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CHARTER SCHOOL APPEAL COMMISSION

FLORIDA DEPARTMENT OF EDUCATION

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IN RE: NAL-003, INC., D/B/A NAVIGATOR ACADEMY  
OF LEADERSHIP HIGH SCHOOL DAVENPORT

VS.

THE BOARD OF POLK COUNTY, FLORIDA

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DATE: Monday, December 4th, 2023

TIME: Commenced at 9:00 a.m.  
Concluded at 2:29 p.m.

LOCATION: 325 West Gaines Street  
Room 1721/25  
Tallahassee, Florida

REPORTED BY: MICHELLE SUBIA, RPR, CCR  
Court Reporter and Notary  
Public in and for the  
State of Florida at Large

\* \* \*

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COMMISSION MEMBERS APPEARING:

AMANDA GAY, CHAIR

KIA SWEENEY-SCOTT, Ph.D.

OSVALDO GARCIA

TIFFANIE PAULINE

ASHLEY BARBER

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P R O C E E D I N G S

CHAIR GAY: Good morning, everyone. This a meeting of the Charter School Appeal Commission. Today is December 4th, 2023.

My name is Amanda Gay, and I'm the Commissioner's designee to Chair the Commission.

We appreciate everyone being here today and in traveling up here. Thank you to the parties for your submissions.

And I want to go ahead and thank the Commission Members for your work leading up to and also in this meeting today. We've got a great team here.

Also here for the Department are Jamie Braun, the counsel for our Commission; Vicki Pineda, our Charter School Director; Adam Emerson, our Executive Director for the Office of Independent Education and Parental Choice; Andrew King, our General Counsel. And we also have Karen Hines-Henry, our Commission Executive Assistant.

Karen, would you go ahead and call the roll for the Commission Members, please.

MS. HINES-HENRY: Ashley Barber.

MS. BARBER: Here.

MS. HINES-HENRY: Osvaldo Garcia.

1 MR. GARCIA: Here.

2 MS. HINES-HENRY: Tiffanie Pauline.

3 MS. PAULINE: Here.

4 MS. HINES-HENRY: Kia Sweeney-Scott.

5 DR. SWEENEY-SCOTT: Here.

6 CHAIR GAY: Thank you.

7 As required by statute, our panel here today  
8 is made of two Members representing school  
9 districts and two Members representing charter  
10 schools, so we have a balanced panel. And I will  
11 only vote if there is a tie.

12 Some housekeeping matters before we get into  
13 the appeal. We have a court reporter here. She  
14 is documenting everything for the record today.  
15 She can only hear one person at a time, so if you  
16 talk over one another, I will ask you to stop and  
17 take turns speaking.

18 Some special requests is if you are reading  
19 from a document, please make sure you slow down  
20 your reading pace. Sometimes we run through our  
21 words when reading.

22 And, please, each time you approach the  
23 microphone, identify yourself. Even if you've  
24 spoken several times, please go ahead and identify  
25 yourself again, which leads me to my next point is

1 if you are addressing the Commission, please come  
2 to the microphone. It will help facilitate all of  
3 this and make for a cleaner record.

4 The next bit, before we start, is to explain  
5 how the procedure is going to work today. So when  
6 we begin the appeal, I will permit each party ten  
7 minutes to explain their position in this case,  
8 starting with the Applicant and then finishing  
9 with the School District.

10 Once the opening arguments have been made, we  
11 will then go through each issue on the motion  
12 sheet that everyone has been provided in advance.

13 So for each issue, we will have the same  
14 procedure where each party will get three minutes  
15 to explain kind of your opening argument, if you  
16 will, for that issue, starting with the Applicant  
17 and then moving to the School District.

18 And then the Commission Members will have the  
19 opportunity to ask questions specific to that  
20 issue. Once the questions are fulfilled, then we  
21 will move into a motion.

22 And I did want to highlight to the Commission  
23 Members that I want to try to approach the motion  
24 and discussion a little bit differently. In the  
25 past, our motion has included the reasons why

1 articulated in the motion, and it got a little  
2 cumbersome.

3 So what I want to try to do today is we will  
4 have a motion and then a second, so our motion  
5 will be pending. And then I'll open the floor for  
6 discussion, supporting the reasons why of the  
7 motion before we vote.

8 What will happen then basically is when we  
9 are writing our written recommendation, we will be  
10 able to take from the record those reasons and put  
11 down our facts that way. So we don't have to put  
12 it into the motion. Sometimes that got a little  
13 unwieldy. That's the way we're going to try it  
14 today. So please bear with me as we work through  
15 that process.

16 So then I mentioned that based on the  
17 proceedings today, we will then prepare a written  
18 recommendation for the State Board's  
19 consideration. I will schedule a telephone  
20 conference with all the parties and the Commission  
21 Members to revise or approve the final version of  
22 the recommendation. We'll try to schedule that a  
23 week or two out. We'll have to look at the  
24 holidays to make sure that we're not butting up on  
25 anything like that. But I will work with everyone

1 to schedule that.

2 So today we have three main issues to  
3 address, which I will generally describe as  
4 transportation, management and staffing, and then  
5 budget. I intend to take the issues in that  
6 order.

7 I would like to get through the first two  
8 issues by lunch, and then we'll take a break and  
9 then come back and finish anything that's  
10 outstanding, which leads me to my next point is  
11 I'm generally going to try to give each party the  
12 opportunity to respond to a question asked by the  
13 Commission Members. But in order to keep the flow  
14 of the meeting, I might not permit extensive  
15 rebuttal so that we can keep the meeting going.  
16 We'll make sure that all of the Commission  
17 Members' questions are answered, though.

18 And before we start, I wanted to make sure  
19 that we have it on the record that the School  
20 District has supplemented the record this morning.  
21 There was just an unintentional exhibit left off  
22 of the denial letter. They have supplemented the  
23 record this morning with that. It is the  
24 May 26th, 2023 letter from DA Davidson.

25 And there's no objection from the school; is

1           that right?

2           MR. BIVINS:  No, ma'am.

3           CHAIR GAY:  Thank you.

4           So unless there is anything else, I would  
5           like to move into the appeal.

6           MR. BIVINS:  No, ma'am.

7           CHAIR GAY:  All right.  Charter School, you  
8           will now have ten minutes to explain your appeal  
9           and position.  And please remember to introduce  
10          yourself and anyone that is subsequent coming up.

11          And I will have my phone, just for timing  
12          purposes.  I don't want you to think I'm being  
13          rude.

14          MR. STERNBERG:  Good morning, Honorable  
15          Commission Members, Madam Chair.  I represent the  
16          Department of Education.  Thank you for hosting  
17          this appeal.

18          My name is Thomas Sternberg, along with  
19          Jeffrey Wood of Tripp Scott.  We represent the  
20          Applicant appealing the denial, NAL-003,  
21          Incorporated, who submitted the application as  
22          Navigator Academy of Leadership High School  
23          Davenport.

24          Some of the other people you might be hearing  
25          from today include Jeremy Calkins, Bob Bivins,



1 Dr. Diane LaFrance and Ms. Valeria Blandino, all  
2 representatives of either Compass Charter Schools  
3 or the Applicant, NAL.

4 I would like to remind these Honorable  
5 Commission Members of the legal standards of why  
6 we're here today and obviously leave that factual  
7 stuff to the people that you really want to hear  
8 from, the Applicant themselves. We're here on  
9 three issues, as Madam Chair correctly noted: The  
10 transportation plan, the management and staffing,  
11 and the budget.

12 And what's really important for this  
13 Commission to understand is we are here appealing  
14 the denial that the School Board must show that  
15 they did have competent and substantial evidence  
16 to deny the Charter School or that any denial that  
17 they had of one of these three issues related to a  
18 mandatory charter school requirement.

19 And for the reasons set forth in the brief  
20 that we've submitted, along with the legal and  
21 factual standards we'll put forth today, these  
22 standards were not met for, again, the  
23 transportation plan, the management and staffing,  
24 and the budget.

25 Two important points before, again, you hear

1 from the people that you really want to hear from.  
2 The School Board has made it abundantly clear, the  
3 School Board of Polk County, that it lauds itself  
4 on denying charter schools, even going so far as  
5 to include its actual denial statistics in its  
6 response brief of 50 percent of all charter  
7 schools submitted.

8 And all the anecdotal phrases, you know, not  
9 necessarily legal standards included in their  
10 response brief, but more so going on the fact that  
11 they are praising their own denial statistics and  
12 making sure that they move forward for a school  
13 that is actually already in operation, which we'll  
14 go through momentarily.

15 This school is not a new approach; although,  
16 this will be an extension of a -- an extended high  
17 school. There's already a K-8 that Compass  
18 Charter Schools and Navigator operates in Polk  
19 County.

20 The Applicant, the management company,  
21 they're going to be housed on the same land. And  
22 being that this group has already gone through  
23 this process, they've already submitted a  
24 successful application and have shown that they  
25 know how to operate a budget, a transportation

1 plan, and a management and staffing plan, which  
2 will already be housed in the same location.

3 So, again, without taking too much more of  
4 your time, I would like to introduce Mr. Jeremy  
5 Calkins of Compass Charter Schools. And I thank  
6 the Commission Members for your time. We  
7 appreciate it.

8 MR. CALKINS: Good morning. I am reading so  
9 I will try to be slow. My name is Jeremy  
10 Calkins. I'm the managing principal for Compass  
11 Charter Schools, the educational service provider  
12 for Navigator Academy of Leadership.

13 I have been involved in the development of  
14 Charter Schools since 2007, including a period of  
15 time between 2010 and 2014 where I served as  
16 either the general contractor or owner's  
17 representative responsible for the development of  
18 nine charter schools within a four-year span.

19 I'm here today to talk to you about our  
20 budgets at the Navigator Academy of Leadership.  
21 Before I get into some details, I would like to  
22 state for the record that we have outperformed our  
23 budgets year over year. Currently under the  
24 Navigator Academy of Leadership umbrella, we have  
25 a positive fund balance shared between our two

1 schools of more than \$8 million.

2 Quite frankly, I don't understand the  
3 arguments brought forth in the District's analysis  
4 of our Capacity Interview. If this was our first  
5 year of doing this type of venture, then I might  
6 be able to understand their concern. If we had a  
7 history of showing deficiency in this area, I  
8 might be able to understand their concern. But  
9 not only is there not a deficiency in this area,  
10 we excel.

11 When I introduced the integrated project  
12 delivery method, or IPD, to our board back in  
13 2018, they had to trust me that this would be in  
14 the best interest of the school. Today that is no  
15 longer the case since we have empirical data that  
16 proves we're saving Navigator Davenport millions  
17 of dollars over the life of the loan because of  
18 that methodology. This is something that we've  
19 discussed time and again at previous board  
20 meetings with our Board of Directors.

21 Under our IPD, we have a partnership with our  
22 underwriting, our developer, architects,  
23 engineers, management, organization and board all  
24 for the benefit of the school.

25 CHAIR GAY: Please slow down a little bit.

1 MR. CALKINS: I'm sorry.

2 Under our IPD, we have a partnership with our  
3 underwriter, developer, architects, engineers,  
4 management, organization and board all for the  
5 benefit of the school. I would argue that no one  
6 else in the charter development world does what  
7 we're doing in a more cost effective and efficient  
8 way. This is the most financially advantageous  
9 methodology for the school in the industry.

10 The evidence of that statement is shown in  
11 the difference between the debt service between  
12 our two schools. Over the life of our two loans  
13 at Navigator Academy of Leadership, we will be  
14 saving more than \$50 million at Davenport as  
15 compared to Navigator Academy of Leadership in  
16 Valrico.

17 Davenport was developed using our IPD. In  
18 Valrico, we had to use an outside developer. I  
19 have the amortization comparisons available for  
20 those schools if this Committee would like to see  
21 them.

22 The same project development methodology that  
23 I talked about during the Capacity Interview with  
24 Polk will be the same methodologies that will be  
25 used for the Navigator Academy of Leadership High

1 School, NAL-003. The significance isn't just in  
2 the savings but in the security.

3 The District notes on page 77 of their final  
4 report that several times I state project  
5 development fees will be used to clear any and all  
6 budgetary concerns. On page 78 of that same  
7 report, the District assumes that just because  
8 they don't see the \$350,000 in project advanced  
9 fees, that they do not exist. They do exist. And  
10 the reason they don't see them is because they're  
11 not the developer.

12 The District also tries to point out that  
13 they don't see where the debt services were  
14 deferred, as I may have inferred. Yes, that's  
15 true. Payments were not deferred because we open  
16 at capacity. No cure was needed.

17 The District went on to remove the CSP grant  
18 and capital outlay from our budget to try and  
19 demonstrate why our budget wouldn't work. But  
20 they never asked how exactly do you plan on curing  
21 these budget concerns with projected development  
22 fees. Instead of giving us the opportunity to  
23 provide answers to their concerns, assumptions  
24 were made that those cures and fees do not exist.

25 On page 76 of that same report, Ms. Candy

1 Amato says that if they have questions, they would  
2 email them to me. I never received any questions;  
3 therefore, it was my belief that since we've  
4 demonstrated we have done this very successfully  
5 before, a certain level of trust would be given  
6 that we would do it again.

7 During that same time of the interview, I  
8 mentioned payment deferrals. On page 77,  
9 Ms. Amato talks about the postponement of  
10 payments. That was actually the word that eluded  
11 me that day, deferment, payment deferrals.

12 Immediately after our interview, I provided a  
13 letter, which I believe you guys just received  
14 today, from our underwriter that included answers  
15 to the budget cure concerns. Some of those  
16 included partial payment deferrals, contingency  
17 funds, interest only payments, et cetera, et  
18 cetera, the FACR of CSP and capital outlay, two  
19 sources of income we received before and  
20 anticipate receiving again.

21 That's why they're in our budget. If for  
22 some reason they do not come through, those monies  
23 are baked into our contingency plan via our  
24 integrated project delivery method. It can be  
25 drawn down upon if necessary.

1           Here's a practical example of how that might  
2 work. The credit source for our furniture at  
3 Navigator Academy of Leadership Middle School fell  
4 through in the 11th hour. It was not a problem,  
5 as we had a contingency plan in place. In fact,  
6 we still have \$1.8 million in contingency that we  
7 would could have drawn upon in the event of other  
8 unknown surprises, such as CSP grants.

9           That particular endeavor was very risky. It  
10 was our first delivery method with this team. We  
11 had seven months to construct a school on  
12 undeveloped property. We had to bring in all  
13 public utilities, sewer, water, gas. We had to  
14 make off-site improvements. We had to work with  
15 three different municipalities: The City of  
16 Davenport, Haines City, Polk County. We had to  
17 build an off-site lift station. We had to bring  
18 in a 16-inch force main. We had to build a  
19 neighboring -- we had to build another off-site  
20 lift station for a neighboring single-family  
21 residence developer. And we accomplished all this  
22 feat on time and within budget.

23           Here's the bottom line. Not only have we  
24 demonstrated that we're capable of building and  
25 maintaining successful budgets, but we exceed our



1 own expectations. We underestimate revenues. We  
2 overestimate expenses. And we outperform our  
3 budgets year over year.

4 And I would be happy to answer any questions  
5 you may have. Thank you.

6 CHAIR GAY: Thank you.

7 All right. Now the District has ten minutes  
8 to provide its response.

9 MR. BRIDGES: Thank you, Madam Chair,  
10 Members of the Commission, Representatives of the  
11 Department of Education and Counsel.

12 My name is Wes Bridges. I'm General Counsel  
13 to the School Board of Polk County. With me today  
14 I have Candy Amato, who is our Senior Director of  
15 Charter Schools.

16 I think the appeal that is before you today  
17 is fairly straightforward. The denial letter that  
18 the District submitted, which is included in your  
19 materials, I think was very explicit, very  
20 specific, and cross-walked all of the evidence  
21 that is required by statute with regard to  
22 providing evidence based on good cause for denial.

23 We are here to discuss only the application  
24 that was submitted by Navigator, not any other  
25 application, not any other school, not any other

1 information that is not part of the record. Our  
2 concerns that were raised in this appeal were a  
3 main three: Transportation, staffing, and budget.  
4 And to paraphrase the Good Book, the greatest of  
5 these is budget.

6 I'll touch on transportation briefly. The  
7 school simply does not provide a transportation  
8 plan. There isn't a transportation provision in  
9 this application for transportation.

10 The demographics of Davenport suggest that  
11 that is a difficulty. The infrastructure in  
12 Davenport does not support transportation for  
13 their students. The sidewalk situation, the  
14 traffic situation with respect to bicycles, it is  
15 not conducive to safe pedestrian traffic for all  
16 the students who would be potentially attending  
17 this school. There simply is no transportation  
18 provision in this application. We believe that's  
19 clear.

20 On staffing -- and I trust you had an  
21 opportunity to review our denial letter and the  
22 specific issues that were raised there. You will  
23 note that the application called for 12 full-time  
24 teachers. The staffing plan submitted only ten.  
25 There's a provision for one-half of an ESE

1 teacher. There's a provision for one-half, .5, of  
2 an ESOL teacher.

3 Once again, the demographics of Davenport  
4 suggest that these are inadequate figures to  
5 address a student body of the size proposed by  
6 this school.

7 When it comes to electives and to coaching,  
8 the allocations are insufficient for the  
9 extracurriculars that are in the application.  
10 There's a provision for one JV coach for boys and  
11 girls together, a single coach for all sports,  
12 boys and girls together, JV.

13 There's no provision for a varsity coach  
14 until year three. So if you're coming in as a --  
15 this year if you were to come in as an 11th grader  
16 or a 12th grader, there would be no provision for  
17 a varsity coach.

18 Retirement: There's retirement provided for  
19 in the application, budgeted for ten teachers.  
20 Once again, the application indicated that there  
21 would be -- that the staffing level would be 12.  
22 And there is no provision in the application for  
23 retirement for anyone, for administrators and  
24 anyone else. So just in a nutshell, that's  
25 transportation and staffing.

1           Budget: The School's representative  
2 indicates that they have outperformed their  
3 projections for other schools. And that may be.  
4 Once again, we have no brief to talk about other  
5 schools today. We had no idea whether it's true  
6 or not.

7           We do know that for this application, the  
8 budget that they submitted did not balance. And  
9 that is a critical issue for our Charter Review  
10 Committee when they were evaluating charter  
11 applications.

12           This may be the fattest charter application  
13 that I've ever seen. It was a good 6-inches  
14 thick. But it's also, I think, one of the  
15 thinnest that I've ever seen when it comes to  
16 budget.

17           Since the School has talked anecdotally about  
18 other schools, I'll say that they do have another  
19 school in Polk County, and the application they  
20 submitted came back three times before it was  
21 approved. Mainly on budget.

22           And the District worked with them identifying  
23 things that needed to be improved, which they did,  
24 and ultimately had an application approved. We  
25 are very willing to do the same thing now. But in

1           this instance, there simply was not any give and  
2           take on that.

3           We had a Capacity Interview, and we provided  
4           it to you, copies of the very thorough questions  
5           that were asked by the Committee in the Capacity  
6           Interview, as well as the transcript of the  
7           answers that were provided. They do not reflect  
8           the situation that has been described to you by  
9           the School.

10          The School relied on capital outlay funds as  
11          part of their budget. At the Capacity Interview,  
12          they acknowledged that capital outlay funds will  
13          not be available for the first three years of the  
14          contract. Why that's in there -- why that was  
15          included by an experienced applicant, I have no  
16          idea, but it does not inspire confidence.

17          The budget includes line items for  
18          fundraising and donations, which I've never seen  
19          in a charter school application before and would  
20          submit to you that it is not appropriate for  
21          budget and not something that can be considered by  
22          the District in reviewing a charter school  
23          application budget.

24          Technology fees. The application included --  
25          it's not a huge amount of money. It's \$150 per

1 student. The first year it was \$37,500. The  
2 second \$56,250. Then \$75,000. In year four,  
3 \$93,750. And then year five, \$97,500.

4 Not a whole lot of money. But it is an item  
5 that sends up a brilliant red flag in a district  
6 that had been involved in desegregation lawsuits  
7 for 40 years and still is required to consider  
8 things that we have agreed to and been ordered to  
9 do by the Federal Court for the Middle District of  
10 Florida.

11 You can't charge student fees and base your  
12 budget on receipt of those fees. That is a sort  
13 and select provision that absolutely -- well, it  
14 causes a dramatic knee-jerk reaction in Districts  
15 that have been known for desegregation actions.

16 I think in the past interview, the Applicant  
17 acknowledged that and said, no, we'll treat it as  
18 a donation. Once again, if it's a donation, you  
19 can't include it in your budget. It's not revenue  
20 that is appropriate for budget.

21 The School also included their CSP grant,  
22 which is not only a competitive grant and  
23 inappropriate for inclusion in the budget, but  
24 it's also a reimbursement grant, paid in arrears.

25 And in reference to -- and I apologize for

1 the omission. When we were printing our brief,  
2 apparently Exhibit 10 got left at the bottom of  
3 the box. We've supplemented it today to add it.

4 We referenced it in our brief and quoted it  
5 in our brief so you can see the relevant portions.  
6 But I wanted to make sure that you have the actual  
7 document. And counsel was very gracious to allow  
8 us to supplement our brief and add that today.

9 CHAIR GAY: Mr. Bridges, that's your ten  
10 minutes.

11 MR. BRIDGES: Thank you.

12 CHAIR GAY: Thank you.

13 All right. So I think that has us ready to  
14 move into the first issue, which is whether the  
15 Applicant's transportation plan meets the  
16 requirements of Section 1002.33(20)(c), Florida  
17 Statutes, and the standards set forth in the  
18 Evaluation Instrument adopted in Rule 6A-6.0786,  
19 Florida Administrative Code.

20 For the School, you have three minutes on the  
21 transportation issue.

22 MR. STERNBERG: Thank you, Madam Chair.

23 You know, as you correctly noted, this should  
24 be one of the shorter issues that we're talking  
25 about, the transportation.

1           I believe that the School Board of Polk  
2 County confuses the traditional requirements of  
3 traditional public schools versus what a Charter  
4 School is required to provide. So to read what  
5 the actual legal standard in the statute is and  
6 what the School Board denied it for -- the School  
7 Board denied it by saying that the application  
8 failed to provide a transportation plan that will  
9 serve all eligible students and will not be a  
10 barrier to access for students residing within a  
11 reasonable distance of a school.

12           As you also heard, the School Board just said  
13 that there was no transportation provided at all.  
14 There was nothing mentioned. It was completely  
15 omitted from --

16           CHAIR GAY: Slow down just a little bit.

17           MR. STERNBERG: Of course.

18           That it was completely omitted from the  
19 brief. And this is also not true. You can -- not  
20 the brief. The application. My apologies. If  
21 you look at our Exhibit B, page 97, we discuss a  
22 transportation plan.

23           However, I would like to go a little more  
24 in-depth of what the transportation requirements  
25 of charter schools are. And as we saw in Section



1 1006.21, it talks about the duties of a District  
2 School Superintendent and a District School Board  
3 regarding transportation.

4 However, that was then clarified in a pretty  
5 recent case in St. Lucie County, so the  
6 Renaissance Charter School, Incorporated, and  
7 Renaissance Charter School at Tradition for St.  
8 Lucie County School Board. This is Case No.  
9 14-3267. And this was also affirmed on appeal in  
10 the Fourth District Court of Appeal, 4D15-2905.

11 And the issue on that appeal was whether  
12 Renaissance Charter Schools would be required by  
13 the St. Lucie County School Board to offer regular  
14 school busing to all eligible charter students  
15 residing more than 2 miles from the charter  
16 school.

17 The order entered by the Administrative Law  
18 Judge, the Chief at the time, Darren Schwartz,  
19 responded without any equivocation, the School  
20 Board -- and I quote -- cannot require petitioners  
21 to offer regular school busing to all charter  
22 school students residing more than 2 miles from  
23 the School at Tradition.

24 So on page 97 of our application when the  
25 school provides that students attending Navigator

1 Academy of Leadership Davenport, the K-8 that's  
2 currently there, they do walk, they ride their  
3 bikes, they have private bus services, they have  
4 parents that pick them up and drop them off. That  
5 is in and of itself a transportation plan.

6 So the fact there was wasn't an allocation  
7 for a bus or what you might traditionally see,  
8 it's just not required by law. And to require  
9 Charter Schools to meet the same requirements as  
10 traditional public schools fails as a matter of  
11 law.

12 And so when we look at what the standard is,  
13 whether they had competent and substantial  
14 evidence to deny the application based on a  
15 transportation plan, that just in and of itself  
16 does not meet that standard.

17 And if the Board has any questions, I'm happy  
18 to answer them as well.

19 CHAIR GAY: Thank you. We will give the  
20 School Board the opportunity to respond for three  
21 minutes, and then I will open it for questions.

22 MR. BRIDGES: Thanks, ma'am.

23 The School Board does not assert that  
24 transportation has to be provided to all students.  
25 And we were very careful to point that out in our

1 brief that was submitted to you.

2 We do maintain that this application does not  
3 include transportation for anyone, including  
4 exceptional student education students, ESE  
5 students. There is simply no provision for it.

6 The statute, while it does not require  
7 transportation to be made available to all  
8 students, there are circumstances where  
9 transportation is required, certainly for ESE  
10 students, and transportation cannot be a barrier.

11 And once again, in Davenport, the  
12 infrastructure, the sidewalks, the road systems,  
13 the unavailability of public transportation all  
14 work together to serve as a barrier if there's not  
15 some form of transportation available to students  
16 in need.

