

Three Future Scenarios (Cases) for Diablo Grande's Water District

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V45b - Not a Western Hills Water District Presentation – This is an Independent Presentation

Overview of the Three Cases

(5 years: FY2026 thru FY2030)

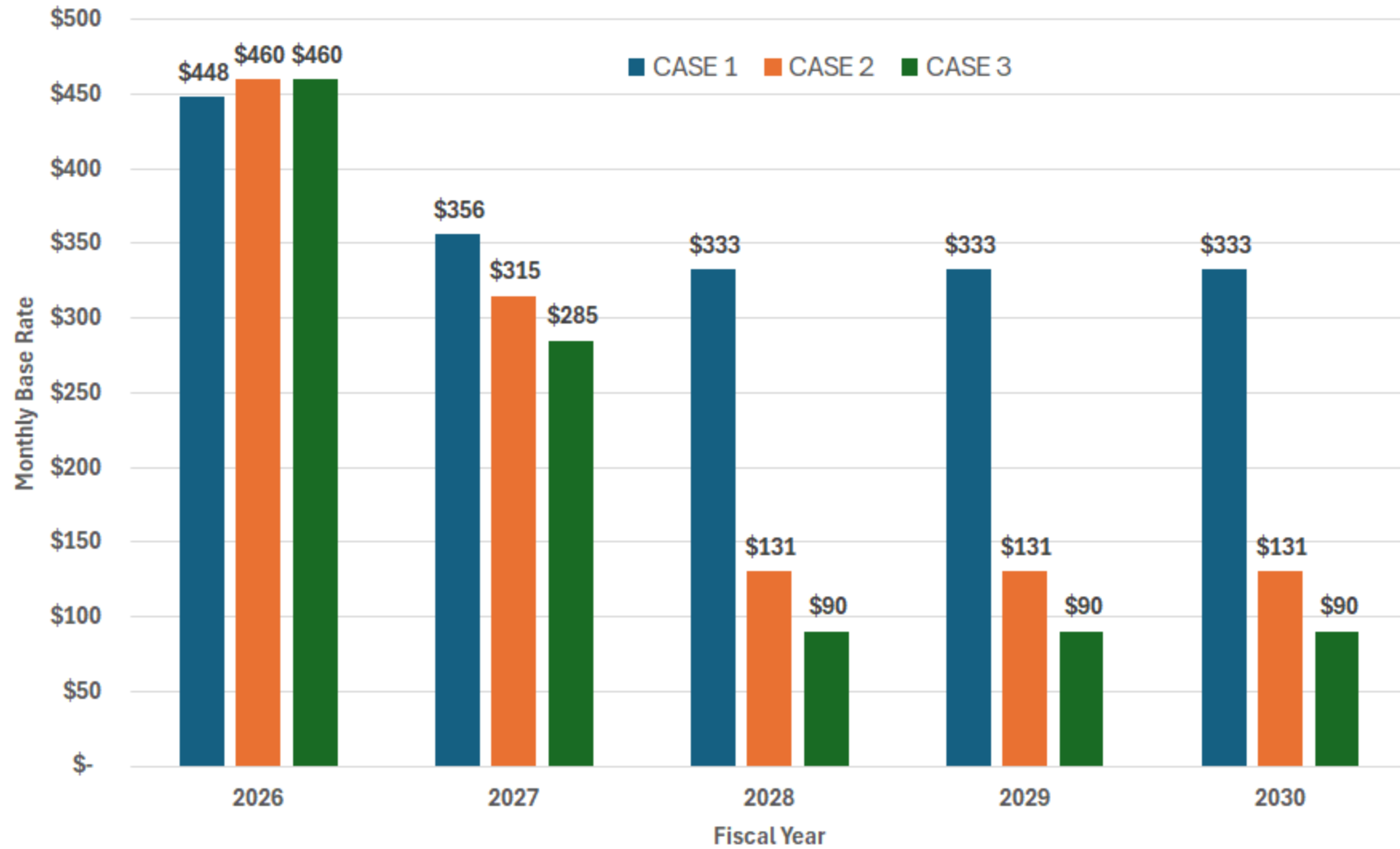
	CASE 1	CASE 2	CASE 3
Kern County Water Agency (Primary water source)	FY2026: 8,000 AF (6 mos.) 2,000 AF/y (2.5 years), then 6,000 AF/y (2 years)	FY2026: 8,000 AF (6 mos.), 2,000 AF/y (2.5 years), then 8,000 AF/y (2 years)	FY2026: 8,000 AF (6 mos.) 2,000 AF/y (2.5 years), then 8,000 AF/y (2 years)
Patterson Irrigation District (Secondary water source)	No Connection	2,000 AF/y for FY2029 & FY2030	2,000 AF/y for FY2029 & FY2030
Number & build rate of new homes	Only the 64 buildable lots	Annual completion average: 260/y or 780 total (FY2027->FY2029)	Annual completion average: 518/y or 1,584 total (FY2027->FY2029)
City of Patterson 'Partnership'	Starts in FY2028	Starts in FY2028	Starts in FY2028
Golf Courses restored	1 course live FY2029 start	1 st course live FY2029 start & 2 nd live FY2030 start	1 st course live FY2029 start & 2 nd live FY2030 start

Selected Key Assumptions

- Forecast does not include payments for the KCWA unpaid water bills
- KCWA will agree to the changes in the annual AF allocations
- A developer with associated builders will be able to build the Case 2 or Case 3 homes
- PID will be a viable secondary H2O source (re: costs from J. Miller PE)
- No sewer costs or revenue are included
- No ground water sources have been included in the forecast (only surface water)

Monthly Base Rate by Case and Fiscal Year

(File: DG_WATER_FORECAST_JUNE_23_V23.xlsx)



5 Year Total Financial Highlights by Case

(FY2026 thru FY2030, Dollars in Millions)

	CASE 1	CASE 2	CASE 3
Operating Revenue	\$19.7	\$31.8	\$44.7
Operating Expenses	\$19.0	\$24.3	\$26.2
Operating Surplus	\$0.7	\$7.5	\$18.5

Tim Connelly's Background

- DG resident since 2017 (moved from Silicon Valley)
- Typical Silicon Valley high tech entrepreneur
- MBA & BSEE
- Chief Accounting Officer of an accounting software firm
- Technical product market research projects for major firms
- Experience with utility scale solar arrays and H2 refueling stations
- Currently, CEO of Construxs, Inc. – a software start-up in the home remodeling and project management 'space'
- Filing a provisional patent this week re: Wi-Fi