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## **For Immediate Release**

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### **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, August 23, 2011.

At the noon work session, the Port's General Manager, Don Mann, provided options for the funding of the 1<sup>st</sup> phase work for the International Terminal Renovation Project. Mann proposed amending a current loan with the Oregon Business Development Department (OBDD) to fund remaining remediation work. He also explained that he is exploring the possibility of using other General Fund revenues now provided from the NOAA MOC-P lease as assistance in financing the project. The commission agreed with the need and directed the General Manager to confirm the potential funding sources.

At the regular evening meeting, Frank Berg, Day CPM Project Manager, advised that the installation of the tieback strands had been completed and these were in the process of being tensioned to 300,000 psi at the permanent bulkhead on the north side of the SS Pasley. All the holes in the hull of the Pasley are being patched to make the vessel water tight so that it will float during its demolition. Concrete dead-man anchors were poured that day to provide additional tiebacks to secure the Pasley as she is being demolished.

Work is continuing on the material removal in Holds No. 2 and the Engine Room of the SS Hennebique. Hold No. 3 was filled with dredge sand and is now covered and used as the main access to the east dock. Hold No. 4 was also completely cleaned and is in the process of being backfilled with dredge sand. No further hauling of contaminated material to the Coffin Butte landfill facility has occurred as there is less of this material in the Hennebique.

*### More ###*

The water treatment system on site continues to clean all contaminants from the water being removed from the holds of the ships. As of this report, Berg advised that over 17.1 million gallons of water had been filtered through the water treatment facility. The water from the treatment system water is being tested regularly prior to discharge into the bay.

Berg prompted the commission that Amendment 10 to the CM/GC Contract with Natt McDougall Company (NMC) had been approved in July in the amount of \$1,889,737.77. To keep within the budget for construction, a savings of \$370,548 was recognized in closing out previous Amendments 1, 2, & 5 and the cost overrun and closeout of Amendment 4. With these adjustments, NMC's contract to date totals \$12,840,190 in contract amendments leaving \$193,476 in the budget for construction.

Following the construction budget update, the commission authorized the General Manager to amend the existing loan with OBDD that will provide \$1.3 million in additional working capital for the project. Other funding strategies continue to be explored.

Commission President JoAnn Barton concluded the discussion stating, "Most of our noon work session today was taken up by a discussion of exploring funding options and how we can get closer to feeling comfortable that we can fund at least part of Phase 2." Speaking to project photos Berg projected that evening, Barton continued, "We spend such a great deal of time talking about funding that I think we forget to recognize how far we've come. The progress is truly impressive: we'll create new deep water habitat for an ESA-listed species; we're seeing fill material go back into cleaned compartments of the completely inert Hennebique; we have a completed bulkhead retaining wall at the Pasley with tiebacks being tensioned and backfilled. We've made a tremendous amount of progress. It's easy to get bogged down with how much farther we have to go, especially when we need money so badly, but it's important for us to remember how very far we've come on this project."

Remediation efforts on the Hennebique and preparations for the demolition of the SS Pasley are ongoing. It is anticipated that demolition of the Pasley could be completed by the end of October of this year.

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](http://www.portofnewport.com). Comments can be submitted at anytime by emailing [terminalproject@portofnewport.com](mailto:terminalproject@portofnewport.com).

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