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Port Commission Completes Another Milestone on the International Terminal Renovation Project

NEWPORT – The Port Commission received an update on the progress of the International Terminal Renovation project at its meeting Tuesday, April 27, 2010. The Port has passed the 95% design completion, a milestone for the project, while work is being completed on the permitting process.

Project consultants advised the Commission that the Joint Permit Application (JPA) is expected to be submitted to both the Department of State Lands and the US Army Corps of Engineers during the first week of May 2010. (The JPA must be approved before the Port can begin in-water construction work on the renovation of the Terminal). Concurrently, a Biological Assessment will be submitted to the National Marine Fisheries Service. When the agencies determine that the documents are complete, the JPA and the Biological Assessment will be made available for public review and comment for 30 days. (The complete Application will be posted to the US Army Corps of Engineers' and the Oregon Department of State Lands' websites for public review and comment).

In anticipation of increased public interest, project information has recently been updated on the Port's web site (www.portofnewport.com) which now includes a Frequently Asked Questions page as well as an online comment form. Additional details about the JPA and project updates and activities will also be posted on the Port's web site as they are finalized.

The Port of Newport is rebuilding the International Terminal which includes two docks, warehouse, and administrative offices. Two World War II cargo ships – the SS Pasley and the SS Hennebique – currently serve as dock foundations. According to the updated plan, the Pasley will be fully remediated, demolished and removed to eliminate potential risks and increase critical marine habitat in Yaquina Bay.

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The first phase of the project will include environmental remediation of the Pasley and Hennebique as well as utility work. After the Pasley is removed, a new, replacement dock will be constructed and the existing wooden dock in front of the Hennebique will be upgraded. The office and warehouse buildings over the Hennebique will be demolished and replaced at new, upland locations on Port property. The second phase, contingent on cost savings expected from Phase 1, will provide funding to complete the dock in front of the bow of the Hennebique. Upland construction, including site utilities, the replacement the terminal office and warehouse and a tenant building, is expected to start in early summer of this year while in-water construction is expected to start in November, 2010.

In other briefings at its monthly meeting, the Port Commission was updated on the status of the pre-construction contract with the project's construction manager / general contractor (CM/GC), Natt McDougall Company. NMC's contract for pre-construction services was extended to May 15, 2010, allowing NMC, the Port and the project's consultants, time to review and comment on the construction documentation, currently at the 95% complete stage. During this time, the team will refine the construction estimate and schedule, identify the sequencing of work activities per phase and prepare the work packages for bidding. The Commission was also presented with a Draft Agreement between the Port of Newport and Natt McDougall Company for Construction Services. The Draft does not commit either party to costs or schedule but does establish targets for both. Commissioner JoAnn Barton asked if the Agreement provides a mechanism that ensures savings are returned to the project. Frank Berg of Day CPM Services noted the CM/GC process is a very safe method of contracting and language in the Agreement calls for savings to be rolled back into the project with full, open-book accounting to the Port.

Following the discussion and agreeing with staff's recommendation to proceed, the Commission approved the Port's General Manager to enter into this Agreement on behalf of the Port of Newport. Final negotiations with NMC are expected no later than May 15, 2010 followed by a review from the Port's legal counsel.

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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