

600 S. E. BAY BOULEVARD NEWPORT, OREGON 97365

(541) 265-7758 FAX (541) 265-4235

NEWS RELEASE For Immediate Release Contact:

Don Mann, General Manager February 24, 2010 541-265-7758

Port Commission unanimously adopts work plan for International Terminal Renovation project Construction expected to start in November 2010

NEWPORT – The Port Commission directed Port staff to move forward with a cost-effective, twostep work plan for the International Terminal Renovation project at its meeting Tuesday, Feb. 23, 2010. Construction on land would start late Spring or early Summer of this year and in-water construction is expected to start in November, 2010.

A phased approach to accomplish project goals within the existing budget was first presented by staff and port consultants to the Port's Terminal Steering Committee, a committee composed of industry, environmental and technical members. The Steering Committee met as needed as the project design has evolved to review options, cost estimates and schedule information.

Phase one will include environmental remediation of the Pasley and Hennebique, two World War II cargo ships serving as dock foundations. The Pasley will be removed, a new dock will be constructed, and the existing wooden dock in front of the Hennebique will be upgraded to ensure safe continued use during phase one work. The existing office and warehouse buildings near the Hennebique will also be removed. Removal of the Pasley will provide mitigation for the entire project.

During phase two, the dock in front of the Hennebique would be removed and replaced and utility work would be completed.

The existing construction budget for phase one is \$12.9 million. Ongoing value engineering and the use of an innovative contracting method are expected to reveal cost savings as the project moves forward. Additional funding sources will be required to accomplish phase two elements. The Port is continuing to investigate programs to secure additional funding to complete the project.

The Port of Newport is rebuilding the International Terminal, which includes two docks, warehousing and administrative offices. The Pasley has become unstable and requires near term action to prevent further structural failure and potential release of contaminants into Yaquina Bay. The project will retain and create local jobs and economic development opportunities, increase Port access for commercial fishing boats and provide opportunity for future cargo needs.

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 <a href="www.portofnewport.com">www.portofnewport.com</a>. Comments can be submitted at anytime by emailing <a href="mailto:terminalproject@portofnewport.com">terminalproject@portofnewport.com</a>.