17 CHAIR GAY: Thank you.

18 All right, Commission Members. The floor is  
19 open for any questions that you may have of either  
20 party on the transportation issue.

21 Osvaldo.

22 MR. GARCIA: I have a question for the  
23 School, please.

24 CHAIR GAY: Go ahead.

25 MR. GARCIA: Even though this is not an

1 extension of the current school that you have  
2 within the area, in my opinion, it cannot  
3 separate one from the other due to the fact that  
4 future performance is dependent upon prior  
5 history.

6 So how have you handled transportation in the  
7 current K-8 school and any difficulties you may  
8 have encountered regarding ESE students, for  
9 example?

10 MR. CALKINS: Yes, sir. Jeremy Calkins.

11 So we have a traffic operations plan, and we  
12 have dropoff and pickup, which I would argue we do  
13 have a plan because it's high enough for buses to  
14 go through. We just haven't had the need.

15 We have more than a 1,000 student waiting  
16 list, and not a single parent has come to us  
17 asking for transportation. So it's something we  
18 haven't had to address because the need simply  
19 doesn't exist.

20 CHAIR GAY: I'll do a follow-up for the  
21 School. So if a student with an IEP comes in,  
22 transportation is required as a related service,  
23 how would the School approach that?

24 MR. CALKINS: Yeah. We would take a look at  
25 the need. We would determine what we need to do,

1 and then we would be solution minded.

2 CHAIR GAY: Does the School Board want to  
3 respond? I wanted to make sure that I provide  
4 the opportunity.

5 MR. BRIDGES: The fact or the suggestion  
6 that no one has previously requested the service  
7 is not evidence that the demand does not exist.  
8 It is some evidence, if true, that the students  
9 currently at the school do not have that  
10 requirement. And that leads to other questions  
11 concerning the ESE population at that school.

12 And once again, I would just point out there  
13 are no funds budgeted. There's no provision for  
14 transporting students, including exceptional  
15 students. Thank you.

16 CHAIR GAY: Kia, did you have one?

17 DR. SWEENEY-SCOTT: I did. I'm sorry. For  
18 the School.

19 Like Dr. Garcia said, it's hard to separate  
20 the K-8 from the proposed high school application  
21 because it will be a feeder for the most part.  
22 How did your transportation plan differ in this  
23 application than the last application?

24 MR. CALKINS: It didn't. We took a look at  
25 our historical data and how things operated

1           because we're pulling from the same resource  
2           pool, so we know. They can study demographics,  
3           but we have empirical data that tells us, you  
4           know, who is showing up at our school.

5           So we just took a look -- like you said, you  
6           can't separate the two operations, so we realized  
7           that there's not a demand there.

8           And if I might add, too. The District's own  
9           head of transportation just said at our charter  
10          renewal that we have no transportation problem.  
11          So if their head of transportation is going to  
12          tell me that verbatim at our charter renewal  
13          visit, that we have no transportation problem, I  
14          don't understand why they insist on us trying to  
15          visit it.

16          As noted in my opening, we have an \$8 million  
17          fund balance. We have monies. And they pointed  
18          this out in the application and their final report  
19          as well, for transportation needs, if needed. And  
20          that's what I said, if needed. If that need  
21          arises, then we will address it at that time.

22                 CHAIR GAY: Thank you.

23                 Yes, Tiffanie.

24                 MS. PAULINE: I have a follow-up.

25                 CHAIR GAY: I'm sorry. Let me get give the

1 School Board a chance to respond, and then  
2 Tiffanie's question will be a follow-up. So you  
3 all might want to stay close to the mic.

4 MS. AMATO: Hi. My name is Candy Amato from  
5 the District.

6 So to answer your question, in their previous  
7 application and their current K-8 application,  
8 their transportation plan did state that they  
9 would try to contract with outside services to  
10 provide transportation to their students.

11 So it was not omitted and it was not  
12 addressed that it would solely rely on parents,  
13 car riders, or walkers. They would attempt to  
14 contract outside. And that has not been  
15 successful at this time.

16 MR. CALKINS: Can I respond to that?

17 CHAIR GAY: Thank you.

18 Let me finish with Commission Members'  
19 questions, and if there's still any remaining.

20 MS. PAULINE: Yes. So as it relates to  
21 students with IEPs or that require  
22 transportation, and going back to the plan, I  
23 heard some conversation about we have a  
24 contingency, but I also heard that it was not  
25 budgeted.

1           I understand that this appears to be -- it's  
2           not -- I wouldn't call it -- to me it's not an  
3           extension because an extension would be an  
4           amendment to the current contract. So to me it's  
5           being presented as a standalone school. So given  
6           that, you know, you have to look within the box.

7           So what I'm not seeing, unless I'm missing  
8           something from your conversation or from the  
9           application, is what exactly is the plan, if and  
10          when?

11          I see you're leaning a lot on, you know, what  
12          it could be based on the current school. But  
13          given that this is not another K-8, this is a high  
14          school, that brings about, you know, all different  
15          kinds of variables that aren't always anticipated,  
16          I'm still not clear on where the full plan is in  
17          case of there being a need or a request.

18          MR. STERNBERG: Absolutely. And just to  
19          also go back to what Ms. Amato was just saying,  
20          to answer your question directly, in that page 97  
21          on Exhibit B of the application itself, it says,  
22          in the event Navigator Academy of Leadership High  
23          School can find a private bus vendor in  
24          accordance with Section 1002.33 --

25          THE COURT REPORTER: Can he slow down.



1 CHAIR GAY: Slow down.

2 MR. STERNBERG: -- transportation will not  
3 be a barrier to equal access for all students  
4 within a reasonable distance of the school.  
5 Navigator Academy of Leadership High School will  
6 provide free bus transportation by contracting  
7 out the service to a vendor.

8 So, again, this is it. You know, in that  
9 event, that contingency is there.

10 So as you are right, this is a standalone  
11 application, even though it will be similar and we  
12 are kind of balancing back and forth a little  
13 between the two. The empirical data does show  
14 that it's not been needed.

15 But they're saying that if there is a need  
16 for it with the balance and the fund and the  
17 surplus that they have, there will not be an issue  
18 and they will make sure that they comply with the  
19 law when it is required to comply with.

20 So we're not contracting with a bus vendor,  
21 because it hasn't been required. So in the event  
22 that an IEP comes in, Navigator Academy of  
23 Leadership will obviously comply with all  
24 requirements of that IEP and of law and make sure  
25 that transportation is not a barrier to equal

1 access for that student in that event. It just  
2 has not happened yet. But in the event, they have  
3 those surplus and the contingencies to be able to  
4 provide for a transportation provider through a  
5 private vendor.

6 MS. PAULINE: Where is the surplus that  
7 you're talking about in this budget?

8 MR. CALKINS: I can speak to that.

9 CHAIR GAY: And, I'm sorry, I was going to  
10 remind everyone to state your names when you come  
11 to the microphone.

12 MR. CALKINS: Jeremy Calkins.

13 It's in the project delivery method, like I  
14 mentioned in my opening. So in our IPD, we had  
15 \$1.8 million in contingency.

16 MS. PAULINE: And can you clarify for me  
17 what IPD means, please.

18 MR. CALKINS: That's an integrated project  
19 delivery method.

20 MS. PAULINE: Okay.

21 MR. CALKINS: A typical construction project  
22 is a design, bid, build. When I was getting my  
23 master's at Drexel University at the College of  
24 Engineering, our professors liked to put  
25 "litigate" on the back of that.

1           We believe that this delivery method, the  
2           reason why we use it, saves the school money and  
3           it protects it. And that's the security.

4           So to answer your question, it's baked into  
5           the develop fees. So when asked about the develop  
6           fees and, you know, what are we using for  
7           contingency, I always went back. And they noted  
8           that in their response, in their report that it's  
9           baked into the development fees. So if we need to  
10          draw down on that, we can.

11          I guess a better way to look at that is the  
12          construction of the facility is based off a  
13          guaranteed maximum price. So that's where we get  
14          our debt service line item.

15          The best way to analogize it is to liken it  
16          to a home equity line of credit. We have monies  
17          available to draw down upon if we need to in the  
18          project development. So if that need arises, we  
19          can pivot, just like we did with the furniture.

20          CHAIR GAY: Do you have follow-up?

21          MS. PAULINE: Yes, as I'm still not clear.

22          So are you referring to project advance from  
23          development \$275,000 for the first two years? Is  
24          that what you're referring to?

25          MR. CALKINS: No, ma'am.

1 MS. PAULINE: Okay. Where is it in the  
2 budget then?

3 MR. CALKINS: So you don't see it in the  
4 budget there, but it would be revenues that the  
5 school would get back during construction.

6 So the school at construction, at the time of  
7 construction -- for example, so we had a  
8 \$14 million -- you know, Mr. Bridges says that  
9 we're not going to compare schools, but he  
10 compared our last application when we came up here  
11 and said that we had to talk to them three times.  
12 I build our budgets. Nobody talked to me about  
13 our budgets.

14 We had a \$14 million gross maximum price on  
15 the K-8. We brought it in at just under 12.2.  
16 That's where the 1.8 comes in. So that's where  
17 the monies come from.

18 So anywhere we need to add monies to our  
19 budget, that's how we do it. We have monies that  
20 we can add to our budget as a revenue line item.  
21 So that project advance fee, it could go to 350,  
22 it could go to 500. We have monies available. So  
23 that would be where the line item is.

24 And like with all budgets, it's conjecture.  
25 It's your best guess. So if that money needs to

1           come -- if that needs to go to 1.2, we can do it.  
2           If that needs to go to 1.8, we can do it.  
3           Whatever we need to do, we can do within the  
4           budget parameters up to \$15 million.

5           CHAIR GAY: Thank you.

6           Let me ask the School Board to respond, and  
7           then Ashley will have a question, if you would  
8           like to.

9           MR. BRIDGES: Just very briefly. I don't  
10          believe that what's being discussed there is part  
11          of this application, part of the budget that we  
12          evaluated or considered, nor would it be  
13          appropriate for us to.

14          CHAIR GAY: Okay. Ashley.

15          MS. BARBER: Ashley Barber.

16          My follow-up question is along those lines.  
17          Is there anything within the application, any  
18          document to support --

19          MR. CALKINS: It is.

20          MS. BARBER: -- that those funds --

21          MR. CALKINS: Yes, ma'am.

22          MS. BARBER: -- are available to you?

23          MR. CALKINS: I said many times throughout  
24          the application process and at the Capacity  
25          Interview, the project development fees. Was

1 happy to clarify.

2 In fact, I had a follow-up conversation with  
3 Ms. Amato. It lasted five minutes. I tried to  
4 ask, you know, if they had questions on how we  
5 operate. And she basically --

6 MS. BARBER: But within the application?

7 MR. CALKINS: Yes, ma'am.

8 MS. BARBER: Within the documentation that  
9 our team has to review?

10 MR. CALKINS: Project development fees. So  
11 the allocation that she mentioned, the 275, that  
12 number can move. That needle can move so we can  
13 advance.

14 MS. BARBER: Is there any evidence  
15 supporting your --

16 MR. CALKINS: Our letters with DA Davidson.  
17 Let me grab that.

18 CHAIR GAY: And if you could let Ms. Barber  
19 finish her question before responding, that would  
20 be helpful for the court reporter.

21 MR. CALKINS: Yes, ma'am.

22 CHAIR GAY: And are you referring to the  
23 May 23rd?

24 MR. CALKINS: There's two of them. Yes,  
25 ma'am. There's April 19th and May 26th.

1 CHAIR GAY: Oh, 26th. Thank you.

2 MR. CALKINS: It says, acquisition of the  
3 existing facility, construction costs of the high  
4 school facility and predevelopment contingency,  
5 FF&E, et cetera, et cetera.

6 And May 26th, it went on to say, include  
7 interest only periods, partial payment deferrals,  
8 fund and capitalized interest, drawdown bonds,  
9 extended amortizations.

10 CHAIR GAY: Do you have any follow-up?

11 MS. BARBER: Not necessarily to the budget  
12 of transportation. I'll have follow-up to the  
13 budget.

14 MS. PAULINE: I have a question.

15 CHAIR GAY: Go ahead.

16 MS. PAULINE: Tiffanie Pauline.

17 So what you just explained is -- when you  
18 referenced predevelopment activities, we're  
19 talking about transportation that may not  
20 necessarily be predevelopment. I assume that  
21 predevelopment would be specific to  
22 construction-related costs, so if there were  
23 overruns or changes in scope.

24 But you're telling me that DA Davidson would  
25 make these funds available to support --

1 MR. CALKINS: Yes, ma'am.

2 MS. PAULINE: -- a shortfall due to  
3 transportation projections?

4 MR. CALKINS: Not only that, they put in  
5 FF&E, et cetera. So what they're saying is  
6 whatever the money, we have basically -- again,  
7 the best way I can analogize it is it's like a  
8 home line, equity line of credit with the school.  
9 We have a certain amount that we can draw down  
10 upon, so for whatever we need. And that's why  
11 they put et cetera costs in there.

12 MS. PAULINE: And are there -- I'm sorry.

13 CHAIR GAY: Go ahead.

14 MS. PAULINE: Are there terms to any of  
15 this?

16 MR. CALKINS: Yes, ma'am.

17 MS. PAULINE: It's very broad. But I'm  
18 curious as to how would like the governing board  
19 members of the school evaluate, you know, when to  
20 draw down and when not to draw down based on the  
21 impact on, you know, debt service and inventory  
22 payback?

23 MR. CALKINS: I'm not understanding.

24 MS. PAULINE: I guess my basic question is  
25 do you have at this point terms to --



1 MR. CALKINS: Yes, ma'am.

2 So the terms are based on the guaranteed  
3 maximum price. And if we don't use it, like we  
4 didn't use it the first time around, it goes back.  
5 And that's how we realized such a significant  
6 savings.

7 MS. PAULINE: So the financing is final?  
8 You have all the --

9 MR. CALKINS: It's not final because we  
10 don't have an approved charter. So it's kind of  
11 the cart before the horse.

12 MS. PAULINE: Okay.

13 MR. CALKINS: We have a letter of intent.

14 MS. PAULINE: Got it.

15 MS. BARBER: I'm sorry.

16 CHAIR GAY: Go ahead.

17 MS. BARBER: You said you have a letter of  
18 intent. Is that what you're calling this letter  
19 right here?

20 MR. CALKINS: This is -- that's what I'm  
21 calling this letter.

22 MS. BARBER: Okay.

23 MR. CALKINS: It's their intent to give us  
24 financing. They believe that they can give us  
25 financing.

1 MS. BARBER: Okay. And you also mentioned a  
2 maximum -- I forget what you referred to it as.

3 MR. CALKINS: It's a guaranteed maximum  
4 price on the cost of development.

5 MS. BARBER: And do you have a number for  
6 that?

7 MR. CALKINS: We do. \$50 million.

8 MS. BARBER: Okay. And is there a reason --  
9 I don't -- it's not in the letter, correct?

10 MR. CALKINS: No, it's not in the letter.

11 MS. BARBER: There's no documentation that  
12 that's the maximum anywhere in the information  
13 that we have?

14 MR. CALKINS: No, ma'am.

15 MS. BARBER: Okay.

16 CHAIR GAY: Do you have a question, Kia?

17 DR. SWEENEY-SCOTT: Yes. And it can go, I  
18 guess, to both the School District and to the  
19 School.

20 At what point do you -- I'm making an  
21 assumption as to why you don't have anything  
22 definitive. But at what point do you get  
23 something definitive as far as financing goes?

24 MR. CALKINS: We get it after we get the  
25 charter approved. They don't give us the

1 financing before we get the charter approved, so  
2 we can't get anything definitive until the  
3 charter is -- it's the cart before the horse. So  
4 once we get the charter approval, then they'll  
5 give us definitive terms.

6 CHAIR GAY: Did the School Board want to  
7 respond? I'm sorry, I know there was a lot of  
8 back and forth so you have quite a bit to respond  
9 to.

10 MR. BRIDGES: Thank you, ma'am. Wes  
11 Bridges.

12 The May 26th letter from DA Davidson  
13 indicates that it does not serve as a commitment  
14 to underwrite. It does discuss DA Davidson's  
15 support of the application and their experience in  
16 financing such things.

17 But it says that there can be no guarantee  
18 that financing will be available to the School.  
19 And this letter does not serve as a commitment to  
20 underwriting.

21 Once again, we're looking at the budget they  
22 submitted. And the budget that they submitted  
23 does not balance. All of this other extraneous  
24 conversation, it may very well be that some or all  
25 of it is true, but we did not have it before us in

1 this budget.

2 CHAIR GAY: Go ahead.

3 MR. STERNBERG: Thank you.

4 Just to bring this Commission back. You  
5 know, we're talking about the transportation plan  
6 that was submitted. And I understand we do have a  
7 budget section as well. The transportation plan  
8 that was submitted does comport with the  
9 requirements of Florida Statutes.

10 When we go back to the financing plan, I know  
11 we're bouncing back and forth on whether the  
12 School Board does want to include the K-8 or  
13 doesn't want to include the K-8. We have  
14 financing at the K-8.

15 You will never find a letter of intent that  
16 doesn't say "this is not a guarantee that this is  
17 financing." That is every letter of intent you're  
18 ever going to see submitted by any underwriter.

19 On top of that, the K-8 that has been  
20 submitted that has been in operation has not had a  
21 need for any ESE or IEP transportation in its  
22 course with a wait list of over 1,000 students.  
23 So we're talking about the transportation plan of  
24 the high school that will be located on the same  
25 property. So why would a budget or a

1 transportation plan based on historical and  
2 empirical data include anything in a  
3 transportation plan that doesn't show that there's  
4 a need?

5 What it did include is it included a letter  
6 of support from the City Manager of Davenport. It  
7 included support from DA Davidson that they can  
8 underwrite this. And we will hopefully move  
9 forward. Which DA Davidson already has provided  
10 financing for the current course.

11 So I think it's important for this group to  
12 understand and take it piecemeal in the sense that  
13 we are talking about a transportation plan based  
14 on what we know already, based on what has been  
15 provided, and that they can provide transportation  
16 if need be. However, that has not been shown to  
17 be needed at this course for an ESE or IEP and it  
18 does not currently exist. Thank you.

19 CHAIR GAY: And I wanted to clarify for the  
20 record that both statute and rule permit the  
21 Commission to solicit additional information. So  
22 us asking these questions is permissible and is  
23 supported by case law.

24 Do Commission Members have any other  
25 questions on transportation?

1 MS. BARBER: I do. I'm sorry.

2 CHAIR GAY: No. That's great.

3 MS. BARBER: So responding to what counsel  
4 has said before, he referenced the statute and  
5 the application. So the statute that he  
6 referenced talks about how transportation is not  
7 a barrier to equal access for all students.

8 And then the line in the application that was  
9 referenced is on page 105, it's the second  
10 paragraph there. And it starts by saying, in the  
11 event that NAL-003 could find a private bus  
12 vendor. And that's the line that you quoted.

13 So my question to the School is within  
14 reading the application, it seems like finding a  
15 private bus vendor is challenging in that area.  
16 And so in the event that you cannot find a private  
17 bus vendor, how are you going to ensure that  
18 transportation is not a barrier, because I feel  
19 like that part is maybe what's missing?

20 MR. CALKINS: Yes, ma'am. Can you repeat  
21 that question one more time?

22 MS. BARBER: Yes. Absolutely.

23 So in your application, paragraph two on page  
24 105, it states that in the event that NAL-003  
25 could find a private bus vendor, and then you

1 carry on with how you will work with the private  
2 bus vendor.

3 MR. CALKINS: Sure.

4 MS. BARBER: So my question is if you cannot  
5 find a private bus vendor, how are you going to  
6 ensure that transportation is not a barrier to  
7 all students?

8 MR. CALKINS: Yes. We might use those  
9 contingency funds that I keep alluding to to even  
10 purchase buses. I don't know. At the time the  
11 need arises, we will address it.

12 You know, Mr. Bridges also said that our  
13 current facility doesn't provide for  
14 transportation. It does.

15 During the engineering process, we can  
16 take -- we have a queuing plan for a regular  
17 school bus to go underneath our canopies and  
18 through our parking lot, so we'll do the same  
19 thing. We'll make sure that our facility is  
20 prepared and it's ready to utilize buses if and  
21 when necessary.

22 MS. BARBER: Okay. So at this time, does  
23 the board have a transportation plan, something  
24 in writing to ensure that transportation is not a  
25 barrier to these students as --

1 MR. CALKINS: We have a transportation  
2 operations plan. I'm not sure I'm understanding  
3 what you're asking because there's not a need, so  
4 to say --

5 MS. BARBER: I'm referring to the students  
6 in nine through 12.

7 MR. CALKINS: Yes, ma'am.

8 MS. BARBER: So you might not be fully aware  
9 of all the students that are coming in. You  
10 might not be fully aware of the enrollment  
11 population.

12 MR. CALKINS: Correct.

13 MS. BARBER: So I was curious if the board  
14 had a plan for what would be the transportation  
15 plan for nine through 12, if and when a student  
16 needs transportation?

17 MR. CALKINS: Sure. Like I said, our design  
18 is equipped and we will -- and this facility is  
19 equipped and the site plan is equipped to  
20 facilitate buses if needed. So if we find out  
21 that we need buses, we will figure out a way, and  
22 the busing will be able to access our property on  
23 and off. And we have a queuing plan and the  
24 ability to drop them off.

25 MS. PAULINE: I have a follow-up to



1 Ms. Barber's question.

2 So I think that is the crux of the issue we  
3 keep hearing, "we will find a way." I've been  
4 doing this work for a while and I've attended a  
5 lot of charter school conferences. I've attended  
6 a lot of meetings held by the DOE where there's  
7 lots of discussions about creating standard  
8 operating procedures, plans and policies.

9 I'm just curious as to -- and I'm trying not  
10 to rely on the K-8 because that's not what's  
11 before us. But just because you are -- I won't  
12 say veteran -- but at least an experienced charter  
13 school operator, I would have expected to see your  
14 policy or your standard operating procedure  
15 related to this because specifically as it relates  
16 to students with IEPs or students that require  
17 special provisions related to transportation, you  
18 have no way of knowing until they get in your  
19 school, right?

20 So you can have a wait list of 1,000, a wait  
21 list of 2,000. You can't look at that wait list  
22 to determine -- you can't ask those questions to  
23 determine, you know, who will end up in your  
24 school that requires this. So I think the crux of  
25 the issue is not being clear.

1           Of course, the budget plays into it because  
2           it supports what the narrative says. But I'm not  
3           clear on the what if it happens. I don't see the  
4           provisions, particularly -- anywhere. Either in a  
5           policy, in this application, in an attachment.  
6           That's what's missing for me.

7           MR. CALKINS: Okay.

8           MS. PAULINE: Thank you.

9           CHAIR GAY: Any further questions from the  
10          Commission?

11          (No response.)

12          CHAIR GAY: All right. Hearing no more  
13          questions, do we have a motion on Issue 1  
14          regarding transportation?

15          (No response.)

16          CHAIR GAY: And, again, I'll repeat how the  
17          process will go. We will have a motion. And you  
18          have the motion sheet before you that gives you  
19          kind of some language that you can utilize with  
20          options for whether or not there is competent  
21          substantial evidence.

22          So we'll have the motion and then a second.  
23          And if it's properly seconded, then we will move  
24          to discussion, where we can talk about the pros  
25          and the cons, and then we'll take a final vote at

1           that point. So once the motion is pending, we  
2           will have discussion, but first I need a motion.

3           (No response.)

4           CHAIR GAY: And if it's helpful, we can do  
5           discussion before the motion if the Members think  
6           that would be more beneficial.

7           (No response.)

8           MS. PAULINE: I think we should have some  
9           discussion.

10          MR. GARCIA: I mean, once again, as I  
11          expressed previously, this is an application  
12          that, yes, it's a standalone application;  
13          however, their experience on a prior -- or on  
14          another school that will be the feeder, or one of  
15          the feeders of this school, has been successful  
16          leads me to make a motion that the School  
17          District then does not have competent substantial  
18          evidence to conclude that the applicant's  
19          transportation plan does not meet the  
20          requirements of the state standard, Statute  
21          1002.33(20)(c), Florida Statutes, and the  
22          standards set forth in the Evaluation Instrument  
23          adopted in Rule 6A-6.0786, FAC Section 17.

24          CHAIR GAY: All right. So Osvaldo has made  
25          the motion.

1           Is it seconded?

2           MS. PAULINE: Just for clarity, his motion  
3 is that it is not, correct?

4           MR. GARCIA: Correct.

5           CHAIR GAY: Is not. The motion is that  
6 there is not competent substantial evidence to  
7 conclude that the applicant's transportation plan  
8 does not meet the requirements. So if it is --  
9 well, is it seconded?

10          (No response.)

11          CHAIR GAY: All right. Then the motion  
12 fails at this point.

13          So let me open the floor for discussion if  
14 we're not prepared to make a motion at this time.  
15 And you can share your concerns.

16          MS. PAULINE: Sure. I'll start.

17          So it goes back to the last comment that I  
18 made. If we look at it as a standalone  
19 application, it's missing some key factors that it  
20 should have.

21          If we look at it, you know, as Osvaldo  
22 indicated, you know, an experienced provider, it  
23 should have been very easy for them to provide  
24 some kind of standard operating procedure or plan  
25 that was fully comprehensive and encompassing as

1 to the what ifs. So it's just simply not complete  
2 to me.

