

## Council Amenable to Cash Advances for City's Port

City Councilmen gave general approval last night to a plan of cash advances that will enable the port to meet its Feb. 15 debt-service payment and continue through the year on loans for operating expenses.

**THE PLAN**—which will be up for formal council action Tuesday night—calls for about \$90,000 through the year in loans for operating expenses and for \$101,779 in general fund appro-

priations for acquisition and development of industrial park land around the port terminal.

Although no official action was taken in the council's work session with the port commission, most councilmen agreed to a policy of advancing operating cash to the port as long as the port can repay the loans on definite deadlines. They also generally agreed that the industrial park should be developed by the city—within the general fund and separate from the port terminal operation.

Port officials said again that projections show the port will edge into the black during its 1965 operation. This includes paying back loans through that period, they said.

**THE PORT'S** Feb. 15 debt-service payment is \$184,950. The trustee now has \$122,205 in the bond sinking fund and payments due the port this month will boost that to \$150,211, port officials said, leaving \$34,739 to come from a cash advance by the city.

In the plan presented last night—with the city taking over industrial park development—the port will be repaid \$46,500 it already has invested in industrial park land and will pay from that the \$34,739 needed to complete the debt-service payment.

In addition, the plan calls for general fund appropriations of \$27,279 for land improvements and \$28,000 for harbor dredging and land fill—making up the total of \$101,779 in general fund money.

**IN OPERATING** loans, the port presently owes the city

## Port of Anchorage Enjoys Peak Year

ANCHORAGE — The three-year-old municipal terminal of the Port of Anchorage has just completed its best year in 1963, according to Port Director Capt. A. E. Harned, USCG (ret.).

Harned said that tonnage was up 190 per cent from the previous year and revenues 165 per cent. A total of 193,200 tons was handled last year with a revenue of \$446,500. For the same period in 1962 there was 97,464 tons of shipping with a revenue of \$266,073.

Major event responsible for these welcome increases was the acquisition of common carrier service to the city's facilities.

Ships calling at the port flew the flags of Great Britain, Japan, Liberia and the United States.

Increased use of the municipal terminal by oil exploration supply vessels, together with Alaska Freight Lines and other tugs and barges, created a shortage of berthing space at the 600-foot City Dock in 1963. Plans are presently under way for expanding the berthing facilities in 1964, Harned said.

The port's 85-acre Industrial Park now has 11 acres leased, three

under option, 11 for open storage, and 60 available for future development. Preliminary discussions have been held with the Greater Anchorage Chamber of Commerce in regard to using this area for the 1967 Alaskan Centennial.



Not often seen hereabouts: Mid-winter ditching. Equipment is busy this month making a ditch to drain about 79 acres of marsh and other low land in the vicinity of the Municipal Terminal at the Port. This ditch also will intercept water drainage from the Cherry Hill section of the Air Force Base. This program will help make more land in the Port area suitable for additional municipal and leasehold activities.

## Port's Future: The Hub of Thriving Economy

**CAPT. A. E. HARNED**  
Port Director

The ultimate potential of the Port of Anchorage and the role that it will play in the development of Alaska are both far beyond the initial steps and stages of current day operations. This succinct statement was made a year ago and should be the philosophy of those concerned with the present and future of the Port of Anchorage.

Since the first cargoes came across City Dock in 1961, tonnage has more than doubled each year. Our forecasts supported by our professional consultant indicates a continued increase in the foreseeable future. The average of several population forecasts for the Greater Anchorage Area estimates 255,000 persons in 1980. Some have said there will be 300,000 living here. Having grown up under the Boy Scout motto "Be Prepared" and having lived with the Coast Guard's "Semper Paratus" I feel it essential that the Port make its plans to handle the seagoing traffic and associated services and industries required for a community of this size.

There have been four major problem areas in past operations at the Port:

**Finance** — Port revenues have steadily increased at a gratifying rate and undoubtedly will continue to do so. Neglecting capital improvements, which of course is out of the question, we will approach a balanced budget in 1964 and anticipate being in the black in 1965. However, no operating agency can maintain the status quo — we must keep ahead of the requirements for the Port. It is the old story — you must spend money to make money — and I am firmly convinced that in the long run direct Port revenues will afford a balanced budget. In the meantime, fiscal assistance to provide the needed capital improvements are essential. Many cities all over the world finance their ports, Seattle and Portland have an annual mill rate to finance improvements.

The above mentioned revenues are entirely separate from annual payrolls of over two million dollars a year at and around the City Dock, and the countless thousands of "new dollars" spent in our community by hundreds of crewmen of visiting ships. Merchants, hotels, restaurants, taxi cabs, et al., benefit from these tourists who could not be in Anchorage without our deep water docking facilities.

**Insufficient berthing space** at City Dock in 1963 was quite costly to our customers as well as the Port. Tankers, large cargo ships, barges and oil exploration supply vessels were frequently delayed; some lay at anchor for days due to the full dock. This is unacceptable, operationally and financially, to all of us. During one particular 24-hour period we had 950 feet of vessels tied up to our 600 foot berth. Needless to say our customers were not entirely happy. The Port Commission and City Council, having faith in the future of the Port, authorized a study to determine the engineering and financial feasibility of enlarging our berthing facilities.

We hope construction will start in 1964.

**Insufficient developed land** in the Port Industrial Park has a direct bearing on the income of the Municipal Terminal. At present we have 11 acres of open storage area, 11 acres leased, 5 acres under lease option and 60 acres available for development. There is little or no usable area presently available.

**Trans-World Alaska** with its bonded open storage area has plans to construct a bonded warehouse in 1964 and has applied for more property for additional warehouses. A trucking concern has offered to fill in some swamp land in order to move its facilities to our Industrial Park in 1964. A marine electronic repair enterprise desires a small piece of land. Representatives of bulk coal and cement companies have some interest in our property.

