



# BASS LAKE WATER COMPANY

PO BOX 113 Bass Lake, CA 93604 559-642-2494 stevew@basslakerealty.com

September 2, 2021

Advice Letter No. 87-W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Bass Lake Water Company (Bass Lake) hereby transmits for filing one digital copy of this advice letter 87-W and the various attachments which are enclosed:

## **REQUEST**

Bass Lake hereby requests authority to increase and convert its previously authorized \$4.6 million State Revolving Fund Loan (SRF) by \$8,119,082, to a new 20-year loan totaling \$12,730,882, to cover the actual bid cost for the projected construction portion of the project including \$1,857,526 for contingency/cost escalation, because of the volatile construction and material markets.

## **BACKGROUND**

Decision 93-11-066 authorized Class C and D water utilities to file to incur long-term debt by advice letter rather than by formal application. The intent was to simplify and speed the granting of loan authorizations.

This loan request is made pursuant to Sections 816 through 851 and other relevant sections of the Public Utilities Code and General order 96-B.

By advice letter 71-W, and Resolution W-5167 dated May 31, 2018, Bass Lake was authorized to borrow \$4.6 million in SRF funds to cover 100% of the pre-bid project cost. Bass Lake is in the process of seeking approval of a new loan agreement for the increased construction cost and contingency for a total loan amount of \$12,730,882. Also, Bass Lake is working on the loan details to cover 100% of the project cost at an anticipated 1.8% interest rate to be paid back over 20-years, however, that amount, and term could change. For this reason, Bass Lake respectfully requests Commission authorization for the 1.8% subject to change by final SRF loan terms. As a part of this loan agreement a longer amortization period and loan forgiveness potential are also being discussed with other staff.

It is requested that approval for a customer surcharge be granted in accordance with the supporting documents attached.

# BASS LAKE WATER COMPANY

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Bass Lake provides water service to 1,013 customers (44 metered customers and 969 flat rate customers) on the northwest shore of Bass Lake including the Falls and Bass Lake and vicinity in Madera County.

The proceeds from the loan will be used to finance replacement of Bass Lake's water system surface water treatment plant that no longer meets the standards for surface water treatment. Design, environmental documentation, and permitting from the US Forest Service and other regulatory agencies has been in process for nearly 10 years and now is complete. The environmental documentation was recently updated as the original environmental document had expired. Specific components of the new treatment plant are reflected in the attached bid sheet summary. The lowest bidder was Clark Bros at \$8,845,360 and Bass Lake intends to do a conditional bid award initially using proceeds from the original \$4.6 million SRF loan to make payments thereby avoiding waiting until next spring to start and further delaying this mandated project.

Bass Lake estimates that it will need \$760,811.52 per year for the first 10 years to make principal and interest payments plus the accumulation of a required 10% reserve (\$76,081.15), totaling \$836,892.67 per year.

The current monthly bill for a residential flat rate customer with a ¾-inch service connection would increase by \$61.63 from \$79.75 to \$141.38 or 77.3% for the first 10 years and by \$56.02 or 70.2% thereafter. Of Bass Lake's 1,013 service connections, 977 or 96.4% are ¾-inch flat-rate customers.

The current monthly bill for a typical ¾-inch commercial metered customer using approximately 15,000 gallons of water (at a quantity rate of \$1.775 per 100 cubic feet, 20 HCF each) would increase by \$61.63 from \$75.39 (\$35.50 + 39.89) to \$137.03 or 81.7% for the first 10 years and by \$56.02 or 74.3% thereafter.

Bass Lake asks the Public Utilities Commission to approve and issue a Resolution:

1. Granting Bass Lake all necessary authority to borrow \$12,730,882 million under the SRF loan program to finance the treatment plant indicated in this advice letter.
2. To implement a surcharge to repay the loan.
3. Incumber utility assets in connection with the loan.
4. Granting such other and additional relief as the Commission may deem appropriate.

## **BACKGROUND**

The present rates became effective on June 9, 2021, pursuant to Resolution W-4540, which authorized an offset (CPI) rate increase of 1.4%.

The last general rate increase by Resolution W-4544 dated June 30, 2005, authorized an increase of \$194,975 or 63.16% with an annual rate of margin of 24% or a 12.15% Rate of

# BASS LAKE WATER COMPANY

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Return on Rate Base. A Rate Base Offset became effective on March 9, 2009, pursuant to Resolutions W-4741 and W-4735.