3 There are some components that do -- I mean,  
4 a lot of the language there aligns with the  
5 statutory language. It's that, you know, as  
6 Ashley pointed out, you know, the what if.

7 And that's what a plan does. A plan  
8 contemplates unforeseen things or establishes  
9 policy to ensure that, you know, it is not a  
10 barrier no matter the situation. And I guess  
11 that's the weakness I'm struggling with.

12 MS. BARBER: And to carry on to that, I  
13 think the fact that they have success in the K-8,  
14 it's evidence that they are able to have a  
15 population that doesn't require transportation.

16 But I think my concern goes back to the  
17 statute, which states that they need a plan to  
18 ensure that transportation is not a barrier. And  
19 I feel like that specific plan and the word  
20 "barrier," I feel like that part is what's missing  
21 for me in the application, as well as in the  
22 response and because that's what the statute  
23 specifically states.

24 The only plan that they have is if they can  
25 find a private bus vendor. And they stated within

1 the application that it's difficult to find a  
2 private bus vendor. And he, you know, came up and  
3 said, well, we could get buses.

4 And, you know, I've seen schools come up with  
5 plans that don't even include buses, but there's a  
6 plan in place. And I feel like just that's the  
7 issue for me.

8 MR. GARCIA: Are we not allowed to consider  
9 clarification on this application to make our  
10 decision?

11 CHAIR GAY: We absolutely can.

12 And, Jamie, if you want to step in about the  
13 clarification that we can seek as far as this  
14 meeting.

15 MS. BRAUN: Yes.

16 The Courts have ruled that the Charter School  
17 Statute 1002.33, the part dealing with the Appeal  
18 Commission, they state that based on School Board  
19 of Volusia County vs. East Coast Charter School  
20 case, they state that the statute unambiguously  
21 allows the Commission to consider information  
22 outside the record on appeal.

23 And they go on to state that you are allowed  
24 to gather other information, gather clarifying  
25 information and ask questions.

1           So while this is -- you know, it's an appeal,  
2           it is a little bit different than what a lot of  
3           the lawyers are used to when they do an appeal and  
4           you truly are limited to like what's in that  
5           record.

6           And this is kind of -- it's a review process,  
7           but it's also the time for you to ask questions  
8           and use your expertise. You know, if maybe  
9           somebody didn't ask a question at the district  
10          level that would have clarified things like  
11          transportation or the budget, this is the  
12          opportunity for the School to make that clear or  
13          the District to make it clear to you what they  
14          didn't get a chance to put forward initially.

15          So, yes, you can absolutely take into account  
16          clarifying information that you learn today.

17          MS. BARBER: And can I ask another  
18          procedural question?

19          CHAIR GAY: Yes.

20          MS. BARBER: So we could vote that there is  
21          competent substantial evidence that it does not  
22          meet the requirement. And then later on I  
23          believe we then vote to see if that's reason to  
24          deny the application; is that correct?

25          MS. BRAUN: Correct.

1           For each issue, it is set up where you do two  
2 votes, depending on how it goes. You have to vote  
3 is there competent substantial evidence or is  
4 there not to basically support a finding that the  
5 application -- that they did not meet the standard  
6 of the statute or the Evaluation Instrument.

7           Then if you vote that there is competent  
8 substantial evidence, we then take a second vote  
9 to determine whether that is good cause to deny  
10 the application. So there have been cases in the  
11 past where maybe an application did not meet the  
12 standard, but there was a determination that it  
13 was not good cause to deny because the applicant  
14 indicated that they would, you know, fix the  
15 issue, whatever it was.

16           MS. BARBER: And when we're looking at that,  
17 are we looking at -- so whether or not there's  
18 good cause to deny the application, are we  
19 looking at the application as a whole to see is  
20 this one piece enough to deny the entire  
21 application?

22           MS. BRAUN: Well, you are voting -- yes, you  
23 are voting whether or not each issue. So like  
24 for transportation, if there is competent  
25 substantial evidence to conclude that the



1 transportation plan does not meet the standard,  
2 then you will take a second vote as to whether or  
3 not failure to provide reasonable a  
4 transportation plan either is or is not good  
5 cause to deny the application. You will do that  
6 on each of the three issues.

7 MS. BARBER: Okay.

8 CHAIR GAY: Any other discussion from the  
9 Members?

10 MR. GARCIA: I do.

11 CHAIR GAY: Yes, Osvaldo.

12 MR. GARCIA: Had this been an application of  
13 someone who all the sudden out of the blue  
14 decided to open a charter school, probably my  
15 decision to make the motion that I made would  
16 have been different.

17 So for clarification purposes, how long has  
18 the K-8 been open?

19 MR. CALKINS: For four years. Jeremy  
20 Calkins. I'm sorry.

21 If I could talk about the transportation  
22 issue. The District never asked us to clarify a  
23 plan, if needed. And if they would have, I would  
24 have come back to the contingencies that we had  
25 talked about.

1           Like you had mentioned, we are basing our  
2 decisions based off, yes, I don't think you can  
3 separate the two, the K-8, the high school. That  
4 is going to be our main feeder program.

5           So the way that we built the high school is  
6 the same way that we built the middle school. We  
7 got approved for the middle school with the same  
8 plan. The plan didn't change.

9           So the plan was okay the first time around.  
10 I don't understand why the plan is not okay this  
11 time around.

12           We mentioned in our application that if the  
13 need arises -- and I feel like I've addressed how  
14 we would cover that -- if the need arises, we will  
15 absolutely address it. But the way that our site  
16 plan has been developed, we can bring buses on.  
17 And if that need arises, we will absolutely make  
18 certain that it's addressed.

19           CHAIR GAY: Thank you.

20           Any other discussion, Members?

21           MS. PAULINE: I have a question for the  
22 School.

23           CHAIR GAY: Okay.

24           MS. PAULINE: I was trying to find it while  
25 you were responding. I believe it happened in

1 the Capacity Interview or I read it in the  
2 transcript. I believe the District asked, it  
3 seemed like, because you were talking about  
4 reserves and contingencies related to the K-8,  
5 the consideration of purchasing a fleet of buses  
6 or some sort of owned contingency in the event  
7 that there is a need that arises, but I don't  
8 recall what the response was.

9 MR. CALKINS: Yes, ma'am. And that's what  
10 we said we would look at. The District pointed  
11 out that we had a significant unrestricted fund  
12 balance by the way we manage and operate our  
13 budgets. And they actually suggested that we buy  
14 our own buses.

15 The reason why we don't do that is because we  
16 don't want buses just to sit there not being used.  
17 If the need arises, we are prepared to create  
18 whatever plan is needed to accommodate.

19 MS. PAULINE: So as a follow-up, if I may.

20 CHAIR GAY: Yes.

21 MS. PAULINE: Given that that conversation  
22 took place, has there been any conversation about  
23 what that plan would look like? I mean, you're  
24 telling me we would do it, but --

25 MR. CALKINS: We would do the same thing.

1 Yes, ma'am. We would look for outside  
2 contractors first, like we mentioned in our  
3 application the first time around, if the need  
4 were to arise.

5 We have constructed and developed our site  
6 plan in a way to where we can accommodate. So if  
7 that need were to arise, yes, ma'am, we would  
8 address it, and we feel confident that we would be  
9 able to accommodate.

10 MS. PAULINE: So you said you would look for  
11 outside contractors?

12 MR. CALKINS: We would first.

13 MS. PAULINE: Not necessarily purchase  
14 buses?

15 MR. CALKINS: Yes, ma'am. Not necessarily.  
16 We would put all options on the table. Yes,  
17 ma'am. And if it's more cost effective and  
18 efficient to outsource, that's what we would do.

19 MS. PAULINE: Okay.

20 CHAIR GAY: Kia, did you have follow-up?

21 DR. SWEENEY-SCOTT: Yes. I have a question  
22 about transportation.

23 What would determine the need for  
24 transportation, because you mentioned that the  
25 District, you know, mentioned that you could

1 purchase buses? How did that conversation come up  
2 as far as --

3 MR. CALKINS: I think that it would come up  
4 from parents. It came up because the District  
5 brought it up. We haven't had anybody ask us  
6 about transportation. Correct me if I'm wrong,  
7 but I don't think we've had one single parent  
8 inquire about transportation in four years, not  
9 one single comment.

10 The only people that have ever brought it up  
11 is the District. So nobody in our geographic  
12 region, in the community in which we serve has  
13 asked us about transportation. Nobody.

14 MS. PAULINE: Can I ask one more?

15 CHAIR GAY: Go ahead.

16 MS. PAULINE: I'm sorry. Calm yourself,  
17 Tiffanie. I'm getting excited.

18 So in the planning phase, you know, you have  
19 a group of people, including the governing board  
20 and whoever you designate, having all of these  
21 "if" statements?

22 MR. CALKINS: Sure.

23 MS. PAULINE: If this happens, how do we?  
24 If this happens, how do we?

25 So I think to piggyback off what Kia is

1 saying, what would be the threshold? So is the  
2 threshold if we have X percentage of parents that  
3 have requested transportation from X miles, then  
4 we would consider X, Y, Z?

5 MR. CALKINS: Yes, ma'am.

6 MS. PAULINE: Has that taken place?

7 MR. CALKINS: 100 percent. And we do have  
8 policies in place when you talk about systems of  
9 operation, we ask parents to identify. And so  
10 nobody is identified in our applications as  
11 other. Nobody has come to us and asked.

12 MS. PAULINE: Can I stop you?

13 MR. CALKINS: Yes, ma'am.

14 MS. PAULINE: So I'm talking about -- I  
15 don't want to talk about the K-8. I'm saying,  
16 okay, you have high school, that is very  
17 different. Were there conversations around we  
18 have a very different beast ahead of us, we're  
19 going to have some drivers, some nondrivers,  
20 we're going to have --

21 MR. CALKINS: 100 percent.

22 MS. PAULINE: -- high school kids that don't  
23 want to walk because their hair is going to get  
24 frizzy like mine is right now.

25 MR. CALKINS: Yes, ma'am.

1 MS. PAULINE: So has there been the  
2 conversations; and if so, has that been codified  
3 anywhere? I think that's what we're asking.

4 MR. CALKINS: Yes, ma'am. 100 percent. We  
5 do that with our engineers. We've accommodated  
6 for student drivers, so our parking lot is  
7 bigger. We have driveways to accommodate the  
8 buses. But I don't think we can separate one  
9 from the other.

10 You know, we were -- this was not an issue in  
11 our application the first time around. We didn't  
12 modify anything. I didn't think this would be an  
13 issue now until the Capacity Interview.

14 So we got approved for that K-8, and this  
15 wasn't a barrier for approval. So why would we  
16 change what we did the first time around? Why  
17 would we change that methodology now?

18 MS. PAULINE: Okay.

19 MR. CALKINS: If that was a barrier to  
20 approval the first time around, then we would  
21 have made the necessary changes, but it wasn't.

22 MS. PAULINE: And just for clarification,  
23 I'm sorry -- and I know the attorneys referenced  
24 the precedent that was set by the case -- I just  
25 want to make sure you understand that I don't

1 think that anyone here is saying that you have to  
2 provide transportation to all students. I don't  
3 think that's the intent here.

4 We're trying to figure out what happens if  
5 there is a need and understand what the call of  
6 action will be. So I just want to go on the  
7 record by saying that.

8 MR. CALKINS: Yes, ma'am.

9 MS. BARBER: And, also, if there's a plan --  
10 I hear you talking about a physical plan for your  
11 facility.

12 MR. CALKINS: Yes, ma'am.

13 MS. BARBER: I'm sorry, Ashley Barber again.

14 I hear you talking about a physical plan for  
15 the facility. I just -- because the statute  
16 specifically says a plan for transportation to  
17 ensure that it's not a barrier. I don't hear that  
18 your governing board has developed a plan to  
19 prevent it from being a barrier, or if you have,  
20 then --

21 MR. CALKINS: Yeah. I respectfully  
22 disagree. We have a site plan that has a traffic  
23 operations plan that allows for busing. And if  
24 the need were to arise, we have a financial plan  
25 as well that I keep mentioning in our integrated



1 project development. So I keep mentioning the  
2 two.

3 There's a plan for busing should the need  
4 arise. There's funds for busing should the need  
5 arise. If we receive applicants that say they  
6 need busing, then we will address it. And we have  
7 funds in place to develop that plan. It's there.

8 CHAIR GAY: Would the School Board like to  
9 respond to the follow-up questions?

10 MR. BRIDGES: I think Ms. Amato has some  
11 specifics that she would like to address. But  
12 before that, I would simply like to mention that  
13 in a school of 1,000 students that's been open  
14 for four years, I find it remarkable that there  
15 have been zero requests for transportation for  
16 ESE students or others.

17 And we heard -- we've heard once again that  
18 there are funds available if the need arises. Not  
19 in the budget, they're not. Thank you.

20 MS. AMATO: Hi. Candy Amato.

21 So kind of to piggyback on your question that  
22 you had asked about their plan. So in the  
23 Capacity Interview, which you touched on, one of  
24 the questions that was asked is you indicated that  
25 you continually research and contact

1 transportation companies.

2 Did you pursue acquisition of transportation  
3 services prior to submitting a high school  
4 application; if not, why?

5 The response by Mr. Calkins was, no, we did  
6 not originally -- we did originally, and it was  
7 the same situation. Couldn't identify a good  
8 provider. We have not recently, so we have not  
9 gone back since this new application.

10 So there is currently no plan. They have not  
11 researched any outside providers.

12 DR. SWEENEY-SCOTT: I just want to  
13 piggy-back. This is Kia.

14 Is that in reference to transportation in  
15 general or for students with an IEP?

16 MS. AMATO: That was transportation in  
17 general for any student who would potentially be  
18 eligible or would need transportation.

19 DR. SWEENEY-SCOTT: And I just have a --  
20 this is really a roundabout question dealing with  
21 this, but do you hold an applicant meeting for  
22 potential applicants?

23 MS. AMATO: We do not, but we do provide  
24 them with a PowerPoint, along with contact  
25 information, should an Applicant have questions

1 about a specific area.

2 DR. SWEENEY-SCOTT: And then one --

3 MS. AMATO: And then our office, obviously,  
4 is available.

5 DR. SWEENEY-SCOTT: Okay. One more  
6 question. I know it's in the brief that the  
7 School submitted previous applications for the  
8 high school?

9 MS. AMATO: Correct.

10 DR. SWEENEY-SCOTT: And one was denied and  
11 one was withdrawn?

12 MS. AMATO: The first one was denied. The  
13 second one was withdrawn.

14 DR. SWEENEY-SCOTT: Was one of the reasons  
15 for denial transportation?

16 MS. AMATO: I would have to go back and  
17 look. I don't recall. If you'll give me a  
18 minute, I'll do research on that.

19 DR. SWEENEY-SCOTT: Okay.

20 CHAIR GAY: Any other questions from the  
21 Members?

22 MR. GARCIA: One question.

23 CHAIR GAY: Yes.

24 MR. GARCIA: In the four years that the K-8  
25 has been in operation, have you received any

1 complaints from any parent that they were not  
2 able to have a child there because of  
3 transportation.

4 MS. AMATO: We've received numerous  
5 complaints about their pickup and dropoff line in  
6 the mornings and afternoons, yes.

7 MR. GARCIA: But that's different than --

8 MS. AMATO: Yes. In regards to  
9 transportation, buses specifically, I would have  
10 to go back and look at my notes. It's not  
11 something that I -- I didn't bring it with me,  
12 but I can go back and look.

13 CHAIR GAY: Would the School like to respond  
14 to that two or three questions?

15 MR. STERNBERG: Yes, just briefly talking  
16 about anecdotes. I really take issue with the  
17 fact of what Mr. Bridges said by saying he's  
18 shocked, you know, with 1,000 students.

19 Again, we're making only inferences. There  
20 has been nothing substantial or competent --  
21 there's been no competent or substantial evidence  
22 that the District has provided to deny this  
23 transportation plan.

24 And then for Ms. Amato to come up and say  
25 that they received complaints about the times of

1 pickup and dropoff, that's not the transportation  
2 plan. The transportation plan isn't that we have  
3 to call a bus service provider every day to see if  
4 they have a bus available for us. That's not a  
5 transportation plan.

6 What is a transportation plan is can you  
7 contract with -- if the need arises, can you  
8 contract with bus services providers? Can you buy  
9 your own? Can you work with parents? Can they  
10 walk? Can they ride?

11 All of this was provided in there. It's  
12 provided in the statute. And, again, the  
13 precedent provides that you cannot require charter  
14 schools to offer busing more than 2 miles away.

15 So not only have they complied with what the  
16 transportation plan requirements under statute and  
17 precedent are, but, again, we're talking about  
18 something that we have historical empirical data  
19 on that there has not been a need to contract with  
20 individual bus service providers because that's  
21 not not only required by law, but also not  
22 required under the current historical empirical  
23 data of the K-8, which will be the main feeder  
24 program going into it.

25 CHAIR GAY: Okay. Do we have any further

1 discussion, Members?

2 (No response.)

3 CHAIR GAY: I would like to move this along.

4 So if we have a motion, I will entertain it.

5 MS. PAULINE: I'll make a motion.

6 CHAIR GAY: All right.

7 MS. PAULINE: I move that the Commission  
8 find that there is competent substantial evidence  
9 to conclude that the applicant's transportation  
10 plan does not meet the requirements of the  
11 statute and the standards set forth in the  
12 Evaluation Instrument adopted in the rule,  
13 Section 17.

14 CHAIR GAY: All right. The motion is that  
15 there is competent substantial evidence to  
16 conclude.

17 Is that seconded?

18 (No response.)

19 CHAIR GAY: All right. That motion failed.

20 MS. BARBER: If we want to discuss, I just  
21 have a comment.

22 CHAIR GAY: Discussion, I think, would be  
23 appreciated at this point.

24 MS. BARBER: Okay. So in looking back at  
25 the application, I feel like, although there

1           wasn't necessarily -- it was the line -- for me  
2           it was the line that said in the event that they  
3           could find a private bus vendor and that there  
4           was trouble finding a private bus vendor. They  
5           talked about the possibility of purchasing buses.

6           And then looking back at the narrative within  
7           the application, they do provide information about  
8           like if they wouldn't be able to do that, then  
9           these are the requirements that they would have  
10          for different students.

11          So in looking back at that, I feel like  
12          putting the pieces together, there is enough of a  
13          plan to kind of show that they put some thought  
14          into it and that they were trying to prevent it  
15          from being a barrier.

16          CHAIR GAY: Would you like to comment?

17          MR. GARCIA: Question for counsel. Can we  
18          go back to my motion, my original motion?

19          CHAIR GAY: I think you can make the motion  
20          again.

21          MS. BRAUN: Yeah. I think you have to do it  
22          again because that motion has failed and is no  
23          longer open. But you can make it again.

24          MR. GARCIA: Okay.

25          MS. PAULINE: Can I ask for clarification

1 from counsel?

2 CHAIR GAY: Yes.

3 MS. PAULINE: So even if we were to pass as  
4 is through C -- I think Ms. Barber was asking  
5 this question before -- it could still not reach  
6 the threshold based on the vote on C to deny for  
7 that reason, correct?

8 MS. BRAUN: Correct.

9 MS. PAULINE: Okay.

10 CHAIR GAY: Okay. We do not have a pending  
11 motion. Can I have a motion specific to Issue 1,  
12 the transportation plan?

13 MR. GARCIA: Okay. So I move that the  
14 Commission find that there is not competent  
15 substantial evidence to conclude that the  
16 applicant's transportation plan does not meet the  
17 requirements based on State Standard 1002 --  
18 statute, I'm sorry -- Florida Statutes, and the  
19 standards set forth in the Evaluation Instrument  
20 adopted in Rule 6A-6.0786, FAC, Section 17.

21 CHAIR GAY: Okay. I have a motion.

22 Is it seconded?

23 MS. BARBER: Second.

24 CHAIR GAY: I have a motion and a second.

25 Any further discussion, Members?



1 (No response.)

2 CHAIR GAY: I think we have enough on the  
3 record that we don't have to do additional  
4 discussion.

5 All right. Karen, will you please call roll  
6 for this vote.

7 MS. HINES-HENRY: Osvaldo Garcia.

8 MR. GARCIA: Yes.

9 MS. HINES-HENRY: Ashley Barber.

10 MS. BARBER: Yes.

11 MS. HINES-HENRY: Tiffanie Pauline.

12 MS. PAULINE: Yes.

13 MS. HINES-HENRY: Kia Sweeney. Kia Scott.  
14 I'm so sorry.

15 DR. SWEENEY-SCOTT: Yes.

16 CHAIR GAY: All right. The motion passes.

17 I am going to ask for a quick five-minute  
18 break.

19 MR. STERNBERG: Do we need to go to C,  
20 though?

21 CHAIR GAY: Oh, I'm so sorry. We do not  
22 have to go -- let me make sure.

23 MS. BRAUN: Right.

24 CHAIR GAY: We don't have to go to C since  
25 it passed.

1 MR. STERNBERG: I just wanted to make sure.

2 CHAIR GAY: If it was the other language,  
3 then we would.

4 MR. STERNBERG: I just wanted to clarify.

5 CHAIR GAY: Thank you for that  
6 clarification.

7 If everyone is amenable, I would like a quick  
8 five-minute break. There are restrooms on this  
9 floor that I will have to locate.

10 MS. PINEDA: It's one door over.

11 CHAIR GAY: One door over. So we will be  
12 back at -- let's call it 10:30, so seven minutes.  
13 Thank you.

14 (Whereupon, a recess was taken.)

15 CHAIR GAY: We are back on the record. I  
16 will give Ms. Amato the opportunity to provide a  
17 response to the question that Kia had earlier  
18 regarding the prior applications. Just for the  
19 record, the vote has already happened, but I did  
20 want to let her answer that question.

21 MS. AMATO: Hi, it's Candy.

22 So to answer your question, their previous  
23 application, the 2019 application of Navigator  
24 High School, they did meet the standard; however,  
25 here is the language that allowed for that. The

1 applicant explains Navigator Academy of Leadership  
2 will issue an RFP for bus services provided by a  
3 third-party vendor. The RFP will call for the  
4 vendor to provide school buses with a maximum  
5 capacity and maximum mileage that meet all federal  
6 and state requirements for the school bus  
7 transportation.

8 CHAIR GAY: Thank you.

9 And we are now prepared to move into the  
10 second issue, which is management and staffing.  
11 The issue is whether the applicant's plan for  
12 management and staffing is viable, adequate, and  
13 meets the requirements of Section 1002.33(7)(a)9  
14 and (7)(a)14, Florida Statutes, and the standards  
15 set for in the Evaluation Instrument.

16 I will first ask the School to present on  
17 management and staffing for three minutes.

18 DR. LaFRANCE: Good morning. My name is  
19 Dr. Diane LaFrance, and I'm VP of Academics and  
20 Operations.

21 I'm here today to clarify that Navigator  
22 Academy of Leadership has developed a viable and  
23 adequate staffing plan that meets the needs of the  
24 school. The plan identifies the number of  
25 teachers and other staff members that will be

1 needed and the qualifications for each position.

2 I want to first begin with talking about  
3 managing our time to maximize the impact of the .5  
4 teacher allocation. I want to remind you that  
5 this is time served, not half a body.

6 We may involve scheduling small group  
7 sessions, providing targeted interventions during  
8 specific periods. And we also have to remember  
9 that ESE students often require additional support  
10 services.

11 In addition to instruction, ESE students may  
12 also require speech and language pathology,  
13 occupational therapy, or physical therapy. So it  
14 does not come down to our .5 teacher allocation.

15 Also, the number of minutes of service an IEP  
16 student receives varies depending on the student's  
17 needs. We hope to effectively provide ESE  
18 services that extend beyond teacher allocation and  
19 require a holistic approach that involves  
20 collaboration, individual support, and data-driven  
21 instruction.

22 Also, I would like to clarify something  
23 Ms. Amato had stated. She stated that we  
24 originally put in for 12 full-time teachers. This  
25 was in a previous application and not the

1 application that we are talking about today.

2 Today, in our application, we have put in for ten  
3 teachers.

4 And it was explained at the interview that we  
5 are hoping to find teachers that may be joint  
6 certified so that they can provide teaching for  
7 more than one subject. This is something that we  
8 have seen happen based on our empirical data at  
9 our schools today.

10 Another thing that was brought up was the  
11 fact of JV and varsity coaches. I would like to  
12 clarify something that Ms. Amato had stated. She  
13 stated that when an 11th grade teacher (sic)  
14 enrolls in the school in the second year of  
15 operation, that they will not be able to play  
16 varsity. That is correct. Year one and year two,  
17 okay, we will only have ninth and tenth graders in  
18 year one, which is where we provided a JV coach.  
19 Year two, we will move on from there.

20 What has empirically been done at our schools  
21 and what I can tell you my firsthand experience  
22 is, my daughter plays varsity soccer, and her  
23 teacher is a varsity coach who receives a stipend.  
24 When she played JV, her teacher, her math teacher  
25 was her JV coach.

1           We have provided that in here, that while we  
2 will go ahead and do one JV coach, we will have  
3 teachers that will be teaching for our sports.

4           CHAIR GAY: Thank you. That's your three  
5 minutes.

6           All right. And for the School Board, when  
7 you're ready.

8           MR. BRIDGES: Thank you, ma'am. As  
9 mentioned earlier, we based our appeal on the  
10 application that we have received, not on any  
11 extraneous information that may be presented  
12 today.

