

Board of Commissioners
Port of Newport
600 SE Bay Blvd
Newport, OR 97365

June 26, 2017

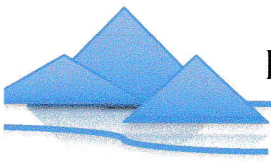
Dear Commissioners,

Thank you for your diligent work on the International Terminals Shipping Facility. There are many rewards for the return of shipping to the Port of Newport with the construction of the ITSF being the most direct way to achieve them. Rondys Inc. and the Hall Family are proud to be one of many stakeholders and we support the Port's efforts in this important endeavor. With respect to Rondys' involvement, we view this opportunity as a true Public-Private Partnership and look to continue a long history of investing in the Newport and Central Oregon Coast community.

We expect the Commission will make the best informed decision based on the long term viability of the Port and the Community it serves. However, with every opportunity, there is a risk. In this case, the risk of delay is critical: will this opportunity to construct a Shipping Facility still be here next year or thereafter? It is the Port's number one strategic priority and the final element needed to capitalize on the multi-use International Terminal. Rondys has been a part of this goal and effort for over 5 years. We believe the community at-large recognizes how the diversification of the Port's revenues will benefit all users of Port facilities. The bottom line: is the plan financially feasible?

Among the concerns, we hope there is a berth for compromise. As a commercial fishing family, we understand the stress that the lack of dock space will put on the local fleet and that it could possibly send boats to look for other harbors. We also know how resourceful and adaptive fishermen can be and it is our aim to be a part of the solution. For sure, the commercial fishing fleet is the lifeblood of Newport.

The Rondys Inc. property will receive substantial improvements due to the proposed construction of the ITSF. This opportunity reduces the risk involved in developing our 40-acre property on McLean Point. Our vision was clear: to support the maritime community through the creation of Yaquina Industrial Park. Being adjacent to the International Terminal is the property's biggest asset. Anchored by an active Shipping Facility, we see a nexus for the marine trades and services, commercial fishing storage and maintenance areas, and the growing marine research sector. This would be a multiphase project with our initial investment in the \$3 Million range for infrastructure improvements and the construction of flexible-use warehousing. It is hard to quantify how these modern facilities, in a maritime focused, multi-use, industrial park will benefit the community, but we believe in the opportunity. The Yaquina Industrial Park stands to support the growth of the regional commercial fishing industry, OSU's HMSC, NOAA's MOC-P, the



Dept. of Energy's NNMREC and, certainly, the Port of Newport's shipping efforts. It's a clear relationship that as Rondys benefits from this growth, so will the Port and the Community. But, without support from the Ports project, our plans will undoubtedly be delayed and this vision will become more difficult to attain.

We acknowledge that the deal may not yet be perfect for the Port. If so, we request the Board and incoming Commissioners to act diligently and expediently, as the opportunity to bring shipping to the Port may be lost. In an effort to help with the local fleet's needs, Rondys looks forward to working with the Port and stakeholders to address those concerns.

Most Sincerely-

Evan Hall
Vice President, Rondys, Inc.