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For information to share with customers, click here: <https://csd.ca.gov/waterbill>

In order for your customers to apply for LIHWAP, your water or wastewater system must complete the LIHWAP Direct Payment Agreement via this portal. The agreement will allow your organization to receive payments from HORNE, CSD's third-party funds disbursement partner. To complete the agreement, this application will ask you for:

- Entity Contact Information
- Payment Method (financial institution method if ACH, billing address information if by check)
- A W9 for tax purposes
- Signed Direct Payment Agreement

Enrollment Due Date: April 30, 2022.

Program Coordinator Contact Information: Locher Steel (locher.steel@horne-flj.com)

Enrollment Due Date: 04/30/2022

Id	Submission Date	Enrollment Form Status	Last Modified Date
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Enrollment Form

Please proceed to complete your enrollment form. Some fields may have been completed on your behalf using the information previously gathered. Please ensure that information is correct and update if needed.

(The following screen captures are of one, continuous webpage when viewing within the actual system)

The screenshot shows a web browser window with the following elements:

- Navigation Bar:** Includes a logo on the left and links for "Participation", "Dashboard", and "My Entity" in the center. On the right, there is a user profile icon and a "Logout" link.
- Page Title:** "LIHWAP Enrollment Form" is displayed prominently at the top left of the main content area.
- Action Buttons:** Three buttons are located at the top right: "Cancel", "Save Draft", and "Submit Form".
- Instructional Text:** Below the title, it says "To enroll your organization in the LIHWAP, please provide the information listed below:".
- Form Section:** A section titled "Entity Information" contains several input fields:
 - Entity Name ***: Text input field containing "Test System".
 - Tax Identification Number ***: Text input field containing "123123123".
 - Physical Address Line 1 ***: Text input field containing "123 Test Street".
 - Physical Address Line 2**: Empty text input field.
 - City ***: Text input field containing "Sacramento".
 - State**: Dropdown menu showing "CA".
 - County**: Dropdown menu showing "Sacramento".
 - Zip Code ***: Text input field containing "90210".
- Confirmation:** A checkbox labeled "Is your mailing address the same as above?" is checked.

Please provide details on authorized representative and preferred point of contact

Entity Contact Information

Authorized Representative

First Name * Last Name * Position Title *

Phone Number * Email *

Primary Point of Contact

First Name * Last Name * Position Title

Phone Number * Email *

Should your preferred point of contact be the same as the others requested, please indicate as such by checking the corresponding box.

Direct Pay Agreement Contact

Point of contact for any contractual matters.

Is this contact information the same as the Primary Point of Contact?

First Name Last Name Position Title

Phone Number Email

Contact for Payment

Point of Contact for any payment related matters. (Example: payment processing issues/concerns)

Is this contact information the same as the Primary Point of Contact?

First Name Last Name Position Title

Phone Number Email



IT Contact

Point of Contact for any IT related matters (Example: file processing errors etc.)

Is this contact information the same as the Primary Point of Contact?

First Name Last Name Position Title

Phone Number Email

Continue to navigate through the rest of your enrollment form including your financial institution information, customer account information, and W9 information.

W9 Information

Entity Name (as it appears on your W9 form) * Business Name TIN Number *

Entity Type *

Address *

State * County Zip Code *

Please upload a completed W9 Form *

10 MB limit. Allowed types: .pdf, .png, .jpg, .jpeg

Customer Account Information

Customer Account Format *

Please Select



Financial Institution Information

The protection of your sensitive data is taken very seriously. Financial data entered is confidential and will be secured in accordance with the statutory data protection regulations.

Please provide your financial institution information and payment preferences where potential payments for customer arrearages can be received, if your enrollment is accepted.

Financial Institution Name *

Financial Institution Name

Financial Institution Address *

Financial Institution Address

Routing Number *

Routing Number

Confirm Routing Number *

Confirm Routing Number

Account Number *

Account Number

Confirm Account Number *

Confirm Account Number

Payment Preference *

Please Select

Utility Company Name (as it should appear on check) *

Check Mailing Address Line 1 *

City *

State *

CA

Zip Code *

Upload a signed Direct Payment Agreement (required form). A blank form can be downloaded by clicking the name of the document in blue text (all documents must be in PDF form). Read and acknowledge the Terms & Conditions.

Required Documentation

Download, sign, and upload * Direct Payment Agreement

Drop a file here or browse

Upload file

10 MB limit. Allowed types: .pdf, .png, .jpg, .jpeg

Terms & Conditions

I certify that I am authorized to act on behalf of the water system and complete enrollment in LIHWAP, and to the best of my knowledge and belief the information supplied is true, complete, and accurate for the purposes of this Request for Payment. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims, or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729 - 3730 and 3801 - 3812). I acknowledge that LIHWAP payments are issued in reliance of this certification, and false statements, misrepresentations, or material omissions may be the basis for immediate termination of the enrollment, termination of the Direct Pay Agreement, and repayment of all funds received.

I acknowledge.

Sign your enrollment form and click “Submit Form.” Once submitted, no changes can be made unless re-opened by a CA LIHWAP Enrollment Specialist. Should you need your file re-opened you can email your request to support@ca-lihwap.com.

Authorized Signature

I certify that I am authorized to act on behalf of the water system, and accurately stated the water system's enrollment decision for LIHWAP.

Please draw your signature below


Draw Upload

Clear Signature

Cancel Save Draft **Submit Form**

Non-participation Notice

If your company chooses not to participate in the LIHWAP program, please select “No” below, provide a reason for non-participation, and sign before submitting. Should you choose to participate at a later date after answering “No” to this form, you can do so by emailing support@ca-lihwap.com. Once notice is received, we will reach out to assist you in beginning the enrollment process if your company has decided to participate.


Participation
User Name Account

LIHWAP Participation

Program Overview

The new Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage their residential water utility costs. The federal LIHWAP funds are administered by the U.S. Department of Health and Human Services (U.S. HHS) and the California Department of Community Services and Development (CSD) has been designated the administering agency for LIHWAP in California. LIHWAP is a customer-based program where qualified, low-income households can apply to their Local Service Provider (LSPs) to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The LSP network is made up of nonprofit and local government organizations who will administer the program at the local level which includes customer outreach, intake, eligibility verification and identification of the LIHWAP credit amount.