13           I guess if you take that analysis far enough,  
14 an applicant could come in and promise you the  
15 moon and stars today and you can accept that or  
16 not. But we based our appeal on the information  
17 that we had in the application that was submitted.

18           With regard to staffing, we'll once again  
19 reiterate that on a school with 650 students  
20 projected, we simply don't believe that a .5  
21 allocation for ESE or for ESOL is sufficient.

22           The application did not budget expenses for  
23 substitute teachers. In the Capacity Interview,  
24 the applicant affirmed that there was an  
25 allocation of \$19,275 for .5 of the school nurse,

1 contracted speech services, and a mental health  
2 counselor. That amount is not sufficient to cover  
3 those.

4 The proposed budget also does not reflect  
5 allocations for the positions that were listed  
6 with respect to maintenance, curriculum  
7 specialist, or IT specialist.

8 This is a school with a projected enrollment  
9 of 650 students. Our position is simply that the  
10 staffing model that has been presented is not  
11 sufficient for that amount.

12 Candy, do you have anything?

13 MS. AMATO: No.

14 CHAIR GAY: Thank you.

15 All right. We're ready to move into  
16 questions, Members. I should say questions  
17 specific to management and staffing, though, I  
18 understand there might be some overlap.

19 MS. PAULINE: To the School, can you go into  
20 some additional clarification on whether you are  
21 or are not sharing resources related to staffing  
22 between the proposed school and the existing  
23 school?

24 DR. LaFRANCE: Yes. Like we stated at our  
25 interview, we are sharing some services.

1           One of the things I do want to clarify that  
2 was just spoken of, it said that based on 650  
3 students, we would have a .05 ESE teacher  
4 allocation. We are projecting .5 for year one of  
5 250 students. By the time we get to 650, we have  
6 three ESE teachers that are stated there.

7           MS. PAULINE: Can you go a little deeper?  
8 You responded, yes, you're sharing resources.  
9 But I guess my follow-up would be what resources  
10 are you sharing?

11          DR. LaFRANCE: Okay. So, for example, when  
12 we contract out our speech and pathology, some  
13 contracted services that we would have, we can  
14 use for that. Also, we could be potentially  
15 using an ESE teacher because we have paras at one  
16 of our schools, so we can provide -- being on the  
17 same campus, there are some things like that that  
18 we can.

19          MS. PAULINE: The director, assistant  
20 principal, I see .5. Are those being shared as  
21 well?

22          DR. LaFRANCE: Right. So basically when we  
23 talk about our Director of Schools, that position  
24 will be overseeing both schools as the director.

25          MS. PAULINE: And the AP?



1 DR. LaFRANCE: And the AP for year one will  
2 be considered a co-principal and will be shared  
3 that first year. However, our other school will  
4 be gaining an assistant principal at the time, so  
5 we will not be losing a .5 there. We actually  
6 will be gaining it.

7 MS. BARBER: Just a follow-up question. How  
8 many students are currently enrolled at the K-8?

9 DR. LaFRANCE: So at the K-8 right now, we  
10 have 1,000 students. We have a principal, an AP  
11 and a Dean.

12 MS. PAULINE: How many students would be in  
13 the eighth grade possibly transferring?

14 DR. LaFRANCE: So we hope to have -- in our  
15 ninth grade, we are hoping to have 125 students.  
16 So our first year opening, we're opening with  
17 ninth and tenth grade, 125 in each. Right now we  
18 have about 116 students in our eighth grade.

19 CHAIR GAY: And I wanted to give the School  
20 Board an opportunity, if there was any response  
21 to those questions. They were for the School,  
22 but if the School Board has a response to any of  
23 those questions, you have the opportunity.

24 MR. BRIDGES: I agree there have been  
25 references to shared services in the application.

1           I would go back -- and I think I misspoke  
2 when I mentioned the school is 650. It is in fact  
3 going to be a school of 650, but they are correct,  
4 it opened smaller.

5           If you look at the language of the District's  
6 denial letter on page three, paragraph one quotes  
7 the application. Since the first year we'll have  
8 smaller enrollment, the ESE teacher will also  
9 oversee gifted IEP students.

10          And once again, the District's position,  
11 contrary to this statement, the School's  
12 allocating .5 ESE teacher in the first year of  
13 operation to serve approximately 30 students of  
14 12 percent.

15          In addition to providing direct services, the  
16 teacher is also responsible for preparing and  
17 facilitating all IEP and 504 meetings, monitoring  
18 and recommending stipulated goals and  
19 expectations, ensuring all legal requirements are  
20 fulfilled, et cetera.

21          This allocation is insufficient to maintain  
22 and anticipate the needs of exceptional students.

23          And, likewise, with the ESOL reference in  
24 paragraph three below of .5 allocation to serve  
25 approximately 30 English Language Learner

1 students. Based on student needs, the existing  
2 Navigator Academy of Leadership K-8 school  
3 increased their personnel to serve ESOL students  
4 in the first few years of operation.

5 Considering the history of projected student  
6 population and actions taken by Navigator's K-8  
7 school, .5 ESOL in the application is  
8 inappropriate.

9 CHAIR GAY: Thank you.

10 Any other questions, Members?

11 MS. PAULINE: Yeah, I have one question.

12 In the School District's eval., there was  
13 conversation -- and I think it was brought up  
14 briefly -- about the lack of substitutes.

15 Can the School respond, because I'm not clear  
16 on how it would handle given the teacher vacancy  
17 issues nationally and just normal, you know,  
18 day-to-day vacancies, how the school plans to  
19 accommodate for substitutes when necessary?

20 DR. LaFRANCE: Yeah. Just like we're doing,  
21 we do have that allocated in 5,100 in the budget  
22 for substitute teachers.

23 MS. PAULINE: 5,100 on line 120, is what I  
24 think I remember reading?

25 DR. LaFRANCE: Yes.

1 MS. PAULINE: I don't see a line 120 under  
2 the 5,100. Am I missing it?

3 DR. LaFRANCE: So it's actually 51,100.

4 MS. PAULINE: So it's lumped into the salary  
5 number?

6 DR. LaFRANCE: Uh-huh.

7 MS. PAULINE: Is there an assumption made in  
8 terms of the rate you're budgeting, how many per  
9 month or per year?

10 DR. LaFRANCE: Well, we just used basically  
11 the empirical data of what we have at our school  
12 right now at our K-8.

13 MS. PAULINE: What is that empirical data?

14 MR. STERNBERG: We're looking it up. Yes,  
15 ma'am.

16 MS. PAULINE: Okay. We can come back to  
17 that.

18 CHAIR GAY: Okay. You can come back to it  
19 or are you prepared to respond?

20 MR. CALKINS: No, ma'am. Jeremy Calkins  
21 again.

22 I did want to say our Senior Director of  
23 Finance, who handles the day-to-day on this,  
24 couldn't make it today because she -- her mother  
25 is having a major medical procedure.

1 MS. PAULINE: Oh, I'm so sorry.

2 MR. CALKINS: She would be the one best  
3 equipped. But I do know our budgets. I review  
4 our budgets with her. And the 51,100 would be  
5 the line item. And we're trying to find the  
6 percentage for you.

7 CHAIR GAY: Okay. While you all are looking  
8 for that, I'll ask if there's any other questions  
9 for --

10 I'm sorry, School Board, would you like to  
11 respond?

12 MS. AMATO: I'm sorry, can you repeat what  
13 the question was? I was looking something up.

14 CHAIR GAY: I believe the question is with  
15 respect to the provision of substitute teachers  
16 based on your denial letter.

17 MS. AMATO: No, ma'am.

18 CHAIR GAY: Okay. Any other questions of  
19 the Members while the Applicant is looking up  
20 their information?

21 MR. GARCIA: I do.

22 CHAIR GAY: Yes.

23 MR. GARCIA: Regarding the comment that the  
24 School District made regarding junior varsity  
25 coaches. Based on the School's prior experience

1 or current experience, has there been any  
2 collaboration with the School District, as is  
3 allowable by the statute, that students and  
4 charter schools participate in sports with the  
5 District?

6 MS. BLANDINO: Hi. Good morning. Valeria  
7 Blandino. I'm currently the principal of the K-8  
8 center.

9 No, we haven't had any collaboration with the  
10 District. The only thing that we have done is  
11 that we currently have a girl's volleyball team.  
12 And they just had their first game with one of the  
13 districts of public schools as well.

14 So they did compete against them. They did  
15 play. But there hasn't been any additional  
16 collaboration or any additional offers to be able  
17 to collaborate with them.

18 MR. GARCIA: But I hope you also understand  
19 that it is allowed. Charter school students can  
20 participate in sports within the district with no  
21 limitations pretty much.

22 MS. BLANDINO: Thank you.

23 CHAIR GAY: Would the School Board like to  
24 respond?

25 MS. AMATO: Candy Amato.

1           So we do have charter schools that do not  
2 offer sports that do participate at their zoned  
3 school. Obviously they have to fill out the  
4 controlled open enrollment and work with our  
5 athletic director. But we do have charter schools  
6 in our district that do have their children  
7 participate at their zoned school.

8           MR. GARCIA: Okay.

9           CHAIR GAY: Thank you.

10          Any other questions, Members?

11          (No response.)

12          CHAIR GAY: Are you all still working on  
13 gathering the information?

14          MR. CALKINS: She is.

15          CHAIR GAY: Okay. I just wanted to make  
16 sure.

17          MR. CALKINS: It's a calculation we're  
18 looking for.

19          CHAIR GAY: Understood.

20          Any other questions while we're waiting?

21          DR. SWEENEY-SCOTT: I have a question about  
22 ESOL for the District. And I don't know how to  
23 ask it because I've never worked in a high  
24 school, so just bear with me.

25          Younger children who come in needing

1 services, I would I assume would need a lot more  
2 depending on, you know, their language when they  
3 came to school. But at the high school level, if  
4 they've been in school for the most part, you  
5 know, over the years, what differs as far as what  
6 an ESOL teacher would provide? Would it be more  
7 services, accommodations?

8 And the only reason I'm asking is because I'm  
9 trying to justify a .5. I'm trying to see how  
10 that plays in.

11 MS. AMATO: Candy Amato.

12 So, again, it would be both. The area of the  
13 district in which the school is looking to open is  
14 a very high Hispanic population. There's a lot of  
15 mobility in that area.

16 Obviously, with a charter school, they do  
17 have that enrollment process and application  
18 period. But, again, it is an area of high need  
19 for dual language services. Those students would  
20 need both.

21 CHAIR GAY: And for the school to respond as  
22 well.

23 DR. LaFRANCE: I think I know what you're  
24 asking there. What we have found in our K-8 is  
25 our -- what we see with our ESOL students as they



1 go up in grades, they are testing out of ESOL.  
2 It's usually about two years of services, and  
3 then they test out of those services. So we have  
4 a lot less of students receiving ESOL services at  
5 our middle school, which is 6-8, as compared to  
6 our K-5.

7 CHAIR GAY: Go ahead.

8 MR. GARCIA: One follow-up question with the  
9 same thought in mind. As students move up into  
10 the high school, their level of direct services,  
11 in my experience, tends to be less.

12 How have you experienced that in elementary  
13 going into middle school and what is projected for  
14 high school?

15 MS. BLANDINO: Good morning. Valeria  
16 Blandino again.

17 So currently we have 38 percent of our school  
18 population is ESOL at the entire school.  
19 Obviously in the middle school component, it is  
20 significantly less. So we're looking at  
21 approximately, I would say, a good perhaps maybe  
22 15 percent that will be.

23 And they do require less services that are  
24 needed. As far as we also have additional support  
25 staff that does provide the services when needed.

1 MS. PAULINE: Can I ask the District a  
2 question?

3 CHAIR GAY: Of course.

4 MS. PAULINE: Can you talk to me a little  
5 bit about, I guess, the demographic landscape in  
6 terms of newly arrived immigrants in the area  
7 that's being proposed? I guess for the School or  
8 the District. I don't know.

9 CHAIR GAY: I think it's posed to the  
10 District.

11 MS. AMATO: Okay. I was looking at  
12 something.

13 MS. PAULINE: I'm trying to gauge how many  
14 kids would matriculate from a K-8 and how many  
15 would come in for the first time of the potential  
16 for new entries at the high school level with  
17 ESOL requirements, because I'm assuming, based on  
18 Kia's conversation and Osvaldo's conversation,  
19 the need of services would be different for a kid  
20 matriculating from an existing system from a kid  
21 coming into the country for the first time in a  
22 high school, whether it be the first year of the  
23 high school or the fourth year of the high  
24 school?

25 MS. AMATO: Yes. So obviously services will

1 be needed regardless, you know, whatever level  
2 they come in at. So that area -- and, Kia, I  
3 know you're on the other side of that line. So  
4 that area is obviously growing by leaps and  
5 bounds to where we can't even -- you know, we're  
6 struggling to keep up with the housing and the  
7 infrastructure as it is.

8 MS. PAULINE: Right.

9 MS. AMATO: So I will -- let me reach out to  
10 the Facilities Department so they can give me  
11 some more context.

12 MS. PAULINE: I just needed anecdotal  
13 information. I just needed to -- like in Miami,  
14 of course, we see an influx, you know, at  
15 different parts of the year.

16 MS. AMATO: Correct.

17 MS. PAULINE: I'm not familiar with Polk  
18 County or that part of the state.

19 MS. AMATO: Yes.

20 MS. PAULINE: But just curious as to whether  
21 you're seeing the same kind of trend.

22 MS. AMATO: Yeah. And more so in that area  
23 would be higher need of incoming immigrants who  
24 are learning the language for the first time.

25 Obviously if they're receiving services at a

1 younger age, obviously we know that acquisition of  
2 the language looks a little different from kinder  
3 and first than it does in high school.

4 CHAIR GAY: I would like to provide an  
5 opportunity for the School to respond to that  
6 question, if you would like.

7 MS. BLANDINO: Valeria Blandino.

8 So we have seen an influx, but not  
9 significantly to say that -- it is more in the  
10 lower grade levels that we have seen it versus the  
11 middle school, which would be the services that  
12 there would be obviously a need for as far as the  
13 high school goes.

14 It's not as big as it is in Miami. I'm from  
15 Miami, Florida, so I know exactly the influx that  
16 we have in Miami. It's very different. It's a  
17 very different population here.

18 MS. BARBER: I have a follow-up question for  
19 the school.

20 CHAIR GAY: Go head.

21 MS. BARBER: I think you just mentioned when  
22 you were up previously that your ESOL population  
23 of the K-8 is 33 percent?

24 MS. BLANDINO: No, 38 percent in the entire  
25 school. So the K-8, yes.

1 MS. BARBER: So 38 percent?

2 MS. BLANDINO: Yes.

3 MS. BARBER: And then looking at your chart  
4 that you have on page 11 of your application, it  
5 says that the ELL population is 16 percent.

6 I was just curious where that number arose  
7 from because I'm assuming that your ELL numbers  
8 for your new school came as an average?

9 MS. BLANDINO: I believe when we did the  
10 averages, it was based on the previous numbers.

11 DR. LaFRANCE: Diane LaFrance.

12 That was brought up at our interview  
13 question, and you can see the answer there. That  
14 was an error in transcribing there. So you can  
15 see that in the -- if you have the interview  
16 questions there.

17 MS. PAULINE: So a follow-up. What is the  
18 accurate picture now?

19 DR. LaFRANCE: The 38 percent, which is what  
20 we have right now.

21 MR. GARCIA: For the entire school?

22 DR. LaFRANCE: Uh-huh.

23 MS. BARBER: Is there -- I'm sorry, if I can  
24 follow up.

25 CHAIR GAY: Yes.

1 MS. BARBER: Is there a breakdown for, let's  
2 say, sixth through eight or the eighth grade of  
3 the students that you're expecting to matriculate  
4 there?

5 DR. LaFRANCE: We can look and see if we can  
6 get that for you.

7 CHAIR GAY: Osvaldo, did you have a  
8 follow-up?

9 MR. GARCIA: No. I was just curious about  
10 ESOL students in the eighth grade, which would be  
11 the ones transferring.

12 MS. BARBER: In addition to just the overall  
13 percentage, I'm interested to know the ESOL  
14 levels of those students. If you could provide a  
15 breakdown of that.

16 DR. LaFRANCE: Okay.

17 MS. BARBER: Sorry. I have another question  
18 for anybody who has the documents in front of  
19 them. I'm looking in the notes from the District  
20 of the interview that they had with the School,  
21 and I was looking to reference what the School  
22 just mentioned about the comment that it was a  
23 transcribing error from the 38 percent to the  
24 16 percent.

25 Does anybody see where that is so I can look

1 at it?

2 MS. AMATO: This is Candy.

3 So to answer your question, ma'am, if you  
4 look on the Evaluation Instrument on page seven,  
5 it's under "Target Population and Student Body."  
6 It starts on page seven and then moves into page  
7 eight. So there were repeated typographical  
8 errors.

9 MS. BARBER: Are you referencing the --

10 MS. AMATO: It states on page ten of the  
11 charter application, NAL-003 will abide by the  
12 enrollment of all policies and parameters. We  
13 cannot anticipate what our exact student  
14 population will look like; however, we anticipate  
15 the student population may mirror that of  
16 NAL-002, which is their K-8.

17 On page 11 of the charter application  
18 reflects Navigator Academy of Leadership K-8 has  
19 16 percent of its students on free and reduced  
20 lunch. Sorry. And then it moves into -- and then  
21 page nine.

22 MR. GARCIA: There's a little table on page  
23 nine.

24 MS. BARBER: Right. I see where it refers  
25 to the free and reduced lunch. I was looking for

1 if it refers to the ELL and ESOL numbers.

2 MS. AMATO: I did see that. Hang on.

3 MR. GARCIA: Page nine.

4 MS. AMATO: Yeah. Go to page nine.

5 CHAIR GAY: Page ten is where it says --  
6 that was just a scrivener's error.

7 MS. BARBER: Yes.

8 CHAIR GAY: I think that's referencing --

9 MS. BARBER: That's referencing the free and  
10 reduced lunch.

11 CHAIR GAY: Oh, okay.

12 MS. AMATO: I'm still looking.

13 MS. BARBER: If it's not there, that's fine.  
14 I was just looking.

15 MR. GARCIA: Did you see the chart on page  
16 nine?

17 MS. BARBER: I did, yes. But I didn't  
18 see -- the School had mentioned the discrepancy  
19 between the 16 percent ELL and what they had just  
20 mentioned as the 38 percent, so I was looking for  
21 reference to that discrepancy.

22 MS. BLANDINO: Valeria Blandino.

23 So I have the number. We do have LY, which  
24 up here in Polk County is not at the levels the  
25 way it is down there, Levels 1, 2, 3. It's LY or



1 LF.

2 So currently we have 22 students in LY, which  
3 are the ones that receive funds in eighth grade.  
4 And three of them are LF, which is exited the  
5 program already.

6 MS. BARBER: So that's 25 students in total?

7 MS. BLANDINO: Yes, 25 students in total.

8 MS. BARBER: I'm sorry. One follow-up  
9 question.

10 MS. BLANDINO: Yes.

11 MS. BARBER: That's for eighth grade?

12 MS. BLANDINO: Eighth grade.

13 MS. BARBER: And your overall population for  
14 eighth?

15 MS. BLANDINO: It is 116.

16 MS. BARBER: Is it 116 or 160?

17 MS. BLANDINO: 116.

18 MS. BARBER: Okay. Thank you.

19 CHAIR GAY: I do have a question for the  
20 School. One of the -- I believe it was  
21 articulated in the denial letter that the K-8 had  
22 to make some adjustments to its ESOL teachers  
23 during the first year.

24 Can you just describe what that was like?

25 MR. CALKINS: If it's in the first year --

1           Jeremy Calkins here, I'm sorry.

2                     Our principal for the first year and our VP  
3 of Academics and Operations are no longer with the  
4 company, so this group, I don't think, would be  
5 able to answer that specifically.

6           CHAIR GAY: Okay. Thank you. I'm sorry.  
7 Maybe I'm wrong.

8           DR. LaFRANCE: No, you're not wrong. I'm  
9 Diane LaFrance again.

10                    I can say that, just like every year, we make  
11 changes based on the students we have. So I will  
12 say within the last two years, we've added like a  
13 para-position to our ESE services just within the  
14 last two years.

15           CHAIR GAY: Would the School Board like to  
16 respond?

17           DR. LaFRANCE: Actually, two additional was  
18 added within the last two years in  
19 para-positions.

20           CHAIR GAY: I was mostly asking just in the  
21 denial letter it referenced that.

22           MS. AMATO: Okay. I was going to say the  
23 numbers she's quoting are from their current K-8.

24           CHAIR GAY: Right.

25           MS. AMATO: However, they did indicate they

1 would be sharing services during that first year.

2 CHAIR GAY: Thank you.

3 Any other questions, Members?

4 DR. SWEENEY-SCOTT: I have one more  
5 question.

6 I think I heard someone in the School  
7 mention -- or from the School mentioned that the  
8 .5 is for part-time teachers. So what would the  
9 other .5 be? What would that responsibility be  
10 for that teacher?

11 MR. STERNBERG: I can address that. Thomas  
12 Sternberg.

13 The .5, again, is talking about see-time  
14 allocation, and it's a really a budgetary  
15 projection of, you know, if a teacher is making  
16 \$40,000, .5 is allocated \$20,000 to that.

17 So the .5 isn't necessarily the amount of  
18 time they're going to be spending. It's just that  
19 shared position as it relates to the ESE or ESOL  
20 or the para-professions that we're asking for.

21 So it's not that they're -- that one teacher  
22 might do both and do the legal work, the  
23 compliance that go with an IEP. But that's just  
24 the budgetary .5. So it's not like they're  
25 splitting their time. Well, they are, but it's

1           only allocated \$20,000 for that budget-wise.

2           CHAIR GAY: Any other questions, Members?

3           (No response.)

4           CHAIR GAY: All right. If we're ready to  
5           move into a motion.

6           MS. BARBER: I'll make a motion.

7           CHAIR GAY: Go ahead, Ashley.

8           MS. BARBER: I move that the Commission find  
9           that there is not competent substantial evidence  
10          to conclude that the Applicant's plan for  
11          management and staffing does not meet the  
12          requirement of SS 1002.33(7)(a)9 and  
13          1002.33(7)(a)14, Florida Statutes, and the  
14          standards set forth in the Evaluation Instrument  
15          adopted in Rule 6A-6.786, FAC, Section 11.

16          MS. PAULINE: I second that.

17          CHAIR GAY: All right. I have a motion and  
18          a second. I would like to open for discussion to  
19          articulate our factual basis.

20          MS. BARBER: So we need discussion so that  
21          we can record?

22          CHAIR GAY: Right.

23          So just to explain, one of the cases within  
24          the past several years is that we have to  
25          articulate our factual basis. So this is our

1 opportunity to do that, to get it on the record,  
2 and also use in formulating that final written  
3 recommendation.

4 So if you could articulate that factual basis  
5 during this discussion period.

6 MS. BARBER: So I would say that the  
7 staffing plan seems adequate to cover all the  
8 needs of the students. And the School appears to  
9 be aware of the possibility for a potential  
10 increase in staffing, especially that .5 ESOL  
11 they seem prepared to add if needed. And the  
12 coaching positions that the District was  
13 concerned about seems to be well covered in the  
14 applicant's response.

15 CHAIR GAY: Anyone else?

16 MS. BARBER: Do we need to address all of  
17 the District's concerns? I don't know if my  
18 comments just addressed everything. So do we  
19 need to address all of the District's concerns in  
20 our comments?

21 MS. BRAUN: I think it would be helpful for  
22 the record if we at least touched on them.

23 MS. BARBER: I was just going to go back and  
24 see. I don't know if I can cover them all.

25 MS. BRAUN: I think there was ESOL, ESE,

1 coaching, substitute teachers.

2 CHAIR GAY: Maintenance curriculum  
3 specialist and IT specialist.

4 MS. BARBER: I think overall I feel like the  
5 applicant would be prepared to cover the  
6 positions or provide for those positions as  
7 needed. They seem confident and aware of the  
8 needs of the school.

9 CHAIR GAY: Osvaldo, do you have anything to  
10 add?

11 MR. GARCIA: I would say that the two .5  
12 positions that they make reference to in their  
13 application are justified by the percent of  
14 students that they currently have going into,  
15 which would be the majority of the students for  
16 year one, 116 out of 250 starting with, so I  
17 think it's justifiable.

18 MS. PAULINE: I would add that I think  
19 what's been presented specific to ESE, the ESOL,  
20 the clarification provided about the substitute  
21 teachers, I think those are all reasonable. I  
22 do, however, have some concern about budgetary  
23 allocations to support, but there seems to be  
24 acknowledgment of an appropriate staffing level.

25 CHAIR GAY: All right. If no further

1 discussion, I'll ask Karen to call the roll for  
2 the vote.

3 MS. HINES-HENRY: Ashley Barber.

4 MS. BARBER: Yes.

5 MS. HINES-HENRY: Tiffanie Pauline.

6 MS. PAULINE: Yes.

7 MS. HINES-HENRY: Osvaldo Garcia.

8 MR. GARCIA: Yes.

9 MS. HINES-HENRY: Kia Scott.

10 DR. SWEENEY-SCOTT: Yes.

11 CHAIR GAY: All right. Thank you. The  
12 motion carries.

13 And we will then move into the third and  
14 final issue. I just want to note it is 11:11. I  
15 would like to start this issue and then do a lunch  
16 break.

