



PORT CRANES ARE SUBJECT OF PRIZE-WINNING PHOTO

This seagull-eye view of a workman greasing the mechanism on a crane at the Port of Anchorage proved to be a winner for Dick Bagshaw in the final weekly photo contest this year. The 17-year-

old lad who plans to make a career of photography took the picture using a twin lens reflex camera.

Anchorage Daily Times

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EDITORIAL PAGE

Sat., June 30, 1962

Big Job Lies Ahead For Commissioner

ANCHORAGE PORT Director Henry Roloff has a big job confronting him when he assumes his new post in Gov. Egan's Cabinet as commissioner of the Economic Development and Planning Department.

His sphere of operation will be largely in a field that has gone untouched from the state standpoint. The economic development of Alaska has been one of the most neglected phases of the government ever since statehood.

While his new job will be a tough one, the opportunities are bright for real achievement. He will have a wide open field, practically untouched by any human hand in the state government.

WE HOPE ROLOFF attacks the job with vigor, imagination, determination, skill and the attitude that his new office is the key tool with which to develop the vast resources of Alaska.

As a leading state official, Roloff will have many facilities and services at his disposal to plan and promote economic development.

His new office will be the maiden voyage for the state government into the field of economic development. The field has largely been occupied by local and state Chambers of Commerce, organizations which try hard but whose lack of real authority and their limited facilities and manpower have made the task of major development a difficult one.

Even so, many developments that have taken place in the past are the result of local initiative and perseverance.

The Anchorage and Fairbanks International Airports came about by concerted Chamber of Commerce effort.

The Port of Anchorage is the product of many years of promotion and planning by the city and the Chamber of Commerce. And there are many other examples.

THE PROSPECTS for the development of Alaska's resources must be rated good.

Minerals are found here in abundance. There is a great storehouse of timber from which dozens of forest products should be tapped.

The petroleum industry, the state's brightest development in the past several years, is moving forward every day. The future, of course, is still uncertain, but it could hold such things in store as petrochemical plants, additional refineries and pipelines, new and greater oil fields and natural gas deposits.

If there can be found in Roloff's tenure as port director a clue as to how he will operate as the new commissioner of Economic Development and Planning, it should be safe to predict that he will provide a shot of energy that just might overcome the state's sleepy attitude in this field.

Transport Due Here Next Week

A company of combat engineers and nearly 400 individual replacements for USARAF units and their families will arrive in Alaska Thursday, July 12, aboard the USS General W. A. Mann.

The next day the Mann will sail away with more than 800 soldiers and their families rotating from the command.

THE MILITARY transport ship will be making its only trip to Alaska this year. She serves Pacific ocean ports, carrying soldiers and their families back and forth from overseas assignments.

The ship will dock at the Army dock in Anchorage either at 1:00 o'clock in the morning or 1:00 in the afternoon, depending on when she enters Cook Inlet. Tides control when she can dock.

Arriving aboard the troop ship will be four officers and 140 enlisted men of Company A, 35th Engineer Battalion (Combat) from Fort Lewis, Washington. The Engineers are coming to Alaska for 90 days specialized training in the Fort Greely area.

ALSO ABOARD will be some 366 soldiers and their families coming for assignment to Alaskan Army units. They will board the USS Mann in San Francisco.

Senior officer aboard the ship will be the commanding general of the U.S. 6th Army, Lt. Gen. John L. Rryan Jr., and his family. General Rryan is traveling on the ship while on leave, and will stay in Alaska only briefly.

Among the families scheduled to arrive on the Mann will be two of five children each. Sharing the timelight as fathers of the largest families on the ship are Sgt. I/C Melford C. Olson and Sgt. William C. Raines.

Sergeant Raines will be stationed at Fort Richardson. He is accompanied by his wife Lorene, and five children.

Headed for Fort Wainwright are Olson, his wife Ruth, and the four Olson children.

Roloff Gives Port Freight Predictions

In his final meeting with the city port commission yesterday, departing director Henry Roloff told the members the port will handle about 80,000 tons of freight this year and should near the 110,000-ton break-even point next year.

Roloff has been appointed commissioner of the state Dept. of Economic Development and Planning.

Current port rates require handling of at least 110,000 tons to pay all operating expenses of the facility including bond interest payments. Roloff said the first tanker load of petroleum products for the new Shell Oil Co. tank farm will arrive at the port on Sept. 7.

The commission approved the withdrawal of \$112,000 from the port's construction fund to make an upcoming payment on the building bonds.

COMMISSION chairman Harold Strandberg appointed two members as a committee to study the possibility of the port commission taking over the supervision of Merrill Field.

Following the regular business meeting, the group went into an executive session to discuss 10 applications received to date for the port director's job.

The commission will study all applications and make their recommendations to the city manager who will actually select the new director. The commissioners say it may be several weeks before they complete their studies and make a recommendation.