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- Entity Contact Information
- Payment Method (financial institution method if ACH, billing address information if by check)
- A W9 for tax purposes
- Signed Direct Payment Agreement

Enrollment Due Date: April 30, 2022.

Do you wish to participate?

Yes No

Please indicate reason for non-participation.

Authorized Signature

Please enter your name below.

Authorized Signer Name * Position Title *

I certify that I am authorized to act on behalf of the water system, and accurately stated the water system's enrollment decision for LIHWAP.

Please draw your signature below

Draw Upload

Clear Signature

NOTE: Please do not complete and return this example. The Direct Payment Agreement will be completed and executed within the system. We encourage you to send this version for review to anyone required within your company (e.g., legal teams, etc.). Items highlighted in yellow will be fields within the system that will be complete. No other changes will be made to the document.



DIRECT PAYMENT AGREEMENT

THIS DIRECT PAYMENT AGREEMENT (Agreement) is made and entered into effective as of the date signed below (the “Effective Date”), by and between [Name] (“the Water System”), [Address] and HORNE LLP, a Delaware limited liability partnership, having a place of business at 661 Sunnybrook Road, Suite 100, Ridgeland, MS 39157 (“HORNE”).

WHEREAS, the California Department of Community Services and Development (“CSD”) is authorized to administer the Low-Income Household Water Assistance Program (“LIHWAP” or “Program”) to provide financial assistance to help low-income Californians manage their residential water utility costs;

WHEREAS, CSD has contracted with HORNE to disburse direct payments to water systems to apply a LIHWAP credit to households identified as eligible for LIHWAP assistance by CSD or its Local Service Providers (LSPs);

WHEREAS, CSD has authorized HORNE to enter into this Agreement with Water System; and

WHEREAS, the Water System desires to enroll in LIHWAP and participate in the direct payment service NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Water System agrees to receive direct payments from HORNE for the benefit of California residents who qualify for LIHWAP and agrees to abide by all terms and conditions below:

Direct Payment Program General Terms and Conditions

- 1.1 To participate in the Direct Payment Program, a Water System must be defined as a “Community Water System” or “Community Water System Billing Entity”, “Wastewater Treatment Provider” or “Wastewater Billing Entity” (collectively referred to as a “Water System” in this Agreement).
- 1.2 A “Community Water System” means a public water system with at least 15 service connections used by yearlong residents or regularly services at least 25 yearlong residents.
- 1.3 A “Community Water System Billing Entity” means a third-party entity that is the designated billing entity for a community water system.
- 1.4 A “Wastewater Treatment Provider” means a city, county, special district, or joint powers authority that provides wastewater collection, treatment, or disposal service through a publicly owned treatment works.
- 1.5 A “Wastewater Billing Entity” means a local government entity (city, county, or special district) that is the designated billing entity for a wastewater treatment provider.

- 1.6 The Water System enrolled in the Direct Payment Program must be the responsible entity for applying the LIHWAP credit to customer accounts.
- 1.7 Qualified low-income residential customers will be identified by CSD and its LSP partners. CSD will provide HORNE with a direct pay file that contains customer account information as well as the amount for the direct payment to the Water System for each customer. Commercial customers are not eligible for the program.
- 1.8 HORNE will provide the Water System a direct pay file 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 Water System who have been identified as eligible for water assistance payments under LIHWAP by CSD or its LSPs.
- 1.9 HORNE will establish a secure method to provide the direct pay file and customer information to the Water System and a secure method to receive the Direct Payment Summary from the Water System as described in 2.11.
- 1.10 The Water System 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.

Obligations of the Water System

- 2.1 Water System shall provide water and/or wastewater services to each eligible and approved residential household for which payment is provided under LIHWAP.
- 2.2 Water System shall charge LIHWAP residential households using the Water System's normal billing process, the difference between the actual amount due and the amount of the payment made by the LIHWAP payment.
- 2.3 Water System shall restore water services on a timely basis or remove disconnection status upon payment, if applicable, and shall confirm this action to HORNE by submission of the Direct Payment Summary report as specified in provision 2.11.
- 2.4 Water System shall charge all LIHWAP eligible residential households the same rates charged for home drinking water and/or wastewater services billed to other similarly situated residential households, as determined by the approved rate setting process.
- 2.5 Water System shall not apply LIHWAP payments to account balances that have previously been written off or paid off with other customer assistance program funds. The Water System shall return issued LIHWAP payments to HORNE within 15 business days of receipt for accounts where the owed balance has been paid off with other customer assistance program funds or discharged (written off) in its entirety by the Water System along with the Direct Payment Summary specified in 2.11.
- 2.6 Water System shall apply the LIHWAP benefit to closed accounts to cover the pending balance and shall return any remaining amount of the LIHWAP payment to HORNE within 15 days of receipt along with the Direct Payment Reconciliation Summary specified in 2.11.
- 2.7 Water Systems shall adhere to existing credit return policies when returning funds to a customer that received a LIHWAP benefit, and the account is later closed and there is a remaining LIHWAP credit balance on the account.

