

September 6, 2017

Application No.: 50/10173-01-001  
School: Lloyd Hance Community  
County of Lake County

Ms. Michelle Buell  
District Representative  
Lake County Office of Education  
1152 South Main Street  
Lakeport, CA 95453

Dear Ms. Buell:

This letter and attachments supersede the previous correspondence on August 28, 2017.

The Office of Public School Construction (OPSC) has completed its review of Lloyd Hance Community, OPSC application number 50/10173-01-001. Review of the District's project financing, expenditures, and certifications to ensure compliance pursuant to Education Code Sections 17072.35, 17074.25, and 17076.10 and School Facility Program (SFP) Regulation Section 1859.106 was conducted. In addition, the review examined the District's compliance with applicable SFP Regulations in effect when the funding application was received by OPSC, dated April 23, 2009.

The project is a financial hardship new construction project that was funded on a 50 percent State and 50 percent financial hardship apportionment basis. The use of any project savings for financial hardship projects is limited according to SFP Regulation Section 1859.103.

OPSC has identified \$70,897 in review adjustments for ineligible construction, furniture and equipment expenditures. The project savings amount has been adjusted to reflect this finding.

This financial hardship project has savings in the amount of \$559,855 which must be returned to the State. Pending final approval by the State Allocation Board at its next available monthly meeting, the District will be invoiced \$559,855 for the reduction in the financial hardship apportionment.

OPSC has received the signed *Summary of Project Financing and Expenditures* dated July 18, 2017 from the District. As the District has concurred with the review findings in the *Summary of Project Financing and Expenditures*, the project is considered closed. Enclosed is the final report.

This final report includes the:

1. Summary of Project Financing and Expenditures and Supporting Schedules
2. State Allocation Board Apportionment Approval
3. Division of the State Architect Plan Approval
4. California Department of Education Final Plan Approval

In order to promote School Facility Program transparency, this report will be posted to our website.

Thank you for your assistance and cooperation during the review process. Should you have any questions concerning this report, you may call the Fiscal Services Unit at (916) 376-1771.

Sincerely,



RICK ASBELL, Chief, Fiscal Services  
Office of Public School Construction

Enclosure

cc: Brock Falkenberg, District Superintendent  
Lake County Office of Education  
Project file

**Summary of Project Financing and Expenditures**

District Name: Lake COE  
 School: Lloyd Hance Community  
 County: Lake County  
 SFP Application Number: 50/10173-01-001  
 LPP Application Number: \_\_\_\_\_  
 Date: 6/29/2017

Line			
1	LPP State Apportionment	1	\$ -
2	SFP State Apportionment	2	\$ 1,191,181
3	Financial Hardship Apportionment	3	\$ 836,886
4	District Contribution	4	\$ 354,295
5	Interest	5	\$ 55,640
6	<b>Total Project Funding</b>	6	<b>\$ 2,438,002</b>
7	Reported Expenditures	7	\$ 1,949,044
8	Reported Savings	8	\$ 488,958
9	Grant Adjustments	9	\$ -
10	Total Review Adjustments	10	\$ 70,897
11	<b>Revised Expenditures</b>	11	<b>\$ 1,878,147</b>
12	<b>Net Savings</b>	12	<b>\$ 559,855</b>
13	Interest Due	13	\$ -
14	<b>Total to be Returned to the State</b>	14	<b>\$ 559,855</b>

**Explanations:**

Line 10: See Schedule 3 &amp; 3A

Line 12:

This is a financial hardship project and savings of \$559,855 must be returned to the State to reduce the financial hardship contribution on this project. If the District intends to retain the project savings to reduce the State's financial hardship contribution on a future project in the next three years, please check the appropriate box below, then sign and return this form. After the three year timeline, any savings remaining, including interest, must be returned to the State.

- ☒ **Option 1:** The savings of \$559,855 will be returned to the State to reduce the financial hardship contribution on this project.
- ☐ **Option 2:** The District's savings amount of \$559,855 will be used to reduce the State's financial hardship contribution on a future project in the next three years.

These are the final authorized amounts needed to bring the District's accounting records into compliance. Amounts shown supersede all authorized amounts shown on the Office of Public School Construction Fund Release documents.

ON BEHALF OF THE DISTRICT I CONCUR WITH THIS ANALYSIS AND REQUEST THAT THE OFFICE OF PUBLIC SCHOOL CONSTRUCTION CLOSE ITS BOOKS FOR THIS PROJECT.

