



Orange County Public Schools

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February 19, 2009

Dr. Sandy Dilger
Director, School Advisory Councils
Florida Department of Education
325 West Gaines Street, Suite 316
Tallahassee, FL 32399-0400

Dear Sandy:

Enclosed please find three original copies of the Charter School District Contract Addendum 2 with original signatures. The addendum in each case is signed by Superintendent Ronald Blocker and Joie Cadle, Chairman of the School Board. I have also attached the analysis and justification for the exemption.

Once the addendum is signed by Mr. Fair, please return at least one copy to me. If you do not need a second copy, please return two copies.

Thank you for your assistance in getting this exemption approved. If you have any questions, please contact me at (407) 317-3201.

Sincerely,

A handwritten signature in cursive script that reads "Lee Baldwin".

Lee Baldwin, Ph.D.
Senior Director
Accountability, Research, and Assessment

Florida
State Board of Education
Charter School District Contract Addendum 2

Whereas, the State Board of Education, hereinafter referred to as the "State Board," and the School Board of Orange County, hereinafter the "School Board," initially entered in a Charter School District Contract, effective July 1, 2002 through June 30, 2005; and

Whereas, the State Board and the School Board subsequently agreed to renew the Charter School District Contract for an additional two year duration, beginning on July 1, 2005 and remaining in effect through June 30, 2007 ; and

Whereas, the State Board and the School Board subsequently agreed to renew the Charter School District Contract again based on the passage of SB 2092 through June 30, 2010; and

Whereas, according to the contract and pursuant to Section 1003.62(2), Florida Statutes, in order to assist a school district in maintaining or improving its high performing status the school district can request an exemption from certain statutes and rules from the State Board; and

Whereas, the school district has identified an area of need requiring an exemption; and

Whereas, the school district has determined that greater operational efficiency can be obtained by waiving the Department of Education requirement to use the Castaldi analysis, which would require an exemption from statutes and rules pertaining to educational facilities; and

Whereas, Section 1003.62(2)(a)9, Florida Statutes, requires than any exemption from statutes and rules related to educational facilities must be specified under contract with the State Board of Education.

Therefore, the State Board and the School Board hereby agree to the following Addendum 2 to the Charter School District Contract between the parties.

1. Pursuant to Section IX., Management Plan of the Charter School District Contract between the State Board and the School Board, the district is exempt from the requirements of Florida Statute 1013.03 (10) (a) relating to the review and validation requirements of surveys of facilities, specifically regarding the Department of Education requirements of the Castaldi analysis. In lieu of using only the Castaldi analysis, the district will also use other criteria such as energy consumption, resistance to wind loads and fire, maintenance costs, and insurance costs. Other criteria will only be used when the Castaldi analysis criteria are not met. The decision of whether or not to replace a building will be reviewed by the School Board's Citizens' Construction Oversight and Value Engineering Committee. Details of the exemption request explaining the regulation to be exempted current practice, the proposed alternative practice, the impact of the exemption on students, and how the waiver will be measured are attached to this document and incorporated by reference.

2. All other terms of the Charter School District Contract between the State Board and the School Board shall remain in effect for the duration of the Contract.


For the State Board of Education

For the School Board of Orange County



Ronald Blocker, Superintendent

T. Willard Fair, Chairman



Joie Cadle, Chairman

Date

2/18/09

Date

**School District of Orange County
Charter School District Proposal**

Waiver # 16 - Castaldi Analysis

1. List state regulation to be waived, with specific language in statute to be addressed.

Florida Statute 1013.03(10) (a) states the functions of the Department of Education include: "Review and validate surveys proposed or amended by boards and recommend to the Commissioner of Education, for approval, surveys that meet the requirements of this chapter. 1. The term "validate" as applied to surveys by school districts means to review inventory data as submitted to the department by district school boards; provide for review and inspection, where required, of student stations and aggregate square feet of inventory changed from satisfactory to unsatisfactory or changed from unsatisfactory to satisfactory; and compare new school inventory to allocation limits provided by this chapter".

2. Describe current practice required by statute.

The Department of Education has carried out their review and inspection responsibilities under the statute by field inspecting facilities and applying a mathematical algorithm known as Castaldi to produce a formulaic determination of whether individual school buildings should be replaced or remodeled, added to or upgraded. The Castaldi algorithm takes into account the age of the facility but does not address other factors required by Florida Statute. The results of the Castaldi analysis are used to determine if the school district should be allowed to replace rather than renovate or upgrade a building. Currently, if the Department of Education determines that it is more cost effective to renovate or otherwise upgrade the building as opposed to replacement based upon the Castaldi analysis result, the Department of Education will not validate the School District's survey amendment as required by 1013.03(10)(a).

3. Describe alternative practice to be implemented with criteria that will be used.

a. Alternative practice

In lieu of using only the Castaldi analysis, the School District will consider additional criteria as required by Florida Statute beyond the age of the building and its estimated replacement cost to determine if a building should or should not be replaced. This waiver would only be exercised when Castaldi criteria are not met and one or more of the criterion applies. The decision of whether or not to replace a building will also be reviewed by the District's Citizens' Construction Oversight and Value Engineering Committee for recommendation.