- 2.8 Water systems that include other services on the customer's bill shall only apply LIHWAP payments towards the water, wastewater, and/or storm water amount owed including any applicable late fees, reconnection fees, taxes, and other charges.
- 2.9 Water System shall not discriminate against a LIHWAP eligible household with respect to terms, deferred payment plans, credit, conditions of sale, or discounts offered to other customers.
- 2.10 Water System shall post all payments to customer accounts within 5 business days from receipt of payment.
- 2.11 Water System shall submit to HORNE a Direct Payment Summary (in a format provided by HORNE) that reconciles the associated direct pay file and return payments that could not be credited to customer accounts within 15 business 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 Water System was successful in fully crediting; and the total number of customer accounts that the Water System was not successful in crediting. For those customer accounts that were not credited, the Water System 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 Water System shall use customer and account information contained in the direct pay file to complete the reporting and identification of customer accounts that were not credited.
- 2.12 Water System shall clearly enter, on the LIHWAP recipient's bill, the amount of LIHWAP payment(s) received and identify the payment was received from LIHWAP. The credit should appear on the first billing statement after the credit has been posted. If posting on the LIHWAP recipient's bill is not feasible, the Water System shall send customers a notification of the LIHWAP payment via phone call, letter, text, or email communication as soon as practicable.
- 2.13 Water System shall 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 CSD and its designated representatives access to all books and records related to the receipt and posting of LIHWAP benefits under review.
- 2.14 Water System 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.
- 2.15 Water System shall take corrective action in the time frame specified by the CSD if violations of this Agreement are discovered. Corrective action may include, but is not limited to, providing detailed documentation of changes made and detailed plans for future changes that will bring the Water System into compliance.
- 2.16 Water System is informed that failure to implement LIHWAP corrective actions may result in the immediate suspension or disqualification from participation in LIHWAP.
- 2.17 Water System shall comply with all federal and California privacy laws, and shall take all necessary steps to protect the confidentiality of the information provided by HORNE to the Water System. Water System agrees to provide required security to ensure the confidential, physical security and safekeeping of all data, information files, and documents ("customer information") pertaining to the recipients of LIHWAP utility assistance payments, while such customer information is in its possession. Water System will, in accordance with applicable law and the terms of this Agreement, protect from unauthorized use and disclosure all

sensitive data, documentation, or other customer information provided to Water System by HORNE, CSD, or CSD's LSPs for purposes of this Agreement.

Term

3.1 The term of this Agreement shall be the effective date of this contract through October 31, 2023.

Project Coordinator

4.1 The Project Coordinator is designated to manage all HORNE inquiries regarding direct payments, issues with the direct payment process, mishandled or incorrect payments, clarification and updates of reports, and fraud and abuse. The Project Coordinator during the term of this Agreement is listed below. The Water System may designate a different Project Coordinator by notifying HORNE in writing.

Water System's Project Coordinator

Name and Title: _____

Company Name: _____

Address: _____

City, State, and ZIP Code: _____

Email: _____

Phone: (____) _____ - _____

Additional Provisions

5.1 Amendment. All amendments to this Agreement shall be in writing, signed by HORNE and Water System.

5.2 Assignment. Neither this Agreement nor any of the rights, interests, or obligations under this Agreement shall be assigned by any party without the prior written consent of the other parties.

5.3 Merger/Entire Agreement. This Agreement (including the attachments, documents and instruments referred to in this Agreement) constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.

5.4 Nonwaiver. The waiver by either party of any breach of any term, covenant, or condition contained in this Agreement, or any default in the performance of any obligations under this Agreement, shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition, or

obligation; nor shall any waiver of any incident of breach or default constitute a continuing waiver of the same. All waivers shall be in writing.

5.5 Severability. If any provision of this Agreement is found invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Agreement will not be in any way impaired and shall remain in full force and effect.

5.6 Venue. In the event that suit shall be brought by either party to this Agreement, the parties agree that venue shall be exclusively vested in the State Courts of the County of Sacramento, or where otherwise appropriate, exclusively in the United States District Court for the Eastern District of California in Sacramento, California.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement, or caused it to be signed by their duly authorized representatives "below".

HORNE LLP

By: _____

Name: Loden Snell

Title: Deputy Project Manager

Date: _____

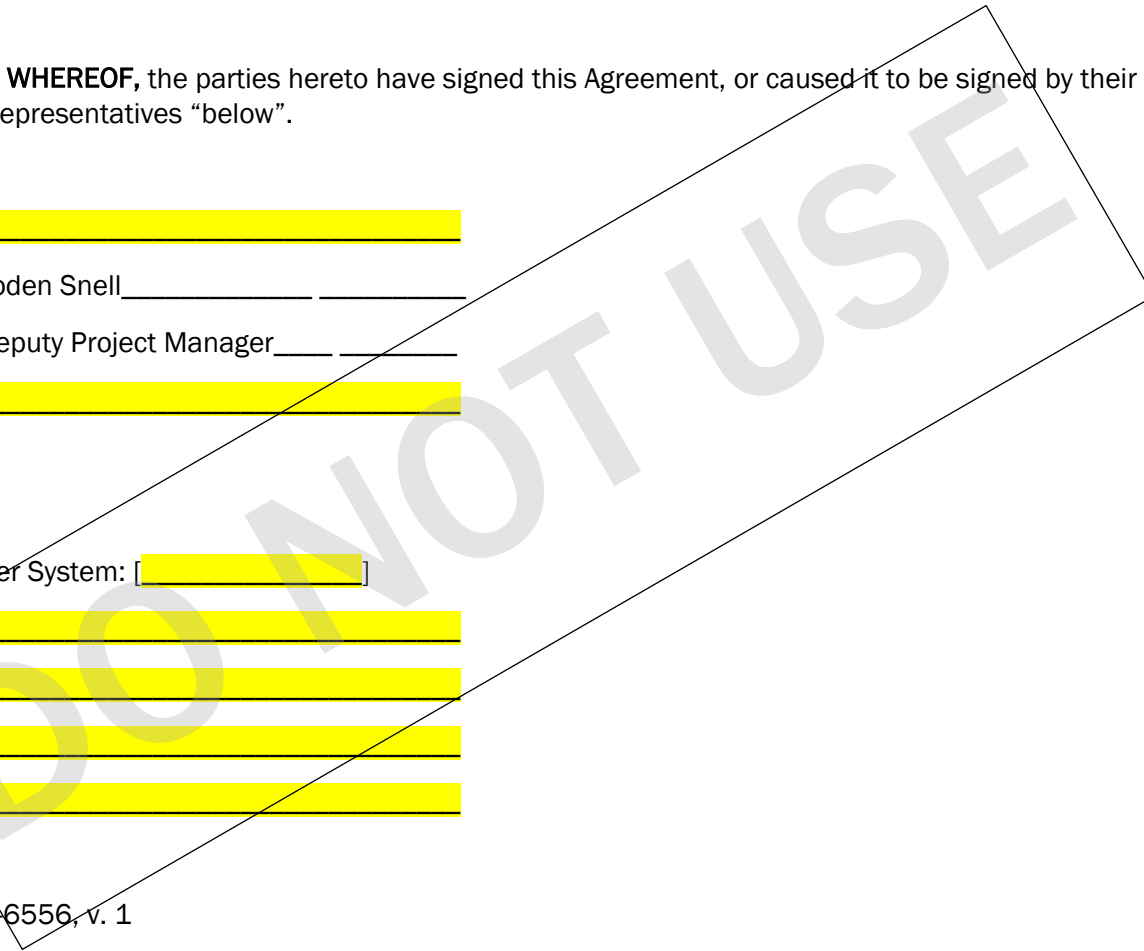
Water System: [_____]

By: _____

Name: _____

Title: _____

Date: _____





California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

General Questions

Q: Where can our water district sign up to receive direct communication to stay up to date on the program?