17 So the third issue is whether the applicant's  
18 budget meets the requirements of Sections  
19 1002.33(6)(a)4 and (6)(b)2, Florida Statutes, as  
20 well as the standards set forth in the Evaluation  
21 Instrument adopted in rule.

22 So the School will have three minutes to  
23 present on the issue of the budget.

24 MR. STERNBERG: Thank you, Madam Chair. And  
25 I won't take the entire three minutes.

1           I would like to bring this Commission back  
2 again to what we're here before on the budget.  
3 We're here as an experienced operator with a  
4 current K-8 with a long and lengthy wait list that  
5 operates at a surplus and is now moving into the  
6 next phase of the process. And I would like to  
7 talk about the reasons for denial of why they  
8 think it wasn't -- why the School Board of Polk  
9 County does not believe that the budget balances.

10           Of course the budget won't balance if you  
11 take out and cherrypick whatever you don't want to  
12 include in a budget. So the budget as currently  
13 written and presented does balance.

14           Yes, it includes fundraising, fundraising  
15 with historical empirical data, a small amount,  
16 we're talking \$30,000, has been shown to make a  
17 technology fee, which is a non -- you know, it's  
18 not part of an application. It's not something  
19 that they could ever deny somebody on. It's part  
20 of a budget they that can include.

21           CSP grants, they are competitive, absolutely.  
22 And if they don't get it, we have talked about the  
23 budget shortfalls with DA Davidson and what we can  
24 do. But we're anticipating to receive the CSP  
25 grant.



1 Grants are allowed to be put in a budget.  
2 There's no requirement under Florida  
3 Administrative Code that says that they cannot be.  
4 And the non-recognized revenue is just that. If  
5 the CSP grant is recognized, then there is a  
6 balanced budget. If there isn't, then there are  
7 other shortfalls and contingencies that this  
8 experienced operator in multiple counties knows  
9 how to allocate and knows how to do it.

10 And a budget is just that. It's a proposed  
11 budget. It's a projected budgeted. And I hope  
12 this Honorable Commission understands that this  
13 group, with their experience, with the ability to  
14 understand and operate, will do just that and  
15 ensure that this budget, as currently written,  
16 which does balance, will continue to serve the  
17 students as they move forward, whether it's  
18 management staffing, whether it's the grant  
19 funding, whether it's the work with financiers,  
20 they have met all the standards, and the District  
21 did not have competent substantial evidence. And  
22 they're relying on nonmandatory requirements of  
23 charter schools in denying this section of the  
24 application. Thank you.

25 CHAIR GAY: Thank you.

1           And the School Board, you have three minutes  
2 when you're ready.

3           MR. BRIDGES: Thank you, ma'am.

4           As I mentioned earlier, of the three, the  
5 greatest of these is budget. And budget is where  
6 we spent most of our time in analyzing and  
7 critiquing this application. And it simply was an  
8 unusual budget.

9           As I mentioned earlier, the items that  
10 counsel has mentioned are not things that we see  
11 in charter school budgets. This is unique in our  
12 experience.

13           So 250,000 in CSP grant revenue for the first  
14 two years of operation, competitive grant first  
15 off. Then we move to the capital outlay funding,  
16 which they've included, which they are not  
17 eligible for. The budget did not balance without  
18 this.

19           If they're able to come in today and tell you  
20 that based on their fund balance with other  
21 schools and revenues in other bank accounts that  
22 they can pay their bills, I'm not sure why we have  
23 an application process asking them to submit a  
24 budget. Our problem is that we are analyzing the  
25 budget that is put before us.

1           In all of the years that we have received  
2 charter school applications -- and by the way, I  
3 know counsel talked earlier about us somehow  
4 holding out the number of denials that we've had  
5 as exemplary. No.

6           The point there is we have reviewed a bunch  
7 of charter applications through the years. We've  
8 denied several and we have approved several. We  
9 are not newbies when it comes to reviewing charter  
10 school applications and charter school budgets.  
11 This one stands out to it because it includes  
12 these things that we've referenced in our denial  
13 letter.

14           The CSP grant funds, we've not seen that  
15 included in an application before. We have plenty  
16 of applicants who have been like situated, but  
17 that is not an item that we would consider  
18 appropriate for inclusion in a budget.

19           The capital outlay, once again, they included  
20 it. They're not entitled to it. They  
21 acknowledged that.

22           The technology fee, as I mentioned earlier,  
23 that's a double concern to us. It's not a whole  
24 lot of money, but it does raise the specter of  
25 situations in years past where we were accused of

1 sort and select at the district. That is  
2 something that immediately raises the red flag for  
3 our Charter Review Committee in reviewing their  
4 budget.

5 They have acknowledged that it is not  
6 appropriate. They have now said they will still  
7 include it but as a donation. And I'm not sure  
8 how you can budget based on donations. We  
9 referenced their other miscellaneous sources.

10 CHAIR GAY: I'm sorry, that is your three  
11 minutes.

12 MR. BRIDGES: I think we touched on all the  
13 issues. Thank you.

14 CHAIR GAY: All right. Now we're ready to  
15 move into questions from the Members on the  
16 budget.

17 MS. PAULINE: I'll start with a very  
18 preliminary question. So in the standard -- the  
19 model application template, it says under Section  
20 20, Question B -- D, I'm sorry -- D as in dog --  
21 provide a detailed narrative description of the  
22 line item revenue and expenditure assumptions on  
23 which the operating and startup budgets are  
24 based. The budget narrative should provide  
25 sufficient information to fully understand how

1 budgetary figures were determined.

2 So that's usually where I first start when I  
3 analyze a budget. So I went to page 114, 13 or 14  
4 in your budget, and I saw like very brief  
5 descriptions, primarily couched off of estimations  
6 from recommendations from the charter support unit  
7 template, I'm assuming.

8 But am I missing that somewhere in the  
9 application? Was there an attachment that  
10 actually went line by line so that the reader or  
11 the evaluator could determine the actual  
12 assumptions on methodology made or even the  
13 revenue worksheet to help understand how the FEFEP  
14 was derived and any of those line items? Did I  
15 miss it somewhere?

16 MR. CALKINS: Jeremy Calkins.

17 I think I understand the question. I may  
18 need clarification. But we have internal  
19 processes that we use based off empirical data  
20 that we build our budgets based off percentage  
21 points.

22 And I would like to say that in year one of  
23 our first budget, we exceeded those projections by  
24 665 percent. In year two, we exceeded it by  
25 471 percent. In three year, we exceeded it by 450

1 percent. In year four, 596 percent. On average,  
2 we've exceeded our budget projection revenues or  
3 expenses by more than 500 percent. So what we do  
4 is we took our empirical data with the charter  
5 support unit to derive at our numbers.

6 And to address Mr. Bridges' comments about he  
7 hasn't seen a budget. They made reference to how  
8 good we are at budgets in the application. And we  
9 have a significant fund balance. So I think we've  
10 demonstrated that we know how to build and  
11 maintain budgets.

12 Also, when he said he hasn't seen these other  
13 things, we do them. That's why they're in there.  
14 So fundraising this last year, we allocated, we  
15 had a budget line item for \$70,000. The actual  
16 revenue that we brought in was \$160,000. So these  
17 are things that we're actually doing.

18 CHAIR GAY: Thank you.

19 Was your question answered?

20 MS. PAULINE: No. Let me use an example.

21 So like in the conversation we had on the  
22 staffing, I believe it was the management and  
23 staffing, we talked about substitutes being  
24 buried into -- I won't say buried -- embedded  
25 into that line 5,100, that salaries line.

1           A narrative would show me how much of that  
2 total number would be X number of teachers, X  
3 number of administrators, X number of substitutes.  
4 That's the whole purpose of the narrative, so that  
5 evaluator or the reader can determine -- and I  
6 think it's in the evaluation tool -- how realistic  
7 the assumptions that are made are.

8           And I'm just failing to -- I have no way to  
9 validate or verify your narrative portion of some  
10 of the items in your application and juxtapose  
11 that to the support that would be needed in the  
12 financial section, like the maintenance. We  
13 talked about a bunch of examples like that, the  
14 ESOL, the ESE.

15           It's hard to see or to glean if there is  
16 valid accountancy for that plan or programs that  
17 you say you're going to provide because I don't  
18 have much here.

19           And it's okay to use a percentage based on  
20 empirical data. That's fine. But then you  
21 need -- I would expect you then to explain for  
22 this line item based on X, Y and Z, we assume that  
23 of the total revenue or of the total expenses this  
24 would equate to X percent because of. I mean,  
25 that's not what I'm seeing, unless it's here and

1 I'm missing it.

2 MR. CALKINS: Yes, ma'am. It's embedded in  
3 our worksheets. And that information wasn't  
4 asked for us to provide.

5 So the function and object codes that we use  
6 in our projected estimates and how we prepare our  
7 budget, those are embedded by function code, very  
8 detailed inside the worksheets that we used to  
9 develop these budget projections.

10 MS. PAULINE: Okay. So the question that  
11 I'm asking, was there a detailed narrative  
12 provided for both the five-year budget and the  
13 startup budget that would provide sufficient  
14 information for the evaluator?

15 MR. CALKINS: Yes, ma'am. We provided a  
16 five-year statement to cash flows with every  
17 single function and object --

18 MS. PAULINE: No. Narrative, a budget  
19 narrative. The question is, is it here or is it  
20 not here? Am I missing it or it's not in here?

21 MR. CALKINS: I guess your question towards  
22 a specific narrative is, no, ma'am, we didn't  
23 provide a narrative. It was never asked.

24 MR. STERNBERG: Just briefly. You know,  
25 it's kind of to go to what we have Capacity



1 Interviews for. And a budget narrative can be  
2 explained in the budget in and of itself, the  
3 line items, object codes, applying certain  
4 amounts to that.

5 And then when you go through an interview, a  
6 Capacity Interview, you know, you also have the  
7 seven days for technical nonsubstantive changes.  
8 All of these things are --

9 Thomas Sternberg, by the way. My apologies.

10 All of these things are composed of what  
11 would be a narrative. So if I can ask a  
12 clarifying question.

13 Are you talking about like a written-out  
14 response for each object code? How can I better  
15 answer the question?

16 MS. PAULINE: So just using the description  
17 that is provided in the model application  
18 template, provide a detailed narrative  
19 description on the line item revenue and  
20 expenditure assumptions.

21 In most of the applications I've seen,  
22 whether it's in this process or in our district's  
23 process, there is a separate two, three,  
24 four-pager that goes line by line.

25 And I've even seen it with the CSU model

1 where revenue is X, Y and Z. This is comprised  
2 of, this makes up the staffing section where it  
3 talks about the salaries. This is, you know, X  
4 number of full-time teachers, X number of  
5 administrators, X number of whatever at whatever  
6 rate so that someone could then back into the  
7 number, because the evaluation tool is asking the  
8 reader to evaluate whether or not this is valid or  
9 realistic or reasonable. And I believe that was  
10 the reason for that Number D, so that we could  
11 take just general numbers back into them to make  
12 that determination.

13 MR. STERNBERG: So now I understand a little  
14 better.

15 MS. PAULINE: Okay.

16 MR. STERNBERG: So would that be maybe  
17 better suited under the financial management and  
18 oversight section, discussing the --

19 MS. PAULINE: No. It's a part of the budget  
20 section, Section 20.

21 MR. STERNBERG: I understand the narrative  
22 that we're talking about is something written  
23 out. But wouldn't that be better suited under  
24 the financial management and oversight section,  
25 how they're expending the funds?

1 MS. PAULINE: No. Financial management is  
2 talking in general about how you're managing your  
3 finances over the course of operation.

4 MR. STERNBERG: Yes.

5 MS. PAULINE: This is talking to how you  
6 built your budget now for the five-year term and  
7 the startup. They're two separate things.

8 MR. STERNBERG: Okay. So as for the  
9 written, let me look back and see if I can get  
10 some clarification there.

11 MS. PAULINE: Okay. I just want to make  
12 sure I'm not missing it. That's all.

13 MR. STERNBERG: No. Absolutely.  
14 Understood. I just wanted to make sure I was  
15 clarifying what we were actually looking for. I  
16 appreciate it, though. Thank you.

17 MS. PAULINE: Sure. And I have more  
18 questions.

19 MS. BARBER: Yes, I have questions.

20 CHAIR GAY: We'll go ahead and move to other  
21 questions while you all are looking for it,  
22 unless you need a few minutes.

23 Mr. Sternberg, do you need a few minutes or  
24 can we continue the questions while you all look  
25 into that?

1           MR. STERNBERG: I think you can continue.  
2           Absolutely.

3           CHAIR GAY: Okay. Wonderful.  
4           Go ahead, Ashley.

5           MS. BARBER: Okay. So I had a question for  
6           the School. I know that the District had asked  
7           it as well, but looking at the project advance  
8           from development, you had \$75,000 in preplanning  
9           and \$275,000 in the first year of operation and  
10          then also just referencing the letter from DA  
11          Davidson and the funds that might be received  
12          there.

13          Is a repayment plan included in the budget  
14          for those items?

15          MR. CALKINS: Jeremy Calkins.

16          No, ma'am. I realize I'm not doing a great  
17          job explaining this, so I'm going to try to do it  
18          better. It's already there. So that's just the  
19          line item that we allocated. We could put -- so  
20          let me give you an example.

21          When we talk about the DA Davidson letter of  
22          contingency, there's \$3 million in contingency.  
23          That's what we think we have available. That's  
24          already allocated to debt service. So we're  
25          basing our amortization schedule based off of a \$3

1 million contingency.

2 That's why all of these other line items that  
3 we're talking about, we're really not worried  
4 about because we know that we have a \$3 million  
5 contingency that's already baked in through  
6 project development fees. And that's a line item  
7 9,200. So it's a \$15 million guaranteed maximum  
8 price integrated project delivery.

9 And so we don't expect to use them. That's  
10 why they're contingency. We expect to use  
11 everything, including fundraising, including CSP  
12 that we think we're going to get. But in the  
13 event we don't get these, we have a \$3 million  
14 contingency. And that's what the DA Davidson  
15 letter provides.

16 MS. BARBER: So just to clarify, so 9,200  
17 debt services references repayment?

18 MR. CALKINS: Yes, ma'am.

19 MS. BARBER: And that also encompasses rent?

20 MR. CALKINS: That encompasses everything.  
21 That encompasses our contingency. It encompasses  
22 everything. And that's why I was going back to  
23 my original opening statement. I don't believe  
24 anybody does what we do. You know, we maximize  
25 the benefit to the school.

1 MS. BARBER: And then, I'm sorry, I'm just  
2 trying to wrap my head around these different  
3 pieces.

4 MR. CALKINS: Yes, ma'am.

5 MS. BARBER: But the project advance from  
6 development, the \$7,500 -- sorry -- \$75,000 and  
7 \$275,000, those funds are from that \$3 million  
8 contingency?

9 MR. CALKINS: That's correct. And we  
10 actually have a letter from DA Davidson where we  
11 do have \$350,000 we've allocated for preplanning.  
12 And above and beyond that, that wasn't in the  
13 application.

14 MS. BARBER: I'm sorry, you have a letter  
15 from DA Davidson?

16 MR. CALKINS: It's not a letter, but a  
17 breakdown in our sources and uses through  
18 development.

19 And that's going back to my opening  
20 statements, too. That's why the District wouldn't  
21 see it, because they're a part of the development  
22 fees.

23 MS. BARBER: Do you have anything that you  
24 can share with the Commission here showing that  
25 DA Davidson has either --

1 MR. CALKINS: Sure.

2 MS. BARBER: -- provided funds for this  
3 school or is guaranteeing a set number of funds  
4 for this school?

5 MR. CALKINS: Well, they won't guarantee, as  
6 mentioned before, in the letter of intent. But I  
7 can give you -- I can find an email and show it  
8 to you from Senior Vice President Maggie Mirsky.

9 MS. BARBER: Is that something that seems  
10 appropriate?

11 MS. BRAUN: I mean, you can take into  
12 account additional information learned from the  
13 parties today. So if that would help the  
14 Commission in making their decision, yes.

15 MS. BARBER: Yes.

16 MS. PAULINE: Can I follow up here?

17 CHAIR GAY: Yes.

18 MS. PAULINE: Okay. So the debt service  
19 line item, the 9,200 on the five-year capital  
20 budget.

21 MR. CALKINS: Yes, ma'am.

22 MS. PAULINE: And I assume Column 250 is  
23 your planning year?

24 MR. CALKINS: Yes, ma'am.

25 MS. PAULINE: Okay. So that says 225 in the

1 first year, right, 225,000?

2 MR. CALKINS: That's correct. Yes, ma'am.

3 MS. PAULINE: Okay. And then the project  
4 advance from development income is 275?

5 MR. CALKINS: Yes, ma'am.

6 MS. PAULINE: And then on the startup  
7 budget, the startup budget there was  
8 seventy-something-thousand.

9 MS. BARBER: 75,000.

10 MS. PAULINE: 75,000 there. So that coupled  
11 with -- I don't clearly understand. And I may  
12 need to kind of unpack these questions.

13 Let's back up. So talk to me first about the  
14 facility's financing arrangement.

15 MR. CALKINS: Yes, ma'am.

16 MS. PAULINE: Because in parts of the  
17 application, it was referenced as rent, and there  
18 were conflicting amounts of rent. But then it  
19 was spoken to, and you have the letters from DA  
20 Davidson that propose that it's debt service.  
21 I'm just confused.

22 MR. CALKINS: Yes, ma'am.

23 MS. PAULINE: I mean, I don't know how else  
24 to put it. I'm just confused as to what is  
25 happening here.



1 MR. CALKINS: Yes, ma'am. So we have a  
2 \$15 million allocation for the high school.  
3 That's what we're working on for --

4 MS. PAULINE: To build a new building?

5 MR. CALKINS: To build a new facility.

6 MS. PAULINE: When you say --

7 MR. CALKINS: And just to put that --

8 MS. PAULINE: Hold on one second.

9 MR. CALKINS: I'm sorry.

10 MS. PAULINE: When you say "we," do you mean  
11 Compass or do you mean the school?

12 MR. CALKINS: The school. The school owns  
13 it. And I'm glad you asked that question. Let  
14 me clarify this.

15 Compass doesn't own the schools. The school  
16 owns the schools. Our schools own their schools.

17 MS. PAULINE: Okay.

18 MR. CALKINS: We serve as a developer at a  
19 fee. All open book. Everything is open book.  
20 It's the developer at a fee with a guaranteed  
21 maximum price. So we take a set amount of  
22 \$15 million. That's what we've done here.

23 To draw a comparison, we don't have nearly  
24 the impact that we had when we did the K-8. And  
25 we're sharing a campus, so that's why I think we

1 have to compare the two.

2 All of the infrastructure that we didn't have  
3 is already there. We brought that project in with  
4 a \$14 million GMP at \$12.177 million. So the  
5 construction costs were \$8.8 million.

6 Now, we are going to have a little bit of  
7 site cost because we're going to have to put rain  
8 tanks on, which will bring the site development  
9 costs back up. But we have a very significant  
10 contingency baked into our development plan.

11 So we do not believe based off, you know, all  
12 the bids and estimates that we've been getting  
13 in -- and this was asked of me at the time of the  
14 application. We are very comfortable that we have  
15 a very conservative estimate here. So that's why  
16 we just used those numbers. That's all we need to  
17 draw upon is the 275 and the 75 to make our  
18 balance -- our budget balance.

19 MS. PAULINE: Okay. So I kind of understand  
20 that, but I'm going to have to come back to that.

21 MR. CALKINS: Sure.

22 MS. PAULINE: So in the planning year, you  
23 have allocated monies that I assume is your  
24 contingency. Normally we would see a contingency  
25 or a reserve or like the district has a minimum

1 percentage that it holds for reserve. And  
2 understanding you don't have to do that.

3 MR. CALKINS: Yes, ma'am.

4 MS. PAULINE: But this is some arbitrary  
5 number. I'm not exactly sure what it's based on.  
6 Well, I guess that's the question.

7 You have in your year one another 275, but in  
8 the out years, I see no revenue related to  
9 contingency, nor do I see any expenditures to set  
10 aside a contingency unless that's the debt  
11 service. And if so, what is the assumption made  
12 for that if that is the contingency?

13 MR. CALKINS: It is the debt service. Yes,  
14 ma'am. And the assumption is \$15 million. And  
15 the cost of construction, the assumption that's  
16 made is \$12 million.

17 So this whole budget projection is based off  
18 the assumption that we're actually, when we get  
19 done, going to give \$3 million back to the school,  
20 and that debt service will actually go down.

21 MS. BARBER: I'm sorry, can I just --

22 MR. CALKINS: And that's how we've --

23 MS. PAULINE: I'm so confused.

24 MS. BARBER: So the \$15 million is through

25 DA Davidson?

1 MR. CALKINS: Yes, ma'am.

2 MS. BARBER: That's not -- none of that \$15  
3 million is actually acquired already? It's all  
4 something that DA Davidson is going to work with  
5 you?

6 MR. CALKINS: Yes, ma'am. That's in the  
7 plan.

8 MS. BARBER: The facility development --

9 MR. CALKINS: Plan. Yes, ma'am.

10 MS. BARBER: -- \$12 million, is that what  
11 you said?

12 MR. CALKINS: No, ma'am. The whole budget  
13 allocation for development is \$15 million,  
14 including a \$3 million development contingency  
15 fee.

16 MS. BARBER: Okay.

17 MR. CALKINS: So whatever that means. So  
18 that's why when they put in their letter at the  
19 time of the application existing facility,  
20 construction cost, fund predevelopment,  
21 contingency, FF&E, et cetera, et cetera, it's all  
22 baked into that line item, so whatever we need to  
23 draw down upon.

24 MS. BARBER: I think the concern that I have  
25 is that there's no numbers included in the letter

1 from DA Davidson. And I understand everything  
2 you've said about that.

3 MR. CALKINS: Sure.

4 MS. BARBER: There's no numbers. We're  
5 basing this off of what you're telling us. And  
6 what you're telling us is that past experience  
7 has been with DA Davidson and your other current  
8 charter school?

9 MR. CALKINS: Sure.

10 MS. BARBER: So before we kind of like dig  
11 into that a lot more, I guess my question for the  
12 District would be looking at the other charter  
13 school that's in operation that has gone through  
14 DA Davidson, listening to what the applicant is  
15 up here stating now, do you have any comments to  
16 make on their current operations and the -- and I  
17 don't want to say truthfulness -- but also  
18 truthfulness to what they're presenting here? Is  
19 there anything that we as the Commission should  
20 know about how things have progressed with DA  
21 Davidson on the current charter school?

22 I just want to give the Board an  
23 opportunity -- or sorry -- give the School Board  
24 an opportunity to discuss that, or District,  
25 sorry.

1 CHAIR GAY: That's fine.

2 MS. AMATO: Candy Amato.

3 So their current K-8 is in the positive, so  
4 they do have a fund balance. I believe it's  
5 quoted several times. It's a significant fund  
6 balance. So they are operating on the right side  
7 of the numbers, which makes us happy as a  
8 District.

9 During the Capacity Interview, Mr. Calkins,  
10 and the rest of the team that was present, did  
11 address the debt services with DA Davidson, which  
12 is why we did ask for the May letter because  
13 during the Capacity Interview, we did not have  
14 that May letter. During the Capacity Interview,  
15 that was when it was addressed and brought up  
16 about the CSP, about capital outlay.

17 Mr. Calkins did indicate that he realized  
18 their error when they did include those fees on  
19 their budget, and they did correct it in one of  
20 their workarounds and was working with DA Davidson  
21 to -- I forget the word they used -- but basically  
22 put off their debt services for three years.

23 So then we did ask for an updated letter to  
24 reflect that those debt services would be waived  
25 for the first three years because that would

1 impact the budget.

2 The letter we received does not specifically  
3 state. It does say they would help come up with  
4 some creative financing, but nowhere does it state  
5 that DA Davidson would postpone those debt  
6 services for the first three years.

7 MS. BARBER: Sorry, just a follow-up for you  
8 before you sit down. Do you have any concerns  
9 that they would not receive the funds from DA  
10 Davidson?

11 MS. AMATO: I don't know who DA Davidson is  
12 so I cannot answer that question. I don't know  
13 the relationship. I don't know their history  
14 with them. I don't know.

15 MS. BARBER: Okay. Thanks.

16 CHAIR GAY: All right. For the School.

17 MR. STERNBERG: I just wanted to address a  
18 few things. Thomas Sternberg.

19 Possibly DA Davidson is one, if not the  
20 largest, underwriters for charter schools in the  
21 state of Florida. I think that's pretty well  
22 known.

23 Briefly I found the narrative. If we look  
24 back from page 113 of it, that's where they go  
25 through in-depth. They talk about the

1 attachments. They have line items that go through  
2 there. They talk about each individual one.

3 MS. PAULINE: So just for clarification. I  
4 went through it and it's not line by line. It's  
5 just a select few of the line items that are  
6 described.

7 MR. STERNBERG: And then everything else  
8 with the narrative. They talk about not only  
9 Attachment Z, but we go through and write a  
10 detailed narrative description of line item.  
11 They go through revenue. They go through the  
12 FTE. They go through contingencies of \$350,000.  
13 They go through the line items, rentals,  
14 insurance and bond premiums, textbooks, supplies,  
15 classroom furniture.

