



SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

380 E. Vanderbilt Way, San Bernardino, CA 92408

BOARD OF DIRECTORS' SPECIAL MEETING - RESOURCES/ENGINEERING

2:00 PM Tuesday, July 14, 2026

ZOOM INFORMATION

Online: <https://sbvmwd.zoom.us/j/84832686691>

Telephone: (877) 853-5247 US Toll-free

Meeting ID: 848 3268 6691

PASSCODE: 3802026

If you are unable to participate online or by telephone, you may submit your comments and questions in writing for Board consideration by emailing comments@sbvmwd.com with the subject line Public Comment Item # (insert the agenda item number relevant to your comment) or Public Comment Non-Agenda Item. Submit your written comments no later than 6 p.m. the day prior to the meeting. All public comments will be provided to the Board President and may be read into the record or compiled as part of the record.

IMPORTANT PRIVACY NOTE: Online participants MUST log in with a Zoom account. The Zoom app is a free download. Please keep in mind: (1) This is a public meeting; as such, the virtual meeting information is published on the World Wide Web and available to everyone. (2) Should you participate remotely via telephone, your telephone number will be your identifier during the meeting and available to all meeting participants; there is no way to protect your privacy if you elect to call in to the meeting.

CALL TO ORDER

1) **INTRODUCTIONS**

2) **PUBLIC COMMENT**

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items except as authorized by law. Each speaker is limited to a maximum of three (3) minutes.

3) **DISCUSSION AND POSSIBLE ACTION ITEMS**

- 3.1 2027-29 California Special Districts Association Southern Network Election (10 min) - Page 3
[Staff Memo - 2027-29 California Special Districts Association Southern Network Election](#)
[CSDA Seat C Candidates](#)

- 3.2 Workshop Report Regarding State Water Contract Fund Budget and Potential Ad Valorem Tax Rate for Fiscal Year 2026-2027 (45 min) - Page 21
[Staff Memo - Workshop Report Regarding State Water Contract Fund Budget and Potential Ad Valorem Tax Rate for Fiscal Year 2026-2027](#)

4) **FUTURE BUSINESS**

5) **CLOSED SESSION**

- 5.1 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9 (one potential case)

6) **ADJOURNMENT**

DATE: July 14, 2026

TO: Board of Directors' Special Meeting - Resources/Engineering

FROM: Kelly Malloy, Manager of Strategic Communications & Special Initiatives

SUBJECT: 2027-2029 California Special Districts Association Southern Network Election

Staff Recommendation

Provide direction to staff regarding the California Special Districts Association (CSDA) Board of Directors Election Ballot - Term 2027 - 2029; Seat C - Southern Network.

Summary

CSDA is a 501c(6), not-for-profit association that was formed in 1969 to promote good governance and improved core local services through professional development, advocacy, and other services for all types of independent special districts. Currently, there is one seat available for the 2027 – 2029 term of the Seat C-Southern Network. Candidates are the following:

- Nikki Winslow, District Director, Altadena Library District (Incumbent)
- Jason Dafforn, General Manager, Valley Sanitary District
- John Horst, Director, Trabuco Canyon Water District
- Melinda Sedmak, Trustee, Twentynine Palms Public Cemetery District

The deadline to submit the District's ballot is July 24, 2026.

Background

CSDA provides education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services and current information that is crucial to a special district's management and operational effectiveness.

CSDA is a statewide association representing six different divisions, or networks. San Bernardino Valley Municipal Water District is included in the Southern Network, which includes San Bernardino, Imperial, Los Angeles, Orange, Riverside, and San Diego Counties. Directors elected to the CSDA Board help establish the Association's strategic priorities, legislative advocacy

positions, educational programs, and services provided to California special districts. The election process allows for selection of one candidate through digital ballot submittal by the organization's CEO/ General Manager.

District Strategic Plan Application

Participation in CSDA aligns with the District's mission of *working collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region's people and environment*. By staying engaged in the statewide organizations, the District can build relationships with peer agencies.

Fiscal Impact

There is no fiscal impact related to this update.

Attachment

2027-29 Candidate Information



2027-2029 TERM - CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Nikki Winslow

District/Company: Altadena Library District

Title: District Director

Elected/Appointed/Staff: Staff

Length of Service with District: 6 years

- 1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

General Managers Summit 2020-2025; San Gabriel Chapter Formation Committee 2024; San Gabriel Chapter Board Vice-Chair 2025;

Legislative Day 2025; Annual Conference 2025; CSDA Board Southern Network Seat C Nov 2025-present

- 2. What other state-wide associations have you been involved with? (such as CSAC, ACWA, League, etc.):**

California Library Association; CALPELRA; American Library Association;
Public Library Association

- 3. List your local government involvement (such as LAFCo, Association of Governments, etc.):**

Altadena Town Council, LAFCo

- 4. List your involvement in civic and/or non-profit organization:**

Rotary Club of Altadena; Altadena Chamber of Commerce;
Altadena Heritage; Eaton Fire Collaborative