A: You can sign up for updates and notifications on LIHWAP at the following web pages: <https://www.csd.ca.gov/Pages/LIHWAP.aspx> and <https://www.csd.ca.gov/waterbill>

Q: For customers that apply for LIHEAP, will LIHWAP require a separate application?

A: CSD is implementing a process to allow an applicant to conduct a dual enrollment for both Low-income Home Energy Assistance Program (LIHEAP) and LIHWAP using the same application. This will include an addendum for LIHWAP to capture additional information we need for federal reporting.

Q: We bill water and wastewater together; can a customer apply for both balances?

A: Yes. If billed together, the services can be covered by the LIHWAP program. If services are billed separately, the customer will have to choose which utility to have the benefit applied to.

Q: Is storm drainage rolled into CSD's definition of wastewater?

A: Yes. LIHWAP does cover storm water drainage under program benefits.

Q: What is the definition of "authorized signature"?

A: An authorized signer is someone who has authority to sign on behalf of your organization.

Q: Where will the customer get an application? Is that a template that CSD provides to the LSPs?

A: Yes, the Local Service Providers (LSP) will have the customer application. The customer will have to contact the LSP to obtain the application.

Q: Will customers have an application confirmation or letter they can provide to water provider to show they have applied?

A: Yes, if the customer is eligible and receives assistance, they will receive a notification from the LSP detailing the benefit amount.



California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

Q: With the regulations under LIHWAP, if a customer is in threat of service disconnection and they have a confirmation to receive benefits, are we allowed to move forward with service disconnection (which would be a normal practice for us) or do we have to extend their services and wait to receive funds? If we don't disconnect them, can we still charge late fees?

A: LIHWAP's goal is to prevent disconnections, however, there is no requirement for the company to stray from their normal practices. LIHWAP does not have any restrictions on systems charging late fees. Customers eligible to receive a LIHWAP benefit cannot be treated differently than customers who do not receive a LIHWAP benefit. LIHWAP recipients should be treated in accordance with your regular practice.

Q: If we are working with HORNE on ERAP, can that be transferred over?

A: While HORNE is assisting in the administration of California's Emergency Rental Assistance Program (ERAP), enrollment for LIHWAP must occur independently as these programs are being administered by different agencies. The LIHWAP program also includes a Direct Payment Agreement, which is specific to this program and must be completed as part of the enrollment process.

Q: Can a customer apply more than once (e.g., the customer receives LIHWAP benefits in September 2022, does not pay their future bills, then reapplies in February 2023)?

A: This is a one-time payment program and customers would not be allowed to apply again.

Q: If it takes 6 weeks to issue payments, the customer will have at least one new bill due by the time you issue payment. How will the payment include the future bills?

A: At this time, the program is not designed to pay future bills. The current program will pay current charges, arrearages, taxes and fees.

Q: How does LIHWAP correlate to CAPP?

A: The California Arrearage Payment Program (CAPP) program was related to arrearages for gas and electric bills which accrued during the COVID-19 period.

Q: If a customer was placed on a payment program to cover an unpaid balance, can they use this one-time payment to cover the balance of the payment program?

A: Yes. This is allowable, so long as the customer is still able to demonstrate the arrearage due.



California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

Q: What process do water systems follow if they receive revenues for water services via their customers' (who are property owners) property tax bills?

A: The entity that collects the fees on behalf of the water system, will be required to enroll in the Direct Payment Program to receive the payment on behalf of the customer. LIHWAP is required to pay the entity, directly, that will credit the customer's account.

Eligibility

Q: Can you apply for benefits on behalf of your tenant?

A: No. The program is customer based and the customer will need to apply directly with the LSP.

Q: Some of our customers have arrearages accrued from a previous tenant. Can the property owner (who is not low income) apply to this program to cover past arrearage?

A: No. The customer would have to apply directly. The property owner will not be able to collect past arrearages from a prior tenant through this program.

Q: If we received funding from the state water board, can we receive funding from CA LIHWAP?

A: Yes.



California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

Q: What are the qualifications needed from the water agency to be eligible for the LIHWAP program?

A: Eligible water and wastewater systems are defined as follows:

“Community Water System” means a public water system with 15+ service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system.

“Community Water System Billing Entity” means a third-party billing entity that is the designated billing entity for a community water system.

“Wastewater treatment provider” means a city, county, special district, or joint powers authority that provides wastewater collection, treatment, or disposal service through a publicly owned treatment works.

“Wastewater Billing Entity” means a local government entity (city, county, or special district) that is the designated billing entity for a wastewater treatment provider.

Local Service Providers (LPS)

Q: Who is the LSP vs. Water System? Are we as the Water Special District the LSP?

A: LSP's are CSD's local service providers that will be administering the program locally and working with the customers to ensure they are eligible for the program.

Q: Where will the LSPs be listed?

A: LSPs that are currently providing assistance for LIHEAP, or Utility Assistance are the same providers that will be administering the LIHWAP and can be found on CSD's [website](#).

Q: We have a local nonprofit in our service area (which is not yet an LSP) that pays eligible customers' utility bills. How can they become an LSP?

A: In order to leverage use of existing LIHEAP processes, procedures, policies and systems, CSD will contract with the LSPs that maintain responsibility for LIHEAP administration to administer the LIHWAP program. LSPs are designated to administer LIHEAP pursuant to California Government Code Section 16367.5.



