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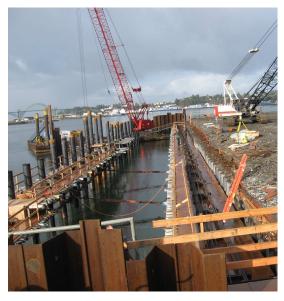
Don Mann, General Manager 541-265-7758

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 the noon work session Tuesday, February 28, 2012.

Frank Berg, Day CPM Project Manager, first reported that the 30-day permit extension for in-water work had been received allowing in-water work to continue through March 15, this work was on schedule to meet that deadline.

Work accomplished during the month of February included the removal of the cofferdam AZ-50 sheet pile which had also been cleaned and coated for reuse for the bulkhead wall at the bow of the SS Hennebique. A portion of the east wooden dock was removed to allow for the installation of this bulkhead wall which began on February 20. The west wing wall of the permanent bulkhead at the west dock was also cleaned and received a protective coating. XZ-85 sheet pile was sold, and salvage steel from the demolition of the SS Pasley was loaded and shipped to the salvage yard. To date, \$219,558 has been recovered from salvage material and



returned to the construction budget. Natt McDougall Company (NMC), the Port of Newport's contractor, is currently negotiating for the sell back of the remaining AZ-50 sheet piles no longer needed for the project.

Form work and reinforcing steel were completed at the west cargo dock (see photo) for the pile caps, and the first concrete for two thirds of these caps was poured on February 28. Efforts continue to review potential cost savings through the value engineering process.

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Berg presented Amendment 16 to the Port of Newport's agreement with NMC for the soil stabilization at the bow of the Hennebique for Commission for review with a Guaranteed Maximum Price (GMP) of \$255,755. Amendment 16 also recognizes the savings and closeout of previous Amendments, 1, 2, 3, 4, 5, 7, 8, and 9 for \$2,878,339. Additional savings are recognized from Amendments 6, 8, and 10 PF \$338,361 providing a total \$3,216,700 to roll out of the previous GMP total and creating a total GMP through Amendment 16 of \$15,484,825. In accordance with Article 14 of the Port's agreement with Natt McDougall Company, Amendment 16, with the recognized savings, overrun and closeouts of previous Amendments, was approved at the regular Port Commission meeting that evening.

Shawn Teevin of Teevin Bros. Land & Timber Company provided the Commission an overview of his company to the Commission. He expressed his company's interest in expanding their operations of cargo export with a potential for inbound cargo to the Port of Newport. Founded in 1978, Teevin Bros. is a timber industry transportation business with operations in Napa, Rainier, Seaside, Bradley, Oakridge, Vernonia and Eugene. They currently serve five major exporters in addition to a number of smaller companies. Mr. Teevin added that an expansion in Newport would create 22 new full-time, family-wage jobs.

Port Commission President JoAnn Barton addressed the large audience gathered that evening stating that another interested log handling operation had come to the board at their January meeting and that there were other potential opportunities under consideration.

"We are excited to be contemplating the return of cargo to the Port of Newport," President Barton said, "and eagerly anticipate input from stakeholders as we continue the decision-making process."

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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