Michelle Buell  
 District Representative

7-18-17  
 Date

**Schedule 3**  
**Review Adjustments**

District Name: Lake COE  
 School: Lloyd Hance Community  
 County: Lake County  
 SFP Application Number: 50/10173-01-001  
 LPP Application Number: \_\_\_\_\_  
 Date: 6/29/2017

	A	B	C	D
Line	Reported Amount	Verified Amount	Difference (A-B)	Comments
1	\$ 1,293,936	\$ 1,233,033	\$ 60,903	Ineligible Construction Costs
2	\$ 16,383	\$ 6,390	\$ 9,994	Ineligible F&E Expenditures
3				
4				
5				
6				
7	Total Audit Adjustments: \$		70,897	

**Explanations:**

## Line 1

The District reported \$1,293,936 for A.E. Nelson Co. and Sonoma Bank on the Expenditure Report which is \$60,903 more than the contract and a final billing amount of \$1,233,033. The review determined that the difference, in amount of \$60,903, is ineligible construction costs since it was not supported by any documentation.

## Line 2

The District reported \$16,383 for campus alarm and camera system under F & E on the Expenditure Report; however review determined that while the alarm and security camera system were eligible costs only \$6,390 (39%) of that amount are eligible for State funding since the project was prorated with another facility hardship project on the same site.

See Schedule 3A for detail on F&E expenditures.



**Schedule 3A**  
**Review Adjustments Details**

District Name: Lake COE  
 School: Lloyd Hance Communit  
 County: Lake County  
 SFP Application Number: 50/10173-01-001  
 LPP Application Number:   
 Date: 6/29/2017

	A	B	C	D	
Line	Category	Warrant Date	Vendor	Warrant Number	Warrant Amount
1	F & E	11/26/2013	Gossett Alarm	567047	\$ 4,475.00
2		11/26/2013	Gossett Alarm	567047	\$ 3,208.50
3		1/14/2014	Gossett Alarm	568590	\$ 4,475.00
4		1/14/2014	Gossett Alarm	568590	\$ 3,208.85
5		2/4/2014	Gossett Alarm	569475	\$ 1,016.00
6	Total:				\$ 16,383.35

**Explanations:**

Line 6

The District reported \$16,383.35 under Furniture and Equipment (F&E) on the Detailed Listing of Project Expenditures (DLOPE) which the review determined, that while the alarm and security camera system were eligible costs, only \$6,390 (39%) of that amount are eligible for State funding since the project was prorated with another facility hardship project on the same site.

<b>SCHOOL DISTRICT DATA</b>
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Application No: 50/10173-01-001  
 School District: Lake County Office Of Education  
 High School Attendance Area: Lakeport/Kelseyville

County: Lake  
 School Name: Lloyd Hance Community

<b>PROJECT DATA</b>
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<b>ADJUSTED GRANT DATA</b>
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Type of Project: Middle School  
                             K-6: 13  
                             7-8: 4  
                             9-12: 53  
                             Non-Severe:  
                             Severe:  
 Application Filing Basis: High School Attendance Area  
 Number of Classrooms: 3  
 Master Acres: 3.6  
 Existing Acres: 3.55  
 Proposed Acres:  
 Recommended Acres: 2.9  
 Facility Hardship (a): No  
 Financial Hardship Requested: Yes  
 Alternative Education School: Yes  
 Addition to Existing Site: Yes

New Construction Grant	\$ 836,624.00
Project Assistance	5,653.00
Fire Detection Alarm	1,580.00
Labor Compliance	16,270.00
Service Site	60,213.00
Off-Site	117,975.00
Utilities	8,888.00
Geographic Index Factor 5 %	43,583.00
Small Size Project	100,395.00
Total State Share (50%)	1,191,181.00
District Share (50%)	1,191,181.00
Total Project Cost	<u>\$ 2,382,362.00</u>

<b>PROJECT FINANCING</b>
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State Share

This Project	\$ 1,191,181.00
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District Share

Cash Contribution	354,295.00
Financial Hardship	836,886.00
Total Project Cost	<u>\$ 2,382,362.00</u>

<b>HISTORY OF PROJECT COST AND APPORTIONMENT</b>
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	Fund Code	Previously Authorized	Authorized This Action	Unfunded Approval This Action
<u>State Share</u>				
New Construction/Add. Grant	957-500	\$ 136,256.00	\$ 1,054,925.00	\$ 1,054,925.00
<u>District Share</u>				
Cash Contribution			354,295.00	
Financial Hardship	957-500	136,256.00	700,630.00	700,630.00
Total		<u>\$ 272,512.00</u>	<u>\$ 2,109,850.00</u>	<u>\$ 1,755,555.00</u>

Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.  
 This approval does not constitute a guarantee or commitment of future State funding.

Amounts shown for financial hardship assistance are subject to adjustment as a result of a review of the District's financial records pursuant to Regulation Section 1859.81(a) at the time of apportionment.

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.