California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

Payment Disbursements

Q: If a water system opts for payment by ACH instead of paper check, how will you communicate account numbers to us?

A: HORNE will provide a direct pay summary along with each payment. The direct pay summary will identify the customers by account and the amount of benefit to be applied. We will be hosting orientations for water systems prior to program launch to explain the details of the process.

Q: Why do I have to submit a W9?

A: The W9 is being requested from all water, wastewater, and billing systems to verify information such as Legal Business Name, Address, Tax ID, and Federal Tax Classification for determining IRS 1099 Reporting Requirements and ensuring payments are sent to the correct recipient and address. Customers are excluded from providing a W9.

Q: Who completes the W9?

A: The water or wastewater company will complete the W9 information section during the enrollment process, as well as upload a copy of the W9. This will not be a requirement for the customer. 1099's will be issued by HORNE at year end for those water or wastewater companies in which it is required, as many companies may be exempt. We will use the W9 submitted to determine if the water or wastewater company is exempt or not from receiving a 1099.

Q: Are program benefits taxable?

A: Program benefits are non-taxable to the customer receiving the benefit in accordance with Federal Guidelines. LIHWAP funds may be taxable to water, wastewater, and billing systems depending on each company's Federal Tax Classification, which will be determined based on the W9 submitted.

Timeline and Dates

Q: How long does it take to process customer's application?

A: Processing times will vary depending on the completeness of the application.



California Low Income Household Water Assistance Program

FREQUENTLY ASKED QUESTIONS

Q: What is the timeframe we are looking at for receiving funding from HORNE once a customer has applied?

A: Once an application is submitted to CSD for payment, a water system can expect to receive payment within 30-45 days.

Q: When is the deadline to register with HORNE?

A: April 30th, 2022

Q: With the shut-off moratorium ending in April, is there a way to get pre-approved by your program for those customers that may be at risk of shutoff at that time?

A: The LIHWAP program will not begin accepting applications until June. It is unlikely that the LSP will be in a position to pre-approve applications.

Recapture or Return of Funds

Q: Are we allowed to return funds to HORNE if a customer paid their account in full before we receive funds?

A: The water system is to apply the LIHWAP benefit to the customer's account even if the customer paid the account off by the time payment was received. However, if the account was paid in full by another assistance program (i.e. ERAP), then the water system is to return funds to HORNE.

Q: If a customer has partially paid, and we receive funds from HORNE resulting in a credit balance, is the customer eligible to have the credit balance refunded? Or will it be sent back to HORNE?

A: No, any credit on the account after the payment is applied would remain on the customer's account until it is depleted, or until the account is closed.

Low Income Household Water Assistance Program (LIHWAP)

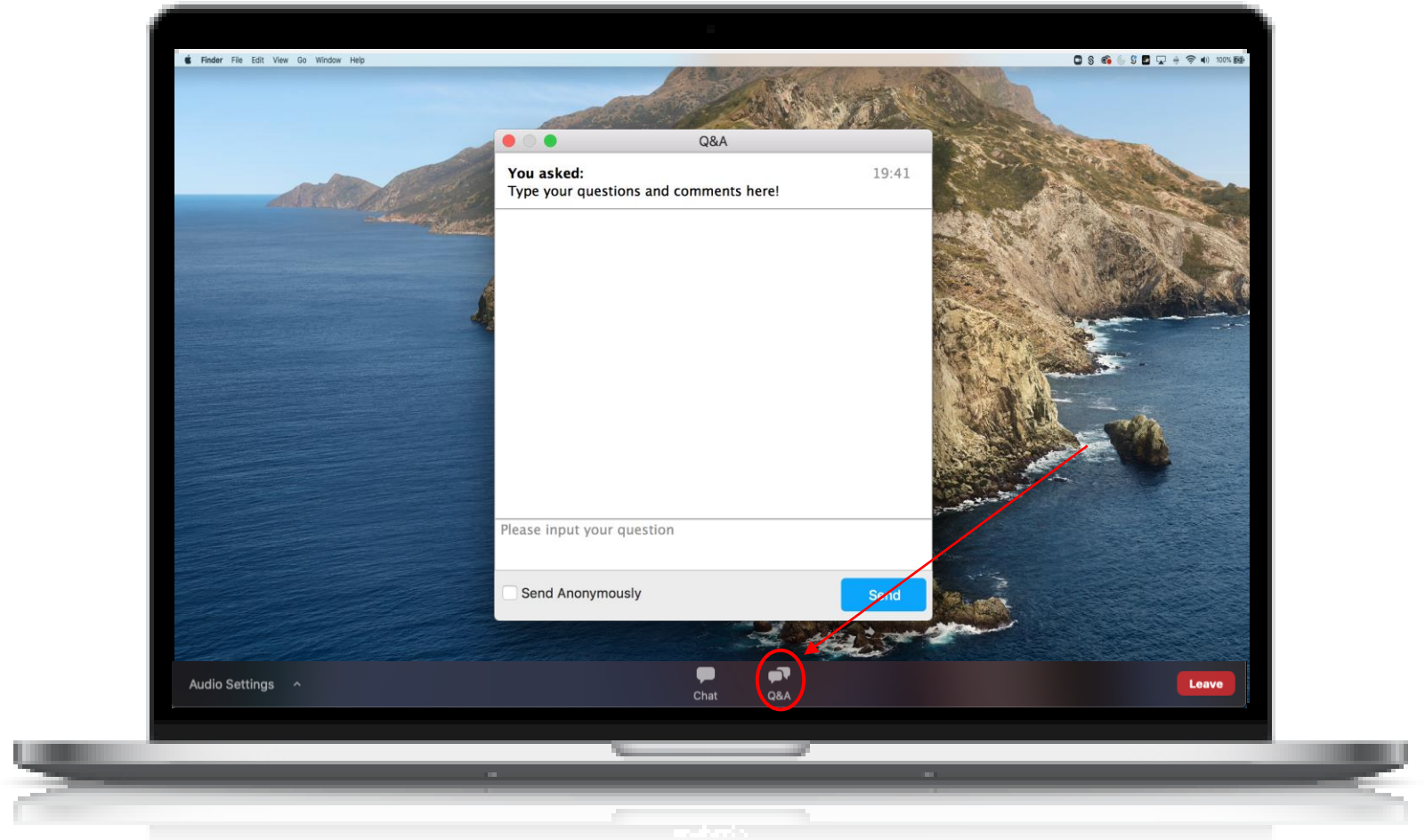
Water/Wastewater System Introduction

February 16, 2022



California Department of
Community Services & Development

Q&A



California Department of
Community Services & Development

AGENDA

1. Introduction to CSD
2. LIHWAP Overview
3. The landscape of Local Service Providers
4. Overview of draft program guidelines
 - Eligibility, payment process, and reporting requirements
5. Introduction to HORNE (Funds Disbursement Partner)
6. Enrollment Process Overview
7. Enrollment System Demo