16 And, you know, just to also bring this back.  
17 The reason why I think we really are here today on  
18 NAL-003 is because this structure is really unique  
19 in the state of Florida.

20 You know, with these individual offerers now  
21 helping us do it, they're allowed to structure  
22 these types of financing that puts the money back  
23 into the pockets -- and we talked about detailed  
24 contingencies.

25 This is a fairly new approach that's being



1 done, and we're seeing immense success with the  
2 K-8 on this model right now. We've seen immense  
3 success that DA Davidson has already loaned and  
4 secured financing through the K-8. We now have DA  
5 Davidson.

6 And, of course, you can't have a letter of  
7 intent if you don't even have an approved charter.  
8 I don't know any bank that would say, hey, we're  
9 going to give you \$15 million but you don't need  
10 to do anything to get that. So, you know, we're  
11 kind of putting the cart before the horse, as  
12 Mr. Calkins has said. But everything points to  
13 not only operating when we're talking about  
14 budget, it's operating it successfully.

15 As Ms. Amato correctly stated, we have a  
16 significant positive fund balance. And moving  
17 into a high school, financing secured,  
18 contingencies allowed.

19 And the fact that it is fairly new, we  
20 understand that there are going to be generally  
21 questions on how those contingencies work, how the  
22 financing comes back. And we're happy to work  
23 through and provide any supplemental information,  
24 such as the emails that provide the specific  
25 numbers.

1           But, you know, again, when we talk about the  
2           cart before the horse type issue, they're not  
3           going to put a we're guaranteeing \$15 million, but  
4           when a charter is approved, based on what we've  
5           already seen. And what we've already seen is that  
6           DA Davidson has worked with this group, has  
7           provided financing.

8           And now there's a budget in a lower school  
9           that will be a feeder program that is operating  
10          with a significant positive balance. And so  
11          clearly the operators not only know how to run a  
12          budget but know how to run one extremely  
13          successful.

14          I'll allow Mr. Calkins to step in.

15          MR. CALKINS: Jeremy Calkins.

16          I do have the email from DA Davidson, if you  
17          would like to see it, with the amounts.

18          CHAIR GAY: I was going to ask about --

19          MR. STERNBERG: Could we read it?

20          MR. CALKINS: Yeah. Can I read it?

21          MR. STERNBERG: Instead of submitting it  
22          into the record?

23          CHAIR GAY: One moment, please.

24          MS. BRAUN: Let me think.

25          CHAIR GAY: Let me -- while you're thinking,

1 Jamie, let me ask counsel for both parties -- and  
2 I'm sorry I'm putting you on the spot -- but to  
3 make a short argument regarding admitting a new  
4 document mid hearing.

5 MR. STERNBERG: Thomas Sternberg.

6 Whether we want to admit a new document and  
7 supplement the record, we already did supplement  
8 the record right before we started here with Polk  
9 County. So I think that would be evidence enough  
10 if we would be able to continue to do it, if they  
11 would agree to do it.

12 If they -- if counsel would object to us  
13 submitting a new document, I think as we've been  
14 providing clarification, reading it into the  
15 record would probably be sufficient, so we're not  
16 actually supplementing the record, but just  
17 clarifying the document of the May 23rd letter  
18 that already is in the record. We're just  
19 clarifying what that contingency would be.

20 And I think reading it in might, you know,  
21 kind of bridge that gap to solve admitting  
22 anything new after that point.

23 CHAIR GAY: So I would ask, I'm assuming  
24 you're not going to consent to admitting it?

25 MR. BRIDGES: Yes, ma'am.

1           I think there's a little difference between  
2 the document that we were discussing this morning,  
3 which is a document that came from DA Davidson and  
4 was supplied by the appellant to the School Board.  
5 It was their document. We had included it with  
6 our submission, had quoted extensively from it for  
7 the language that we needed, that we wanted to be  
8 considered. It was just inadvertently left out.  
9 So it was their document. They had seen it.

10           Certainly before we consider whether to admit  
11 additional evidence at the hearing, I would like  
12 to see the evidence and find out for what purpose  
13 it is offered and what it contains.

14           CHAIR GAY: All right. I will permit a --  
15 well, let's do a -- because it's 11:43 -- and if  
16 everyone could stay in the room -- a five-minute  
17 break for counsel to confer on this document so  
18 that he has seen what you might be proposing.

19           MR. STERNBERG: Sure.

20           CHAIR GAY: And we will resume at --

21           MS. PAULINE: Can I ask something before we  
22 break?

23           CHAIR GAY: Yes.

24           MS. PAULINE: May I ask that Attachment Z  
25 that was referred to, because our electronic

1           copies don't have attachments and I have no idea  
2           which file that is, but if someone -- I don't  
3           know from the District side or the School side --  
4           could tell me the title of that document is.

5           CHAIR GAY:   Where we can find Attachment Z.

6           MS. PAULINE:   I see the Revenue Estimate  
7           Worksheet, but I don't see Z, the Evidence of  
8           External Funding.  I don't see that.

9           CHAIR GAY:   So you all could be looking for  
10          that in the five minutes as well so that we know  
11          how to locate it.

12          We will resume in five minutes.

13          (Whereupon, a recess was taken.)

14          CHAIR GAY:   Did you have a chance to confer  
15          regarding this document?

16          MR. BRIDGES:   Yes, ma'am.  Counsel has  
17          provided a screenshot from an email.  It's not  
18          dated so I don't know what the specifics of it  
19          are.  But it purports to show a total borrow  
20          amount and a breakdown by uses.

21          This is not information that we've been privy  
22          to before.  It does not seem to constitute an  
23          offer from them.  But for purposes of conversation  
24          about what the uses and the amount that's being  
25          discussed would be, I have no objection.

1 CHAIR GAY: Okay. Thank you.

2 Counsel, do you --

3 MR. BRIDGES: And there is also no --  
4 because it's not an offer, there's no discussion  
5 of terms.

6 CHAIR GAY: Okay. Thank you.

7 Did you have further argument, Mr. Sternberg?

8 MR. STERNBERG: No.

9 CHAIR GAY: Counsel, can you remind me of  
10 the Commission's -- or I guess it might be the  
11 Chair's authority regarding additional  
12 information, the statutory reference?

13 MS. BRAUN: Right.

14 So the Charter School Statute 1002.33 states  
15 that the Commission may receive copies of the  
16 appeal documents forwarded to the State Board,  
17 review those documents and gather other applicable  
18 information regarding the appeal. It also states  
19 that the Commission may request information to  
20 clarify the documentation presented to it.

21 And as we've already discussed, there have  
22 been appeals on this issue in the Fifth DCA in the  
23 School Board of Volusia County vs. Florida East  
24 Coast Charter School case that stated that the  
25 Commission unambiguously is able to take into

1 account additional information outside of what was  
2 presented to the School Board, may ask clarifying  
3 information. It specifically in that case  
4 declined to limit what that additional information  
5 really means.

6 So, you know, in this case, if the clarifying  
7 email or the information contained within it will  
8 help the Commission, then I think that it is  
9 within your purview to consider. And as the  
10 Chair, I think you would have the ability to rule  
11 on those issues there, a legal issue rather than  
12 an issue for the Commission to vote on.

13 CHAIR GAY: Okay. So what I'm going to do  
14 since -- I don't want to do this wrong -- since I  
15 haven't actually seen this document, is request  
16 that you forward it, and cc Mr. Bridges, to Jamie  
17 so that we can get a copy of it.

18 And we will take a break for lunch where I  
19 will consider it. And I'll come back after lunch  
20 with a decision on that. I think that's where we  
21 are now.

22 I know we had a few pending questions that  
23 were coming up. So, Members, if you'll just write  
24 your questions down so you remember them.

25 We are going to break for lunch until 1:00.

1 We will resume then.

2 MS. AMATO: I just wanted to respond to the  
3 earlier --

4 CHAIR GAY: Oh, I'm sorry.

5 MS. AMATO: I did find it.

6 CHAIR GAY: Thank you. It is the April 19th  
7 DA Davidson letter that was submitted as  
8 Attachment Z, as in zebra.

9 MS. PAULINE: That's not a budget narrative.  
10 Okay.

11 MR. STERNBERG: The title is "Evidence of  
12 External Funding." Example: Foundations,  
13 donors, grants.

14 MS. PAULINE: But my question was around the  
15 budget narrative.

16 MR. STERNBERG: I was saying that's what the  
17 attachment name is because you were asking what  
18 it was.

19 MS. PAULINE: No. But you said on the  
20 record when I asked about the budget narrative  
21 that I could find it in Attachment Z. That's not  
22 a budget narrative. The Review Estimate  
23 Worksheets would be a portion of it, but it's  
24 not --

25 MR. STERNBERG: That page 110 through 114,



1           you'll also see actual narrative as well.

2           MS. PAULINE: Understood.

3           CHAIR GAY: All right. So we will resume at  
4           1:00.

5           (Whereupon, a recess was taken.)

6           CHAIR GAY: We are back on the record.

7           Before we go back into questions on Issue 3  
8           for budget, I'm going to address the issue that we  
9           left pending about admitting the email offered by  
10          the applicant.

11          I reviewed the document over the break. And  
12          based on the statutory authority and case law that  
13          permits the Commission to acquire additional  
14          information during this meeting and the fact that  
15          this document came up in response to a Member's  
16          clarifying questions, I'm going to grant the  
17          request to supplement the record with this email.

18          Now, whether the email answers the questions  
19          of the Members and to what weight they give it is  
20          up to them, but it will be at least supplementing  
21          the record.

22          I went ahead and printed copies. I made ten,  
23          so we should have plenty, just so we're all  
24          operating on the same document.

25          So I'll give the Members a few minutes to

1 review the email, and then we will jump back into  
2 questions on the budget.

3 Members, when you're ready to start  
4 questioning again, just let me know, but I don't  
5 want to rush you.

6 (Whereupon, the record was paused.)

7 MS. BARBER: So with this information that  
8 we just got, I would just like to hear from the  
9 School in regards to this information. I mean,  
10 I'm trying to follow the email chain and the  
11 attachments here, but if you could just kind of  
12 give us an overview of what this is and what it  
13 is exactly that you want to point out to us here,  
14 just to make sure I'm looking at the right thing.

15 MR. CALKINS: Jeremy Calkins.

16 Yes, ma'am. I was just following up with DA  
17 Davidson on the total sources and uses. So that  
18 number that I gave you, that you asked for  
19 evidence for, the \$15 million, that's where I got  
20 it from. So I was working, again, off of  
21 guaranteed maximum price for construction. Really  
22 that's what it is. It's not development anymore.

23 And that's another point that I wanted to  
24 make where I don't believe, as Mr. Garcia has  
25 pointed out, we can separate the two. The middle

1 school owns the property, so all of the expenses  
2 facility related, the middle school is going to  
3 absorb. So the high school's at another advantage  
4 there.

5 MS. BARBER: And then on this page where it  
6 has the chart of the schools, the Navigator  
7 Academy that's listed here, that's your original  
8 school or is that the new school?

9 MR. GARCIA: New school.

10 MS. BARBER: So the K-8 or the 9-12?

11 MR. CALKINS: That's us.

12 MS. BARBER: As the K-8 or the 9-12?

13 MR. CALKINS: K-8.

14 MS. PAULINE: So could I follow up?

15 CHAIR GAY: Yes.

16 MS. PAULINE: Okay. When you we were going  
17 back and forth when you were explaining the  
18 \$15 million, the guaranteed maximum of price.

19 MR. CALKINS: Yes, ma'am, the guaranteed  
20 maximum price.

21 MS. PAULINE: Okay. So based on -- on page  
22 three, there's a little breakdown, a chart.

23 MR. CALKINS: Yes, ma'am.

24 MS. PAULINE: So the sentence above the  
25 chart says that issuance of 18.75 for a

1           \$15 million project cost.

2           So I guess I interpreted what you said was  
3           that the \$15 million is not really the cost of  
4           construction, it's just the cost that's the  
5           guaranteed price and that there would be some  
6           delta that would allow you to then dip into that  
7           delta for a contingency. But then when I look at  
8           the uses, it seems like everything gets accounted  
9           for.

10           Am I reading that wrong?

11           MR. CALKINS: That's on the bond. So the  
12           \$15 million is the project funds that are  
13           available, so the development, the project funds,  
14           so the development project fees as a whole.

15           So you take the \$15 million.

16           MS. PAULINE: Okay.

17           MR. CALKINS: We're anticipating a  
18           \$12 million construction cost. And that's where  
19           I keep coming up with the \$3 million in  
20           contingencies.

21           MS. PAULINE: Is that \$12 million in this  
22           somewhere?

23           MR. CALKINS: It's in the \$15 million.

24           MS. PAULINE: And is it itemized?

25           MR. CALKINS: That's project funds

1 available, so that would be our developer's  
2 projections as well on construction costs.

3 MS. PAULINE: Okay.

4 MR. CALKINS: And, again, I would like to  
5 point out that the total cost of development was  
6 12.1 the first time around. We took an orange  
7 grove and brought in all of the utilities the  
8 first time around, and now we're just  
9 constructing the building.

10 MR. GARCIA: So what you're saying is that  
11 the projected costs for the new building should  
12 be less?

13 MR. CALKINS: Yes, sir. Yeah, we're being  
14 very conservative. The actual construction cost  
15 of the facility was \$8.8 million.

16 MR. GARCIA: Okay.

17 MS. PAULINE: May I follow up?

18 CHAIR GAY: Of course.

19 MS. PAULINE: So going back to the original  
20 question around facility financing. So the  
21 District and in the application, quite a lot of  
22 conversation around the word "rent." So I'm  
23 still not clear.

24 Okay. You said earlier that the school will  
25 own the property, but then on, I think, at least

1 three separate occasions there was a reference to  
2 a rent or a lease. And this specifically says  
3 rent rates beyond year five will be calculated on  
4 base rent and an accelerated clause using CPI.

5 I'm confused. Is the school leasing or is  
6 the school --

7 MR. CALKINS: No, ma'am. The school owns  
8 the -- I'm sorry.

9 MS. PAULINE: I'm trying to figure out why  
10 the confusion. Why does it say one thing and  
11 then it says another, because they both -- they  
12 mean two different -- they each mean something  
13 different.

14 MR. CALKINS: Because that's how it's  
15 identified in the -- in our function and objects  
16 codes. It's rent, lease or debt service. And so  
17 when they reference it, that's how they reference  
18 it.

19 So the line in the 7,900, we first put it as  
20 rent. But the school owns the facility. The  
21 current school owns the facility. And this letter  
22 of intent is for the school, the same board to own  
23 the facility.

24 MS. PAULINE: The governing board is the  
25 same for the existing school?

1 MR. CALKINS: Yes, ma'am.

2 MS. PAULINE: And the proposed school,  
3 right?

4 MR. CALKINS: Yes, ma'am.

5 MS. PAULINE: And what you have in the  
6 budget then is the correct debt service?

7 MR. CALKINS: At the \$15 million.

8 MS. PAULINE: At the \$15 million?

9 MR. CALKINS: Of which we don't believe  
10 we're going to utilize all of it, as was the case  
11 in the development of the middle school.

12 MS. PAULINE: And you said the school, the  
13 current governing board owns the land. But  
14 through this transaction, it will also own the  
15 facility?

16 MR. CALKINS: They own it all.

17 MS. PAULINE: Okay.

18 MR. CALKINS: They own it all. Yes, ma'am.

19 MS. BARBER: Sorry. I just want to -- you  
20 have a sample lease with the landlord and a  
21 tenant. So the landlord in that sample that you  
22 provided, I was just pulling it up to look at it,  
23 but if you could just tell me who's the landlord  
24 in that.

25 MR. CALKINS: Can you help me?

1           MR. BIVINS: Robert Bivins. I'm General  
2 Counsel for the School.

3           Just to clarify, the current K-8 owns the  
4 entire property, but they're going to be leasing  
5 to the new school for the building. That's the  
6 current plan.

7           MR. STERNBERG: Thomas Sternberg.

8           So under traditional bond financing, you  
9 know, the K-8 is NAL-002, Incorporated. This that  
10 we're applying under, NAL-003, Incorporated,  
11 sharing the same governing board members, this is  
12 going to mean additional indebtedness.

13           So what that means is they're going to take  
14 the money out on behalf of the NAL-002. And then  
15 what they do is then they lease it to the NAL-003,  
16 meaning the same governing board is still going to  
17 own it under a different name that's the current  
18 operating K-8.

19           And so the lease is just, you know -- I don't  
20 want to say perfunctory, but it's the fact that  
21 it's owned by the governing board. You have to  
22 paper trail it for bondholders as well. But the  
23 same governing board under the other name will  
24 hold it as well. So they're still owning it under  
25 the NAL-002, taking out additional bonds and then



1 leasing it to the NAL-003.

2 MR. BIVINS: Davidson had wanted and asked  
3 us for a sample lease because of that  
4 arrangement, so I prepared that and submitted  
5 that to them.

6 MS. BARBER: So within that lease agreement,  
7 there is a proposed monthly rent?

8 MR. BIVINS: Yes.

9 MS. BARBER: So 003 is paying that amount to  
10 002?

11 MR. BIVINS: What I'm not sure about that is  
12 whether that's going to be a flow-through to --

13 MR. STERNBERG: It's a pass-through.

14 MR. BIVINS: That's a pass-through to the --  
15 (Multiple speakers.)

16 THE COURT REPORTER: I don't even know who's  
17 talking.

18 CHAIR GAY: One minute. If you can step up  
19 to the microphone so the court reporter can  
20 detail all of the conversations going on.

21 MR. BIVINS: Yeah. My understanding is that  
22 the arrangement with Davidson is that it will be  
23 a pass-through because there will be a mortgage  
24 on that property. So that's the -- and since  
25 they're going to be owning it, they're going to

1 have to, through the pass-through, receive those  
2 funds and remit it to the debt service, so it's  
3 overlap as a pass-through.

4 MS. BARBER: So the rent is the debt service  
5 gets paid to 002, which then gets paid to --

6 MR. BIVINS: Yeah. You've had more  
7 discussions with Davidson.

8 MR. CALKINS: I wish Ms. Mirsky was here.  
9 But the way that I understand it is the way that  
10 they structure it right now, NAL-002 owns the  
11 entire property and the facility. There will be  
12 another bond agreement that will be with 00 --  
13 NAL-003 that they will be responsible for.

14 So I think the only thing that would need to  
15 happen is there would be a land use agreement  
16 which NAL-002 would probably lease for \$1 to  
17 NAL-003, but NAL-003 would be responsible for its  
18 own debt.

19 MS. PAULINE: And just to clarify again, so  
20 each -- the two versus the three, they're not  
21 standalone legal entities?

22 MR. CALKINS: They are.

23 MR. WOOD: They are. Jeffrey Wood, also  
24 counsel for the School.

25 MS. PAULINE: My head hurts.

1 MR. WOOD: Doubling as Santa Claus this time  
2 of year.

3 MS. PAULINE: It's becoming.

4 MR. WOOD: So the structure is complicated,  
5 and I understand that there's some questions  
6 about it. And I can understand why the District  
7 would have questions, because they have never  
8 seen this model before. This is a school sector  
9 model. You're not used to it, I'm sure.

10 What you usually see is a developer and/or a  
11 management company that owns the property and  
12 leases it back to the school. This is not that.  
13 This is where the school is of the sole benefit of  
14 the finance arrangement.

15 But because it's already under a finance  
16 arrangement, you have to have collateral with  
17 both. So the investors of the original bond don't  
18 share in the collateral with the new financing for  
19 the building. There will be additional investors  
20 with money brought in for the second building, and  
21 that's who will get the security interest in the  
22 building.

23 Does that make sense?

24 MS. PAULINE: Yes. I mean, logically it  
25 makes sense.

1           And you're right, I'm not used to this kind  
2 of arrangement. But then there were -- I guess  
3 where it gets kind of sticky for me is the  
4 dependency for potential shortfalls also on a part  
5 of this money.

6           And without even having a budget narrative or  
7 even clearly identifying -- like there's a lot of  
8 income mentioned on here, but no corresponding  
9 expenditures, at least as far as I can tell,  
10 without a budget narrative. I'm just very  
11 confused as to what the funds are really being  
12 spent on.

13           It seems like primarily construction, but  
14 then there's a bit to dip into as long as there's  
15 no overrides. But then in that delta, that  
16 \$3 million delta, every time it is demonstrated  
17 that there could potentially be a shortfall  
18 because something was not properly demonstrated in  
19 the narrative and we point to it, at what point do  
20 we run past that point without knowing everything  
21 that's been allocated or earmarked for this  
22 \$3 million shortfall, or \$3 million delta? I  
23 apologize.

24           MR. WOOD: So it's going to be additional  
25 debt which is not related to the first one that

1 was used to build the original school and the  
2 middle school. So that will have a different set  
3 of collateral that finances that particular debt.

4 The overlap is it's the same board. It's the  
5 same debt. And it will probably even be a  
6 guarantee of the middle school of this financing  
7 as part of that package. So it's all under one  
8 umbrella.

9 I understand it's a hard concept because it  
10 is kind of unique in the finance industry. If  
11 Richard Marin was here, he could explain it to me  
12 and then I could explain it to you. But it is  
13 kind of unique in the school sector.

14 And I completely get why Polk may not see it.  
15 And maybe the narrative didn't go as far as maybe  
16 they needed it to. But that's why we have these  
17 appeal hearings, so we can come here and clarify  
18 it for you guys so you guys feel comfortable with  
19 it.

20 I'm sorry, did you --

21 MS. BARBER: I'm sorry. Before we continue  
22 on down that path, can I just -- the lease that I  
23 was asking about, can I just get clarification on  
24 that?

25 CHAIR GAY: Yes.

1 MS. BARBER: So the lease that was included  
2 in here, it's a land and building lease  
3 agreement. And it goes through, and it's an  
4 entire draft lease with the rents included.

5 Are you saying that that lease is not going  
6 to be applicable to the structure that you have  
7 set --

8 MR. CALKINS: No, ma'am. It 100 percent is.  
9 In fact, we do have a budget narrative. It  
10 starts on page 112 and it goes almost through  
11 page 120.

12 And part of that narrative says the school's  
13 budget is based on 100 percent of the projected  
14 student enrollment. In the event that threshold  
15 enrollment are not met at the 100 percent  
16 capacity, the expenses can be adjusted accordingly  
17 based on the number of actual students.

18 This allows our budget to be flexible and  
19 gives the Board the ability to make any  
20 adjustments necessary to ensure a balanced budget.  
21 Additionally, the ESP fees are variable and can be  
22 adjusted to --

23 CHAIR GAY: Can you slow down a little bit.

24 MR. CALKINS: I'm sorry.

25 Additionally, the ESP fees are variable and

1 can be adjusted to provide for --

2 MS. BARBER: Okay. I'm just -- so looking  
3 at the lease agreement that I have as a separate  
4 attachment.

5 MR. CALKINS: Correct.

6 MS. BARBER: It is going to be applicable.  
7 What about that rent piece that's included in  
8 that?

9 MR. CALKINS: It's included. It's included  
10 on the student enrollment. Those student  
11 enrollment projections, that five-year plan is --

12 MS. BARBER: So 003 is paying --

13 MR. CALKINS: 003, standalone.

14 MS. BARBER: -- 002 to --

15 MR. CALKINS: No. That's 003 is paying for  
16 itself.

17 MS. BARBER: That's what the lease agreement  
18 says. The lease agreement is --

19 MR. CALKINS: And that might have been --

20 CHAIR GAY: Wait. Let Ms. Barber finish her  
21 questions.

22 MS. BARBER: The lease agreement, the  
23 landlord is listed as Navigator Academy of  
24 Leadership, and the Operator of Public Charter  
25 Schools is the tenant? Am I reading that

1 correctly?

2 I'm sorry. TBD is the landowner? I'm sorry.  
3 I was not reading that correctly. TBD is the  
4 landlord?

5 MR. CALKINS: Yeah. We don't have a lease  
6 agreement yet. That's a sample lease agreement.

7 MS. BARBER: So who is the lease  
8 agreement --

9 MR. CALKINS: So the lease agreement --

10 MS. BARBER: -- going to be with?

11 MR. CALKINS: -- will be with NAL-003. That  
12 was a sample lease agreement.

13 MS. BARBER: You mean -- I'm sorry -- 002?

14 MR. GARCIA: 002.

15 MR. CALKINS: Correct. Yes, ma'am. So we  
16 don't have a lease agreement with --

17 MS. BARBER: So 002 will be the landlord,  
18 003 will be the tenant, and therefore 003 will be  
19 paying rent to 002?

20 MR. CALKINS: 003 will be responsible --  
21 standalone responsibility for their portion of  
22 the bond payments.

23 MS. BARBER: Is it just me or --

24 MS. PAULINE: No.

25 MS. BARBER: I'm sorry, I just really --



1 CHAIR GAY: One moment, so we can keep the  
2 record clear.

3 Go ahead, Osvaldo.

4 MR. GARCIA: So the connection between the  
5 two, 002 and 003, is the actual property?

6 MR. STERNBERG: (Nodding head  
7 affirmatively.)

8 MR. GARCIA: And, say, if the school  
9 district had a property that they would lease to  
10 me, I'm responsible for paying my debt; however,  
11 they would lease it to me for \$1 a year.

12 MS. BARBER: Right.

13 So my question to the School was is the rent  
14 that's listed in here applicable, and they said  
15 yes. It says, tenant shall pay to landlord as  
16 base monthly rent as set forth below. And it  
17 says, for the first year it's going to be \$35,700  
18 monthly rent. So tenant and landlord being 003  
19 and 002. Tenant will pay landlord \$35,700 month.