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**

2027-2029 CSDA Board Appointment – Seat C Southern Network

Candidate Statement – Nikki Winslow

I am honored to put myself forward as a candidate for the CSDA Board for the 2027-2029 term. Since my appointment to the seat in January 2026, I've familiarized myself further with CSDA Board operations and the incredible individuals who volunteer their time to advocate for the work that special districts accomplish. Being part of this team is inspiring, and I look forward to serving and representing my region on the Board for the 2027-2029 term. I believe deeply in the mission of special districts and the staff and leadership upholding this work. They provide libraries, parks, water, fire protection, vector control – and so many other vital services. Special districts are essential in strengthening California's communities, often serving as a critical connection and filling in gaps for services that would otherwise be unavailable. It is my goal to continue to advocate for policies that support sustainability, innovation, and equity for all districts across our state, and represent the interests of the Southern Seat C region on the Board.

For 6 years I have served as District Director of the Altadena Library District. In this role, I have been proud to guide our community through a period of both tremendous growth and significant challenges. Among my achievements, I successfully led the passage of a ballot measure that secured long-term, sustainable funding for our libraries, a feat accomplished in the first year of the 2020 pandemic. I oversaw the planning of our two major renovations and the reopening of our branch on the westside of Altadena in August 2025. In February of this year, our Main library closed and long-awaited renovation work will finally begin on this property. These projects ensure that our library spaces are welcoming, modern, and adaptable to community needs. And throughout 2025 I helped guide the District and our residents through the devastation of the Eaton Fire, leading recovery and rebuilding efforts while ensuring our library remained a place of connection and resilience during a time of crisis and uncertainty.

Prior to my work in Altadena, I served as Assistant Director of Glendale Library, Arts & Culture and, before that, spent nearly 15 years with the Las Vegas-Clark County Library District, where I gained deep experience in operations, branch management, and community partnership building. My educational background includes a Bachelor's in Political Science from UNLV, a Master's in Library and Information Science from the University of North Texas, and a Master's in Public Administration from Claremont Lincoln University. This academic foundation, paired with over

two decades of professional leadership, has shaped my approach to governance—one grounded in strategic leadership, ethical decision-making, and a commitment to inclusive community engagement.

Throughout my career, I have worked with diverse populations and developed programming that directly meets the needs of my community. I have helped launch ESL and citizenship training programs for new Americans, championed the expansion of digital resources, and created equitable access to services for patrons of all ages and backgrounds. In Altadena, I have also been intentional about mentoring and empowering the next generation of library leaders. I am very passionate about professional development, and look forward to advocating for uplifting aspiring leaders in our special districts.

I want to continue to serve on the CSDA Board and spotlight how special districts meet challenges where larger government agencies sometimes cannot— with adaptability and innovation built-in to their structure. Advocating for these institutions is critical in meeting the needs of our California communities and solving problems that sometimes seem impossible. I believe my experiences navigating ballot measures, leading through emergencies, and building strong community partnerships add value to the Board’s work. I especially believe my perspective as a library district leader—representing a sector that touches education, workforce development, equity, and civic engagement— is critical to the future of California’s social infrastructure.

My involvement with CSDA is not just within my District or on the Board, but also as leadership in my local CSDA Chapter. I currently serve as Vice-Chair of the Special District Association of San Gabriel Valley Chapter Board, and was one of its founding members. In January 2024, I was invited to participate in a meeting to explore the formation of a new CSDA chapter in the San Gabriel Valley. At the group’s follow-up meeting in May 2024, I volunteered to serve on the formation committee, which successfully launched the chapter in October 2024... I was honored to host one of our chapter meetings at the Altadena Main Library, featuring Supervisor Kathryn Barger as our invited speaker in September 2025. We recently hosted a chapter mixer to encourage our special district staff and elected officials to meet, network and learn about the vital work our districts provide to fulfill the diverse needs and priorities of residents across our region.

It would be a privilege to serve a full term alongside other committed leaders on the CSDA Board for the 2027-2029 term, advocating for the sustainability of our districts, supporting collaboration across sectors, and ensuring that all voices—large, small, urban, and rural—are represented in statewide conversations. I am ready to bring my passion, experience, and vision to this role, and I would be honored to earn your support.

Sincerely,

Nikki Winslow

District Director, Altadena Library District



Altadena Libraries

BOARD OF TRUSTEES

Katie Clark
Boon Lim
Justin Mahramas
Ray Ruffin
Kameelah Wilkerson

MISSION

The Altadena Library
District brings
PEOPLE and IDEAS
together.

VISION

An Altadena where
all are learning,
growing, and thriving
together.

