

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: November 18, 2025

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To: Honorable Mayor and City Councilmembers

From: Mary Gourley, Interim City Manager
Ana Kwong, Administrative Services Director

Subject: Establish Utility Payment Relief Program for Unpaid Federal Workers During Government Shutdowns

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RECOMMENDATION:

Adopt a resolution establishing a temporary utility payment relief program for Sebastopol residents who are unpaid federal employees during a government shutdown.

EXECUTIVE SUMMARY:

This item proposes the adoption of a resolution to establish a temporary utility payment relief program for Sebastopol residents who are unpaid federal employees during a government shutdown. The program is designed to provide financial flexibility by allowing deferred payment of water and sewer utility bills, while ensuring uninterrupted access to essential services.

The relief program is structured to maintain regular billing cycles, with residents continuing to receive their utility bills as scheduled. However, qualified participants will be exempt from immediate payment obligations, late fees, and service disconnections during the unpaid period. Verification of federal employment and unpaid status is required, and the application process is intentionally streamlined to ensure accessibility.

Once the federal government resumes operations and affected workers receive their regular pay and backpay, participants will be granted a two-month grace period to bring their accounts current. Any outstanding balances after this period will be subject to standard late fees and collection procedures.

BACKGROUND:

During federal government shutdowns, thousands of federal employees across the country are placed on unpaid furlough and/or required to work without pay, often with little advance notice. As of the writing of this report, the most recent government shutdown has lasted for over a month (although it is anticipated to be over by the Council meeting), leaving affected workers without a paycheck and facing immediate financial uncertainty. For Sebastopol residents who are federal employees, this disruption can make it difficult to meet basic household expenses, including utility payments for essential services like water and sewer.

Recognizing the hardship this creates, the City of Sebastopol is committed to supporting its residents during these challenging periods. The proposed utility payment relief program is a temporary measure to ensure that unpaid federal workers are not penalized or disconnected from vital services due to circumstances beyond their control. By offering temporary payment deferrals, the City aims to provide a safety net that maintains public health and stability while respecting the financial realities of those impacted. Importantly, in all prior government shutdowns, Federal workers have received backpay, which means they are quickly able to pay their utility bills without any impact on the fiscal health of the enterprise funds.

DISCUSSION:

The proposed program enables eligible Sebastopol residents who are unpaid federal employees (whether

furloughed or not) to defer water and sewer utility payments without incurring penalties or experiencing service disruptions. This relief applies strictly to the payment obligation—not to the issuance of bills as the water and sewer bill will continue to be distributed bi-monthly (e.g., mail or online). Residents should understand that the bills will still be generated and delivered as usual, and the relief pertains only to the timing and enforcement of payment. The program does not include any forgiveness or discount on the accrued payments.

To qualify, residents must provide verification of both federal employment and current unpaid status. Acceptable documentation includes a valid federal employee ID, an official notice from the employing agency, and proof of last paystub and the last utility invoice and payment.

The program is designed to be accessible and responsive to the needs of impacted residents. Applications may be submitted in person or via email along with the affidavit form. Once the federal government resumes operations and regular paychecks (including any back pay) are reinstated, residents will have a two-month grace period to bring their utility accounts current. After this grace period, any remaining unpaid balances will be subject to standard late fees and collection procedures.

The program does not create any ongoing or future entitlement to utility payment relief outside the specific circumstances of a federal government shutdown. Eligibility will be verified for each applicant, and relief will not be provided retroactively or for periods outside the defined shutdown window.

BUDGET COMMITTEE REVIEW:

This item is scheduled for review and discussion by the Budget Committee on November 17, 2025. Because the committee meeting will take place just 24 hours before the regular City Council meeting—and agenda items must be posted at least 72 hours in advance—staff will share any pertinent updates from the Budget Committee’s discussion with the Council as appropriate.

CITY COUNCIL GOALS / PRIORITIES / GENERAL PLAN CONSISTENCY:

This item advances Goal: Not Applicable

Action Plan: Not Applicable

General Plan consistency: Not applicable.

