

May 10, 2022  
Special Meeting  
5:00 p.m.

The Board of Directors of the San Benito County Water District convened in special session on Tuesday, May 10, 2022 at 5:00 p.m. at the San Benito County Water District office at 30 Mansfield Road, Hollister, California. Members present were: President Joe Tonascia, Vice President Sonny Flores and Directors John Tobias and Doug Williams; Director Andrew Shelton was absent. Also present were District Manager/Engineer Jeff Cattaneo, District Counsel Jeremy T. Liem, Assistant Manager Sara Singleton, Manager of Finance, Administration and Business Services Joyce Machado, Water Conservation Program Manager Shawn Novack and Board Clerk/Office Specialist III Barbara Mauro.

### **CALL TO ORDER**

President Tonascia called the meeting to order at 5:00 p.m.

- a. Pledge of Allegiance**  
President Tonascia led the Pledge of Allegiance.
- b. Speakers will be limited to 5 minutes to address the Board**  
There were no public comments.

### **AGENDA ITEMS:**

**1. Consider Authorizing District Manager to update investments with Union Banc Investment Services**

Mr. Cattaneo stated the Investment Committee met and discussed moving funds currently in the Local Agency Investment Fund (LAIF) into fixed government bonds. Currently the return at LAIF is between .3 and .4% and the government bonds rate of return ranges from 2.5% in a 2-year bond up to 2.9% in a 10-year bond.

Mr. Cattaneo stated the District has an opportunity to invest in another source to gain a larger return for the District, as the Federal Reserve has indicated raising the short-term interest rate in increments, over the next two years. He further stated staff contacted Union Banc, whom the District currently uses for banking services, and they offered the District a proposal for investment into government bonds. Mr. Cattaneo reviewed Union Banc's proposal.

Mrs. Singleton prepared a spreadsheet which covered the next 5 years and listed the anticipated cash needs of the District. Staff's conclusion would be the District could comfortably invest \$46 million from LAIF into government bank securities.

Mr. Cattaneo further stated staff is proposing buying bonds with maturities ranging from 1-5 years. Mrs. Singleton added annually the Board could review the investment schedule and based on the District's needs and how the investments are producing, make any necessary changes. The proposal from Union Banc offered the District some good examples of investment types per Mrs. Singleton.

Director Tobias suggested varying the investment instruments, as the market may yield more and take advantage of higher rates if they are available in the near future rather than tying up funds in a longer term.

Mr. Cattaneo asked the Board for their input. All members agreed to moving funds from LAIF to government bonds and concurred with the amount to invest.

Mr. Cattaneo stated staff would work with Union Banc on both the investments and what the timing should be

With no further questions, a motion was made by Director Tobias and seconded by Vice President Flores; the Board of Directors Authorized the District Manager to update investments with Union Banc Investment Services with 4 affirmative votes; there was 1 absence.

**2. Consider Resolution Granting the San Benito County Water District Manager/General Manager Authorization to be the Contracting Office for investment transactions on behalf of said District.**

The resolution confirms that the District Manager/General Manager has the authority for transactions regarding investment.

With no questions from the Board, a motion was made by Director Tobias and seconded by Director Williams, Resolution #2022-15, *A Resolution of the Board of Directors of the San Benito County Water District Granting San Benito County's District Manager/General Manager Authorization to be the Contracting Officer for investment transitions on behalf of said District* was approved by the Board of Directors by 4 affirmative votes; there was 1 absence.

**ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at 5:25 p.m.

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The minutes were approved at the May 25, 2022 Board meeting and signed by the presiding board member.

*/s/ Joseph Tonascia*  
Joseph Tonascia, President

*/s/ Barbara L. Mauro*  
Barbara L. Mauro, Board Clerk