## **TIER DESIGNATION AND REQUESTED EFFECTIVE DATE**

This advice letter and the enclosed tariff sheets is a Tier 3 advice letter which needs resolution to be approved per GO 96-B Section 7.3.3 (6). Bass Lake respectfully requests approval of AL 87-W as soon as possible.

## **NOTICE**

In compliance with Section 4.3 of General Order No. 96-B, a copy of this advice letter has been mailed or emailed to all parties listed on the enclosed service list.

## **RESPONSE OR PROTEST<sup>1</sup>**

Anyone may respond to or protest this AL. A response supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A protest objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding;  
or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require relitigating a prior order of the Commission.

A protest shall provide citations or proofs where available to allow staff to properly consider the protest. The Water Division must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. The addresses for submitting a response or protest are:

**Email Address:**

[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**

California Public Utilities Commission  
Water Division, 3rd Floor  
505 Van Ness Avenue  
San Francisco, CA 94102

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<sup>1</sup> GO. 96-B, General Rule 7.4.1

# BASS LAKE WATER COMPANY

PO BOX 113 Bass Lake, CA 93604 559-642-2494 [steve@basslakerealty.com](mailto:steve@basslakerealty.com)

On the same day the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest to Stephen R. Welch at: Bass Lake Water Company

**Email Address:**

**[steve@basslakerealty.com](mailto:steve@basslakerealty.com)**

**Mailing Address:**

Bass Lake Water Company

PO Box 113

Bass Lake, CA 93604

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

## **REPLIES**

The utility shall reply to each protest and may reply to any response. Any reply must be received by DWA within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.<sup>2</sup>

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<sup>2</sup> GO. 96-B, General Rule 7.4.3

# BASS LAKE WATER COMPANY

PO BOX 113 Bass Lake, CA 93604 559-642-2494 [stevew@basslakerealty.com](mailto:stevew@basslakerealty.com)

## SERVICE LIST

- Recipient 1 Hillview Water Company  
[phyllis.ruggeri@amwater.com](mailto:phyllis.ruggeri@amwater.com)  
[Jim.foster@amwater.com](mailto:Jim.foster@amwater.com)  
P.O. Box 2269  
Oakhurst, CA 93644
- Recipient 2 Broadview Terrace Mutual Water Company  
P.O. Box 1454  
Oakhurst, CA 93644  
[info@btmwater.com](mailto:info@btmwater.com)
- Recipient 3 Yosemite Spring Park Utility Company  
Attn: Layton Gillette, General Manager  
[laytong@yloa.org](mailto:laytong@yloa.org)
- Recipient 4 Madera County  
Resource Management Agency  
Special Districts  
[mcpublicworks@madera-county.com](mailto:mcpublicworks@madera-county.com)
- Recipient 5 California American Water  
[Thomas.Brunet@amwater.com](mailto:Thomas.Brunet@amwater.com)
- Recipient 6 **John Paul Blanco, P.E.**  
Associate Sanitary Engineer, Project Manager  
California State Water Resources Control Board  
Email: [johnpaul.blanco@waterboards.ca.gov](mailto:johnpaul.blanco@waterboards.ca.gov)
- Recipient 7 Austin Ferreria  
California State Water Resources Control Board  
Division of Drinking Water - Fresno  
Email: [austin.ferreria@waterboards.ca.gov](mailto:austin.ferreria@waterboards.ca.gov)

I hereby certify that the above service list has been served a copy of AL 87-W on September 2, 2021.

Executed in Santa Paula, California on the September 2, 2021.

Bass Lake Water Company

By: /s/Frank Brommenschenkel  
Stephen R. Welch  
President

Enclosures

# NOTICE TO CUSTOMERS OF PROPOSED SURCHARGE

September 2, 2021

The **Bass Lake Water Company** (Bass Lake) has requested authority from the California Public Utilities Commission (CPUC) by Advice Letter (AL) 87-W to increase and re-authorize its previously authorized \$4,611,800 (20-year loan at 1.7% interest) State Revolving Fund Loan (SRF) by \$8,119,082 to a new 20-year loan at 1.8% interest totaling \$12,730,882, to cover the actual bid cost for the projected construction portion of the project including \$1,857,526 for contingency/cost escalation, because of the volatile construction and material markets and to impose a surcharge on all customers in accordance with meter size to repay the loan. When necessary, the surcharge shall be adjusted pursuant to the SRF loan agreement.

