

City Council

Mayor Jill McLewis
Vice Mayor Sandra Maurer
Councilmember Phill Carter
Councilmember Neysa Hinton
Councilmember Stephen Zollman



Agenda Item Number 1

City Manager

Mary Gourley

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Administrative Services Director

Ana Kwong

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Budget Committee

Vice Mayor Sandra Maurer
Councilmember Phill Carter

Meeting of Wednesday September 9, 2026

BUDGET COMMITTEE

MINUTES FOR MEETING OF September 9, 2026

Call to Order **10:04 am**

Roll Call

Budget Committee:

Sandra Maurer – Vice Mayor

Phill Carter – Councilmember

Staff:

Mary Gourley –City Manager

Ana Kwong – Administrative Services Director

Oriana Hart – Public Works Director

LAND ACKNOWLEDGEMENT: The City of Sebastopol acknowledges that we live and work within the unceded ancestral homelands of the Southern Pomo and the Coast Miwok people. We pay our respect to the past, present, and future generations of these peoples, including the Federated Indians of Graton Rancheria.

Public Comment – None

CONSENT: The consent agenda consists of items that are routine in nature and do not require additional discussion by the Committee or have been reviewed by the Committee previously.

1. Approval of Budget Committee meeting of July 13, 2026 – **Approved by the Committee**

Responsible Department: Administrative Services

INFORMATIONAL ITEMS/PRESENTATIONS: *Informational Items or Presentations are items that are informational only and do not require action by the Committee. **Presentations should be limited to ten (10) minutes total in length of item (total length includes questions of Committee to presenter).***

2. **Citywide Credit Card** - Review of the City's credit card cost analysis and discussion of options to reduce or recover merchant processing costs.

Responsible Department: Administrative Services

Staff presented a two-year analysis showing that the City absorbed more than \$100,000 in merchant processing fees, with approximately half attributable to the Water and Wastewater Enterprise Funds and the remainder to general government transactions. The Committee discussed convenience fees, payment alternatives, customer impacts, timing, public outreach, and the need for a clear and transparent policy.

- **Direction:** Staff will develop a proposed policy, confirm legal requirements with the City Attorney, identify payment options that would avoid the fee, and bring implementation forward as part of the next budget cycle.

3. FY26-27 Budget at a Glance - Review of the FY 2026-27 Budget at a Glance document.

Responsible Department: Administrative Services

The Committee reviewed the draft Budget at a Glance and provided feedback on color consistency, readability, and presentation of the General Fund and enterprise funds.

- Direction: Use neutral and consistent colors for Council goals, beginning and ending balances, and reserve information; retain green for revenues and red for expenditures.
- Add a concise footnote explaining the primary components of the \$850,000 General Fund deficit, including deferred pavement work carried forward from the prior year.
- Revise the Water and Wastewater Fund graphics to clearly distinguish revenues and expenditures and use pie charts where appropriate.
- Staff will circulate the revised document to the Committee for review before finalization.

REGULAR CALENDAR AGENDA ITEMS (DISCUSSION AND/OR RECOMMENDATION)

4. Special Event Fee Waivers (Peacetown / Many Moons) - Discussion of requested fee waivers for community events and the associated fiscal impacts to the City.

Responsible Department: Public Works

The Committee discussed the requested fee waivers and the City costs associated with recurring event use, including park maintenance and wear and tear. Both Committee members supported moving the fee waiver requests forward as presented.

5. Award of Library Rehabilitation Project - Consideration of contract award for the Library Rehabilitation Project, including project scope, funding, and construction schedule.

Responsible Department: Public Works

Staff reported that five bids were received, ranging from approximately \$74,000 to \$275,000, and recommended award to the low bidder, DMR Builders. The proposed work will restore the interior so the library can reopen; a future capital project may be needed to address exterior waterproofing and drainage. Staff will continue discussions with Sonoma County Library regarding additional cost participation.

- Recommendation: Support award of the contract to DMR Builders with a 20% contingency and move the item forward to the City Council.

6. Award of Corp Yard Fuel Station Upgrade - Consideration of contract award for upgrades to the Corporation Yard fuel station to improve reliability and operational efficiency.

Responsible Department: Public Works

Staff explained that the existing fuel station equipment is outdated and does not meet current air quality and safety requirements. The project is budgeted with Measure U funding. Both Committee members supported moving the contract award forward.