MAIN LIBRARY

600 E. Mariposa
Street
Altadena, CA 91001

BOB LUCAS BRANCH

2659 Lincoln
Avenue
Altadena, CA 91001

June 7, 2026

RE: Support for Nikki Winslow for the 2026-2028 CSDA Seat C Southern Network

To my fellow CSDA Southern Network members,

It is my pleasure to endorse election of Nikki Winslow to the CSDA Seat C Southern Network. Since becoming Director of the Altadena Library District in 2019, Nikki has demonstrated exceptional leadership, vision, and dedication to both our district and the broader special district community. She has represented the Southern Network with distinction on the CSDA Board, and our Board, staff, and community have the utmost confidence in her leadership. The Altadena Library District Board respectfully asks for your support and vote for Nikki Winslow before the July 24, 2026 election deadline so she may continue representing the interests of special districts throughout the Southern Network.

District Director Winslow's leadership has proven invaluable as our library district recovers from the devastating Eaton Fire. As both of our properties survived the fire, she led the safe and timely reopening of library services, collaborated with the Los Angeles County Parks and Recreation Department to staff interim camps for children displaced from their schools, joined community leaders and non-profits in spearheading Altadena recovery through the Eaton Fire Collaborative, and worked to secure the district's financial stability during recovery, building strong relationships with local and state elected officials to ensure our future budgetary needs would be preserved and backfilled.

At the same time, Nikki has continued to lead the district's major capital improvement efforts. She successfully organized and led the 2020 bond measure campaign that secured funding for the renovation and reopening of the Bob Lucas Memorial Library and the current renovation of our Main Library. The ballot measure funds were also invaluable in securing the long-term financial future and stability of the Altadena Library District, ensuring it will be a presence in the community for many years to come, and ready to serve returning and new Altadena residents.

Nikki Winslow has led under immense pressure and understands when to pivot to meet the needs of her staff, the district, and the community we serve, and this steady, strong leadership continues to carry our District forward. I am continuously impressed by her ability to balance the challenges our district faces while also maintaining active membership in our local CSDA chapter and CSDA board activities, heading professional development programs across library systems, and being active in the Altadena community beyond library district needs and truly connecting with our community and partners. She is truly committed to special districts and the work they accomplish in providing essential services to our communities. We have full confidence in backing Nikki Winslow, and believe she would be an essential asset to the CSDA Board if elected to continue serving.

Best Regards,

Trustee Kameelah Waheed Wilkerson, Board President



VOTE! **Nikki Winslow** Altadena Library District Director **for CSDA Board of Directors – Southern Network**

My name is Nikki Winslow, and I am honored to be a candidate for the CSDA Board of Directors, representing the Southern Network.

Since my appointment in November 2025, I've had the pleasure to serve with our other incredible board members who volunteer their time advocating for Special Districts. I believe deeply our Districts are essential to strengthening California communities, and my priority is to continue to advocate for policies that support sustainability, innovation, and equity for all Districts across our state.

As Director of the Altadena Library District for the past six years, I led efforts to secure sustainable funding, oversee major facility renovations, and expand access to modern, community-centered library services. I also helped guide the District and residents through the challenges of the Eaton Fire, supporting recovery efforts while ensuring the library remained a source of connection and resilience. With more than 20 years of leadership experience and advanced degrees in library science and public administration, I bring a governance approach rooted in strategic leadership, ethical decision-making, and inclusive community engagement.

Throughout my career, I've developed programs and services that expand opportunity, including ESL and citizenship training, digital resource initiatives, equitable access for diverse communities, and mentoring programs for the next generation of library leaders. As a member of the Board, I will continue to advocate for Special Districts as innovative, adaptable institutions that effectively address community needs. My experience leading ballot measures, navigating emergencies, building strong partnerships, and representing the unique perspective of library districts positions me to contribute meaningfully to the work being accomplished on the CSDA Board.

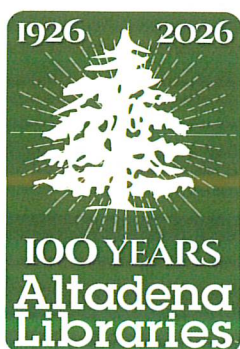
My involvement with CSDA includes leadership at the local level. As a founding member and current Vice-Chair of the Special District Association of San Gabriel Valley Chapter, I helped launch the chapter in 2024 after serving on its formation committee. I was honored to host a chapter meeting at the Altadena Main Library featuring L.A. County Supervisor Kathryn Barger and continue to build meaningful connections among Special District staff and elected officials throughout the region.

It would be a privilege to serve a full term on the CSDA Board for 2026-2028, fostering collaboration and ensuring that the perspectives of Special Districts of all sizes and communities are represented. I will bring my experience, passion, and vision to this role, and I would be honored to earn your support.