The California State Water Board has mandated the construction of a new surface water treatment facility as the current facility does not have the capacity to meet the summer seasonal water demands and is not capable of treating water to today's surface water treatment standard. The proposed loan will fund the cost of this new treatment plant.

Bass Lake estimates that it will need \$760,811.52 per year for the first 10 years to make principal and interest payments plus the accumulation of a required 10% reserve (\$76,081.15), totaling \$836,892.67 per year and \$760,811.52 per year from the 11<sup>th</sup> to the 20<sup>th</sup> year of the loan.

The current monthly bill for a residential flat rate customer with a 3/4-inch service connection would increase by \$61.63 from \$79.75 to \$141.38 or 77.3% for the first 10 years and by \$56.02 or 70.2% for the remaining 10 years of the loan. Of Bass Lake's 1,013 service connections, 977 or 96.4% are 3/4-inch flat-rate customers.

The current monthly bill for a typical 3/4-inch commercial metered customer using approximately 15,000 gallons of water (at a quantity rate of \$1.775 per 100 cubic feet, 20 HCF each) would increase by \$61.63 from \$75.40 (\$39.90 + \$35.50) to \$137.03 or 81.7% for the first 10 years and by \$56.02 or 74.3% thereafter.

As a part of this loan agreement discussions a longer amortization period and loan forgiveness potential are also being discussed with other staff. These are potential avenues Bass Lake is looking at to potential reduce these overall costs to the customers.

The proposed monthly loan surcharge rates are shown below.

## Annual Metered Rate Service

All water, per 100 cubic feet..... \$1.775

<u>Annual Service Charge:</u>	<u>Per Meter Per Year</u> <u>Current Rates</u>	1-10 Yrs. Monthly SRF Loan <u>Surcharge</u>	11-20 Yrs. Monthly SRF Loan <u>Surcharge</u>
For 5/8 x 3/4-inch meter.....	\$ 319.16	\$ 41.08	\$ 37.35
For 3/4-inch meter.....	\$ 478.75	\$ 61.63	\$ 56.02
For 1-inch meter.....	\$ 797.91	\$ 102.71	\$ 93.37
For 1-1/2-inch meter.....	\$ 1,595.78	\$ 205.42	\$186.75
For 2-inch meter.....	\$ 2,472.62	\$ 328.68	\$298.80
For 3-inch meter.....	\$ 4,787.36	\$ 616.27	\$560.24
For 4-inch meter.....	\$15,957.78	\$ 1,027.11	\$933.74

# NOTICE TO CUSTOMERS OF PROPOSED SURCHARGE

September 2, 2021

## Annual Residential Flat Rate Service

	Per Service/Per Year <u>Current Rates</u>	1-10 Yrs. Monthly SRF Loan <u>Surcharge</u>	11-20 Yrs. Monthly SRF Loan <u>Surcharge</u>
For a single-family resident unit			
¾ inch service.....	\$ 956.99	\$ 61.63	\$ 56.02
1 inch service.....	\$1,594.90	\$102.71	\$ 93.37
1-1/4 inch service.....	\$2,392.46	\$154.07	\$140.06
1-1/2 inch service.....	\$3,190.06	\$205.42	\$186.75
2-inch service.....	\$5,104.32	\$328.68	\$298.80
For each additional single-family unit on the same premises and served from the same service connection.....	\$ 715.92	\$40.68	\$37.03

## RESPONSE OR PROTEST<sup>1</sup>

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1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require relitigating a prior order of the Commission.

A protest shall provide citations or proofs where available to allow staff to properly consider the protest. The Water Division must receive a response or protest via email (or postal mail) within 20 days of the date the notice is mailed. The addresses for submitting a response or protest are:

**Email Address:**

[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

**Mailing Address:**

California Public Utilities Commission  
Water Division, 3rd Floor  
505 Van Ness Avenue  
San Francisco, CA 94102

On the same day the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest to Stephen R. Welch at: Bass Lake Water Company

**Email Address:**

**Mailing Address:**

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<sup>1</sup> GO. 96-B, General Rule 7.4.1



# **NOTICE TO CUSTOMERS OF PROPOSED SURCHARGE**

September 2, 2021

**[steve@basslakerealty.com](mailto:steve@basslakerealty.com)**

Bass Lake Water Company  
PO Box 113  
Bass Lake, CA 93604

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period from the date of mailing, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