State of California • Arnold Schwarzenegger, Governor  
State and Consumer Services Agency

**DGS**

**DEPARTMENT OF GENERAL SERVICES**

**Division of the State Architect – Oakland Office**

## **10/28/2008 - APPROVAL OF PLAN(S)**

MR. David Geck  
LAKE COUNTY OFFICE OF EDUCATION  
1152 SOUTH MAIN STREET  
LAKEPORT 95453

**Project:** LLOYD HANCE COMMUNITY SCHOOL-LAKE COUNTY OFFICE OF EDUCATION

**Total Scope of Project:** Construction of 3-New Modular Buildings A, B, and C

**Increment #:** 0  
**Application #:** 01-109933  
**File #:** 17

Drawings and specifications for the subject project have been examined and stamped by the Division of the State Architect (DSA) for identification on 10/28/2008. This letter constitutes the "written approval of the plans as to safety of design and construction" required before letting any contract for construction, and applies only to the work shown on these drawings and specifications. The date of this letter is the DSA approval date.

Approval is limited to the particular location shown on the drawings and is conditioned on construction starting within one year from the stamped date. The inspector must be approved and the contract information, including the construction start date, must be given to DSA prior to start of construction.

DSA does not review drawings and specifications for compliance with Parts 3 (California Electrical Code), 4 (California Mechanical Code), and 5 (California Plumbing Code) of Title 24. It is the responsibility of the professional consultants named on the application to verify this compliance.

Please refer only to the boxes checked below which indicate applicable conditions specific to this project:

- ☒ Buildings constructed in accordance with approved drawings and specifications will meet minimum required standard given in Title 24, California Code of Regulations, for structural, and fire and life safety.
- ☐ Due to the nature of the building(s), certain precautions considered necessary to assure long service have not been required. In the condition as built, the building(s) will meet minimum required standards for structural, and fire and life safety. The owner must observe and correct deterioration in the building in order to maintain it in a safe condition.
- ☐ Your attention is drawn to the fact that this application was submitted under the provisions of Sections 39140/81130 of the Education Code which permit repairs or replacement of a fire damaged building to be made in accordance with the drawings and specifications previously approved by this office. The drawings and specifications approved for the reconstruction of this building conform to the drawings and specifications approved under application # \_\_\_\_\_.
- ☐ These drawings and specifications meet the rules, regulations, and building standards in effect at the time of the original approval and do not necessarily comply with rules, regulations, or building standards currently in effect.
- ☐ Due to the nature of the poles, certain precautions considered necessary to assure long service have not been insisted upon. In their condition as built, they will meet minimum required safety standards; however, your attention is directed to the comparatively short life of wood poles. It will be the responsibility of the owner to maintain them in a safe condition.



Application #: 01-109933

File #: 17

- ☐ Bleachers or grandstands constructed in accordance with approved drawings and specifications will meet minimum required standards for structural, and fire and life safety. The owner should provide for and require periodic safety inspections throughout the period of use to ensure framing and other parts have not been damaged or removed. On bleachers or grandstands having bolts, locking or safety devices, the owner shall require that all such components be properly tightened or locked prior to each use.
- ☐ This approval is for the part shown only since the drawings and specifications for the proposed work include only the portion of the building to be partially constructed on the subject site. It is understood that a separate application will be subsequently filed, together with drawings and specifications showing a plot plan and details of work necessary for completion. A contract for completion shall not be let before the written approval of such drawings has been obtained from the Department of General Services.
- ☐ The building(s) was designed to support a snow load of \_\_\_\_\_ pounds per square foot of roof area. Snow removal must be considered if the amount of snow exceeds that for which the building(s) was designed.
- ☒ This constitutes the written approval certifying that the drawings and specifications are in compliance with State regulations for the accommodation of the disabled which are required before letting any contract for construction. (See Section 4454, Government Code.)
- ☐ Your application for the construction of a relocatable building submitted under the provisions of Section 17293 of the Education Code is hereby approved. This approval certifies that the drawings and specifications are in compliance with state regulations for accommodation of the disabled, structural safety, and fire and life safety. This approval applies only to the drawings and specifications for the foundation system, anchorage of the overhead nonstructural elements, and site work related to this project. Documentation has been received indicating that the building was constructed after December 19, 1979, and bears a commercial coach insignia of approval from the Department of Housing and Community Development (HCD). Confirmation that the construction of the HCD building conforms to the appropriate state regulations is done by others. (See Section 17307, Education Code and Section 4454, Government Code.)
- ☒ Deferred Approval(s) Items:  
Fire Sprinkler System.

This Project has been classified as **CLASS 1**. An Inspector who is certified by DSA to inspect this class of project must be approved by DSA prior to start of construction.

Please refer to the above application number in all correspondence, reports, etc., in connection with this project.