Sincerely,

Nikki Winslow

Altadena Library District Director





**California Special
Districts Association**
Districts Stronger Together

2027-2029 TERM - CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Jason Dafforn

District/Company: Valley Sanitary District

Title: General Manager

Elected/Appointed/Staff: Staff

Length of Service with District: 2.75 years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

Attend CSDA Conferences, Leadership Academy, GM Summit, CSDA Legislative Days

2. What other state-wide associations have you been involved with? (such as CSAC, ACWA, League, etc.):

ACWA, CASA, NACWA

3. List your local government involvement (such as LAFCo, Association of Governments, etc.):

Collaborate with Riverside LAFCO, Coachella Valley Association of Governments (CVAG)

4. List your involvement in civic and/or non-profit organization:

Desert Recreation Foundation Board of Directors

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**

Candidate Statement

My name is Jason Dafforn, and I am honored to be a candidate for the CSDA Board of Directors representing the Southern Network, including Los Angeles, Orange, San Diego, San Bernardino, Riverside, and Imperial counties.

I am a Licensed Civil Engineer with more than 30 years of experience in the water and wastewater industry, including 17 years as a utility manager for California local governments and more than 10 years serving special districts. I currently serve as General Manager of Valley Sanitary District in Indio, California.

Throughout my career, I have focused on strengthening essential public infrastructure, improving organizational performance, and leading teams to deliver practical, long-term solutions. I have a deep appreciation for the diversity of special districts and the critical services they provide, including water, wastewater, parks and recreation, fire protection, libraries, healthcare, and community services.

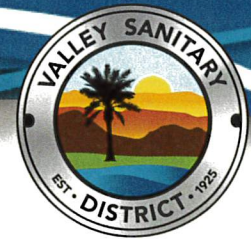
Additionally, I have actively represented special district interests through legislative advocacy, participating in multiple policy and legislative trips to Sacramento and Washington, D.C. over the past several years. These efforts have focused on engaging directly with state and federal policymakers to advance the needs and priorities of special districts across California.

I also serve on the Board of Directors of the Desert Recreation Foundation, a nonprofit organization supporting the Desert Recreation District, where we help expand access to quality recreational programs and facilities throughout the Coachella Valley. The Foundation was recently awarded the 2026 California Nonprofit of the Year for Senate District 18.

If elected, I will bring a strategic, pragmatic perspective to the CSDA Board of Directors and work collaboratively to ensure CSDA remains a strong, effective advocate and resource for its members. Together, we can continue to strengthen special districts and the communities they serve.

Thank you for your support.

Jason Dafforn, PE
General Manager, Valley Sanitary District



JASON DAFFORN

General Manager, Valley Sanitary District

Vote Jason Dafforn for CSDA Board of Directors – Southern Network

Dear CSDA Southern Network Members,

My name is Jason Dafforn, and I am excited to announce my candidacy for the CSDA Board of Directors representing the Southern Network.

Over the past several years, I have had the privilege of serving as General Manager of Valley Sanitary District in Indio, California, while also becoming deeply engaged in advocacy efforts on behalf of special districts both in Sacramento and Washington, D.C. Through this advocacy work, I have seen firsthand how important strong representation, collaboration, and relationship building are to the future of local agencies across California.

In addition to my role at Valley Sanitary District, I currently serve as President of the Special Districts Association of Riverside County (SDARC) the local affiliate of CSDA representing all types of special districts in Riverside County, I am also a member of the Desert Recreation Foundation Board of Directors, providing financial assistance to the largest recreation district in California. This commitment to local engagement has further strengthened the results of my public service and regional collaboration.

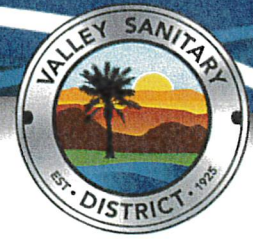


As a licensed Civil Engineer with more than 30 years of experience in the water and wastewater industry, including nearly two decades in executive leadership roles for local government agencies and special districts, I understand the operational, financial, regulatory, and workforce challenges districts are facing today. Rising costs, aging infrastructure, increasing mandates, and public expectations continue to place pressure on districts of every size and service type.

These challenges require leaders who are not only experienced in operations, but who are willing to actively advocate for special districts at the state and federal level.

Over the last few years, I have worked to build strong relationships with legislators, agency leaders, and policy makers in Sacramento and Washington, D.C. Those relationships have already produced meaningful results for Valley Sanitary District and our region. One example is the District's Recycled Water Project, which received approximately \$1.9 million in federal support through the advocacy and assistance of Senator Adam Schiff's office. That funding helps move forward a critical infrastructure project that will strengthen water sustainability and long-term resiliency for our community.

In addition to securing critical funding opportunities, I helped guide the District through a successful five-year wastewater rate adjustment process that included an extensive public outreach effort far beyond the minimum legal requirements, including community meetings, presentations, open houses, and direct engagement with residents



and stakeholders throughout our service area. Despite serving more than 90,000 residents, the Proposition 218 process concluded with only three written protests submitted, reflecting the importance of proactive communication, accountability, and building trust with the communities we serve.

I believe these types of relationships and advocacy efforts are essential for all special districts as we compete for limited funding opportunities, navigate increasing regulatory requirements, and work to deliver reliable services to the communities we serve.