Date of Mailing: September 2, 2021

# Bass Lake Water Company

## Capital Structure

AL 87-W SRF Loan Increase

9/2/2021

Item	Recorded 2020		Adjustment		Proforma	
Long Term Debt	\$ 1,354,597	44.76%	\$ 12,730,882	<sup>1</sup>	\$ 14,085,479	88.98%
Common Stock	\$ 49,100	1.62%			\$ 49,100	0.31%
Paid in Capital	\$ 1,219,177	40.29%			\$ 1,219,177	7.70%
Retained Earnings	\$ 403,299	13.33%	\$ 73,225	<sup>2</sup>	\$ 476,524	3.01%
Total Capitalization	\$ 3,026,173	100.00%	\$ 12,804,107		\$ 15,830,280	100.00%

Notes:

1. \$12,730,882 loan requested in this filing.
2. Projected Earnings for 2021.

# Bass Lake Water Company Existing Debt Obligations

9/2/2021

## Plumas Bank Loans (PB) and Ford Credit

<u>Loans</u>	Number	Date of Note	Original Amount	7-31-2021 Balance	Monthly Payment	Interest Rate	Maturity
<b>PB Loan A</b>	Paid Off						
<b>PB Loan B</b>	696700138	1/22/2010	\$ 244,067.00	\$ 82,218.15	\$ 2,289.29	7.69%	Jan-25
<b>PB Loan C</b>	106700330	5/18/2011	\$ 187,000.00	\$ 8,875.38	\$ 2,348.57	7.00%	Dec-21
<b>PB Loan E</b>	696700413	12/11/2019	\$ 780,000.00	\$ 754,953.23	\$ 6,903.33	6.50%	May-35
<b>Frod Credit</b>	56370085	5/11/2018	\$ 37,751.71	\$ 15,251.03	\$ 732.37	5.99%	May-23
<b>Ford Credit</b>	59083110	6/4/2020	\$ 33,968.15	\$ 24,768.44	\$ 707.67	0.00%	Jun-24
<b>Totals</b>			\$ 1,282,786.86	\$ 886,066.23	\$ 12,981.23		

# Bass Lake Water Company

Safe Drinking Water State Revolving Fund Loan  
 First 10 Years of the Loan Surcharge Calculations  
 9/2/2021

Amount of Loan    Term (Years)    Remaining Term    Interest Rate    Semi-annual  
 \$12,730,882.00    20    10    1.80%    \$380,405.76

Meter Size	No. of Connections.	Equivalent Meter Size	Equivalent 5/8x3/4	Monthly Surcharge	Monthly Revenue
5/8x3/4	0	1	0	\$41.08	\$0.00
3/4-inch	977	1.5	1465.5	\$61.63	\$60,209.44
1-inch	13	2.5	32.5	\$102.71	\$1,335.25
1 1/4-inch	2	3.75	7.5	\$154.07	\$308.13
1 1/2-inch	8	5	40	\$205.42	\$1,643.38
2-inch	9	8	72	\$328.68	\$2,958.09
3-inch	2	15	30	\$616.27	\$1,232.54
4-inch	2	25	50	\$1,027.11	\$2,054.23
6-inch	0	50	0	\$2,054.23	\$0.00
8-inch	0	80	0	\$3,286.77	\$0.00
	1013		1697.5		\$69,741.06

Ann. Rev. Requirement:

2 semi-annual payments (\$380,405.76 x 2)	\$760,811.52
10% reserve	<u>\$76,081.15</u>
<b>Total</b>	<b>\$836,892.67</b>

\$836,892.67 divided by 1,697.5	\$493.01
\$493.01 divided by 12 mos. 5/8x3/4" Meter	\$41.08
96.4% of Customers are 3/4" in Size	<u>\$61.63</u>
\$69,741.06 x 12 mos.	<b>\$836,892.67</b>

# Bass Lake Water Company

Safe Drinking Water State Revolving Fund Loan  
 Second 10 Years of the Loan Surcharge Calculations  
 9/2/2021

11-19 Years

Amount of Loan	Term (Years)	Remaining Term	Interest Rate	Semi-annual
\$12,730,882.00	20	10	1.80%	\$380,405.76

Meter Size	No. of Connections.	Equivalent Meter Size	Equivalent 5/8x3/4	Monthly Surcharge	Monthly Revenue
5/8x3/4	0	1	0	\$37.35	\$0.00
3/4-inch	977	1.5	1465.5	\$56.02	\$54,735.85
1-inch	13	2.5	32.5	\$93.37	\$1,213.86
1 1/4-inch	2	3.75	7.5	\$140.06	\$280.12
1 1/2-inch	8	5	40	\$186.75	\$1,493.98
2-inch	9	8	72	\$298.80	\$2,689.17
3-inch	2	15	30	\$560.24	\$1,120.49
4-inch	2	25	50	\$933.74	\$1,867.48
6-inch	0	50	0	\$1,867.48	\$0.00
8-inch	0	80	0	\$2,987.97	\$0.00
	1013		1697.5		\$63,400.96