About CSD

Who We Are

- CA Department of Community Services and Development (CSD)
- Under CA Department of Health and Human Services

Mission:

- Reduce poverty for Californians by helping low-income families achieve and maintain economic security, meet their home energy and water needs, and reduce their utility costs through energy efficiency upgrades and access to clean renewable energy.

Provide services via Network of Local Service Providers (LSPs)

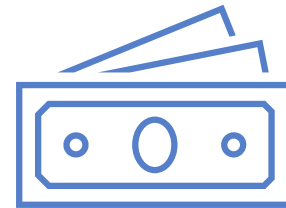


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LIHWAP Overview



CSD designated as the administrator of LIHWAP for California



CA awarded \$116 million (\$87 million for direct household benefits)



Funds are to be used to ensure **low-income households** have access to safe and clean **drinking water and wastewater services**



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LIHWAP Implementation Timeline

- **November 8, 2021** – State Plan approved by HHS. May access here: <https://www.csd.ca.gov/Pages/LIHWAP.aspx>
- **February 15th & 16th** – Intro Webinars for Water/Wastewater Systems (may host additional)
- **TBD Late February 2022** – Public input session on program guidelines
 - *Draft guidelines released week prior*
- **May/June 2022** – Program launch (customers can apply)
- **August 31, 2023** – Program ends



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LIHWAP Overview



ARREARAGE RESPONSE PROGRAM

Arrearage: money owed to a water/wastewater system from nonpayment of residential accounts that **accrued during any time period.**

Benefit Amount

- \$2,000 Maximum, one-time payment (first-come, first-served)
- Applied to drinking water or wastewater service costs (customer will select the bill to apply)
- If water/wastewater is bundled with other services (i.e. garbage):
 - only water or wastewater charges apply
 - *LSP will determine payment amount*
- Benefit amount can cover:
 - customer's past due balance
 - current charges
 - fees (included late fees)
 - and taxes
- Goal to restore services or prevent service disconnections



LIHWAP Overview

**“FILL THE GAP”
AFTER CA
WATER AND
WASTEWATER
ARREARAGE
PAYMENT
PROGRAM**



Gaps after Water Board Arrearage Program

- LIHWAP can be applied to arrearages outside of COVID-19 pandemic bill relief period (March 4, 2020 through June 15, 2021)
- LIHWAP can cover utilities included in rent

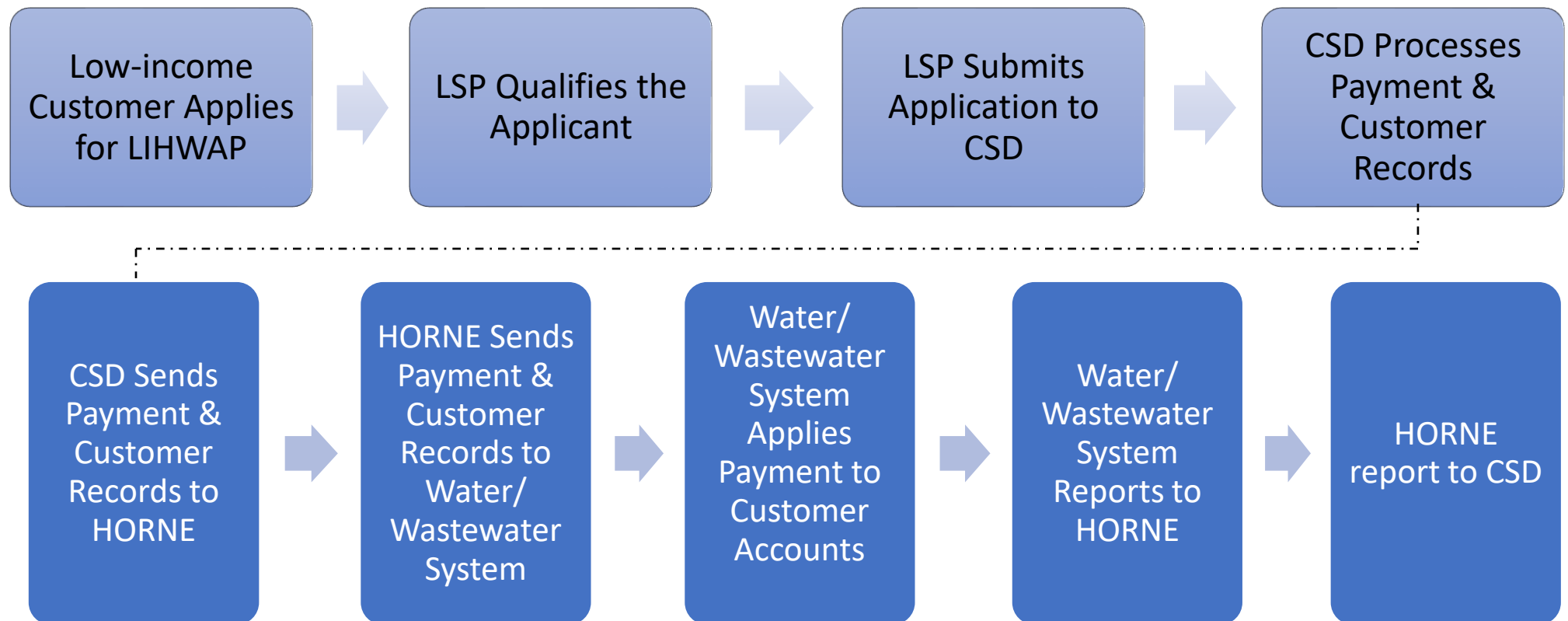
Please Note: participation in LIHWAP is allowable if you also received Water Board Arrearage funding



**California Department of
Community Services & Development**

Service Delivery Model

Coordination between: CSD/HORNE, Local Service Providers (LSPs), and Water/Wastewater Systems



LIHWAP Overview: Local Service Providers

Who are Local Services Providers (LSPs)?