My goal on the CSDA Board is simple: to be a strong and active voice for special districts throughout the Southern Network and across California. I want to help ensure districts have the representation, resources, advocacy, and support necessary to succeed in an increasingly complex environment.

I also believe Southern California districts deserve stronger representation within CSDA leadership. Our agencies face unique challenges tied to rapid growth, infrastructure demands, workforce recruitment, water reliability, affordability, and regional development. I would be proud to bring that perspective to the Board while also representing the broader interests of all special districts, regardless of size or service type.

Throughout my career, I have believed deeply in public service and the essential role special districts play in everyday life. Whether it is water, wastewater, fire protection, parks and recreation, healthcare, cemetery, irrigation, community services, or vector control districts, our agencies provide critical services that communities rely on every single day.

I am passionate about helping special districts remain strong, resilient, and supported for the future. I would be honored to earn your support and the opportunity to serve on the CSDA Board of Directors.

Thank you for your consideration.

Jason Dafforn, PE
General Manager
Valley Sanitary District
Indio, California



GENERAL MANAGER'S OFFICE

California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814

RE: Letter of Support for Jason Dafforn – CSDA Board of Directors

To Whom It May Concern:

I am pleased to provide my strong support for Jason Dafforn, General Manager of Valley Sanitary District, in his candidacy for the California Special Districts Association (CSDA) Board of Directors.

Mr. Dafforn has more than three decades of distinguished experience in the water and wastewater industry as both a civil engineer and public agency executive. Throughout his career, he has consistently demonstrated an unwavering commitment to public service, responsible infrastructure investment, environmental stewardship, and collaborative leadership.

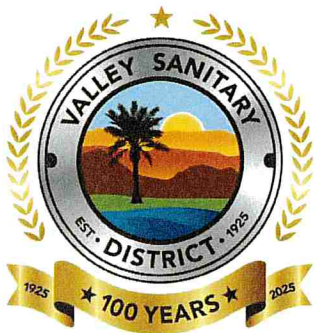
Mr. Dafforn recognizes the critical role special districts play in delivering essential services that directly impact on the quality of life for Californians. He understands that the most effective public policy outcomes are achieved when agencies work collaboratively and advocate with a unified voice. His dedication to fostering partnerships among special districts and strengthening the collective influence of local agencies throughout California has been evident throughout his professional career.

In recent years, Mr. Dafforn has been an active participant in CSDA Special Districts Legislative Days in Sacramento, where he has engaged directly with legislators and staff to advocate for infrastructure funding, sustainability initiatives, and the vital services provided by special districts. In addition, he has cultivated strong and productive relationships with elected officials and stakeholders at both the state and federal levels.

Mr. Dafforn's professionalism, integrity, leadership, and long-term strategic perspective make him exceptionally well qualified to serve on the CSDA Board of Directors. I respectfully and enthusiastically encourage your support of his candidacy. Please contact me if you need anything else at E-mail: gmartin@drd.us.com or Cell: (760) 275-9627.

Sincerely,

Dr. Gabriel Martin
General Manager – Desert Recreation District



45500 Van Buren Street
Indio, CA 92201

760.238.5400

www.valley-sanitary.org

June 9, 2026

Attn: California Special District Association Members

RE: Vote for Jason Dafforn, Valley Sanitary District General Manager for California Special Districts Association (CSDA) Board of Directors, Southern Network, Seat C

Dear Fellow Special District Leaders,

As President of the Board of Directors for Valley Sanitary District, I am proud to support Jason Dafforn, in his candidacy for the California Special Districts Association (CSDA) Board of Directors, Southern Network, Seat C.

Over the past three years, I have had the opportunity to work closely with Jason and witness firsthand the passion and dedication he brings not only to Valley Sanitary District, but also representing special districts throughout California. I have traveled with Jason to Sacramento and Washington, D.C. and seen his commitment to advocating for special districts like Valley Sanitary District. I have watched him build relationships with legislators and policy makers to ensure local agencies have a representation at both the state and federal levels.

Jason is collaborative leader, and he understands the operational, financial, and infrastructure challenges districts are facing today. He cares deeply about serving the public and about making sure special districts of all sizes receive the support they need.

I sincerely believe Jason would be a great representative for the Southern Network and a strong voice for special districts across California.

CSDA electronic ballots will be sent out via email beginning June 9, with voting remaining open through July 24. I respectfully ask for your support and vote for Jason Dafforn for CSDA Southern Network, Seat C.

Thank you for your consideration and continued service to your communities.

Sincerely,

A handwritten signature in cursive script that reads "Debra Canero".

Debra Canero

President, Valley Sanitary District Board of Directors

Board of Directors

Debra A. Canero

President

Edgar Santana

Vice President

Gerardo R. Jimenez

Secretary/Treasurer

Mike L. Duran

Director

Ruben Vasquez

Director

Executive Management

Jason Dafforn, PE



California Special
Districts Association
Districts Stronger Together

2027-2029 TERM - CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: John Horst

District/Company: TCWD

Title: Director

Elected/Appointed/Staff: _____

Length of Service with District: 1 1/2 yrs

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

Not at this time. I am assigned as a board representative but have not been given permission to attend yet.