Ann. Rev. Requirement:

2 semi-annual payments (\$380,405.76 x 2)	\$760,811.52
10% reserve	\$0.00
<b>Total</b>	<b>\$760,811.52</b>

\$760,811.52 divided by 1697.5	\$448.20
\$448.20 divided by 12 mos.	\$37.35
96.4% of Customers are 3/4" in Size	\$56.02
\$63,400.96 x 12 mos.	\$760,811.52

# Bass Lake Water Company Rate Change Calculations

New Projected Monthly Payment with Surcharge Included 20 Year Term

9/2/2021

<b>Schedule No. 1 Metered Rates</b>				
Per Year	Quanty Rate	Months	Per Month	Metered Rates 1st 10 Years
\$ 478.75		12	\$ 39.90	Current Metered Service Charge 3/4"
	\$ 1.775	20	\$35.50	Metered Usage
904.75			\$ 75.40	Current Monthly Total
739.56			\$61.63	Increase First 10 Years
\$ 1,644.31			\$ 137.03	New Monthly with Surcharge
81.7%			81.7%	Percentage Rate Increase
Per Year	Quanty Rate	Months	Per Month	Metered Rates 2nd 10 Years
\$ 478.75		12	\$ 39.90	Current Metered Service Charge 3/4"
	\$ 1.775	20	\$35.50	Metered Usage
904.75			\$ 75.40	Current Monthly Total
672.24			\$56.02	Increase 2nd 10 Years
\$ 1,576.99			\$ 131.42	New Monthly with Surcharge
74.3%			74.3%	Percentage Rate Increase

<b>Schedule No. 2 Flat Rates</b>				
Per Year		Months	Per Month	Flat Rates 1st 10 Years
\$ 956.99		12	\$ 79.75	Current Flat Rate Service Charge 3/4"
739.56			\$61.63	Increase First 10 Years
\$ 1,696.55			\$ 141.38	New Monthly Total
77.3%			77.3%	Percent Rate Increase
Per Year		Months	Per Month	Flat Rates 2nd 10 years
\$ 956.99		12	\$ 79.75	Current Flat Rate Service Charge 3/4"
672.24			\$56.02	Increase Second 10 Years
\$ 1,629.23			\$ 135.77	New Monthly Total
70.2%			70.2%	Percent Rate Increase

Note: All Services are 3/4" - 96.4% of all customers

<b>Bass Lake Water Company</b>					
<b>Advice Letter 87-W</b>					
<b>9/2/2021</b>					
<b>Schedule No. 1</b>					
<b>Annual Metered Service</b>					
				<b>Current</b>	<b>Proposed</b>
<b>Quantity Rate</b>				\$ 1.775	\$ 1.775
<b>Meter Size</b>	<b>Equivalent Meter Size</b>	<b>Proposed SRF Monthly Sur-Charge</b>	<b>Proposed SRF Annual Surcharge</b>	<b>Current Annual Service Charge</b>	<b>Proposed Total Annual Fee</b>
5/8 x 3/4	1	\$ 41.08	\$ 493.01	\$ 319.16	\$ 812.17
3/4	1.5	\$ 61.63	\$ 739.52	\$ 478.75	\$ 1,218.27
1	2.5	\$ 102.71	\$ 1,232.54	\$ 797.91	\$ 2,030.45
1 1/2	5	\$ 205.42	\$ 2,465.07	\$ 1,595.78	\$ 4,060.85
2	8	\$ 328.68	\$ 3,944.12	\$ 2,472.62	\$ 6,416.74
3	15	\$ 616.27	\$ 7,395.22	\$ 4,787.36	\$ 12,182.58
4	25	\$ 1,027.11	\$ 12,325.37	\$ 15,957.78	\$ 28,283.15
<b>Schedule No. 2</b>					
<b>Annual Residential Flat Rate Service</b>					
<b>Meter Size</b>	<b>Equivalent Meter Size</b>	<b>Proposed SRF Monthly Sur-Charge</b>	<b>Proposed SRF Annual Surcharge</b>	<b>Current Annual Flat Rate Service Charge</b>	<b>Proposed Total Annual Fee</b>
5/8 x 3/4	1	\$ 41.08	N/A	N/A	N/A
3/4	1.5	\$ 61.63	\$ 739.52	\$ 956.99	\$ 1,696.51
1	2.5	\$ 102.71	\$ 1,232.54	\$ 1,594.90	\$ 2,827.44
1 1/4	3.75	\$ 154.07	\$ 1,848.81	\$ 2,392.46	\$ 4,241.27
1 1/2	5	\$ 205.42	\$ 2,465.07	\$ 3,190.06	\$ 5,655.13
2	8	\$ 328.68	\$ 3,944.12	\$ 5,104.32	\$ 9,048.44
Add. SF Unit				\$ 715.92	
Add. SF Unit 1st 10 Years				\$ 40.68	
Add. SF Unit 2nd 10 Years				\$ 37.03	

