

RESOLUTION NO. 09-01-25

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT APPROVING A PROPOSAL FROM NBS FOR THE WATER RATE STUDY UPDATE IN AN AMOUNT NOT TO EXCEED \$72,450

WHEREAS, Pajaro/Sunny Mesa Community Services District (“District”) is a Community Services District created pursuant to Government Code Section 61000;

WHEREAS, the District adopted a Water Rate Study in 2021 (“2021 Rate Study”), which established rates sufficient to carry the District through 2026;

WHEREAS, the current rate structure has reached its planned deadline and no longer provides for long-term financial planning for the District;

WHEREAS, the District desires to obtain an update to the 2021 Rate Study (“Water Rate Study Update”);

WHEREAS, the intent of the Water Rate Study Update is to evaluate the cost of water service and establish a 5-year rate plan to adequately fund water utility operations and capital costs;

WHEREAS, rate studies are best completed by professional municipal finance consultants to ensure legally compliant and correctly developed cost of service/rate studies and reports;

WHEREAS, the Board approved funds to conduct a water rate study during the approval of the current fiscal year budget;

WHEREAS, the District’s purchasing ordinance provides that professional services contracts in excess of \$10,000 be subject to an RFP or RFQ, unless the District Manager determines such a process would not be in the best interests of the District (section 6.02.01);

WHEREAS, under the purchasing ordinance, the General Manager may recommend a sole source professional services contract to the Board (section 6.02.04);

WHEREAS, the District has determined NBS (“Consultant”) prepared the 2021 Rate Study, and therefore has extensive knowledge of the District’s financial, operational, and rate-setting history;

WHEREAS, Consultant submitted a proposal to the District for the Water Rate Study Update, a copy of which is attached hereto as **Exhibit A** (“Consultant Proposal”), in the amount of \$72,450, including optional services;

WHEREAS, due to its unique familiarity and expertise with the District in preparing the prior rate study, the General Manager recommends, and the Board of Directors finds Consultant is the most qualified firm to prepare the Water Rate Study Update, and that it is in the District's best interest to contract with NBS on a sole source basis;

WHEREAS, the District has determined that the Water Rate Study Update is not a project as defined by California Environmental Quality Act (“CEQA”) Guidelines section 15378.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The District Board of Directors hereby finds and determines that the foregoing recitals are severally ratified, confirmed, approved, and adopted in all respects.
2. The nature of the services for which the District seeks to engage the Consultant is unique and specialized.
3. Engaging Consultant for the Water Rate Study Update, and upon which Consultant has extensive knowledge of the District's financial, operational, and rate setting history, such that competitive proposals would be unavailing or would not produce an advantage, and the advertisement for competitive bid would thus be undesirable, impractical, or impossible.
4. The District finds Consultant has demonstrated their specialized skills, competency and qualifications necessary for the satisfactory performance of the Water Rate Study Update.
5. The District has determined that the proposed Water Rate Study Update is not a project as defined by CEQA Guidelines section 15378.
6. The Board of Directors hereby approves engaging the Consultant for the performance of the Water Rate Study Update.
7. The Board of Directors hereby directs the General Manager or designee to take all steps necessary to complete and implement and the Water Rate Study Update, as set forth herein.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Pajaro/Sunny Mesa Community Services District duly held on the 25th day of September 2025, by the following vote.

AYES: P. Anderson; D. Olsen; C. Miller; S. Coplin; D. Chesterman

NOES:

ABSENT:

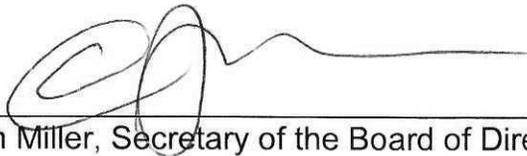
ABSTAIN:



Paul Anderson, President of the Board of Directors

CERTIFICATE OF SECRETARY

I, Clinton Miller, as the duly elected Secretary of the Board of Directors of the Pajaro/Sunny Mesa Community Services District, Monterey County, California, do hereby certify that the above Resolution is a full, true and correct copy of said Resolution passed and adopted by the Board of Directors at a meeting held on the 25th day of September 2025, and that said Resolution is now spread upon the minutes of said Board.



Clinton Miller, Secretary of the Board of Directors