2. What other state-wide associations have you been involved with? (such as CSAC, ACWA, League, etc.):

ACWA

3. List your local government involvement (such as LAFCo, Association of Governments, etc.):

None at this time

4. List your involvement in civic and/or non-profit organization:

SCRA, TCWD

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**

Candidate Statement – John Horst

My name is John Horst, and I'm running as a candidate for the California Special Districts Association in the Southern Network.

I am proud to stand as a candidate committed to strengthening the vital role special districts play in serving our communities. Special districts are the backbone of local government—providing essential services like water, fire protection, sanitation, and infrastructure that directly impact our daily lives. Across California, these districts are trusted, community-driven, and accountable to the people they serve.

As a current Director of the Trabuco Canyon Water District, I have focused on protecting taxpayer dollars, improving transparency, and ensuring reliable, high-quality water services. I serve on the Finance and Audit Committee, helping maintain fiscal discipline, and I chair the Outreach Committee to improve communication, so residents stay informed and engaged.

My background in business and operations shapes how I approach public service. I've built my career solving problems, improving efficiency, reducing costs, and strengthening organizations from within. I understand how to manage budgets, support teams, and make decisions that lead to long-term stability and success.

I'm not a career politician—I bring entrepreneurial experience, a strong work ethic, and a commitment to results. I ask tough questions, seek practical solutions, and stay focused on what matters most: serving our community responsibly.

I respectfully ask for your vote.



2027-2029 TERM - CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Melinda Sedmak
District/Company: 29 Palms Public Cemetery District
Title: Trustee
Elected/Appointed/Staff: Appointed
Length of Service with District: 1 year

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I am actively engaged with CSDA through participation in member discussions, governance resources, and ongoing professional development focused on special district operations and best practices. My current and planned involvement includes:

- Participation in CSDA member forums addressing small and rural district challenges, including records management and operational efficiency
- Continued use of CSDA governance resources and training materials to support board effectiveness
- Planned attendance at the Special District Leadership Academy, San Diego, May 11–14, 2026
- Commitment to complete all four modules, and 10 continuing education hours to earn the Certificate in Special District Governance

2. What other state-wide associations have you been involved with? (such as CSAC, ACWA, League, etc.):

- California Notary Public
- California Teachers Association (CTA)
- National Association of Legal Assistants (NALA)
- Phi Theta Kappa (PTK) - Southwest Regional Vice President of Nevada/California Region of Phi

3. List your local government involvement (such as LAFCo, Association of Governments, etc.):

I currently serve as a Trustee for the Twentynine Palms Public Cemetery District, where I participate in governance, policy oversight, and the responsible stewardship of public resources. My role includes supporting compliance with applicable laws, contributing to long-term planning, and ensuring operational sustainability within a small, rural district. I also actively engage in local government and community leadership efforts within San Bernardino County, with a focus on transparency, collaboration, and effective service delivery.

4. List your involvement in civic and/or non-profit organization:

My civic and community involvement reflects a commitment to public service, election integrity, and community outreach:

- Poll Worker Supervisor, Twentynine Palms, (3 years)
- Deputy Registrar, State of Arizona (6 years)
- Notary Public, California (3 years)
- Notary Public, Arizona (6 years)
- Precinct Captain for Political Committeemen, Arizona Legislative District 23 (4 years)
- “Hope Responder,” Hope Response, Inc. (Non-Profit-501c3) supporting outreach to immigrant communities & disaster response efforts across California/Arizona (10 years)
- Member, Business Network International (BNI), Hi-Desert, focused on professional collaboration & local business development (3 years)
- Volunteer, Inspiration’s Edge and Theatre 29, Twentynine Palms, supporting community events & engagement (2026)

Candidate Statement for Melinda Sedmak

Special districts serve as the foundation of local governance, providing essential services that directly impact the daily lives of the communities they serve. As a Trustee for the Twentynine Palms Public Cemetery District, I have developed a strong commitment to responsible governance, transparency, and the stewardship of public resources, particularly within a small, rural district that faces unique operational and financial challenges.

Cemetery districts represent a distinct and often underrepresented sector within special districts. These districts carry a profound public trust, preserving history, honoring families, and maintaining spaces of lasting community significance. At the same time, rural districts in the High Desert and Inland Empire regions frequently operate with limited resources and minimal representation at the statewide level. I am committed to ensuring that these voices are included in broader discussions affecting special districts across California.

My professional background as a managing paralegal in estate planning, trusts, and probate has provided me with a strong foundation in legal compliance, fiduciary responsibility, and long-term planning. Combined with my experience in civic leadership and election oversight, I bring a perspective grounded in accountability, structure, and public service.