7. Reallocation of Water CIP Funds from CIP 26.06 to CIP 26.07 - Discussion of the proposed reallocation of Water Capital Improvement Program funding to address project priorities and operational needs.

Responsible Department: Public Works

Staff proposed reallocating \$75,000 from the automated water tower meter project to preliminary design of the Pleasant Hill water loop, a high-priority Water Master Plan project. Advancing the design to approximately 30% will improve eligibility for potential infrastructure financing. The automated meter project would be deferred to a future CIP year.

- Recommendation: Support the reallocation and move the item forward.

8. FY27 Citywide Pavement Improvement Project / Mult-yr Paving Plan - Overview of the FY 2026-27 pavement improvement program and discussion of a long-term strategy for roadway maintenance and funding.

Responsible Department: Public Works

Staff presented a multi-year approach that combines reconstruction of poor-condition streets with preventive treatments such as slurry seals. The prioritization considers pavement condition, street classification, proximity to schools, active transportation routes, utility projects, and broader community benefit. Staff also recommended beginning design earlier so future projects can be bid and constructed sooner in the paving season.

- Recommendation: Support the proposed pavement program and move it forward to the City Council.

9. CITY STAFF REPORTS/COMMUNICATION/NEXT STEPS / FUTURE MEETINGS

- Department Reports

Public Works reported that the City is pursuing grant-supported vegetation management, goat grazing, and other treatment options for invasive blackberry growth in the Laguna and Morris Street corridor.

Public Works reported upcoming work at the Morris Street pump station, pedestrian crossing improvements, and continued water quality and design work associated with Well 9
- Next meeting dates

A special Budget Committee meeting was scheduled for Monday, September 28, 2026, at 10:00 a.m.

The Monday, October 5, 2026 meeting at 10:30 a.m. will remain scheduled unless all necessary items can be addressed on September 28.
- Future agenda items for consideration
 - Anticipated items for September 28 include a feasibility analysis, Well#4 funding discussion and a preliminary FY 2025-26 year-end update. Additional budget items may also be included.

10. ADJOURNMENT OF MEETING 11:24 am

American Disability Act Accommodations/Accessibility: A request can be made orally or in writing, and submitted to the ADA Coordinator by email: building@cityofsebastopol.gov or to the City Clerk's Office so as to avoid delay in reviewing and processing the request. Requests can be made by contacting the ADA Coordinator's Office at (707) 823-8597, via email at building@cityofsebastopol.gov or by mailing such a request to the ADA Coordinator's Office located at 7425 Bodega Avenue, Sebastopol, CA. Note that if you contact the ADA Coordinators Office, via mail, you need to make the request early enough that a response can be timely provided.

Government Code Section 54953.

- (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.
- (b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.
- (2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

This in person and virtual/remote meeting is compliant with the Governor's Executive Order allowing for a deviation of teleconference rules required by the Brown Act. Traditional Brown Act and AB 2449 requirements can be utilized for all City meetings as long as required notice and posting is conducted per the Brown Act.

Please Note the presiding member of the legislative body conducting a meeting or their designee may remove, or cause the removal of, an individual for disrupting the meeting.

Prior to removing an individual, the presiding member or their designee shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding member

or their designee may then remove the individual if they do not promptly cease their disruptive behavior. This paragraph does not apply to any behavior described in subparagraph (B) of paragraph (1) of subdivision (b).

(b) As used in this section:

(1) "Disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, one of the following:

(A) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or any other law.

(B) Engaging in behavior that constitutes use of force or a true threat of force.

(2) "True threat of force" means a threat that has sufficient indicia of intent and seriousness, that a reasonable observer would perceive it to be an actual threat to use force by the person making the threat.

How can I provide Public Comment on Zoom?

The Chair of this meeting will request public comment.

USING A COMPUTER OR SMART PHONE:

- Click on the "Raise Hand" feature in the webinar controls. This will notify City staff that you have raised your hand and you would like to speak.*
- City staff will unmute your microphone when it is your turn to provide public comment.*
- A prompt will appear to confirm you would like to be unmuted. Once you accept the prompt, you will have two minutes to provide public comment.*
- Once your public comment has ended, you will be muted again.*

USING A REGULAR PHONE:

- Dial *9 (star 9), this will notify City staff that you have "raised your hand" for public comment.*
- City staff will unmute your microphone when it is your turn to provide public comment. *6 (star 6) is used to mute/unmute.*
- You will hear "you are unmuted" and then you will have two minutes to provide public comment.*
- Once your public comment has ended, you will be muted again*