**State Water Resources Control Board  
Division of Financial Assistance (Division)  
State Revolving Fund  
Final Budget Approval Form**

Note: The applicant should submit this form and ALL attachments as soon as possible after the bid or proposal opening to ensure that all applicable requirements have been met. Failure to meet all applicable requirements may result in loss of funding.

1. Recipient Name: Bass Lake Water Company	State Assigned Project No. 2010003-003C
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2. Have any protests regarding award of the construction contracts been received?  Yes  No  
 If yes, give date protests were resolved: \_\_\_\_\_ Attach copies of the protests and resolutions. All protests must be resolved before submittal of this form.

Contractor Debarred or Disqualified?  Yes  No (Debarment of Contractor prevents SRF funding participation: <http://www.sam.gov> and [http://www.waterboards.ca.gov/water\\_issues/programs/ustcf/dbp.shtml](http://www.waterboards.ca.gov/water_issues/programs/ustcf/dbp.shtml))


3. SRF Financing Summary	Actual Project Costs
A. Construction Cost (listed by name of prime contractor or vendor):	
1. Clark Bros	\$ 8,845,360
2.	\$
B. Pre-Purchase Material/Equipment	\$ 967,689
C. Purchase of Land	\$
D. Contingencies	\$ 1,857,526
E. Allowances (Soft Costs):	
1. Planning	\$ 77,266
2. Design	\$ 883,041
3. Construction Management	\$ 100,000
4. Administration	\$ 0
5. Value Engineering (VE)      Was VE Performed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$ 0
<b>F. Total SRF Financing Requested</b>	<b>\$</b>
Are You Requesting a Loan Increase? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

4. Total Financing Summary	
A. Cash	\$ 0
B. Grants, Identify:	\$ 0
C. Bond Proceeds, Identify:	\$ 0
D. Short term loans or notes, Identify:	\$ 0
E. Other Funds, Identify:	\$ 0
F. SRF Financing	\$ 4,611,800
G. SRF Match Share: Only applicable if Match financing per section V of the CWSRF Policy or section VI of the DWSRF Policy	\$ 0
H. Additional Financing Needed, Identify:	\$ 8,119,082
<b>I. Total Project Cost</b>	<b>\$ 12,730,882</b>

5. Start Construction/Notice to Proceed Date: - 08/27/2021  
 Completion of Construction Date: - 11/01/2022

6. Also, attach the information requested on page 2.

The undersigned Authorized Representative of the applicant certifies that the information contained above and in attached documents and material in support thereof are true and correct. In addition, the undersigned Authorized Representative of the applicant certifies that the applicant has completed or will comply with all applicable federal and state laws.

Signature of Authorized Representative 	Date 8/11/2021
Name, Title, and Phone Number of Authorized Representative (type or print) Steve Welch, President, 559-642-2494	



6 (Continued). The recipient must attach the following information to Final Budget Approval Form (if not previously submitted):

- A. Copies of any bid protests and resolution documentation.
- B. As advertised Plans & Specification (P&S) stamped by a Professional Engineer and all Addenda or final Request for Proposals (RFP).
- C. Proof that Davis-Bacon Wage rate determinations were inserted in the Project P&S or RFP used in bidding the Project.
- D. Final appropriate Waste Discharge Requirements (WDR) or updated WDR, if applicable
- E. Tabulation of all bids or proposals received.
- F. Copy of the bid(s) or proposal(s) selected and purchase orders issued. If the apparent low bid or proposal was rejected, a complete explanation for the rejection must be provided.
- G. Copy of the Schedule of Values prepared for the project, if applicable.
- H. Evidence of advertising (submit copies of all advertisement(s) for the project).
- I. All Disadvantaged Business Enterprise (DBE) documentation, as follows:
  - Copy of Bidder's list with the following information:
    - Entity's name with point of contact
    - Entity's address and telephone number
    - Project description on which the entity bid
    - Amount of bid
    - Entity's status as DBE