I am actively engaged with CSDA resources and intend to attend the Special District Leadership Academy in San Diego in May 2026 to complete all four governance modules and work toward earning the Certificate in Special District Governance. I am prepared to commit the time and effort required to fulfill the responsibilities of serving on the CSDA Board of Directors, including participation in meetings, committees, and statewide initiatives.

I respectfully seek the opportunity to represent the Southern Network and to contribute a thoughtful, balanced perspective that supports all special districts, particularly those in rural and underserved regions.

DATE: July 14, 2026

TO: Board of Directors' Special Meeting – Resources/Engineering

FROM: Heather Dyer, Chief Executive Officer/General Manager
Cindy Saks, Chief Financial Officer/Deputy General Manager
Greg Woodside, Chief of Planning and Watershed Resilience

SUBJECT: Workshop Report Regarding State Water Contract Fund Budget and Potential Ad Valorem Tax Rate for Fiscal Year 2026-2027

Staff Recommendation

Receive the workshop presentation, discuss the preliminary framework for setting the Fiscal Year (“FY”) 2026-2027 State Water Contract (“SWC”) ad valorem property tax rate. Staff will return to the Board on July 21, 2026, with detailed cost documentation, revenue and reserve assumptions, and a proposed rate resolution for Board consideration.

Summary

San Bernardino Valley Municipal Water District (“San Bernardino Valley” or “Agency”) implements projects and programs to develop and sustain a diverse water supply portfolio. This informational workshop item will present staff’s preliminary cost calculations for anticipated SWC expenses that are due or may become due in FY 2026-2027 and the following fiscal year before the time when money will be available from the next property tax levy. It also will provide staff’s preliminary recommended range of potential tax rates for FY 2026-2027 to be considered by the Board.

Based on preliminary financial modeling and the Agency’s adopted reserve policy, staff will present a range of scenarios between \$0.0500 and the current rate of \$0.1100 per \$100 of assessed value for consideration in the setting of the FY 2026-2027 tax rate on July 21, 2026, after staff completes and documents the detailed budget, revenue, cash-flow, and reserve analysis.

Background

San Bernardino Valley is a wholesale water agency that provides supplemental water supplies to retail agencies throughout the region through direct delivery and groundwater recharge, and its activities are critical for regional groundwater management in its service area. One of San Bernardino's most important sources of supplemental water supplies is the State Water Project. San Bernardino Valley has ongoing financial obligations associated with its annual supply of State Water Project water, as well as capital obligations associated with the Delta Conveyance Project, Sites Reservoir, and other State Water Project improvements.

San Bernardino Valley is obligated to make monthly payments to the California Department of Water Resources ("DWR") to cover these costs pursuant to the SWC. DWR invoices San Bernardino Valley for SWC costs under an annual Statement of Charges ("SOC"). To pay these costs, San Bernardino Valley annually levies ad valorem property taxes that were authorized and deemed to have been approved by the voters when they approved the California Water Resources Development Bond Act (known as the Burns Porter Act). San Bernardino Valley's ad valorem property tax rate in the fiscal year ending June 30, 2026 was \$0.11 per \$100 dollar of assessed property valuation. Since FY 2016-2017, San Bernardino Valley has steadily decreased the ad valorem tax rate from \$0.1625 to \$0.11 per \$100 dollar of assessed property valuation, a 32 percent reduction in the tax rate.

Forecasting Eligible SWC Costs

Forecasting eligible SWC costs is inherently uncertain. A substantial portion of the Agency's State Water Project costs are fixed due to infrastructure debt service and routine maintenance costs, which must be paid regardless of annual water availability. However, the amount and timing of other charges that include capital costs, and project-related payments are highly variable because they are based on annual hydrology and the volume of water deliveries, project schedules, financing decisions, new capital projects, and other factors that are not within the Agency's control. Costs can also move between fiscal years when a large project experiences changes or delays in permitting, design, financing, or construction schedules. This uncertainty is particularly significant for the Delta Conveyance Project, Sites Reservoir, and major State Water Project repair and improvement projects.

By statute, DWR has the authority to acquire water supplies for San Bernardino Valley in its capacity as a State Water Contractor. Like other State Water Contractor participants in the Sites Reservoir Project, San Bernardino Valley intends for DWR to acquire an interest in the Sites Reservoir Project on its behalf. Accordingly, DWR has been identified as an acquirer in the

Benefits & Obligations Contract for the Sites Reservoir Project. Under this arrangement, DWR would acquire an interest in the Sites Reservoir Project on San Bernardino Valley's behalf and recover those acquisition costs through the Statement of Charges under an amendment to San Bernardino Valley's SWC. It is currently estimated that these costs may become due during the current fiscal year or the following fiscal year before revenue from the next general tax levy is available.

The table below identifies SWC costs expected to be recovered through the SOC in FY 2026-2027 and the next fiscal year. These costs are based on this fiscal year's statement of charges, Bulletin 132 estimates for SWC costs in FY 2027-2028, and cost estimates for San Bernardino Valley's share in the Sites Reservoir Project that will be acquired by DWR from the Sites Project Authority.