20 MR. STERNBERG: Exactly. So it's  
21 essentially a paper trail of what we were just  
22 talking about here of 003, which will be a new  
23 entity that does not operate a charter yet. Once  
24 we operate a charter, you know, we have to show  
25 not only the bondholders but the District

1 themselves that we have a lease agreement that we  
2 are -- you know, because we have enrollment.

3 You paid off your FTE. We're paying that FTE  
4 to pay the bond debt and the additional  
5 indebtedness that comes from the bonds themselves.  
6 So if the bonds are issued through 002, then --

7 MS. BARBER: That's my question. Your  
8 bonds, all of this DA Davidson, all of that is  
9 through 002?

10 MR. STERNBERG: I don't think so.

11 MR. CALKINS: No, it's 003.

12 MR. STERNBERG: It's going to separate. I'm  
13 saying because they own the land. So you can own  
14 the land, the actual ground itself and build on  
15 top of it and get bond financing just for the  
16 building in and of itself. But because the  
17 building is obviously on the land that 002 owns,  
18 they're getting bond financing for the building,  
19 and they're going to lease -- it's a ground  
20 lease.

21 So if they design build or ground lease,  
22 however you want to describe the type of lease it  
23 is, but then you still have to then pay back to  
24 where -- as 002 owns it. So 003 owns the building  
25 through a debt that they will acquire, and then

1 002 is leasing the ground under it.

2 MS. PAULINE: What was the amount in the  
3 lease?

4 MS. BARBER: \$35,700 a month.

5 MS. PAULINE: So times 12 is \$428,000 a  
6 year?

7 MS. BARBER: Right. Which is the District's  
8 paper or -- I forget where that was -- their  
9 response had the breakdown of it where it's not  
10 aligned. They have a chart in there.

11 MS. PAULINE: I'm even more confused.

12 MS. BARBER: The \$15 million is going to 003  
13 from DA Davidson?

14 MR. CALKINS: That's correct.

15 MS. BARBER: To build a building on land  
16 that is owned by 002?

17 MR. CALKINS: Correct.

18 MS. BARBER: 003 is paying 002 for rent?

19 MR. CALKINS: No, ma'am. They're paying  
20 their own rent. They would have to pay them for  
21 the land. It's two separate things. There's  
22 land and there's a building.

23 MS. BARBER: I think I'm confused by your  
24 agreement. It says --

25 MR. CALKINS: I think it's the sample lease

1 agreement, which isn't a real agreement.

2 MS. BARBER: Right. But that's what I'm  
3 asking for clarification on. So what would be  
4 the real agreement, is what I'm asking for?

5 MR. CALKINS: It would be structured  
6 similarly to how NAL-002 is with our board. So  
7 they're going to own the building. They're going  
8 to own the facility. So it will have a  
9 standalone lease agreement with the board.

10 MS. BARBER: With 002?

11 MR. CALKINS: With 003. It's its own  
12 entity.

13 MS. BARBER: Okay.

14 MR. CALKINS: So 003 is --

15 MS. BARBER: Oh, as an owner?

16 MR. CALKINS: They're going to own the  
17 building.

18 MS. BARBER: Okay.

19 MR. CALKINS: That's the only thing they own  
20 is the building.

21 MS. BARBER: And then the monthly rent would  
22 be 35,700?

23 MR. CALKINS: Yes, ma'am.

24 MS. BARBER: To 003, the building owner; is  
25 that correct?

1 MR. CALKINS: Correct.

2 MS. BARBER: And that's where it will pass  
3 through?

4 MR. CALKINS: That's the mortgage amount,  
5 correct. Yes, ma'am.

6 MS. BARBER: I was not hearing you well.  
7 Thank you.

8 MR. CALKINS: I'm sorry.

9 CHAIR GAY: And before we move on to next  
10 questions, I wanted to permit the School Board to  
11 any response to the series that we've been going  
12 through, as I recognize you have not gotten the  
13 opportunity.

14 MR. BRIDGES: Thank you, ma'am.

15 I just think that we're so far afield from  
16 the application that we received and evaluated  
17 that I'm not sure I can do a crosswalk. At this  
18 point, I'm trying to figure out are we here having  
19 a conversation today with the School or with the  
20 developer?

21 CHAIR GAY: Okay. Thank you.

22 Members, any other --

23 MS. AMATO: I do want to add one thing.

24 CHAIR GAY: Yes. Go ahead.

25 MS. AMATO: So not to muddy the water

1           between two and three, but in the Capacity  
2           Interview, so in the Evaluation Instrument on  
3           page 70, one of the questions that was asked at  
4           the January 11th, 2023 Board meeting of 002  
5           states under old business, the 002 middle school  
6           will lease part of the 003 building. Please  
7           indicate where this revenue source is located in  
8           the budget. And it's not identified.

9           So you can read -- I don't want to verbatim  
10          that entire script, but basically the budget, the  
11          revenue for 002 renting part of 003 is not  
12          identified in the budget. And they're looking to  
13          put 125 students and charge a per-pupil basis.

14          So not to muddy the water on who's paying  
15          what, but now we have 002 paying rent to 003 with  
16          revenue that's not reflected in their budget.

17          CHAIR GAY: Thank you.

18          MR. STERNBERG: Just to respond briefly.  
19          It's not muddying the water. If anything, it  
20          creates a more positive revenue back to 003.

21          Again, we have additional space. We're  
22          building a new facility. There's already a  
23          current -- at the 002. I'm going to just use the  
24          numbers. It's a little easier.

25          The 002, which is already operating there,

1 we're building a building. And as we already  
2 know, we have, you know, a certificate of  
3 occupancy. We're building up to that 650 number  
4 in year five.

5 A sublease with a current tenant that's  
6 already on there isn't muddying the waters. And  
7 if they are going to charge a per-pupil rate for  
8 120 students of additional space, I don't really  
9 see how that's muddying the water.

10 It's kind of red herring here. It's just  
11 going to be additional space that the eighth  
12 graders or seventh graders can use. And it's  
13 going to actually add to the revenue and  
14 strengthening the bottom line of 003.

15 CHAIR GAY: Members, additional questions?

16 MS. PAULINE: Yes. Just clarifying on your  
17 construction. Is the building being built in  
18 phases or what's the timeline on the facility?

19 MR. CALKINS: Yes, ma'am. Thank you for  
20 that question. Jeremy Calkins.

21 It will be constructed in phases. We'll do a  
22 first floor and then a second floor. It's similar  
23 to how we did it the first time around. We built  
24 about two-thirds of the building out the first  
25 time, and then we had a phase two. We did that in

1 seven months. We had to do the land development  
2 as well.

3 So the goal here would be to build out the  
4 first floor, which would -- I believe the building  
5 capacity is around 2,000, so it will more than  
6 suffice for projected enrollments for year one.

7 MS. PAULINE: A follow-up. In Question E,  
8 which discusses a contingency approach and plan  
9 to meet financial needs if anticipated revenues  
10 are not received or are lower than estimated.  
11 And it says that this may include budgets for 75  
12 and 50 percent of projected revenues.

13 But then the response was pretty much that,  
14 you know, you would, I guess, meet the situation  
15 wherever it is, but no really great details.

16 So if this was like a true lease facility or  
17 lease arrangement, like, okay, you have a little  
18 more control but once you start construction it's  
19 kind of hard to stop construction. And if for  
20 some reason your enrollment doesn't materialize or  
21 your budget projections are off, I'm still stuck  
22 on this contingency and whether or not you have  
23 enough -- I mean, if you had -- I don't understand  
24 where the budget development fees are coming from.  
25 I don't understand how they're derived. I also



1 don't see any additional contingency or reserve,  
2 justifiable reserve set forth.

3 So that coupled with just understanding this  
4 new financial arrangement -- I think it's great  
5 that the school itself will own the facility. You  
6 know, kudos to the governing board for even  
7 entertaining that.

8 MR. CALKINS: Yes, ma'am.

9 MS. PAULINE: But there's still a lot of  
10 questions here for me. And I don't have a  
11 specific question because I'm just -- I'm at a  
12 place where I'm confused still.

13 MR. CALKINS: Yes, ma'am. I'll try to  
14 address that because I realize it is new. And  
15 that's what I said in my opening is that I don't  
16 believe anybody is doing what we're doing.

17 Typically what you see is you have the  
18 landlord and the developer who makes that margin.  
19 We give that margin back to the school, plain and  
20 simple. That's the best way I know how to  
21 describe it. Everything is open book.

22 So all of those big millions of dollars that  
23 they take and they put in their pocket as a  
24 developer, we don't do that. We give it right  
25 back to the school. That's why I can stand in

1 front of you so confidently that our budget is --

2 MS. PAULINE: Who is "we" when you said  
3 "we"?

4 MR. CALKINS: We're the developer. We're  
5 the developing company.

6 MS. PAULINE: Compass?

7 MR. CALKINS: No, ma'am. I have a separate  
8 company as Radius that develops the schools.  
9 That's the one we did the first time around.

10 MS. PAULINE: Okay.

11 MR. CALKINS: We're a developer for a fee.

12 MS. PAULINE: Okay.

13 MR. CALKINS: And we do not own the schools.  
14 The school owns the schools. And the way that we  
15 do that is we control the costs.

16 Let me give you an example, if I could  
17 further explain this. So we built 001 -- we  
18 labeled our schools 001, 002 and now 003. We  
19 built 001. We did all of the predevelopment  
20 research for that particular site in Valrico. I  
21 served as construction manager because I found the  
22 site.

23 We took it through all the entitlements,  
24 everything. And we had to go with another  
25 developer because nobody was willing to take the

1 risk with us being a new developer with this new  
2 concept.

3 The construction costs were the same  
4 basically, around \$11 million for Valrico. It was  
5 an old SweetBay Academy. We were around  
6 \$12 million for Davenport.

7 Our lease rates for the life of the loan --  
8 and Valrico is not going to own it -- are  
9 \$56 million -- that's a fact -- over the life of  
10 the lease. We own it.

11 That's the reason why we do this. We give  
12 the cost savings right back to the school.  
13 There's no middleman taking any money off the top.  
14 The school owns it. They're responsible for the  
15 debt service.

16 And we believe that this is the best delivery  
17 method in the industry. We're very confident in  
18 it. And we've proven it. I think our historical  
19 data proves that.

20 MS. PAULINE: In consideration for that  
21 statement, meaning that the cost savings are  
22 passed back to the school, is there a document  
23 that reflects that, because the sample lease does  
24 not reflect that? Is there any documentation  
25 that reflects exactly what you're saying?

1 MR. CALKINS: Yeah. I believe the lease  
2 agreement itself would. The school board's the  
3 owner, so that would be the documentation. They  
4 own it. It would be in the bond agreement. I'm  
5 sorry.

6 MS. PAULINE: And does it --

7 MR. CALKINS: And I'm not a bonds expert.  
8 I'm not a bonds expert so I'm starting to, you  
9 know, get in over my skis when it comes to bonds.

10 MS. PAULINE: Okay.

11 MR. CALKINS: We work with our underwriter  
12 from DADCO, who has done over 350 charter  
13 schools. They love the model that we're doing.

14 MS. PAULINE: Is DADCO the same thing as DA  
15 Davidson?

16 MR. CALKINS: Yes, ma'am.

17 CHAIR GAY: Kia, did you have a question?

18 DR. SWEENEY-SCOTT: Yes. And this is for  
19 both the School and the School District.

20 It mentioned in the Evaluation Instrument  
21 about the rental of space in the high school --

22 MR. CALKINS: Yes, ma'am.

23 DR. SWEENEY-SCOTT: -- from the middle  
24 school.

25 But where is that? I didn't see that in here

1 at all in the application. You said it came from  
2 some minutes, board minutes. Is that what the  
3 intent was in the application?

4 MR. CALKINS: Yes, ma'am. I don't think so.  
5 And I would have to look back at those minutes.  
6 I don't have them in front of me. But we discuss  
7 all kinds of budget cures.

8 So Mr. Sternberg's point, too, I think that  
9 just bodes well in our favor when we talk about,  
10 you know, budgetary concerns and how this process  
11 benefits the school.

12 In the event of -- we already know that we  
13 have a very healthy K-8 middle school. If we had  
14 to take 875 students as our baseline and transfer  
15 125 over to the high school because we're not  
16 meeting our enrollment projections, then the  
17 middle school could afford to augment that rent  
18 and that lease payment.

19 So I think every way you look at it when you  
20 talk about owning the site, the fact that we'll  
21 have a few facility, we've covered ourselves. We  
22 have the contingency. We've covered ourselves in  
23 multiple different ways.

24 CHAIR GAY: I'm going to give the School  
25 Board an opportunity to respond to the last two

1 questions.

2 MR. BRIDGES: Thank you.

3 Actually, that just gives rise to a couple of  
4 questions. I'm starting to get the picture that  
5 the developer and the education services provider,  
6 the separate corporate entities are the same  
7 entity.

8 And my question is who is going to sign off  
9 on this bond? I don't see the school copied on  
10 any of these documents, so I'm just trying to get  
11 a handle on who are we having this conversation  
12 with?

13 MR. STERNBERG: I'll be glad to answer that.  
14 It is the school. It's NAL-003, Incorporated.  
15 We have a management company, education service  
16 provider that's a separate entity. They're not  
17 the same as the developer. There's certain  
18 people that are similar, but two separate  
19 companies. The bonds are in the name of NAL-003.  
20 That's the answer to that question. It's the  
21 school who owns NAL-003.

22 The reason why you don't have multiple board  
23 members copied on it is because it would be a  
24 violation of Sunshine. But outside of that, you  
25 work with the group that's pushing it through and

1 the board approves it at public board meetings.

2 CHAIR GAY: Thank you.

3 Additional questions, Members?

4 MS. PAULINE: Just a procedural question for  
5 the District. Your policy, does your policy  
6 afford a charter school, an existing charter  
7 school that is not high performing the  
8 opportunity to amend their charter? So like  
9 could they have requested to amend this K-8 to a  
10 K-12?

11 MS. AMATO: Yes. Candy Amato.

12 Yes, we could have had a meeting, sat down  
13 and had a conversation, asked for a plan, have a  
14 rough draft to look at, what is it going to look  
15 like, what's going to be the rollout, what's going  
16 on their timeline. We absolutely would have sat  
17 down with the Superintendent, General Counsel, and  
18 whoever from Navigator-002 and 003, along with our  
19 board and could have had a conversation.

20 CHAIR GAY: Osvaldo, did you have a  
21 question?

22 MR. GARCIA: Yes.

23 CHAIR GAY: Oh, I'm sorry. You can respond  
24 to that.

25 MR. CALKINS: May I respond to that?

1 CHAIR GAY: Yes.

2 MR. CALKINS: That's not true. I asked for  
3 meetings. I get pushed off. I get on Zoom calls  
4 for the purpose of trying to figure out what's  
5 going to be best for our school and our  
6 community.

7 And the last time our Vice President of  
8 Academics and Operations was on the call. Our  
9 Senior Director of Finance was on the call. And  
10 Ms. Amato said she's not the one that makes those  
11 decisions. The call lasted less than five  
12 minutes.

13 So I said, I'm sorry, I'm taken aback by  
14 that. I thought that this was the advocate for  
15 charter schools. She said verbatim to me, they're  
16 not an advocate, that they work for the District.  
17 So that's simply disingenuous. I'm sorry.

18 CHAIR GAY: Osvaldo, you had a question?

19 MR. GARCIA: Yes. Just in regards to  
20 projections, you have 115 current eighth graders  
21 projecting to go into the new high school. Out  
22 of the 1,000 students or less that you said you  
23 have on your waiting list, how many of those, if  
24 you know numbers, are eighth graders on the  
25 waiting list?



1 MR. CALKINS: No, sir. I'm sorry, we don't  
2 have those numbers. We would have to run them.

3 MR. STERNBERG: We're going to look at that  
4 right now.

5 CHAIR GAY: Do we have additional questions  
6 from the Members in the meantime?

7 MS. PAULINE: Just anything in the budget?

8 CHAIR GAY: Anything in the budget.

9 DR. SWEENEY-SCOTT: I'm trying to seek  
10 clarification with the capital outlay piece.  
11 They applied in '21, '22, this last application,  
12 003?

13 MS. AMATO: In '19. I'm sorry. The '21 was  
14 withdrawn.

15 DR. SWEENEY-SCOTT: Okay. But I was trying  
16 to figure the capital outlay piece with the two  
17 year, when would the second school become  
18 eligible now that the sister school is eligible  
19 to receive funds?

20 MS. BRAUN: So I think what you're asking is  
21 that generally in order to receive capital outlay  
22 funds, a charter school has to meet a number of  
23 requirements?

24 DR. SWEENEY-SCOTT: Yes.

25 MS. BRAUN: One of those is generally you

1 have to be in operation for two or more years.  
2 But there are some other ways, I believe, to meet  
3 that requirement. And one of them is what you  
4 were asking about earlier, was is if you are  
5 considered an expanded feeder chain of a charter  
6 school in the same school district that's  
7 currently receiving charter school capital outlay  
8 funds.

9 But that is not something, as far as I know,  
10 that we can determine today. It's based on an  
11 application that the new school would have to  
12 apply for and determine based on the annual  
13 survey, you know, whether or not they meet those  
14 requirements. I know they are spelled out in our  
15 rule, administrative rule on charter school  
16 capital outlay.

17 DR. SWEENEY-SCOTT: And just to clarify. I  
18 asked the question because I know at the time you  
19 stated that the current school did not receive  
20 capital outlay. But as of '23/24, you do now?

21 MR. CALKINS: Yes, ma'am.

22 DR. SWEENEY-SCOTT: Okay.

23 MR. CALKINS: And I do have an answer to  
24 your question, Mr. Garcia. Jeremy Calkins again.

25 If you take what we have on our wait list for

1 eighth graders and our current eighth graders, we  
2 have 279 students in total.

3 MR. GARCIA: So that's more than your  
4 projected?

5 MR. CALKINS: And we're projected 250. So  
6 we already have 29 more students in one single  
7 grade and we have a whole nother grade as well.

8 MR. GARCIA: Okay. Thank you.

9 MS. PAULINE: I have a question.

10 CHAIR GAY: Go ahead.

11 MS. PAULINE: On page 113, there's a  
12 reference to --

13 MS. BARBER: I'm sorry. Which document?

14 MS. PAULINE: The application. I apologize.

15 The potential to -- there's a MOU with DA  
16 Davidson to fund cash flow shortages in the amount  
17 of \$350,000.

18 Is this in addition to the facility financing  
19 that's also available to the school and is there  
20 an actual MOU available or is it the same letter  
21 of intent we've been looking at?

22 MR. CALKINS: No, ma'am. It's the same  
23 letter of intent that you see. And those total  
24 sources and uses, when I asked them to break it  
25 down, I think you saw it there in that email.

1 MS. BARBER: Is it listed as the working  
2 capital in the email?

3 MR. CALKINS: Yes. I believe that's how  
4 they have it listed there. That would be in  
5 addition to what we see through development.

6 MS. PAULINE: So a follow-up. So the debt  
7 service that we're projecting again is based on  
8 debt service for what amount?

9 MR. CALKINS: The \$15 million.

10 MS. PAULINE: Fifteen total?

11 MR. CALKINS: Yes, ma'am. Plus the 350.  
12 That whole total sources, it's in there, that  
13 1,875, that \$18,750,000 number. So it would be  
14 the \$15 million plus the \$350,000.

15 MS. PAULINE: And the cost of the building  
16 was 12.1?

17 MR. CALKINS: The cost of the building was  
18 8.8.

19 MS. PAULINE: 8.8.

20 MR. CALKINS: The cost of the entire  
21 development was 12.177 roughly on a guaranteed  
22 maximum price of 14 million the first time  
23 around.

24 MS. PAULINE: And since I didn't see a  
25 budget narrative, I'm assuming that that includes

1 FF&E?

2 MR. CALKINS: Yes, ma'am.

3 MS. PAULINE: Do you know how much of that  
4 is FF&E?

5 MR. CALKINS: I believe, if memory serves me  
6 correct, around 350,000.

7 MS. PAULINE: A onetime cost?

8 MR. CALKINS: Yes, ma'am. At the time of  
9 startup.

10 MS. PAULINE: Is there anything else --  
11 again, since I don't have a budget narrative, is  
12 there anything else that should be considered or  
13 that we should know that's baked into that  
14 number?

15 MR. CALKINS: I would just like to keep  
16 going back that we feel like we have a  
17 substantial contingency in place. If you take a  
18 look at the historical construction costs -- and  
19 the reason why I try to differentiate between  
20 construction and development, this isn't true  
21 development because the preplanning already took  
22 place for a building and where we're going to put  
23 it on this particular site so I just --

24 MS. PAULINE: By "preplanning," you mean the  
25 infrastructure?

1 MR. CALKINS: The infrastructure. Yes,  
2 ma'am.

3 MS. PAULINE: And the site readiness?

4 MR. CALKINS: Yes, ma'am. And that's  
5 standard operating procedure. When you take a  
6 site plan and you work with your engineers, you  
7 have a master plan and future plans in mind when  
8 you develop. And so we developed this site in  
9 hopes that we would be successful and that we  
10 could expand.

11 And so a lot of those costs were already  
12 absorbed the first time in the development of the  
13 original site. So all of those costs associated  
14 with that, we're not going to have to absorb. So  
15 we anticipate that because these numbers were  
16 based off of their calculations -- and they wanted  
17 to be comfortable.

18 And if I could add, too, this was during  
19 COVID when costs were going through the roof.  
20 They're coming back a little bit. So we had costs  
21 all over the board.

22 We feel very comfortable when you consider  
23 that we built a similar facility for 8.8 million  
24 that \$15 million is going to more than cover what  
25 we're trying to do here.

1 MS. PAULINE: Okay. I think I have maybe  
2 one or two more questions.

3 So I assume, based on your response to  
4 Ms. Scott, that you are assuming the capital  
5 outlay is appropriately included because of the  
6 potential to tap into the funds as a feeder. What  
7 I don't see, again, because I don't have the  
8 budget narrative, is the associated expenditures.

9 As you know, capital has limited allowable  
10 uses. But on the expenditure side, I'm not sure  
11 if things are captured, so I don't know if the  
12 capital outlay that's being noted as an income is  
13 a wash because we have equivalent expenditures or  
14 not, or are there more capital-related  
15 expenditures that are not covered by the capital  
16 outlay income? I don't know if that can be  
17 answered.

18 MR. CALKINS: Yeah. No, ma'am. When you're  
19 talking about capital, again that goes to the  
20 site. So I believe that the middle school could  
21 absorb some of those costs as well since, again,  
22 they own the site. So any type of improvement to  
23 the site, the middle school owns it.

24 MS. PAULINE: Okay. And the final question  
25 is I still don't have clarification on the actual

1 debt service because there's a debt service in  
2 the budget and there are two different debt  
3 services in the narrative. And then there seems  
4 to be a combined debt service in the lease.

5 Can you clarify for the record what we should  
6 be considering as the appropriate debt service in  
7 the budget?

8 MR. CALKINS: Yes, ma'am. I'm sorry. I was  
9 conferring with counsel. Can you repeat the  
10 question?

11 MS. PAULINE: So I just needed clarity on  
12 the actual debt services expenditures because in  
13 the budget, you have debt service starting at 225  
14 going out five years all the way up to 780.

15 I believe in the narrative piece of the  
16 budget, there was what was referred to as rent as  
17 a different amount. Then in the lease, when we  
18 did the calculation, the monthly calculation, that  
19 seemed to include more than just the facility.

20 I'm just not clear on what the school 003, I  
21 think is the school at question, will be  
22 responsible for in terms of debt service.

23 MR. CALKINS: Yeah. To help me understand,  
24 I think you said that you had a question about  
25 what was in the narrative.



1 Are you talking about the budget narrative?

2 MS. PAULINE: No.

3 MR. CALKINS: What narrative?

4 MS. PAULINE: Yes, it was in the budget  
5 narrative, a piece of the budget narrative.

6 MR. CALKINS: In the budget narrative in the  
7 application?

8 MS. PAULINE: I think in the facility  
9 section there was some reference, and I think in  
10 the narrative piece of the budget section.

11 MS. BARBER: You're talking about the  
12 discrepancies between the debt services?

13 MS. PAULINE: Yeah.

14 MS. BARBER: I mean, on page 65 of what the  
15 District submitted, they put a chart together  
16 that kind of outlines the discrepancies. I don't  
17 know if that would be helpful.

18 MS. PAULINE: That would be helpful.

19 MR. STERNBERG: Page 65 of what?

20 MS. BARBER: Page 65 of the evaluation.

21 MS. PAULINE: Yeah, there it is. Thank you.

22 So there are four different sources of what  
23 appears to be debt service. I'm just not clear on  
24 that.

25 MR. CALKINS: Can you point me to where you

1 are?

2 MS. PAULINE: Page 103 has a list of sources  
3 starting with 270. There's a reference on page  
4 114, 225,000. In the budget, of course, you have  
5 different numbers. Only the first number matches  
6 114. And then there's a calculation made in the  
7 sample draft that yields different numbers.

8 MR. CALKINS: Correct. The sample draft was  
9 the latest numbers that we received from DA  
10 Davidson.

11 MS. PAULINE: Okay. But that varies from --  
12 does that vary from what's in the -- well, it  
13 does vary.

14 MR. CALKINS: It does. There's a  
15 discrepancy there. Yes, ma'am. I see that. And  
16 I believe that's because, you know, the interest  
17 rates, they change, so that's going to fluctuate.