Information and guidance on DBE can be found at:

[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/srf/docs/policy0513/dbe\\_compliance\\_guidelines\\_instructions.pdf](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/policy0513/dbe_compliance_guidelines_instructions.pdf)

- J. A copy of any Notice(s) to Proceed issued, if available.
- K. Copy of signed Construction Contract that includes final Davis-Bacon Wage rate determinations, if available.
- L. Value Engineering (VE) Study with recommendations and responses, if applicable.
- M. If applicable, items required by conditions in the Financing Agreement (Exhibit D), if not previously submitted.

Upload this form and all attachments to your Financial Assistance Submittal Tool (FAAST) account at:

<https://faast.waterboards.ca.gov/>

If you need help with FAAST contact the FAAST Help Desk at 1-866-434-1083 or

[FAAST\\_ADMIN@waterboards.ca.gov](mailto:FAAST_ADMIN@waterboards.ca.gov)

# BASS LAKE WATER COMPANY



P.O. BOX 113 • BASS LAKE, CALIFORNIA 93604 • 559-642-2494  
www.BassLakeWaterCompany.com • FAX 559-642-2771

August 10, 2021

John Paul Blanco, P.E.  
Drinking Water Technical Assistance Section  
California State Water Resources Control Board  
Division of Financial Assistance  
P.O. Box 997377, MS 7418, Sacramento, CA 95899-7413

Subject: Loan Request

This is a follow-up to our meeting last Friday during which we discussed the status of our SWTP project and the need for additional funds due to unexpectedly higher bid prices for the project. Also in attendance were representatives from the Division of Drinking Water (DDW) and the California Public Utilities Commission (PUC). It was stated your Division would require 2-3 months to review, approve and issue a Loan Amendment for the needed increase and the PUC would need at least 90 days thereafter to review and authorize the increased loan and revised customer surcharge. This timeframe for project funding approval would result in a late spring construction start due to our winter weather conditions resulting in an 8-9 month delay and likely higher project costs.

In the meeting an alternate approach was discussed which would allow us to begin construction next month. This would enable the initial site work to be completed in dry conditions this fall before winter conditions set in, and perhaps more importantly, allow the work on the intake portion in the creek bed to be done during the annual low flow early-fall period as planned and as is necessary for this work. An alternate funding source to permit this preferred and more cost-effective schedule to proceed is to allow the use of funds from our already approved funding.

Attached is a summary of the currently approved funding of \$4,611,800 itemized by Activity. So far we have received \$712,549.00 in loan advances which have paid for design, engineering and a partial payment on the membrane filter which is nearly complete and due to be delivered late this month or early next. The funds for the Facilities Planning and Design have been fully used and soon the Pre-purchased Materials category will be spent for the filter. However, the \$2,765,800 in the Components/Facilities Construction activity is available and could be utilized to fund the initial work by the award of a Conditional Construction Contract with our low bid contractor. Therefore we request your approval to utilize all these remaining funds for this purpose.

We experienced significant permitting delays with the U.S. Forest Service on this project in the past but continued to work diligently and in good faith to conform to DDW's requirement to provide better filtration to our system. We are finally in a position to start construction before costs accelerate even further but need your assistance in this interim period to keep this moving along. The Contractor has agreed to extend the bid award date from this Friday, August 13<sup>th</sup>, to the 27<sup>th</sup> to allow time for you to process this request. Therefore your our timely review would be appreciated.

We realize this is an interim step as we still need the loan amount increased as we discussed and as outlined in my Memo dated July 15, 2021 (as revised July 26, 2021). I will send a separate email addressing this tomorrow.

If you need any further information, please let us know. We will also upload this letter to FFAST.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen R. Welch". The signature is fluid and cursive, with the first name "Stephen" being the most prominent.