SWC Costs Expected to be Recovered Under the SOC	Estimated Amount
FY 2026-2027	\$86.0 million
FY 2027-2028	\$140.7 million

The amounts above are preliminary planning estimates. A detailed breakdown of included costs, expected DWR charges, and the assumptions and data relied upon to develop the estimates will be provided to the Board on July 21, 2026.

It Is Not Feasible to Rely on Water Sale Revenues to Cover Payments Due Under San Bernardino Valley's SWC

Staff do not consider it feasible to pay for eligible SWC costs, such as those listed above, by shifting those costs to the water rate charged to customers for water delivered, and therefore the water sale revenues in FY 2026-2027, for a variety of reasons. For example, San Bernardino Valley has limited sources of revenue for General Fund expenses, and water sale revenues are needed to support the Agency's general operations. Redirecting those revenues to the SWC Fund would create a gap in the General Fund that would be difficult if not impossible to bridge through other means.

In addition, staff are currently conducting a comprehensive water-rate study. That study is not yet complete, and it would not be feasible to develop, evaluate, and implement a substantial wholesale water-rate increase during the current tax-setting cycle.

Further, San Bernardino Valley must remain mindful of the cost of groundwater pumping in setting its wholesale water rates for imported water. Groundwater pumping is the alternative

source of supply for San Bernardino Valley's retail agencies. If the Agency's wholesale water rate rises materially above the cost of pumping groundwater, retail agencies may reduce purchases of imported State Water Project water and rely more heavily on local groundwater extraction, which could seriously deplete groundwater levels and have negative long-term impacts on the region. That result would be inconsistent with the Agency's regional role and responsibilities in supporting sustainable groundwater management and maintaining groundwater basin conditions, as was ordered by the Court in 1969 through the Western-San Bernardino Judgement.

Legal counsel also does not consider it feasible to rely on other authorities to develop additional revenue sources to pay for eligible SWC costs. Accordingly, it is not feasible for San Bernardino Valley to rely on water sale revenues or other sources of revenue to replace the ad valorem tax as the principal source of funding for eligible SWC costs.

Reserve Policy and Tax-Rate Objectives

On July 7, 2026, the Board adopted an updated reserve policy that establishes reserve components and target levels. The policy recognizes the need to maintain adequate reserves for cash flow, capital projects, and response to potential incidents that could significantly impact San Bernardino Valley's finances, operations, and/or availability of reliable water sources, while also avoiding unnecessary accumulation of reserves above adopted targets.

San Bernardino Valley's current SWC Fund reserves are above the policy's target levels, in part because previously anticipated major infrastructure costs have been delayed. The FY 2026-2027 tax rate should be set at a level that allows the Agency to pay all eligible SWC costs when due and preserve the flexibility necessary to manage the timing and uncertainty of future obligations while avoiding an increase in current reserves above the levels established in the updated reserve policy.

In developing a recommended ad valorem tax rate for FY 2026-2027, staff recommend applying funds currently above targeted reserve amounts to known upcoming SWC costs in a gradual and prudent manner in order to avoid sudden and substantial increases of the tax rate in the current and future years. Staff intend to evaluate the tax rate in the context of the Agency's current reserve balances, the updated policy targets, expected project cash flows, and the timing risks described above.

Preliminary Tax-Rate Range

Based on the preliminary analysis completed to date, staff intends to present a range of FY 2026-2027 ad valorem tax rates between \$0.0500 and current \$0.11 per \$100 of assessed value. Any recommendation within that range will depend on the updated revenue estimates, the detailed

SWC Fund budget, the status of the proposed Sites payment arrangement, and the final cash-flow and reserve analysis.

Fiscal Year	Tax Rate Per \$100 of Assessed Value	Total Estimated Revenue
FY 2025-2026 Adopted Rate	\$0.1100	\$112.5 million
FY 2026-2027 Staff Preliminary Range	\$0.0500-\$0.0700	\$54.4 – \$76.1 million (estimated)

Next Steps

Staff will return to the Board on July 21, 2026, with additional information regarding the FY 2026-2027 tax rate and a Resolution ready to complete, based on direction from the Board on the desired rate. The July 21 materials will include a detailed breakdown and documentation of cost and revenue assumptions, including estimated assessed value, projected property-tax and pass-through revenues, interest and other revenue assumptions, projected DWR SOC charges, eligible SWC costs, reserves and targets, and the estimated effects of the recommended rate on projected cash flow and reserves.

Agency Strategic Plan Application

This workshop supports the Agency's commitment to proactively manage a diverse and adaptable water supply portfolio and to maximize the value of the region's water assets. It also supports prudent financial planning for the State Water Project and the Agency's regional groundwater management responsibilities.

Fiscal Impact

This is an informational workshop item only. The fiscal impact of the final FY 2026-2027 tax rate will be presented to the Board on July 21, 2026, together with the detailed SWC Fund budget, revenue assumptions, reserve analysis, and proposed rate resolution.