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October 16, 2026

Via Email
ltorres@ocesd.net
Board@ocesd.net

Lisa Torres, President
Board of Trustees
Oroville City Elementary School District
2795 Yard Street
Oroville, CA 95966

RE: Consideration of Stream Charter Renewal Petition

Dear Board President Torres and Trustees,

We are in receipt of the Oroville City Elementary School District's ("OCESD" or the "District") Formal Staff Report and Findings of Fact ("Staff Report") and its Binding Agreement, dated October 2, 2026, regarding Stream Charter's ("STREAM" or the "Charter School") charter renewal petition submission. We write in response.

District staff have presented STREAM, and by extension, the OCESD Board, with only two choices related to STREAM's charter renewal petition: deny the charter ("Option A") or approve the charter with specific, enumerated conditions ("Option B"). Option B, according to District staff, ceases to be available if the Charter School does not unequivocally accept it by a time-certain.

OCESD staff have neglected to acknowledge an "Option C," which would be that the District Board approves STREAM's charter renewal without any conditions, or even an "Option D," approval with different conditions. Education Code¹ Section 47605 permits only two choices for a chartering authority with respect to a charter petition: approve or deny. The law does not allow for an approval with conditions, though we recognize that some charter petitions are approved with conditions, in other parts of the State. Importantly, though, our request is that OCESD Board carefully consider approval without conditions, given the strength of STREAM's charter renewal petition, relative to applicable legal requirements.

We address the limited presented options in turn.

¹ All statutory citations herein are to the Education Code.

Option A is Unlawful

The Staff Report lists three reasons why the charter should be denied, two of which are the same, so we'll address two reasons. First, the Staff Report asserts that STREAM is demonstrably unlikely to implement the program set forth in its charter renewal petition. Even assuming this were factually supported, and STREAM does not concede that point, this is not a lawful reason to deny the renewal charter.

Middle-performing charter schools, like STREAM, can "only" be denied renewal if the chartering authority makes written factual findings "that the charter school has failed to meet or make sufficient progress toward meeting standards that provide a benefit to the pupils of the school, that closure of the charter school is in the best interest of pupils, and, if applicable pursuant to paragraphs (2) and (3), that its decision provided greater weight to performance on measurements of academic performance." (Section 47607.2(b)(6).) The Staff Report entirely fails to make either of these factual findings, and states them as conclusions only, in the draft Board Resolution.

Legally, finding that closure is in the best interest of students is the only way to deny a middle-performing charter school. OCESD has failed to make these findings. The Board therefore cannot rely on the Staff Report to lawfully deny renewal to STREAM.

As to the second reason, OCESD attempts to take a separate legal pathway to nonrenew, based on a Section 47607(e) notice. Done properly, we do not dispute that Section 47607(e) provides an avenue for nonrenewal of a middle-performing charter school. However, the District did not properly issue the Section 47607(e) notice, rendering it fatally flawed and unreliable as a pathway to nonrenew STREAM's charter.

By its own terms, Section 47607(e) requires notice of its invocation to be provided by the District Board, not by District staff. The District Board, which is the chartering authority for STREAM, never took action to approve or authorize the Section 47607(e) notice. By the plain language of statute, the OCESD Board was legally required to approve this notice. It did not. Section 47607(e) states:

... the chartering authority may deny renewal of a charter school upon a finding that the school is demonstrably unlikely to successfully implement the program set forth in the petition due to substantial fiscal or governance factors, or is not serving all pupils who wish to attend, as documented pursuant to subdivision (d). The chartering authority may deny renewal of a charter school under this subdivision only after it has provided at least 30 days' notice to the charter school of the alleged violation and provided the charter school with a reasonable opportunity to cure the violation, including a corrective action plan proposed by the charter school.

(Emphasis added.)

While unambiguous in its plain meaning, “chartering authority” is defined similarly in two different Regulations. Title 4, California Code of Regulations (“CCR”), Section 10170.2(f) states: “‘Chartering Authority’ shall mean the school district, county board of education, or State Board of Education that granted a Charter School’s petition to become a Charter School pursuant to Education Code Section 47605.” And Title 5 CCR Section 11965 states: “‘Chartering authority’ means the entity that grants a school’s charter....” In both instances, the meaning is the same: the chartering authority is the school district board, and not school district staff, who have no legal authority to approve or deny a charter petition.

Because the District Board did not approve the notice, it is ineffective and cannot be used as a lawful basis to deny STREAM’s renewal charter. At no point does the notice reference District Board authorization of the issuance of the notice, including the existence of an agenda item, meeting date or vote, or any separate Board directive. Thus, the June 22 notice is fatally defective in regard to the mechanical procedures required of 47607(e).

