From: Heather Mann
To: Aaron Bretz

Cc: Stewart Lamerdin; David Jincks; Teri Dresler; Karen Hewitt

Subject: Re: Rondy"s Lease Recommendation

Date: Tuesday, September 25, 2018 12:21:45 PM

Thank you, Aaron, for your thoughtful and helpful response. I believe this is exciting development and I'm happy to hear that the port is committed to gear storage and supporting the commercial fishing industry which contributes so much, not just to the Port of Newport, but to our community as a whole. I'm sorry you haven't been feeling well – it seems to definitely be going around. Thanks again for taking the time to provide more detail behind your recommendation – it is much appreciated!

Take good care Heather

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Heather Munro Mann Midwater Trawlers Cooperative Newport, OR 97365 (541) 2724544 heathermunromann@gmail.com

From: Aaron Bretz <abretz@portofnewport.com> **Date:** Tuesday, September 25, 2018 at 11:55 AM

To: Heather Mann <heathermunromann@gmail.com>

Cc: Stewart Lamerdin <slamerdin@portofnewport.com>, David Jincks <bluefox@q.com>, Teri Dresler <tdresler@portofnewport.com>, Karen Hewitt <khewitt@portofnewport.com>

Subject: RE: Rondy's Lease Recommendation

Good Morning Heather, thank you for the observations; I've been pretty sick from the middle of last week through the weekend. Although I've worked for the past couple months to put everything together, I haven't had as much time over the last week to get the meeting packet material as refined as I would have preferred. We'll get your email below and my response added to the record and I'm sure it will provide some discussion points for the meeting as well.

The Rondys development plan provides a concept that would create a center for a maritime industrial complex here in Newport at McLean Point. Their focus on development of facilities ranges from support for commercial fishing operations to support for research, cargo, and fish processing. The successful development of their property would place the heart of the maritime industry in Yaquina Bay right next to the Newport International Terminal. This brings jobs to Newport and makes our Terminal an even more attractive place for business.

The focus that Rondys has expressed on water-dependent uses of the property such as fishing gear storage, the potential of cold storage, additional pier space, and shop space for tradespeople augments the existing activity at the Newport International Terminal and would encourage growth

of that activity. All of these possible developments in close proximity improves the marketability of the International Terminal.

It's important to understand for context that Rondys has provided proper notifications to the Port under the lease terms of their intent to dissolve the existing lease. They included the gear storage area adjacent to the Terminal in that notification. Rondys was clear that they are open to renegotiating the terms of use of that gear storage area to allow the Port to continue its gear storage operation there. This would likely require a new or amended lease on the gear storage area very soon.

The Port intends to continue storing fishing gear in the same capacity as it has in recent years. If we cannot negotiate an advantageous use of the current gear storage area, we will be able to store the gear on Port Property adjacent to the Terminal building. We are currently working to renegotiate the terms of use of the gear storage area.

Gear storage is currently the #1 revenue revenue producer at the Terminal, so it is a very important revenue stream to the Port, and the service is absolutely vital to ongoing fishing operations. We intend to continue that service to the greatest extent possible because we are the primary large-scale provider of fishing gear storage in this estuary. The long-term plans by Rondys to build a gear storage warehouse would provide a different type of service than the Port currently provides; to reiterate, the Port has no short or long-term intent to step away from a gear storage operation as we currently run.

I imagine that there may be concerns from current users of the gear storage area about their continued use, and whether or not the gear storage option at the Port would go away after Rondys builds a gear storage area. We are planning to continue our service as we have provided it in the past. The details of how we will do that within the Port will have to get worked out over the next month or so. I do understand the concern that might exist, and I will do my best to keep talking about what we plan to do as we move ahead to ease any possible angst. Hopefully these details can help to keep everyone informed; if I've missed anything or been vague in any way, please let me know and I will do my best to explain further.

Respectfully,

Aaron Bretz
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From: Heather Mann [mailto:heathermunromann@gmail.com]

Sent: Tuesday, September 25, 2018 7:24 AM

To: Aaron Bretz

Cc: Stewart Lamerdin; David Jincks

Subject: Rondy's Lease Recommendation

Importance: High

Good Morning, Aaron

I hope this note finds you well. I was reading through the documents for tonight's meeting and noticed that in your report to the commission on the Rondy's lease you state:

There is great potential benefit to the Port and the Newport community with the development of the Rondys property. The economic opportunities this development presents will have a very positive impact on the community.

Could you please elaborate on what the benefits and positive impacts to the Port and community are? And what you see as the economic opportunities that the development presents? That would be super helpful to me- you are making a pretty strong recommendation, so it would make sense to get some actual examples of why you are making this recommendation. For the record, I'm not being oppositional, I just want to understand for the general public and the industry who currently use the gear storage, what does this new lease mean for them?

Thanks so much!

Heather

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