

Grauer, AJ

From: Tucker, Tishri on behalf of McKay, David
Sent: Friday, May 03, 2013 12:54 PM
Subject: Anticipated Closure of Project Solutions Group
Importance: High



Dave Novotney, Ph.D.
Acting Superintendent

May 3, 2013

TO: Partner School Districts
FROM: David McKay, Director – Project Solutions Group
RE: **Project Management Contract Termination**

Willamette Education Service District (WESD) is disappointed to announce the expected closure of the Project Solutions Group (PSG) program effective June 30, 2013. The recommendation to officially discontinue services will be presented to the WESD Board of Directors on May 7th and their approval is anticipated. This is not a decision that has been arrived at without considerable analysis, and PSG has made every effort to adjust our staffing and business model to address the economic realities of the current circumstance. Unfortunately rising personnel costs driven in part by PERS rates have impacted both Oregon school district budgets and PSG's budget. Coupled with a downturn in school district construction and physical plant projects, this has made it extremely difficult for PSG to compete in a market that includes private sector businesses.

PSG currently is a contractor for your school district and will not be able to complete the term of that contract. Please accept this letter as official notice of our intent to terminate the contract effective June 30, 2013 as allowed by contract as follows:

5/3/2013

TERMINATION. This agreement may be terminated by either party hereto for its convenience after thirty (30) days written notice to the other party.

During the months of May and June PSG will work with your school district to prepare transition plans and assist your district in any way we can to continue the project work with a new contractor. I will be contacting you to arrange a time to begin these discussions. Or you can contact me by phone (503.385.4788) or email at David.McKay@wesd.org