

## Anchorage Port: '64 Is a Red Letter Year

People at the Port of Anchorage Municipal Terminal consider 1964 sort of a red-letter year. According to projections, it should be the last year the port will end up in the red.

The red ink will stretch over into 1965, but it's not supposed to be there when the books close for that year. And although the black figures won't stretch past five columns, they will look much bigger than that.

Port commissioners and staff members have awaited the black figures with a lot of optimism — surely an essential ingredient in the operation but one that Port Director Capt. A. E. Harned thinks will prove justified.

From the first, when the port opened in 1961, he points out, it has made a healthy — if small — operating profit. Total revenue increased about 40 per cent from 1961 to 1962 (up to \$266,073 from \$189,999) and a little more than 65 per cent from 1962 to 1963 (to \$447,096 from the \$266,073). Total revenue is estimated at \$550,700 for this year.

Through the four years, this gives operating profits of \$47,383, \$70,823, \$151,782 and \$371,460 (estimated 1964).

But while tonnage increased 154 per cent in 1962 and 100 per cent in 1963, it has been far from what the feasibility study projected. The study anticipated 200,000 tons of cargo the first year and it was 1963 before cargo reached 196,410 tons.

As a result, the port has been "on hock to the city's general fund in amounts up to \$300,000 over the years since it started in order to meet the bond payments. It's estimated that that deficit will be cut to \$87,540 by the end of this year and that the port will edge into the black in 1965, ending up the year with a clear profit of about \$10,000 to \$15,000.

"Barring a major catastrophe, there's no doubt we'll make it," business manager Don Walters says.

Meanwhile, Mayor George Sharrock has decided that any doubts the City Council might have must be resolved to that same degree. He ordered a study to prove in detail that the port can pay back what it owes the general fund by the estimated date. This is being prepared now and is to be presented next month.

Harned has urged that the port's growth not be endangered because of undue concern about meeting the debts on schedule.

"We've said all along that we'd break into the black during 1965 and that still stands," he said. "The biggest mistake we could make would be to neglect necessary capital improvements."

A plan to provide for that expansion is in the works now. The city has applied for a federal planning loan to determine the feasibility of building a petroleum-oil-lubrication (POL) facility and other additions.

The port commission has recommended this, along with the other expansion, by use of a \$1 million bond issue. If this is

approved by voters, it would be financed by low-interest federal money and paid off with port revenue.

Also, the council voted recently to develop an industrial-park complex in conjunction with the port.

Capt. Harned, who has directed the port operation for more than a year now, is convinced

that it all will pay off — not just as a city-operated dock making a profit but also as an integral part of the area economy.

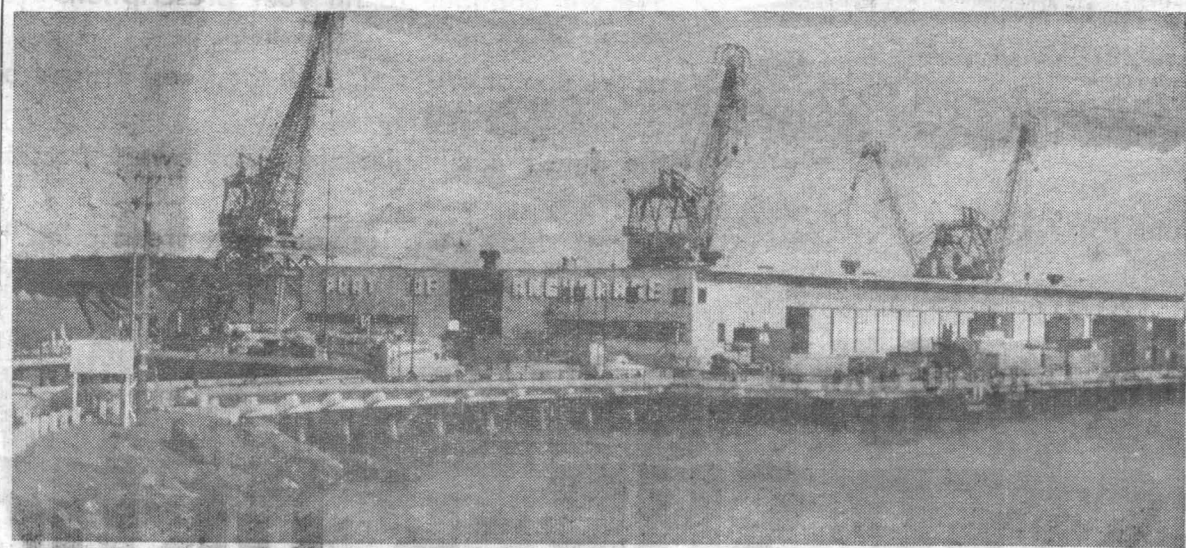
"New dollars have been pumped into the economy already," he says, offsetting the temporary financial difficulties.

He points to the \$1.5 million annual payroll resulting from

the operation to stevedores, port personnel, shippers and truckers. Added to this is the oil company payrolls for crews of exploration boats, property and income taxes from persons who are here because of the port operation and money spent in Anchorage by crews of ships calling here.

And he says the city dock is putting Anchorage on the world shipping map. Twelve deep-draft foreign vessels put in here during 1963, and he expects that figure to increase greatly over the years.

"Except for the city dock, all these dollars wouldn't be here," he said.



PORT OF ANCHORAGE, dedicated on July 8, 1961, is a major City facility. The initial stage development consists of a 600-foot long and 271-foot wide marginal wharf, with a 150 by 350-foot transit shed, four dockside traveling cranes, railroad tracks and an access road. Plans are still in the making for expansion and improvement to provide new petroleum handling facilities and storage areas.

Tuesday, March 31, 1964

ALASKA'S FUTURE

Page 11

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