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June 3, 2016

Dear Butte Creek Parents and Families,

I have some disappointing news. After months of planning in anticipation of the seismic upgrades to Butte Creek School this summer, it is necessary for the project to be moved from this summer to the summer of 2017. This letter contains information about this decision.

While planning the project since last year all of our estimates indicated that it would be afforded within the seismic grant amount. Since February we secured a construction manager, completed some additional planning and began securing contractors and subcontractors. When receiving the actual bids for the project they came in higher than estimated, which happens on occasion. Over the past couple of months the construction manager worked with our contractors and subcontractors to re-engineer the project to fit within the budget, another common practice. Unfortunately, this did very little to save money on the project and it can be re-engineered only so much before it becomes something that will not best serve our students. This project has been re-engineered significantly and we are still \$180,000 over budget.

This situation is the result of a construction market which is very saturated right now meaning subcontractors have lots of work. While this is a measure of a good economy (and good for the subcontractors), it also results in a cost-prohibitive project at this time. After discussing the situation with Lorin Stanley (Maintenance Director), the project engineer and our construction manager, I believe our best option is to rebid the project early next winter to capture more competition by subcontractors and to ultimately secure contracts that are within budget.

While this is a very difficult decision, it is in the public interest as the value of our investment is now minimized under these circumstances. Also, we are not alone in this position. I'm hearing very similar stories from neighboring school districts who are scaling back significantly, postponing or even cancelling major projects as this.

It is important to note that this is specific to the timing of the project at Butte Creek School only. While some of the same effects are at play with the Scotts Mills School seismic upgrade project, the specifications of that project are different enough to manage the project in a way so it can occur this summer and within that grant award.

I appreciate your understanding of a matter which contains lots of variables. I also sincerely apologize that this delay is occurring. Ultimately, this decision is in the best interest of Butte Creek School, the school district and the public at this time.

Please contact me if you have any questions.

Sincerely,

Andy Bellando  
Superintendent