- LIHWAP modeled after Low Income Home Energy Assistance Program (LIHEAP)
- LIHEAP Local Service Providers (LSPs) administer program at local level
 - Network of 41 agencies
 - Non-profit and local government agencies

LSP Responsibilities:

- Marketing and outreach to low-income customers
- Applicant intake and eligibility verification
- Identification of LIHWAP benefit payment amount
- Request to CSD for payment

Find an LSP: <https://csd.ca.gov/Pages/FindServicesInYourArea.aspx>

“Energy Agency” or “Utility Assistance and Weatherization Provider”



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Customer Application Process

How Do Customers Apply?

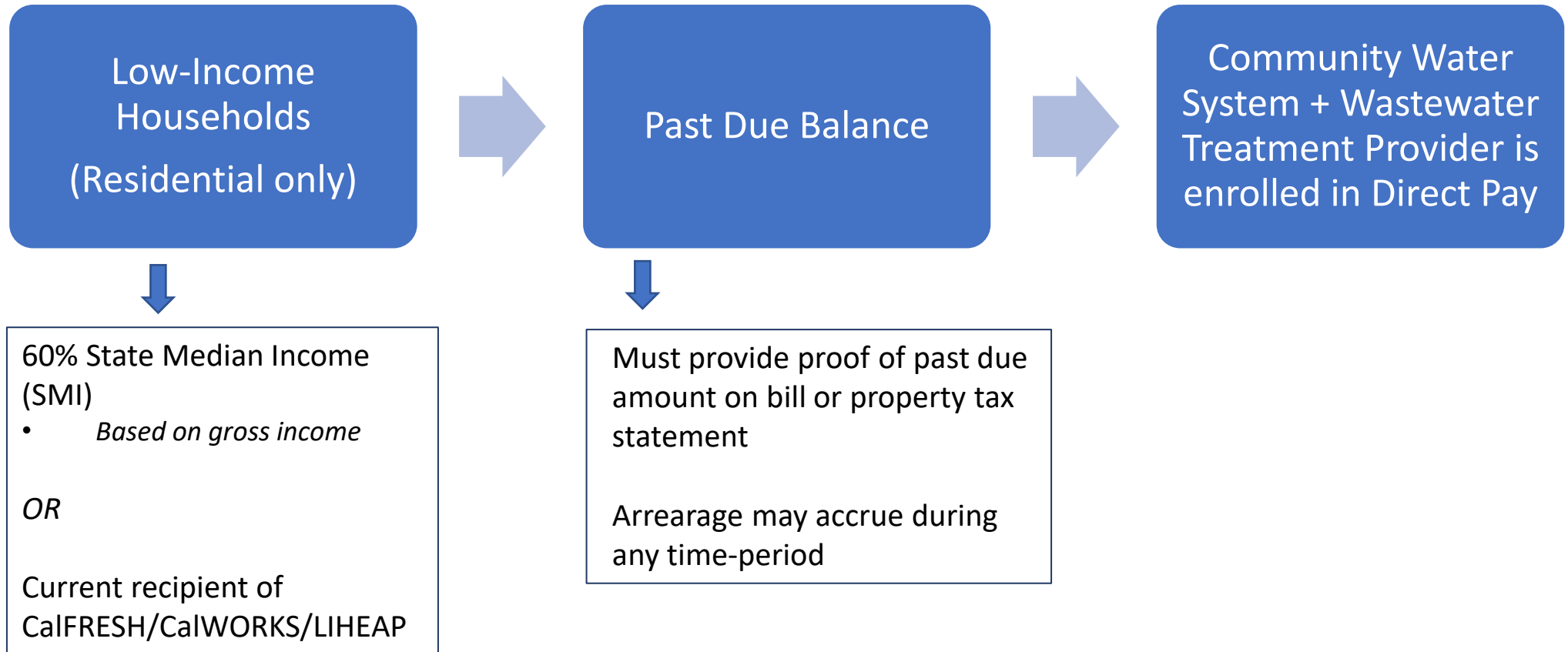
- Customers apply to the Local Service Provider (LSP)
- The LSP
 - Verifies income and eligibility
 - Identifies LIHWAP benefit amount

How Do Customers Find Out About LIHWAP?

