

Interim Borrego Springs Watermaster
Board of Directors Meeting
October 8, 2020
AGENDA ITEM IV.C – REQUESTED ADDITION TO AGENDA

To: Board of Directors
From: Samantha Adams (WEI), Executive Director
Date: October 8, 2020
Subject: Consideration of Approval of a Resolution to Establish a Bank Account to Support Implementation of the Settlement Agreement

<input checked="" type="checkbox"/> For Action	<input type="checkbox"/> Fiscal Impact	<input type="checkbox"/> Funds Budgeted
<input type="checkbox"/> Information Only	<input type="checkbox"/> Cost Estimate:	\$

Recommended Action

Approve Resolution 20-08 of the Interim Borrego Springs Watermaster to Establish a Bank Account to Support Implementation of the Settlement Agreement and Assign Authorized Signatories

Fiscal Impact: None. The cost of the administrative services related to banking is included in the Watermaster budget.

Background and Previous Actions by the Board

Section 4.1 of the Settlement Agreement provides for the Settling Parties to fund the interim Watermaster budget attached as Exhibit E to the Settlement Agreement. At its September 24, 2020 Special meeting, the Board of Directors approved Resolution 20-06 to direct staff to proceed with the required steps to open a bank account for the Watermaster, including:

- applying for an Employee Identification Number (EIN) with the IRS
- assigning all members of the Board and the Executive Director as authorized signatories to the bank account

Status and Next Steps for Opening a Bank Account

Following the approval of Resolution 20-06, Watermaster staff proceeded to apply for and obtain the EIN with the IRS. The EIN was received on October 2, 2020. The EIN and other requisite information was submitted to Union Bank on October 5, 2020 to open the bank account. Upon further discussion with the bank representatives, it has been clarified that all five Board members are required to go to the Bank at the same time to execute signature cards and complete the establishment of the bank account. As this required action is not a practical at this time due to challenges presented by COVID-19, the Bank recommends the Board adopt a new resolution to (1) identify a smaller subset of specific persons by their legal names (as they appear on their driver's license) and (2) name a contracting officer. Once the challenges presented by COVID have passed, the bank account can be modified to include additional authorized signers as originally planned for by the Board. Additional authorized signers would be added by a Resolution of the Board.

Staff recommends that the Board of Director approve Resolution 20-08, which provides:

- Direction to Watermaster Staff to open a bank account.
- That Resolution 20-08 supersedes the Board's direction on check signing authority defined in Resolution 20-06.
- Assignment of check signing authority to the Executive Director and two Board members. The Board will need to name the two Board members as part of the motion adopting the Resolution.
- Assigns the Executive Director as the contracting officer of the account.

To finalize the opening of the bank account, the two Board members with signature authority will need to (1) provide their full legal names for entry on Resolution 20-08 and (2) arrange for a time to go to the Ramona, CA branch of Union Bank to execute signature cards. The two Board members must go to the Bank at the same time.

Encl.

Resolution 20-08 of the Interim Borrego Springs Watermaster to Establish a Bank Account to Support Implementation of the Settlement Agreement and Assign Authorized Signatories

RESOLUTION NO 20-08 OF THE BOARD OF DIRECTORS OF THE INTERIM BORREGO SPRINGS WATERMASTER TO ESTABLISH A BANK ACCOUNT TO SUPPORT IMPLEMENTATION OF THE SETTLEMENT AGREEMENT AND ASSIGN AUTHORIZED SIGNATORIES

WHEREAS, the Settlement Agreement, established an Interim Watermaster pending entry of the Stipulated Judgment by the Court.

WHEREAS, the Settling Parties agreed to fund the interim Watermaster budget attached as Exhibit E to the Settlement Agreement.

WHEREAS, the Interim Borrego Springs Watermaster requires a bank account to invoice and collect payments from the Settling Parties to fund the budget.

WHEREAS, an Employee Identification Number (EIN) has been obtained from the Internal Revenue Services in order to open a bank account, as authorized by the Board of Directors in Resolution 20-06, adopted on September 24, 2020.

WHEREAS, authorized signers must be named by the Watermaster to open a bank account.

NOW, THEREFORE, be it resolved by the Board of Directors of the Interim Borrego Springs Watermaster, that

1. The Board of Directors hereby directs Watermaster staff to open a bank account.
2. This Resolution, 20-08, supersedes the Board's direction on check signing authority defined in Resolution 20-06.
3. The Board of Directors assigns check signing authority to
The Executive Director: Samantha Adams
Board Director: <<INSERT LEGAL NAME>>
Board Director: <<INSERT LEGAL NAME>>
4. The Board of Directors assigns the Executive Director, Samantha Adams, as the contracting officer of the account.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Interim Borrego Springs Watermaster held on the 8th day of October 2020, by the following vote:

AYES:

NOES:

ABSENT:

Chairperson
Board of Directors

Secretary
ATTEST