18 MS. PAULINE: Just so I'm clear, so you're  
19 saying what's in the budget right now for year  
20 one is \$225,000 for that first year of debt  
21 service.

22 But what would be in the lease, what is in  
23 the lease, the sample lease will equate to  
24 \$428,000. That's a huge difference.

25 MR. CALKINS: No, ma'am. What we have in

1 the budget is what would be there under 9,200,  
2 the debt service, the 225,000.

3 MS. PAULINE: Okay. So what's in the budget  
4 is the most accurate number?

5 MR. CALKINS: Yes, ma'am, what's in the  
6 budget. And that budget was updated.

7 And the way that we look at our projections,  
8 if you -- and, again, I apologize, our Senior  
9 Director of Finance, who does most of the heavy  
10 lifting on this with my assistance, isn't here.  
11 She's the architect behind this budget. But it  
12 was updated in April of '23, so those were the  
13 last numbers that we got from DA Davidson. That  
14 was April -- I'm sorry -- April 12th of this year.

15 MS. PAULINE: So you said you got these  
16 numbers from DA Davidson. Do we have that  
17 document?

18 MR. CALKINS: I do. I would have to find  
19 it. I can find another email. I would have to  
20 find it.

21 MS. PAULINE: That's okay.

22 CHAIR GAY: And I wanted to permit the  
23 School Board the opportunity to respond to the  
24 questions about the debt service discrepancy.

25 MS. AMATO: All right. Candy Amato. I'm

1 with you now.

2 So your question with regards to the debt  
3 services, we struggled. I'll be honest with you.  
4 We asked for clarifying. We asked for the second  
5 letter from DA Davidson, you know, to clarify from  
6 DA Davidson to address the debt service component.

7 We did not get exactly what we were -- that  
8 was indicated in the Capacity Interview. So we  
9 don't have the exact information. It's a guessing  
10 game at this point to clear through all of the who  
11 said this, where are we, what does it look like,  
12 the different names, the different entities, the  
13 002, the 003. So, no, we don't have specifically  
14 what you're looking for to even have a tangible  
15 response because it's all over the place.

16 I did want to go back, circle back to when  
17 you asked about their enrollment numbers or their  
18 current wait list for their lottery for their  
19 current eighth graders. In their application on  
20 page 98, they do not identify giving an enrollment  
21 preference to their current eighth grade students  
22 sitting at their campus.

23 They do identify students with siblings,  
24 governing board members, you know, the typical  
25 preferences that are permitted. But nowhere does

1           it state that the current middle school students  
2           will receive a preference or an automatic  
3           enrollment.

4           When you look at Attachment S, which is their  
5           application, there is also no indication on there  
6           to indicate that they are a current Navigator  
7           student.

8           MS. PAULINE: Can I ask a procedural  
9           question from the District, just so I understand  
10          your process.

11          CHAIR GAY: Yes.

12          MS. PAULINE: So an application is  
13          submitted. Then there's a Capacity Interview  
14          after the initial evaluation. After the Capacity  
15          Interview, there appears to be -- is there  
16          another work session or is that a meetings or  
17          some indication that the School did not appear at  
18          some meeting?

19          MS. AMATO: So how we operate is the  
20          application is submitted. We provide the  
21          applicant an opportunity to speak ten minutes in  
22          front of our Board to share their ten minutes of  
23          fame. It's their opportunity to share all the  
24          glows and why our District needs their school.

25          At that time, the Board Members are at

1 liberty to ask questions. We give a ten-minute  
2 time limit, but we know that always exceeds  
3 because our Board Members have lots of questions  
4 and inquiring information.

5 So it's up to the Board to ask the questions  
6 and for the applicant to participate. We do not  
7 make that mandatory. Navigator did participate in  
8 that presentation.

9 At that point, the application is shared  
10 with -- well, prior to that, the application is  
11 shared with the Charter Review Team. The Review  
12 Team has one initial meeting where we start that  
13 initial process. We gather comments, concerns,  
14 positives from the Review Team. Capacity  
15 Interview questions are developed.

16 The Capacity Interview takes place. It is  
17 recorded. And we do provide the transcripts to  
18 anybody who asks for them. The recording is  
19 provided to the Review Team if they are unable to  
20 attend. It is also provided to the Board Members.

21 And then at that point, there is a follow-up  
22 Charter Review meeting where the Review Team makes  
23 the recommendation after discussing everything  
24 that was shared during the meeting, during the  
25 Capacity Interview, and any additional follow-up

1 research that's been done.

2 MS. PAULINE: And that last follow-up  
3 meeting is --

4 MS. AMATO: So that's with the Charter  
5 Review Team.

6 At that point, we then go to the Board for a  
7 work session where all of the evidence is shared  
8 with the Board Members, as well as the  
9 recommendation from the Charter Review Team.

10 MS. PAULINE: Between that last -- after the  
11 Capacity Interview and then --

12 MS. AMATO: With the Charter Review Team.

13 MS. PAULINE: -- the Charter Review Team,  
14 between there and the work session with the  
15 Board, does the applicant have the opportunity to  
16 provide additional information?

17 MS. AMATO: If it's needed during the  
18 Charter Review Team. For example, we asked for  
19 the letter, the May letter from -- during the  
20 Capacity Interview.

21 MS. PAULINE: Okay.

22 MS. AMATO: If there's additional  
23 information that we are unsure or can help codify  
24 the information, we do ask for it, which is why  
25 we -- Navigator did provide us with the May 26th

1 letter from DA Davidson, because it was something  
2 that came up during the Capacity Interview that  
3 could have actually helped and benefited their  
4 budget.

5 So we do ask for that information. And then  
6 that information is shared with the Review Team,  
7 because it becomes new information.

8 Following the work session, then there is a  
9 Board meeting where the Superintendent makes his  
10 recommendation to the Board. And then the Board  
11 chooses to uphold or not.

12 MS. PAULINE: Okay.

13 MS. AMATO: So at those meetings would be  
14 when it would be. And the Board meeting,  
15 obviously it's open to public forum. You have  
16 three minutes to speak.

17 MS. PAULINE: So at the point that the  
18 recommendation is given to the Board from the  
19 Superintendent, is the applicant provided notice  
20 of what that recommendation of the Superintendent  
21 is going to be?

22 MS. AMATO: Yes. Yes. They are provided --  
23 before the work session presentation, they are  
24 provided a copy via email of the Evaluation  
25 Instrument. Obviously there was no -- so they



1 have access to what their Charter Review Team's  
2 recommendation is, but that's not binding at that  
3 point.

4 And then prior to the Board meeting, again  
5 they receive another notification that includes  
6 the Superintendent's -- what the Superintendent's  
7 recommendation is going to be, as well as the  
8 date, the time of the meeting. And they are also  
9 live streamed.

10 MS. PAULINE: So just to be clear, the  
11 applicant did not attend the public Board  
12 meeting to which this was on the agenda?

13 MS. AMATO: Correct, to our knowledge. They  
14 may have been in the audience, but no one signed  
15 up to speak.

16 MS. PAULINE: May I ask the School if anyone  
17 was in attendance and signed up to speak?

18 MR. CALKINS: Yes, ma'am. Jeremy Calkins.  
19 I'm glad I get the opportunity to address this.

20 Yes, it's true we didn't show up to the final  
21 Board meeting. It became clear we really weren't  
22 welcome. When I tried to reach out to Ms. Amato  
23 at her office, she told me again that there was  
24 nothing that she could provide. I tried to work  
25 collaboratively with them.

1           We already knew what the verdict was going to  
2           render, so we just felt to go ahead and let it  
3           take its course and we would prefer to appeal to  
4           you, an audience that didn't have what we felt  
5           like a bias towards charter schools.

6           So I tried to reach out to her several times  
7           to talk about the needs of our community, to talk  
8           about the good things that we were doing.

9           In fact, we just had our charter renewal, and  
10          we had a peer reviewer say that it was the best  
11          charter renewal she's ever seen in her 30 years of  
12          doing it in over 50 schools.

13          I would love to talk to this District about  
14          that, but they are very closed off to us, quite  
15          frankly. And so we realized that we weren't going  
16          to get the votes and we decided that we would take  
17          this route.

18          MS. PAULINE: So just to be clear, there was  
19          no action taken on behalf of the School to sign  
20          up to speak directly to the Board prior to them  
21          making a final decision?

22          MR. CALKINS: That's correct. Yes, ma'am.  
23          Because we knew that the recommendation was going  
24          to be a denial.

25          CHAIR GAY: Osvaldo, did you have a

1 question?

2 MR. GARCIA: Yes. To the School.

3 So how many opportunities were you actually  
4 given to defend your charter application?

5 MR. CALKINS: Zero. You know, when she  
6 talks about the letter, there's not an email,  
7 there's not a phone call. There's nothing coming  
8 back to me. There was nothing.

9 So when they asked that they needed to  
10 understand, you know, how this mechanism works,  
11 they didn't ask any questions. She can't produce  
12 one email that she sent back to me about the  
13 development fees.

14 You know, I wanted to talk to them. I'm  
15 proud of what we're doing, you know. I think  
16 we're doing the best job in terms of this industry  
17 because we're cutting out the developer.

18 And I'm proud of the fact that we are  
19 developing our own schools. That's how we're  
20 saving the schools this type of money. That's why  
21 our fund balances are so robust. I'm very proud  
22 of what we're doing.

23 CHAIR GAY: Did the School Board want to  
24 respond to Mr. Garcia's question?

25 MS. AMATO: Candy Amato.

1           So the School has the opportunity at the  
2           Capacity Interview, as well as our Board Members  
3           are public figures. Their emails and their phone  
4           numbers are public record. There was plenty  
5           opportunity that they could have taken their own  
6           initiative to reach out to the Board Members to  
7           have those conversations, those one-on-one  
8           conversations. He could have very easily bypassed  
9           my office if he felt he was getting blocked.

10           Mr. Calkins has my personal cell phone  
11           number. So there has been ample conversations  
12           with Mr. Calkins, not only just through my office  
13           but on my personal cell phone. So I take great  
14           offense that he finds that I am unreachable and  
15           unapproachable.

16           We have a wonderful working relationship with  
17           our charter schools, including theirs, when we  
18           went for their five-year review. And knowing that  
19           we were coming here for an appeal, I still took  
20           the time to speak to Mr. Calkins.

21           CHAIR GAY: Okay. Thank you.

22           Any other questions, Members?

23           DR. SWEENEY-SCOTT: I do. I'm sorry. For  
24           the School Board.

25           You mentioned that at the time of the

1 application workshop, the Capacity Interview,  
2 that, you know, you didn't have that letter and it  
3 may have helped.

4 Once you received it, was that information  
5 considered in the decision?

6 MR. BRIDGES: Yes, ma'am. The letter just  
7 simply did not include the information that it  
8 was represented it would contain.

9 CHAIR GAY: Any other questions, Members?

10 I'm sorry. Did the School need to respond?

11 MR. CALKINS: No.

12 CHAIR GAY: Any other questions, Members?

13 (No response.)

14 CHAIR GAY: All right. If that's the case,  
15 then I think we're ready for a motion.

16 MS. PAULINE: Okay. I'm going to make a  
17 motion. Do you want discussion first or do you  
18 want the motion first?

19 CHAIR GAY: I had planned to seek the motion  
20 first, but if the Members would like to discuss  
21 first, that's fine.

22 MS. BRAUN: I think it might be helpful for  
23 a discussion.

24 CHAIR GAY: Let's open it for a discussion  
25 so that we can be more productive that way.

1 MS. PAULINE: So the two most valid points  
2 in the evaluation of this section for me where I  
3 am having a little bit of heartburn is on a  
4 realistic assessment of projected sources of  
5 revenue and expenses that ensure the financial  
6 viability of the school and a sound plan to  
7 adjust the budget should revenues not materialize  
8 as planned.

9 And I want to also say for the record there's  
10 been a lot of conversation about resting on the  
11 financial viability or positioning of the K-8.  
12 But that was not really relayed in the proposal as  
13 kind of a condition.

14 It seemed to me like it was presented -- I go  
15 back to the original conversation -- as a  
16 standalone charter school. And that was the way  
17 it was evaluated appropriately.

18 There's been a lot of conversation today that  
19 some of them do validate maybe the stance taken by  
20 the School, but it's not really demonstrated or  
21 justified through the process. There seemed to  
22 have been a few easy fixes, should this have been  
23 thought through.

24 The budget narrative, for example, is what an  
25 evaluator would really hone in on to truly

1 understand, again, the projected sources and  
2 revenues. Other than the FEFEP, it's hard for me  
3 as one Member of this Commission to really point  
4 to the fact that -- or to feel comfortable that  
5 the plan is sound, which is why I kind of leaned  
6 into whether or not there was consideration that  
7 this should have been a K-12 instead of a high  
8 school proposal. I'm just really struggling.

9 Every time there's a response, there seems to  
10 be more questions for me because I don't have that  
11 documentation to support what seems to be maybe  
12 logical, sound responses, but in a vacuum leave  
13 still a lot of concern.

14 CHAIR GAY: Thank you.

15 MS. BARBER: I know some of the things that  
16 you said that you were looking for in the budget  
17 narrative. I think you discussed like the ESE,  
18 ELL, the substitutes.

19 Is there something like in addition to those?

20 MS. PAULINE: Yeah. To follow up, so even  
21 to use as a basic example, I mean, looking at the  
22 salaries, that's a basic line item, a very easy  
23 line item to explain for understanding what makes  
24 up salaries, the rate of the employees, the  
25 number of employees. We heard ten, I think,

1 teachers. What else is made up there? What is  
2 the range? How do we ensure TSIA, all of the  
3 rules around TSIA. There seems to be a lot to  
4 guess or estimate.

5 MS. BARBER: So you're not necessarily  
6 questioning any of the numbers that they put  
7 specifically, you're just saying I'm just taking  
8 your word for it? I'm just trying to understand.

9 MS. PAULINE: It's actually both because I  
10 have to question numbers unless I can go back and  
11 tie the assumptions made to what the numbers  
12 report, in some cases, not all cases.

13 And then there's a conversation between the  
14 School and the District about, you know, an  
15 interpretation was made, this was backed out  
16 because.

17 But that to me is a whole reason why you have  
18 a budget narrative, so that there is no  
19 interpretation to be made. There is sound  
20 judgment that can be based on -- I won't say facts  
21 because it's all projections. But if I tell you  
22 I'm going to pay all of my teachers \$100,000, then  
23 you'll see why my salary line is so high. Absent  
24 that information, it's very hard to evaluate how  
25 realistic or accurate the numbers are.



1           And the key one for me, I'm kind of  
2           understanding the debt service, kind of, but,  
3           again, not understanding everything else and some  
4           of the shortfalls and having information that I  
5           can point to around this whole facility's  
6           arrangement. It just causes some concern whether  
7           or not the project advance for development is  
8           enough to capture any shortfalls that may exist.

9           And then there are the other questions that  
10          came up as a part of the plan, like the  
11          transportation issue, the maintenance, the ESO.  
12          There's just -- and in a charter school, I think  
13          we all know, we've all been in this business for a  
14          while, you never know what you're going to get.  
15          And you can plan as much as possible, but all it  
16          takes is for one thing to go wrong.

17          That's why a contingency reserve is so  
18          important, but also understanding, you know, what  
19          would hit that line would be helpful. And just  
20          using a contingency based on the project costs and  
21          the delta of \$3 million and not understanding if  
22          there are any other costs not anticipated that  
23          might get that \$3 million, I don't know what -- I  
24          can't say right now if that's enough when it  
25          speaks to financial viability. There's just a lot

1 of concern.

2 CHAIR GAY: Additional discussion?

3 DR. SWEENEY-SCOTT: I agree with you. It's  
4 a little confusing. But then I have to say if  
5 this was the same way it was done prior, what  
6 makes it different this time, so I don't know.

7 MR. GARCIA: I think this new projected  
8 school has more advantages than the initial  
9 school. The initial school already has the  
10 property and the space for them to develop. A  
11 lot of expenses that the K-8 incurred, the high  
12 school does not have to incur.

13 I struggle with the procedures that the  
14 District has in regards to allowing the school to  
15 ask the questions that we've asked and to be given  
16 clarification on the things that we've been given  
17 some clarifications. I struggle with that. And  
18 that's something that, you know, affects my  
19 decision.

20 MS. PAULINE: Can I just follow up to your  
21 point?

22 CHAIR GAY: Yes.

23 MS. PAULINE: I'm still not -- it seems like  
24 these questions were not borne at the Board  
25 meeting, right, so these questions kind of came

1 about?

2 MR. GARCIA: Yes.

3 MS. PAULINE: A need for clarification came  
4 about at --

5 MR. GARCIA: Well, the Board typically does  
6 not engage in those questions. The Board is  
7 making a decision based on the recommendation  
8 that their team put together.

9 So 90 percent of the time, the Board has  
10 little information or questions on the process on  
11 how they were scrutinized. They have a committee  
12 that does that.

13 I think we've done that job, I believe, in a  
14 higher degree that their own committee did in just  
15 one day.

16 MS. BARBER: I mean, personally looking at  
17 everything that the School District submitted to  
18 us, I feel like they did a really thorough job.  
19 Our job here is different from their job.

20 You know, according to my experience, when  
21 you're sitting in the school district, you're not  
22 taking any substantive -- I always say that word  
23 wrong -- substantive changes and accepting  
24 additional information. Whereas, here, we can  
25 accept additional information and give them

1 additional opportunity.

2 Am I correct in that way of looking at it?

3 CHAIR GAY: Yes.

4 MS. BARBER: And I feel like the School  
5 District did a phenomenal job of documenting and  
6 recording and providing the information, asking  
7 the questions, recording the responses, the  
8 notes, the charts, putting the information  
9 together.

10 You know, I think the District did give them  
11 an opportunity to make responses. I think our  
12 role here is just different and encompasses a  
13 little bit more, giving us those opportunities to  
14 dig a little deeper and accept more from the  
15 School.

16 You know, I think this is just a challenging  
17 budget to look at and to take in everything that  
18 we've been given today to make a determination.

19 For me what's sitting kind of hard is just  
20 putting the pieces together and seeing what seems  
21 to be concrete and what seems to be speculative  
22 and trying to differentiate between those so that  
23 my decision is based on what's going to take place  
24 and not just what the School hopes for, if that  
25 makes sense.

1 MS. PAULINE: That makes perfect sense. If  
2 I could just add one more thing and then I'm  
3 finished.

4 So I agree with you wholeheartedly. And I  
5 think the position I find myself in, I want to go  
6 on the record, again, applauding the School for  
7 the type of financial deal that I think -- the  
8 facility financing deal that I think I understand,  
9 because at the end of the day, it seems like the  
10 School itself will be the asset holder, right. So  
11 I get that.

12 I think to kind of piggyback on what  
13 Ms. Barber is saying, a lot of it is speculative.  
14 A lot of explanation that was provided here today  
15 could have, in my opinion, been -- since this is  
16 the third time -- provided prior to, or there  
17 could have been a better demonstration today.

18 And I know the finance person could not be  
19 here, who's the architect behind the deal, but the  
20 questions still remain, you know, because of his  
21 or her absence.

22 And then one would think in the absence of  
23 the person that could explain it, you have some  
24 kind of documentation to really demonstrate or to  
25 bring it home. And that's where I'm stuck.

1           I want to believe you. I really do. It  
2 sounds like a great program. But there's still a  
3 lot of unanswered questions. And I'm glad this is  
4 a Committee decision and not a sole decision.

5           That budget narrative would have been very  
6 helpful for me. And it is a requirement of the  
7 application. And what was provided was very, very  
8 high level, and not detailed, and in some  
9 places -- some areas not complete.

10           So that's where I'm -- you're right, it's a  
11 different body and a different review. But even  
12 in that context, I don't have what I need  
13 personally to really answer some of the questions  
14 as to leases.

15           CHAIR GAY: Osvaldo, did you have anything  
16 else?

17           MR. GARCIA: No. I'll just go back to my  
18 initial statement this morning. If this was an  
19 applicant who's never opened a charter school, I  
20 would have certain doubts. But they have a  
21 proven record with a school that is financially  
22 solid based on what has been provided to us.

23           CHAIR GAY: Thank you.

24           Kia, did you have anything to add?

25           DR. SWEENEY-SCOTT: I asked a question

1 earlier on as far as like the budget. You know,  
2 there is no new applicant meeting or new  
3 application meeting, but I just have to wonder  
4 since this is the third time that this has gone  
5 through or, you know, approached, were these the  
6 same type of issues from the first app to the  
7 withdrawn app to now? Had they been mentioned?  
8 Are they the same? And if so, I would think at  
9 the third submission, that it wouldn't be so much  
10 of a haul to try to understand the budget.

11 MS. BARBER: I mean, I feel like we've had  
12 to dig deep to get answers. The first line in  
13 this email, with the numbers included in it,  
14 helped me see about how DA Davidson is on the  
15 same page as what we're being told here. Again,  
16 the prior relationship from the current school  
17 with DA Davidson seems in support.

18 And then I understand that there's some  
19 questions about different sections in the budget,  
20 about revenue that's listed that probably should  
21 be removed from the budget, at least for the time  
22 being.

23 And at the same time, I keep coming back to  
24 if they're getting this bond and if they have  
25 these extra funds, which it seems like what DA

1 Davidson is basically saying. I don't think they  
2 would have given a letter like this if they didn't  
3 already have a good relationship or because they  
4 have a relationship. If it was poor, they  
5 wouldn't give a letter like this, plus this email  
6 with the numbers.

7 The School seems to know what they're talking  
8 about. They can address different parts of the  
9 budget even though their main budget person isn't  
10 here.

11 I don't think there's knowledge gaps of what  
12 needs to be done necessarily. And it looks as  
13 though there's going to be finances to support  
14 anything that might be missing in the budget.

15 I don't know what your thoughts are.

16 CHAIR GAY: All right. Are we prepared to  
17 make a motion?

18 MS. BARBER: I mean, I guess I will.

19 CHAIR GAY: Go ahead.

20 MS. BARBER: Let me find where it is here.

21 I move that the Commission find that there is not  
22 competent substantial evidence to conclude that  
23 the applicant's budget does not meet the  
24 requirements of SS 1002.33(6)(a)5 and  
25 1002.33(6)(b)2, Florida Statutes, and the



1 standards set forth in the Evaluation Instrument  
2 adopted in Rule 6A-6.0786, FAC, Section 20.

3 CHAIR GAY: Do I have a second?

4 MR. GARCIA: Second.

5 CHAIR GAY: All right. I have a motion and  
6 a second.

7 Karen, will you please call roll for the  
8 vote.

9 MS. HINES-HENRY: Ashley Barber.

10 MS. BARBER: Yes.

11 MS. HINES-HENRY: Osvaldo Garcia.

12 MR. GARCIA: Yes.

13 MS. HINES-HENRY: Tiffanie Pauline.

14 MS. PAULINE: No.

15 MS. HINES-HENRY: Kia Scott.

16 DR. SWEENEY-SCOTT: No.

17 CHAIR GAY: And I will be voting yes. So  
18 the motion passes.

19 And we now need to move to the final motion  
20 based on all that we have heard and decided today.

21 So can I get that final motion from somebody,  
22 please.

23 MR. GARCIA: I move that the Commission  
24 recommend that the State Board grant the appeal.

25 CHAIR GAY: Do I have a second?

1 MS. BARBER: Second.

2 CHAIR GAY: I have a motion and a second.

3 Karen, please call the roll one final time.

4 MS. HINES-HENRY: Osvaldo Garcia.

5 MR. GARCIA: Yes.

6 MS. HINES-HENRY: Ashley Barber.

7 MS. BARBER: Yes.

8 MS. HINES-HENRY: Tiffanie Pauline.

9 MS. PAULINE: No.

10 MS. HINES-HENRY: Kia Scott.

11 DR. SWEENEY-SCOTT: No.

12 CHAIR GAY: And I will be voting yes.

13 So the Charter School Appeal Commission's  
14 recommendation will go to State Board at its next  
15 scheduled meeting, which I believe is  
16 January 17th, 2024 in Tallahassee. I don't think  
17 we have a time and place established yet, so the  
18 Department will be in contact with the parties  
19 about that exact time.

20 Thank you all again, Members. Thank you so  
21 much. And the parties, thank you. I know that  
22 was a long haul and tedious, but I appreciate  
23 everyone's efforts in doing this.

24 We will be working with staff to draft that  
25 written recommendation to the Board, and we'll

1           have a follow-up telephone conference, as I  
2           mentioned earlier, in order for this body to vote  
3           on that.

4           So is there anything else I forgot, Jamie?

5           MS. BRAUN: I think that's it.

6           CHAIR GAY: Anything else, Members?

7           (No response.)

8           MR. CALKINS: Thank you very much.

9           CHAIR GAY: Thank you. It's adjourned.

10           (Whereupon, proceedings were concluded at  
11           2:29 p.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, MICHELLE SUBIA, Registered Professional Reporter, certify that the foregoing proceedings were taken before me at the time and place therein designated; that my shorthand notes were thereafter translated under my supervision; and the foregoing pages, numbered 1 through 203, are a true and correct record of the aforesaid proceedings.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 18th day of December, 2023.



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MICHELLE SUBIA, CCR, RPR  
NOTARY PUBLIC  
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EXPIRES JUNE 7, 2026