



600 S. E. BAY BOULEVARD NEWPORT, OREGON 97365 (541) 265-7758 FAX (541) 265-4235 www.portofnewport.com

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Contact:

Don Mann, Port of Newport
541-265-7758

Port Commission Briefed on Construction Updates for the International Terminal Renovation

NEWPORT – The Port Commission was briefed on the progress of the International Terminal Renovation project at its noon work session and regular meeting Tuesday, July 26, 2011.

At the work session, project manager Frank Berg of DAY CPM Services provided a financial update to the commission regarding the 1st and 2nd phase work for the International Terminal Renovation project. Berg noted shortfalls in each phase and that additional funding to complete the phase one work would be necessary by the middle of next month. Funding options were then discussed. The Commission agreed with the need and directed General Manager Don Mann to confirm the potential funding sources.

At the regular evening meeting, Berg advised the commission that as of last Thursday, all remediation work of the SS Pasley was 100% complete. Work is continuing on the material removal in Hold No. 3 and the Engine Room of the SS Hennebique, and more oil contamination is being dealt with. At this point, more than 3,900 tons of contaminated material has been hauled to the Coffin Butte landfill facility. Two concrete core samples were taken of Hold 3 of the Hennebique to be tested; and if found inert, the hold will be filled with clean material for re-ballasting.

The site water treatment system continues to clean all contaminants from the water being removed from the holds of the ships. As of this report, Berg advised that over 16.5 million gallons of water had been filtered through the water treatment facility on site. The water from the treatment system water is being tested regularly prior to discharge into the bay, and the results are the discharged water is cleaner than the bay water.

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Burg further reported that the excavation, grading, formwork, and pouring of concrete have been underway this month on the sheet pile bulkhead wall and concrete waler on the north side of the Pasley. Installation of the tieback anchors have also begun from drill rigs mounted on the deck of the Pasley that drill through the deck and port hull and through sleeves through the concrete waler of the bulkhead wall.

Berg submitted Amendment 10 to the CM/GC contract with Natt McDougall Company (NMC) to the Port Commission for approval in the amount of \$1,889,737.77. To keep within the budget for construction, the savings will be recognized in the closing out of the previous Amendments 1, 2, 3, 5, and 7, the cost overrun and closeout of Amendment 4, plus 50% of the projected savings from Amendment 6 and 67% of the projected savings from Amendment 8. With these adjustments, NMC's contract totals \$11,575,737.77 in Contract Amendments.

The methodology for the demolition of the Pasley described in Contract Amendment 10 is to float the ship and break it apart from a bridged platform to land once the bulkhead wall is completed.

Berg explained that Amendment 11 for the balance of general conditions and costs for remaining work and Amendment 12 for the construction on the new west dock are targeted to be presented for execution to the Port Commission in the months to come.

NMC is making good progress with their remediation efforts remaining on the Hennebique and on preparations for the demolition of the Pasley. It is anticipated that the demolition work of Amendment 10 will start in mid August and could be completed as early as mid October.

For more information about the project, contact General Manager Don Mann at the Port of Newport, 541-265-7758, or visit the Port's Web site at www.portofnewport.com. Comments can be submitted at anytime by emailing terminalproject@portofnewport.com.

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