Stephen R. Welch  
President

cc. Uyen Trinh-Le  
Austin Ferreria

**BASS LAKE WATER COMPANY**  
**WILLOW CREEK SURFACE WATER TREATMENT PLANT**  
**BID RESULTS 7/1/2021**

Item	Description	Quantity/ Units	Engineer's Estimate		Clark Bros.		WM Lyles		Don Smith Construction	
			Unit Price (\$)	Total (\$)	Unit Price (\$)	Total (\$)	Unit Price (\$)	Total (\$)	Unit Price (\$)	Total (\$)
1.	Mobilization, demobilization, insurance, and permits (not to exceed \$200,000)	Lump sum	--	200,000	--	200,000	--	167,740	--	233,975
2.	Storm water pollution control	Lump sum	--	10,000	--	25,000	--	10,600	--	51,756
3.	Painting and coating	Lump sum	--	75,000	--	105,000	--	213,060	--	132,185
4.	Modifications to existing intake screens at Willow Creek	Lump sum	--	15,000	--	80,000	--	73,280	--	119,124
5.	Raw water pumping station and building	Lump sum	--	120,000	--	1,000,000	--	480,850	--	656,383
6.	Install 1-MGD membrane filtration system and equipment	Lump sum	--	100,000	--	200,000	--	76,220	--	244,257
7.	Raw water storage tank	Lump sum	--	40,000	--	150,000	--	106,440	--	171,813
8.	Finished water storage tank	Lump sum	--	100,000	--	350,000	--	235,740	--	309,936
9.	Operations and membrane building	Lump sum	--	900,000	--	1,750,000	--	1,701,310	--	1,524,105
10.	High-service pumping station and building	Lump sum	--	150,000	--	500,000	--	516,820	--	808,057
11.	Chemical storage and feed systems and equipment	Lump sum	--	75,000	--	165,000	--	162,710	--	259,434
12.	Washwater reclaim system and equipment	Lump sum	--	185,000	--	110,000	--	216,030	--	545,676
13.	Wastewater and solids disposal pump station	Lump sum	--	35,000	--	125,000	--	58,060	--	95,655
14.	Sewer force and gravity mains with appurtenances	Lump sum	--	60,000	--	45,000	--	113,130	--	219,594
15.	Site yard piping	Lump sum	--	300,000	--	643,000	--	1,570,090	--	292,812
16.	Electrical work	Lump sum	--	560,000	--	962,000	--	1,025,920	--	962,625
17.	Electrical and telephone service connections and conduits	Lump sum	--	80,000	--	150,000	--	210,720	--	216,908
18.	Standby electrical generator	Lump sum	--	140,000	--	100,000	--	119,970	--	99,285
19.	Install propane storage tank	Lump sum	--	5,000	--	5,000	--	5,800	--	18,583
20.	Instrumentation, controls, and integration work	Lump sum	--	300,000	--	610,000	--	352,740	--	566,250
21.	On-site grading, paving, and concrete curbs, gutters, driveways, and walks	Lump sum	--	100,000	--	350,000	--	342,700	--	767,804
22.	Off-site grading, paving, and concrete work at Road 432	Lump sum	--	50,000	--	70,000	--	85,940	--	93,427
23.	On-site stormwater collection system	Lump sum	--	35,000	--	90,000	--	163,100	--	130,926
24.	Solid waste dumpster enclosure	Lump sum	--	20,000	--	40,000	--	30,610	--	28,409
25.	Retaining wall	Lump sum	--	250,000	--	600,000	--	746,680	--	844,997
26.	Materials storage bunkers	Lump sum	--	30,000	--	10,000	--	48,650	--	42,647
27.	CPM construction schedule	Lump sum	--	10,000	--	10,000	--	10,000	--	10,000
28.	Startup, testing, and operations for 20 days	Lump sum	--	40,000	--	40,000	--	34,910	--	93,908
29.	Operation and maintenance manuals	Lump sum	--	5,000	--	15,000	--	1,060	--	37,650
30.	Record drawings	Lump sum	--	5,000	--	15,000	--	1,060	--	15,000
31.	Builders' risk "all risk" insurance	Lump sum	--	10,000	--	15,000	--	3,710	--	41,450
32.	Excavation in rock – mass cut	600 CY	60	36,000	192	115,200	165	99,000	113.25	67,950
33.	Excavation in rock – trench cut	240 CY	60	14,400	384	92,160	194	46,560	275.88	66,211
34.	Soil erosion control restoration and landscaping trees	LS	--	20,000	--	25,000	--	24,910	--	67,384
35.	Chain-link fencing and motorized gate	LS	--	60,000	--	83,000	--	91,080	--	102,501
Total Items 1 through 35				4,135,400		8,845,360		9,147,200		9,938,677