b. Criteria

- 1) Renovating or upgrading older buildings can result in higher life cycle costs. Per Florida Statute 1013.451, Life-cycle costs comparison, and Florida Statute 1013.37 State uniform building code for public educational facilities construction, in order to ensure that the construction of new and expanded education facilities provides the best long-term value; school districts shall perform a life-cycle cost analysis on alternative architectural and engineering designs and materials to compare efficiencies. The analysis must consist of
 - a) The anticipated annual energy consumption and fuel costs over the life of the building required to maintain illumination, water heating, temperature, humidity, ventilation, and all other energy-consuming equipment. Other factors which could impact energy consumption must be considered including the orientation and integration of the facility with respect to its physical site, the amount and type of glass employed in the facility and the directions of exposure, the effect of insulation incorporated into the facility design, the effect of solar factors on the properties of external surfaces and the occupancy plans.
 - b) The relative resistance to damage by wind loads and associated debris.
 - c) The resistance to wood-destroying organisms.
 - d) Building maintenance, custodial and operating costs.
 - e) Resistance to fire.
 - f) A comparison of the annual insurance costs.
- 2) Florida Statute 1013.64 requires that construction costs not exceed cost per student station factors provided by the Florida Office of Education Facilities. Existing, older classroom buildings designed to meet larger class size standards result in higher square footage allocations per student station when current class size amendment standards are applied. Existing, older classrooms must further be brought up to standards of educational adequacy consistent with other site facilities. A construction and operating cost per student station comparison should be evaluated, based upon the total space required to house the required student enrollment and supporting staff.
- 3) Florida Statutes 1013.12 Casualty, safety, sanitation, and fire safety standards and inspection of property, and Florida Statute 1013.37 State uniform building code for public educational facilities require that educational facilities meet health, fire and safety codes and are accessible to students, staff and public. Older buildings require significant

infrastructure upgrades to meet current codes. Building configuration and site orientation of existing older buildings can inhibit site security and the ability to ensure students are protected from unauthorized persons, including those not in compliance with Florida Statute 943.0436 regarding sexual predators and offenders, and may further inhibit the ability of school staff and administrators in the control and safety of students. These factors must be considered in the determination of whether or not an existing site building provides for the safety and security of students, staff and the public or if a replacement building is needed to ensure these requirements are met.

- 4) Current site drainage and environmental regulations require the creation of retention and conservation areas based upon the development of existing and new school sites. Smaller, existing sites entail both working around older buildings and implementing extraordinary measures to meet these requirements at substantially higher cost. The demolition of existing buildings and replacement with efficiently placed new facilities can decrease the cost of construction and enable the site to meet environmental regulatory requirements, and may further offset the need to purchase additional land.
- 5) Local Funding Available for Replacement – This waiver will only be exercised if funds are available locally either through Certificates of Participation, impact fees, private donations or other local sources.

c. Examples

The School Board of Orange County is aggressively renovating and rebuilding outdated school campuses while concurrently constructing relief schools in high growth areas. The District goal of providing equitable facilities that meet educational adequacy standards at new schools as well as renovated campuses may be met more efficiently for less initial capital and ongoing operating cost by replacing the older buildings when the results of the evaluation criteria deem appropriate.

Interim short-term capital and maintenance improvements have been made to sustain operation at older school campuses, in addition to the construction of more recent building additions to accommodate short term enrollment while awaiting their scheduled comprehensive renovation. These short-term improvements have at times factored into the determination of “renovate or replace” decisions which did not take into account the other criteria herein identified.

Several examples of the above situations are listed below to illustrate the need for this waiver:

- 1) Memorial Middle School which was built in the early 1960's has recently undergone a comprehensive renovation. Although it was determined by the Department of Education that many site buildings could be demolished, others required total renovation at substantially higher cost to replace the roofing structure and membrane, HVAC and other mechanical systems, along with sealing the exterior building envelope, decontamination and remediation due to years of water intrusion problems. In addition, a small faculty planning building did not meet the criteria for demolition however its location would have inhibited the ability to have a safe, secure and enclosed courtyard for students; as such the District was required to physically pick up and move the building at a cost estimated to be four times the cost of replacement to comply with the Castaldi result.

- 2) Oakridge and Evans High Schools are currently in the design phase for total comprehensive renovation. Both are facing similar issues. Site acreage is limited and far less than acreage required by the county when planning a new similarly sized high school. Site drainage and retention must be improved. Several classroom buildings in the middle of the campuses constructed in the 1960's are inefficiently placed but do not meet Castaldi criteria as short-term capital improvements to the failing roofs and mechanical systems have offset other factors in the formula. These buildings are configured to face opposite of the school administration and other core campus facilities which will pose a safety, security and a site management dilemma for school staff and administration. If the District is required to renovate these buildings, which house half of the students on the High School campuses, to meet equitable standards of educational adequacy, initial capital costs and ongoing operating costs will far exceed the costs associate with replacing them with prototype buildings and will pose a safety and security risk to the students. Additional land may also be required to create the appropriate amount of site drainage and retention as required by regulation.

4. Describe impact of waiver to students.

Approval of this waiver will allow the district to realize efficiencies and consider the total impact of capital and life cycle costs required to build efficient, safer and more secure schools, and further realize the benefits of prototype designs where appropriate. As a result of this waiver, the District will realize savings to both the capital and operating budgets, freeing up funds to provide additional facilities and increased support for instructional programs.

5. Describe how the impact of the waiver will be measured, monitored and reported to the School Board on regular basis. Use specific, measurable terms.

The district will continue to provide the Castaldi analysis, or other method(s) requested by the Department of Education, however the District will further apply noted criteria to consider all factors when determining if a building(s) should be replaced when the Castaldi criteria are not met. The District will report the other cost factors not currently considered by the Castaldi analysis, as well as the other criteria that factored into the District's decision. This information will also be reviewed by the District's Citizens' Construction Oversight and Value Engineering Committee, who will either recommend approval or denial for the replacement of the building(s) to the School Board prior to submitting the information to the Department of Education.