Option B is Unworkable

The Staff Report and Binding Agreement fashion “Option B” as a take-it-or-leave-it collection of conditions that the Charter School must agree to in whole cloth, without modification. However, many of the conditions exceed the bounds of law or of statutory oversight requirements for chartering authorities, or both. As such, STREAM cannot simply acquiesce to these intrusive procedures from District staff, and instead asks the Board to consider a more nuanced approach to charter renewal.

Indeed, the breadth and depth of “required” changes that District staff attempt to mandate STREAM add to its charter come across as a trap, as seeds planted that District can later go back to, to allege some kind of noncompliance with the charter.

We address the items in the various lists from District staff – which are inconsistent with one another across the Staff Report and Binding Agreement – as follows:

Operational Conditions Precedent

Condition #	District Condition	STREAM Response
1	Forensic audit of TK/K attendance	STREAM already undergoes annual independent attendance compliance audits and declines to commission an additional forensic audit without a specific, documented basis for the request.
2	Third party investigator for all employee and student Uniform Complaints	STREAM cannot agree to this because third party investigations are prohibitively costly for all UCP complaints, and investigators often take longer than statutory timelines for UCP complaints.

3	Documentation of Brown Act compliance	STREAM will agree to send documentation of Board agenda postings to OCESD for the remainder of the 2026-27 school year and will provide documentation of Brown Act training for Board members to OCESD.
4	Changes to charter	STREAM will agree to make some, but not all, changes to its charter, as detailed below.

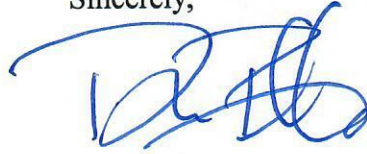
Petition Revisions

Condition #	District Condition	STREAM Response
1	Address AB 2555 (EL reclassification)	This bill was signed into law approximately two months after STREAM submitted its charter renewal petition. The Charter School will agree to revise its charter, with legally-compliant language of its own choosing.
2	Independent study written agreement	STREAM will agree to provide the District with its independent study written agreement, but this does not have to be attached to its charter petition.
3	ELD instructional curriculum/materials	STREAM has adopted and implemented ELD instructional materials that have been approved by the State Board of Education, but no law requires the Charter School to specify the curriculum in the charter.
4	Specialized academic instruction ("SAI") materials	STREAM Charter School will maintain and utilize research-based, SAI materials and intervention curricula, but will not agree to add the statements written by the District into its charter petition.
5	Grade level backwards standards map	STREAM will agree to provide the District with its grade level backwards standards map, but this does not have to be attached to its charter petition.
6	Reading screener	The STREAM charter reasonably comprehensively addresses the legal requirement from Section 53008 on page 40 of its charter petition, so no change is warranted.
7	Daily bell schedule and instructional minutes	STREAM will agree to provide the District with its daily bell schedule and instructional minutes, but this does not have to be attached to its charter petition.
8	Employee qualifications for Directors	STREAM does not agree to revise the employment qualifications for its Directors.

9	Additional health and safety requirements.	SB848: not relevant for the charter petition; STREAM has already affirmed compliance with applicable legal requirements. AB 1858: already reasonably comprehensively addressed in the charter on page 107, so no change is needed. SB 760: already reasonably comprehensively addressed in the charter on page 105, so no change is needed.
10	Demographic comparison	This is not legally required to be included in the charter.
11	Lottery administration	STREAM does not agree to revise its lottery procedures in this manner.
12	Notice to teachers	Section 49079 is already reasonably comprehensively addressed in the charter on page 130, so no change is needed. Homework assignments are reasonably comprehensively addressed in the charter on page 126, so no change is needed.
13	Student discipline enumerated offenses	Section 48900, <i>et seq.</i> does not legally apply to charter schools, so no change is needed.
14	District cost reimbursement	STREAM is willing to negotiate dispute resolution procedures with the District Board, as the chartering authority.
15	Bylaws revisions	STREAM will agree to remove "TBD" from its Bylaws but does not agree to term limit restrictions as purportedly mandated by District staff.
16	Financials	STREAM will agree to provide a 12-month cash flow projection and a budget assumption narrative.
17	SELPA and association fees	This matter is unexplained in both the Staff Report and the Binding Agreement, so there is nothing for STREAM to respond to.
18	LCAP text	This matter is unexplained in both the Staff Report and the Binding Agreement, so there is nothing for STREAM to respond to.
19	Net minute bell schedules	This matter is unexplained in both the Staff Report and the Binding Agreement, so there is nothing for STREAM to respond to.
20	Verify Section 1090 conflict of interest rules	STREAM will seek legal counsel.
21	Confirmation of STRS/PERS	STREAM affirms that it will comply with STRS and PERS notice requirements.

We remind the District Board again that “Option A” and “Option B” are limited constructs proposed by District staff and do not represent the totality of options on the table regarding the Charter School’s renewal petition. STREAM looks forward to a full and thorough discussion of these items during the October 21, 2026, District Board meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Don Phillips', with a stylized, cursive script.

Don Phillips, Board President