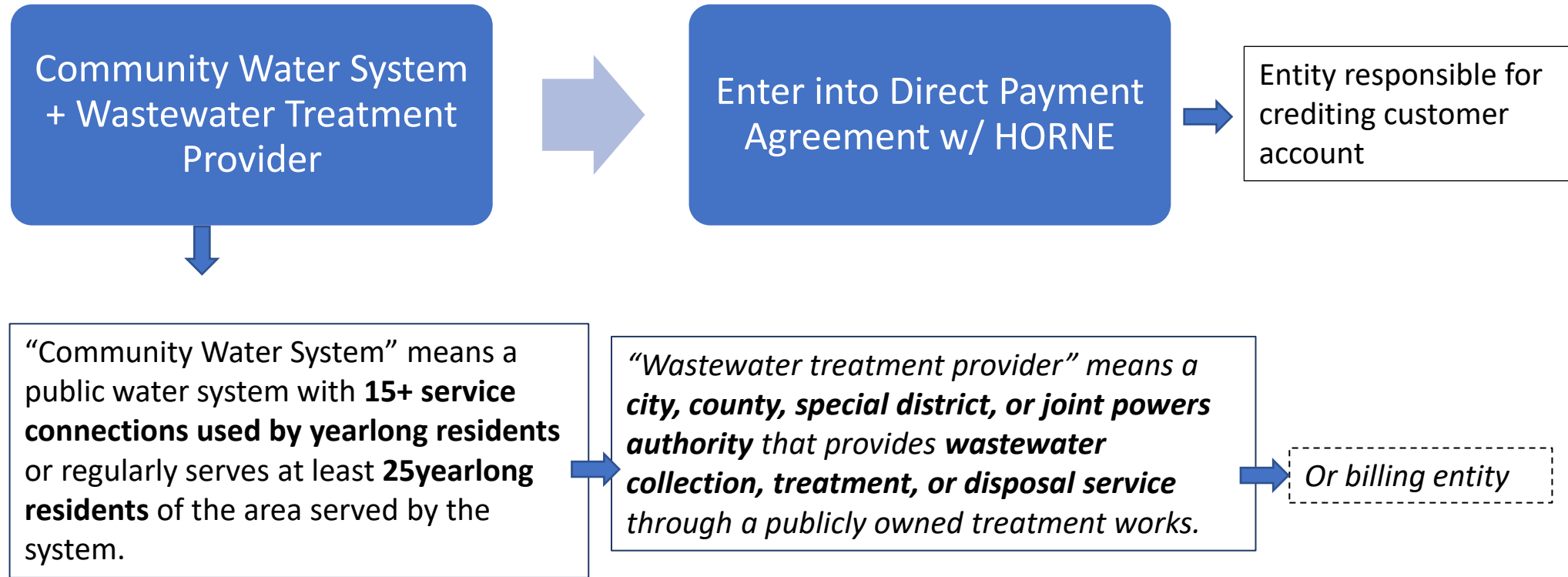
- LSP outreaches to local community
 - Primarily referrals from Low Income Household Energy Assistance Program (LIHEAP)
- CSD encourages water or wastewater systems to share with customers
 - Communications released closer to the May/June 2022 Program Launch
 - Coordination with LSP
 - Customer facing LIHWAP webpage: <https://www.csd.ca.gov/waterbill>
 - CSD can provide language for water board recipients



Customer Eligibility



Water/Wastewater System Eligibility



Water/Wastewater System Reporting Requirements

To comply with federal reporting, water and wastewater systems must submit the following information to HORNE:



- amount of assistance credited to each account
- return payments
- whether assistance restored water services or prevented shutoff, if applicable

CSD and HORNE will host an enrollment orientation to explain payments and reporting



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LIHWAP VS CA Water & Wastewater Arrearage Payment Program

Program Component	 LIHWAP	 CWWAPP
Applicant	Low-income customer applies	Water/wastewater system applies
Arrearage Accrual Period	Any time period	March 4, 2020 – June 15, 2021
Arrearage	Past due on bill, property tax rolls	Past due on bill, property tax rolls, 3 rd party debt collector
Late Fees	Covered by payment	Must waive late fees
Customers	Low-income, residential	Residential & commercial
Customer Enrollment in Payment Plan	Encouraged	Required
Admin Costs	Not Covered	Covered (3% or \$1 million – whichever is less)




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Enrollment Process

Initial Enrollment Period – 2/21/22-4/30/22

Step 1: Water or Wastewater System to Complete Web Form

CA-LIHWAP POC Registration Form

<p>Company Information</p> <p>Name of Water/Wastewater System/Billing System (Company Name) * Please enter your company name.</p> <input type="text"/> <p>Water/Wastewater/Billing System (Company Type) * Select</p> <p>Primary Point of Contact Information</p> <p>Point of Contact - First Name * Please enter the Company Point of Contact's First Name.</p> <input type="text"/> <p>Point of Contact - Last Name * Please enter the Company Point of Contact's Last Name.</p> <input type="text"/>	<p>Point of Contact - Position Title * Please enter the Company Point of Contact's Position Title.</p> <input type="text"/> <p>Point of Contact - Phone Number * Please enter the Primary Point of Contact Direct Phone Number</p> <input type="text"/> <p>Point of Contact - Email * Please enter the email address where the Company Point of Contact can be reached regarding enrollment in the CA-LIHWAP Program.</p> <input type="text"/> <p>Point of Contact - Email Confirmation * Please re-enter the email address where the Company Point of Contact can be reached regarding enrollment in the CA-LIHWAP Program.</p> <input type="text"/>	<p>Third Party Billing Information</p> <p>Are you a Water/Waste System using a third party billing company? * If yes, please complete as much of the Billing Company information as possible.</p> <p>Select</p> <p><input type="checkbox"/> Send me a copy of my responses</p> <p>Submit</p> <p>Powered by  smartsheet Privacy Notice Report Abuse</p>
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Enrollment Process

Step 2: HORNE to Verify Eligibility of Water or Wastewater System

Step 3: HORNE Sends Invitation to Enroll in System via Email

Step 4: Water or Wastewater System Follows Link in Email to Complete Enrollment

Step 5: HORNE's Enrollment Specialist Reviews for Completeness & Accuracy



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Payment Reporting Compliance

- W9 Upload Required to Determine 1099 Requirements
 - W9 Used to determine if company is exempt from 1099 requirements
- 1099 Reporting Not required for Governmental or Incorporated Companies

Form W-9 (Rev. October 2018) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification ► Go to www.irs.gov/FormW9 for instructions and the latest information.	Give Form to the requester. Do not send to the IRS.
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.		
2 Business name/disregarded entity name, if different from above		
Print or type. See Specific Instructions on page 3.	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ► _____	
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Applies to accounts maintained outside the U.S.)		
5 Address (number, street, and apt. or suite no.) See instructions.		Requester's name and address (optional)
6 City, state, and ZIP code		
7 List account number(s) here (optional)		
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later. Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.		
		Social security number [] [] [] - [] [] - [] [] [] []
		OR Employer identification number [] [] - [] [] [] [] [] [] [] []



Enrollment System Demo



California Department of
Community Services & Development

Questions/ Comments?

CONTACT

For general questions:

LIHWAP@csd.ca.gov

<https://csd.ca.gov/Pages/LIHWAP.aspx>

Customer facing LIHWAP webpage:

<https://www.csd.ca.gov/waterbill>

For enrollment questions & technical support in enrollment process contact:

- support@ca-lihwap.com

Please whitelist the following accounts to avoid important communication going to spam:

- NoReply-OutSystems@hornellp.com
- @ca-LIHWAP.com



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