



**Date:** December 10, 2020  
**To:** Mayor and City Council  
**From:** Eric Figueroa, City Manager  
**Prepared by:** David Glasser, Finance Director  
**Subject:** Extension of temporary waiver of late-payment penalties and suspension of disconnections for water and sewer utilities

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### **Recommendation**

Adopt a Resolution, authorizing the extension of the temporary waiver of late-payment penalties and suspension of disconnections for water and sewer utilities in response to the COVID-19 pandemic, from January 1, 2021 through June 30, 2021.

### **Background**

On March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency as a result of the threat of COVID-19, also known as coronavirus, in the State of California. The spread of the virus globally, including in California, resulted in the World Health Organization characterizing the viral outbreak as a pandemic on March 11, 2020.

On March 16, 2020, the Contra Costa Health Officer issued Order HO-COVID19-SIP0316a directing all individuals living in the County to shelter at their place of residence, with limited exceptions outside of essential activities, halting most business within the City of Martinez.

On March 16, 2020, the City Manager, acting as the Director of Emergency Services, declared a State of Emergency. On March 18, 2020, the City Council adopted Resolution 012-20 ratifying the Proclamation of a Local Declaration of State of Emergency, due to the ongoing threat to the security of public buildings, threat to essential public services and threat to the public's access to public services caused by the public health risk of the Coronavirus (COVID-19).

On April 1, 2020, the City Council approved the temporary waiver of payment penalties and suspension of disconnections for water and sewer utilities in response to the COVID19 pandemic through June 1, 2020. On June 3, 2020, the City Council extended

the waivers through August 1, 2020. On July 29, 2020, the City Council extended the waivers through December 31, 2020.

### **Analysis**

The shelter-in-place order has jeopardized the economic stability of many of the City's utility customers during this viral outbreak due to the elimination or downsizing of numerous businesses. The COVID-19 pandemic has caused, and will continue to cause, conditions of extreme economic hardship to persons within the City of Martinez. Staff recommends extending the waiving of delinquent penalties and the water shut-off process from January 1, 2021 through June 30, 2021 in order to mitigate the negative consequences of the shelter-in-place directive and the coronavirus outbreak. The City Council can extend or remove the waivers as the conditions warrant. Most municipal utility agencies throughout California have taken similar action.

### **Fiscal Impact**

There will be minimal fiscal impact on the Water Fund due to not collecting penalties during this time, with some cost and time savings realized by suspending the shut-off process. There may also be increased delays in collecting utility bills.

### **Attachment**

- Resolution