FISCAL IMPACT:

Unknown. The program may result in temporary delays in utility cash collection, but balances are anticipated to be recovered through repayment plans.

COMMUNITY OUTREACH:

This agenda item was noticed in compliance with the Ralph M. Brown Act and made available to the public at least 72 hours in advance of the meeting. The City also promoted the agenda on social media. As of the preparation of this report, no public comments have been received. Any comments submitted after publication will be provided to the Council as supplemental materials prior to or during the meeting.

RESTATED RECOMMENDATION:

Adopt a resolution establishing a temporary utility payment relief program for Sebastopol residents who are unpaid federal employees during a government shutdown.

CITY COUNCIL OPTIONS:

1. Rejection the policy & affidavit form

ATTACHMENTS:

- 1. Resolution
- 2. Temporary Relief of Utility Payment Policy
- 3. Affidavit Form

APPROVALS:

Department Head Approval: Approval Date: 11/1/2025
CEQA Determination (Planning): Approval Date: N/A

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines.

Administrative Services (Financial): Approval Date: 11/1/25

Costs authorized in City Approved Budget: ☐ Yes ☐ No ☒ N/A

Account Code (if applicable) _____

City Attorney Approval Approval Date: 11/11/25
City Manager Approval: Approval Date: 11/11/25

Resolution NUMBER: XXXX-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL ESTABLISHING A TEMPORARY UTILITY
PAYMENT RELIEF PROGRAM FOR UNPAID FEDERAL EMPLOYEES

WHEREAS, the City of Sebastopol recognizes the financial hardship faced by federal employees during government shutdowns; and

WHEREAS, the City desires to support its residents who are unpaid federal workers by providing temporary relief from water and sewer utility payments; and

WHEREAS, the City Council finds that such relief is in the public interest and promotes the health and welfare of the community; and

WHEREAS, the program does not create any ongoing or future entitlement to utility payment relief outside the specific circumstances of a federal government shutdown. Eligibility will be verified for each applicant, and relief will not be provided retroactively or for periods outside the defined shutdown window.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sebastopol hereby approves a temporary utility payment relief program for unpaid federal employees during a Federal Government shutdown as set forth in Exhibit A, attached hereto and incorporated herein.

BE IT FURTHER RESOLVED THAT this policy shall remain in effect for the duration of any federal government shutdown.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the _____ day of _____ 2025

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City of Sebastopol City Council by the following vote:

VOTE:

Ayes:

Noes:

Absent:

Abstain:

APPROVED:

Stephen Zollman, Mayor

ATTEST:

Mary Gourley, Interim City Manager/Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM:

Alex Mog, City Attorney



City of Sebastopol

COUNCIL POLICY

SUBJECT UTILITY PAYMENT RELIEF FOR UNPAID FEDERAL WORKERS	RESO NO	POLICY NO	EFF DATE	PAGE 1 of 2
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I. OVERVIEW

The City of Sebastopol recognizes the financial hardship that federal employees may face during government shutdowns, when many are placed on unpaid furlough or required to work without pay, without a clear timeline for resumption of income. In response, the City is implementing a temporary Utility Payment Relief Program to support affected residents by offering flexible payment options for water and sewer services.

Eligible Sebastopol residents may defer utility payments during the furlough period without incurring late fees or facing service disconnection. Utility bills will continue to be issued on their regular schedule, and residents remain responsible for the full amount due; the relief applies only to the timing of payments.

To participate, Sebastopol's residents must verify federal employment and unpaid status by submitting a valid government-issued employee ID, an official furlough notice from their agency, and proof of Sebastopol residency. Applications may be submitted in person or via email.

This program is strictly limited to the duration of an official federal government shutdown and applies only to Sebastopol residents who are actively unpaid federal employees at the time of application. Relief from payment obligations, late fees, and service disconnections will end automatically when federal operations and regular pay resume. After the shutdown, participants will have a maximum of two months to bring their utility accounts current; any outstanding balances after this grace period will be subject to the City's standard late fee and collection procedures. No extensions or exceptions beyond this period will be granted.

