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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 monthly meeting Tuesday, May 25, 2011.

Project manager Frank Berg of DAY CPM Services advised the Commission that Natt McDougall Company (NMC) is continuing to remove both clean and contaminated materials from SS Pasley and Hennebique. Berg said that a DEQ representative had again visited the project site May 5, 2011 and found all operations underway in compliance.

Of the progress made this month, Berg said NMC is continuing to remediate the SS Pasley and the SS Hennebique, and they are continuing to haul the contaminated material to the Coffin Butte landfill facility. The site water treatment system was down for three days while being cleaned of sediments but is back in operation and continuing to clean all contaminants from the water being removed from the holds of the ships. The water is being tested regularly prior to discharge into the bay which is after being treated cleaner than the bay water.

The main concentration by NMC at this time is on the cleanup of the Pasley to meet the timeline for the Pasley demolition and pier construction and so the cofferdam can be removed during the next in-water work window (November 1, 2011 to February 15, 2012). Material removal from both ships continues to uncover unknown conditions. The Pasley has many more hull penetrations than anticipated, and sealing leaks takes constant effort. Although NMC is making good progress with their remediation efforts, they are slightly behind their schedule on both ships. However, confidence is high, and lost time is expected to be made up as experience is gained from each hold that is cleared, cleaned, and re-ballasted.

Referring to the project schedule, Berg noted that within the next month NMC will be issuing an overall updated schedule for the project, the next Contract Amendment for the demolition of the Pasley, and a final cost projection for Phase I.

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Berg then provided an update on the project budget. To date, NMC's contract totals \$10,349,099 in Contract Amendments. There was no further expenditure of the contingency being carried in these Contract Amendments during the month, and the total construction balance amount is approximately \$2,684,000.

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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