Fortunately the 1964 Corps of Engineers Harbor Dredging Program will provide a sizable quantity of inexpensive material to help fill in much of the existing marsh land. Income from leases will also assist us in preparing these areas for future tenants.

The interest and assistance of the Port Development Committee of the Greater Anchorage Chamber of Commerce and the Chamber itself must be mentioned here. From the beginning we have had their enthusiastic support. Today they are looking ahead (as usual) towards the 1967 Alaska Centennial. They have proposed a joint effort with the City to build up the presently unusable portions of the Industrial Park for Centennial activities. All construction would be appropriately designed for use for water oriented industries after the celebration of the purchase from Russia 100 years ago. (It is interesting to note that the cost of the entire State was less than that for building the Municipal Terminal of the Port of Anchorage.)

**Ice in Cook Inlet and Knik Arm** is a major consideration, but is NOT an insurmountable problem. The M.S.T.S. cargo ship Mizar maintained its tri-weekly schedule to our dock very successfully throughout two winters with little or no delay. Alaska Freight Lines operated its tugs and barges for three winters without interruption of its weekly schedule. However, with the anticipated growth of winter traffic, especially with the year-round common carrier and the operations of the oil drilling platforms, the Port of Anchorage forsee the need for an ice breaking tug. Possibly such services would initially be contracted, but conceivably in the future, might be performed by a City owned vessel as in many larger ports.

Unfortunately the problem won't be licked right away, but I am most pleased in the general attitude of the Port Commission, City Council, City Administration, Greater Anchorage Chamber of Commerce and the public in general. They DO have faith in the Port; they DO appreciate the need for and bene-

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## Port Will Provide Ferry's Facilities

The Anchorage Port Commission, finding itself still at sea regarding scheduling of the Tustumena, is moving toward providing berthing facilities for the new state ferry.

The commission decided at its Tuesday meeting to seek additional information on scheduling of the Tustumena, expected to go into operation late this summer.

The state ferry will serve Kodiak Island and Kenai Peninsula ports and, possibly, Anchorage.

A. E. Harned, port director reminded the commission that initial feasibility studies on the ferry had included Anchorage in the list of ports which the Tustumena was to service.

He said it appears possible that the Port of Anchorage municipal terminal could serve as Anchorage's ferry terminal, at least temporarily.

City Manager Robert Oldland told the commission it is difficult to gather information on the Tustumena's schedule.

"We are strangely out on a quiet limb as far as information from Juneau is available to us," he said.

He said more information is needed regarding the ferry.

"We don't know enough about the ferry and evidently can't get any information from the state," he went on.

Some objection has been voiced in Kodiak and on the peninsula to adding Anchorage to the Tustumena's ports of call.

A meeting will be set up with the city's Small Boat Harbor Committee to discuss alternate sites for a small boat harbor.

Harned told the commission

that siting in the vicinity of the proposed Ship Creek site could boost maintenance costs "too high."

An alternate location, north of the port terminal, has been suggested by Col. Kenneth Sawyer, Corps of Engineers.

The port will make application to the Bureau of Land management for several parcels of land in the port area. The land, estimated to contain "10 to 20 acres", is now withdrawn for military uses.

The port would like to obtain the land if it is ever declared surplus by the military.

Prior to the commission meeting Tuesday afternoon, a hearing was held on a tidelands application from Tidewater Packing Co.

Four tideland applications are expected to go to the Anchorage City Council March 17. It is unlikely that the Tidewater application will be ready for council hearing by that date, the commission was informed.

## Port Is Back With Arrival Of First Ship

The port swung back into action today with arrival of Alaska Steamship Co.'s Tonsina.

Meanwhile, Mayor George Sheroock urged last night that "every effort" be made again for the city to obtain the Army Dock, because of the large number of vessels that will be putting in here.

**THE PORT** here is the only remaining one capable of serving Southern Alaska and the railbelt area.

"I think we should again make every effort possible to persuade the military and the railroad that the Army Dock is essential to the welfare of the whole railbelt area," the mayor said.

It also was announced last night that the U.S. Office of Emergency planning would pay the \$100,000 deductible on the port's earthquake insurance.



Port Director Harned

us from the Port. With such support I know we will be prepared for future demands of waterborne commerce and associated industry.

**The future?** It was asked to float on "clouds" for part of this article and frankly its easy for me to do. Recasting the shape of tomorrow may be risky, but in this growing area with its tremendous potentiality, I gladly share the picture in my crystal ball.

Man will land on the moon; they will fly from Anchorage to Seattle in three hours or an hour; there will be an Anchorage Small Boat Harbor; there will be a Rampart Dam; there will be highways to Sushana and the west — giving access to the coal and other mineral deposits and that great agricultural area.

Greatly reduced power and energy prices due to Rampart and the nearby oil and gas wells will attract aluminum, plastic and petrochemical industries that will bring general improvements to the health, general welfare and economy of our City.

**The Port of Anchorage Municipal Terminal and Industrial Park** will be greatly expanded to the south and north (yes, Ocean Dock will be rebuilt by the City) to provide for simultaneous berthing and shoreside facilities for large cargo vessels and tankers, bulk coal and cement vessels, oil exploration supply boats and barges. Large, fast, economical cargo vessels will initiate weekly service to Anchorage in 1964.

The Port Access Road will efficiently handle the commercial traffic as well as "Sunday Afternoon Drivers" who will take pride in seeing the activity and beauty of THEIR waterfront.

Dreaming? Yes! But with continued faith and support to ensure the necessary preparations it will be a reality.