The program does not create any ongoing or future entitlement to utility payment relief outside the specific circumstances of a federal government shutdown. Eligibility will be verified for each applicant, and relief will not be provided retroactively or for periods outside the defined shutdown window.

II. PURPOSE

The purpose of this policy is to provide temporary financial relief to Sebastopol residents who are employed by the federal government and are experiencing income disruption due to a government shutdown. Specifically, the policy allows eligible federal workers who are furloughed or required to work without pay to defer payment of their water and sewer utility bills during the furlough period. This deferral ensures that residents continue to receive uninterrupted utility services without incurring late fees or penalties, helping to alleviate financial stress during a time of uncertainty. The City of Sebastopol is committed to supporting its community members by offering compassionate and practical assistance while maintaining the integrity of essential public services.

III. GENERAL POLICY

Eligibility

To qualify for relief under this policy, applicants must:

1. Be a current resident of Sebastopol
2. Be employed by a federal agency and currently furloughed due to a government shutdown.
3. Provide documentation verifying federal employment and unpaid status.

Verification Requirements

Applicants must submit:

1. A valid U.S. government-issued employee ID.
2. A copy of the official notice from their federal agency.
3. Proof of residency (e.g., utility bill, lease agreement, or government-issued ID with Sebastopol address).

The City Manager is authorized to approve alternative documentation that establishes program eligibility.

Relief Terms:

1. Deferral Period: Utility payments may be deferred for the duration of the federal shutdown and up to 60 days after the government reopens.
2. No Late Fees or Shutoffs: During the deferral period, no late fees will be assessed, and utility services will not be disconnected due to non-payment.
3. Minimum Payment Option: A minimum payment of \$25 per month is encouraged to maintain account activity, though not mandatory.
4. Repayment Plan: Once the shutdown ends, affected residents will be offered an extended repayment plan to settle deferred balances over time. All balances must be repaid within two months of the end of the shutdown.

Application Process:

Applications may be submitted:

1. In person at the Administrative Services Department located at City Hall 7120 Bodega Ave.
2. Via email to customerservice@cityofsebastopol.gov

ATTACHMENT:

Affidavit Form

Resolution



AFFIDAVIT OF UTILITY PAYMENT RELIEF FOR FEDERAL GOVERNMENT SHUT DOWN WORKERS

Note: Submission of this affidavit and verification documents does not guarantee approval. All applications are subject to eligibility review by staff.

Customer Name: _____

Service Address: _____

Account Number: _____

Phone Number: _____

Email Address: _____

Purpose

This affidavit is submitted to request temporary relief under the Utility Payment Relief for Furloughed Federal Workers Policy due to federal government shut down.

Affidavit Statement

I, _____ (print name), hereby affirm and attest to the following:

1. I am currently employed by the United States Federal Government and/or represent a federal agency.
2. My regular income has been suspended or reduced as a direct result of the ongoing federal government shutdown.
3. I am experiencing temporary financial hardship due to this lapse in income.
4. I am requesting relief in accordance with the Utility Payment Relief for Furloughed Federal Workers Policy, which may include:
 - a. Waiver of late payment penalties,
 - b. Exemption from water service disconnection, and
 - c. A 60 days grace period upon the resumption of government operations.
5. I understand that this exemption is temporary and agree to the 60 days grace period arrangements to bring my account current once regular pay resumes.

Verification of Eligibility Status

Please attach one of the following as proof of federal employment (check one and include copy):

- ☐ Federal employee ID badge
- ☐ Recent pay stub
- ☐ Official correspondence verifying employment status
- ☐ Other approved verification document: _____

Customer Certification:

I certify under penalty of perjury that the information provided in this affidavit is true and accurate to the best of my knowledge.

Signature: _____

Date: _____

Printed Name: _____

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For Administrative Services Use Only

Received by: _____

Date Received: _____

Reviewed by: _____

Approved: ☐ Yes ☐ No

Date of Approval: _____