Sincerely,



Digitally signed by NAT CHAUHAN  
DN: st=CA, is=OAKLAND, o=California Department of  
General Services, ou=Division of the State Architect,  
ou=www.verisign.com/repository/CPS Incorp by Ref.,  
LIAB LTD(c)99, ou=Registered Engineer License  
Number - S1744, title=DSA OAKLAND REGIONAL  
MANAGER, cn=NAT CHAUHAN, email=nat.  
chauhan@dgs.ca.gov  
Date: 2008.10.28 17:20:53 -07'00'

for David F. Thorman, AIA  
State Architect



cc:  
Architect



CALIFORNIA  
DEPARTMENT OF  
EDUCATION

**JACK O'CONNELL**

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

March 4, 2009

Lake County Office of Education  
1152 South Main St.  
Lakeport, CA 95453

Project Tracking No: 10173-1  
Re: Lloyd Hance Community  
County: Lake  
Square Feet: 4,160  
Grade Level: 4 - 12

Dear Superintendent:

Subject: Supersede Final Plan Approval - New Buildings

The California Department of Education approves the plans with the title sheet date of October 28, 2008, for the above referenced project. The plans were received on March 2, 2009. The plans meet the California Department of Education's standards for educational adequacy (California Code of Regulations, Title 5, et seq. and Education Code 17251(c) and (d)).

It is the responsibility of the school district to meet all requirements concerning toilet facilities, drinking water supply, sewage disposal, food service facilities and other plan elements having primary health and safety implications. The plans should be reviewed by the local health agency having jurisdiction and a written approval should be secured and filed in the school district's records. If the approved project involves work on an existing school building, it is the responsibility of the school district to meet all Federal, State and local requirements relating to the identification, remediation and/or removal of hazardous levels of lead and asbestos containing materials before or during construction. It is the responsibility of the district to complete all of the mitigation measures identified in the documents submitted to the California Department of Education for review.

~~This letter revises and supercedes the letter issued on October 9, 2008.~~

The school site for this project is 3.55 usable acres. This represents 122.41% of the California Department of Education's recommended site size of 2.9 acres, as contained in the California Department of Education's "Guide to School Site Analysis and Development(2000)," for the current CBEDS enrollment of the site and the student capacity added by this project as calculated pursuant to SAB Regulation 1859.83(d).

The California Department of Education's recommended acres for the master plan capacity of the site is 3.6 acres, to be used for purposes of requesting funding from the State Allocation Board pursuant to SAB Regulations 1859.73, related to multi-story construction, and 1859.76(a)11, related to parking structures. This site is 98.61% of the California Department of Education's recommended master plan site size.



Lake County Office of Education  
March 4, 2009  
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PTN: 10173-1  
Lloyd Hance Community

The project as approved consists of:

<u>TEACHING STATIONS</u>	<u>GRADE LEVEL</u>	<u>ROOMS</u>	<u>STUDENTS</u>
Classrooms	7 - 8	1	27
Classrooms	9 - 12	2	54

Based on the standards specified in Education Code 17071.25 and the number of teaching stations in the project, the student capacity of this project is 81.

CORE FACILITIES:

Administration

Toilets

Acreage has been adjusted from 6.6 net usable acres to 3.6 net usable acres. A portion of the property is leased to the local municipal airport for a radio tower. Another significant portion close to one-half the size of the gross acreage is houses the LCOE warehouse and transportation function. LCOE has indicated plans to enhance the transportation function increasing that area.

The district has certified that this project is either exempt from, or has completed, the California Environmental Quality Act (CEQA) process.

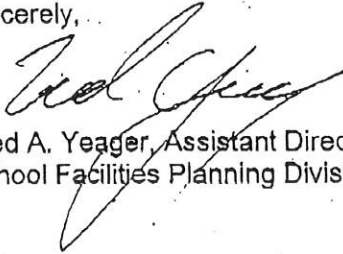
For projects to be funded under the Leroy F. Greene School Facility Act of 1998, funding requests to the State Allocation Board must be submitted within two (2) years of the date of the initial approval letter. If the district is not seeking financial assistance from the State Allocation Board, the project must commence construction within two (2) years of the date of the initial approval letter. Regardless of the funding source, if, prior to construction, changes are made to the plans that would affect or alter the California Department of Education's original approval (including but not limited to changes in surrounding land uses, the master plan capacity of the project, changes in code and/or regulation, or a subsequent CEQA determination), the plan may be subject to reevaluation using the most recent standards.

Lake County Office of Education  
March 4, 2009  
Page 3

PTN: 10173-1  
Lloyd Hance Community

Please contact the consultant identified below if you have questions regarding this letter.

Sincerely,



Fred A. Yeager, Assistant Director  
School Facilities Planning Division

DP5409/P4668  
cc: Architect



Dave Hawke, Consultant  
School Facilities Planning Division  
(916)322-1459