During the executive session, port terminals manager James Cahill was named acting port manager, according to acting city manager Richard Gantz who also attended the commissioners meeting.

Roloff Starts Work In New State Position

JUNEAU (AP)—Henry Roloff, former port director for the City of Anchorage, took over today as commissioner of the new state Department of Economic Development and Planning.

Roloff, 42, was named to the post June 29 by Gov. William A. Egan.

The new department was created by the 1962 Legislature and has the duties previously assigned to the state Division of Tourism and Economic Development and the Division of State Planning.

Port Must Increase Business Or Face Possible Default of Payments

Unless the port of Anchorage gets more business, it faces possible default of payments on \$6.2 million of revenue bonds by February, 1964, and possible receivership, the Daily News was told today.

And the port commission, headed by Harold Strandberg, and staff accuses the City Council and administration of dragging their feet in helping solve the municipal port's problems.

MOREOVER THE PORT staff claims a "basic fallacy" of a feasibility report, which launched construction of the \$8.2 million facility, resulted in an overblown picture of estimated income.

The commission and port of-

ficials have been trying all angles to get the port out of its fiscal doldrums and to strengthen its position on the Anchorage waterfront. A possible innovation talked about at a recent commission meeting is a "harbor dues charge."

This would be levied against any cargo which enters the city port area, no matter what dock receives it.

Another which has been suggested is a tax levy to meet the bond charges.

THE PORT MUST pay \$406,212 in bond interest and principal next year—one-half Aug. 15 and the remainder Feb. 15, 1964—to the holders of the revenue bonds.

If the port fails to pay, the

bondholders under terms of a trust agreement could take over the facility and have it operated for themselves.

Despite the revenues much lower than estimated in the feasibility study, the port has paid its bond service charges for 1961 and will pay this year's with the aid of a construction fund held over from building the port. The charges each of the two years are \$372,000.

Payments this year are expected to gobble up most of the \$315,555 remaining unallocated in the construction fund. So that by the second installment of the 1963 charges, the construction fund will probably be exhausted and revenues insufficient to meet the pay-

ment, a staff member said. "February 15, 1964, is crucial," he commented.

BUT EVEN THIS schedule could be knocked into a cocked hat.

Under terms of the trust agreement, the bondholders can cause the remainder of the construction fund to be held for repaying short term bonds, thus tying up the entire construction fund.

One bright spot in the bond scene is that the port will be relieved of paying principal after 1978. From that time the bonds are not due until 1998, but the money should be set aside for them.

The commission is protesting the failure of the city government to contest use of city

tidelands by private competitors of the port. In a letter to the mayor and City Council dated June 22 the commission declares that "efforts of the port commission and the staff have failed to achieve the necessary initiative from other city officials which are needed to correct . . . irregularities and violations of the city code."

The council has not answered the letter formally, the staff said.

A COMMISSION MEMBER said the Alago dock, operated by Alaska Aggregate Co., which leases uplands space from the Alaska Railroad near Ship Creek, is using tidelands claimed by the city. No rental is paid the city, it was said.

Others the commission member said were trespassing on tidelands deeded the city by the state are the Anderson dock, used by Alaska Freight Lines, the Union Oil Co. and even the Alaska Railroad and its parent, the Department of the Interior.

The only solution foreseen is a court suit to settle jurisdiction of those tidelands lying seaward of the ARR's terminal reserve in the Ship Creek delta, the commissioner said.

THE COMMISSION MEMBER said the city was delaying action on the tidelands problem due to overload of the city attorney's office. When city defense against a suit brought by the General Electric Co. is com-

plete, then the port protest will be considered, the commissioner said he learned.

He said the port may have to hire outside legal talent to handle the litigation.

A basic fallacy in the feasibility report prepared in 1958 by the consulting firm of Coverdale and Colpitts of New York City has led the port, city government and the taxpayer astray, the port staff maintained.

ASSUMING THAT the seagoing common carriers using the port of Seward would serve Anchorage direct when its port was built, the consultants prophesied the following tonnages would be handled by the Anchorage port:

1961, 220,000 tons; 1962, 234,000 tons; 1963, 240,000 tons; 1964, 245,000 tons.

Since the carriers — Alaska Steamship Co. and Puget Sound Alaska Van Lines—have failed to transfer to Anchorage, the actual tonnage in 1961 was 38,259; estimated this year, 80,000; and next year, 100,000. The consultants estimated port revenue at \$4.50 per ton, thus giving ample income to pay bonded indebtedness.

ACTUAL REVENUE in 1961 was \$189,998 and operating expenses, \$142,608; estimated this year are \$400,000 revenue and \$202,880 expenses; and for 1963, about \$540,000 in revenue and \$230,000 in expenses.

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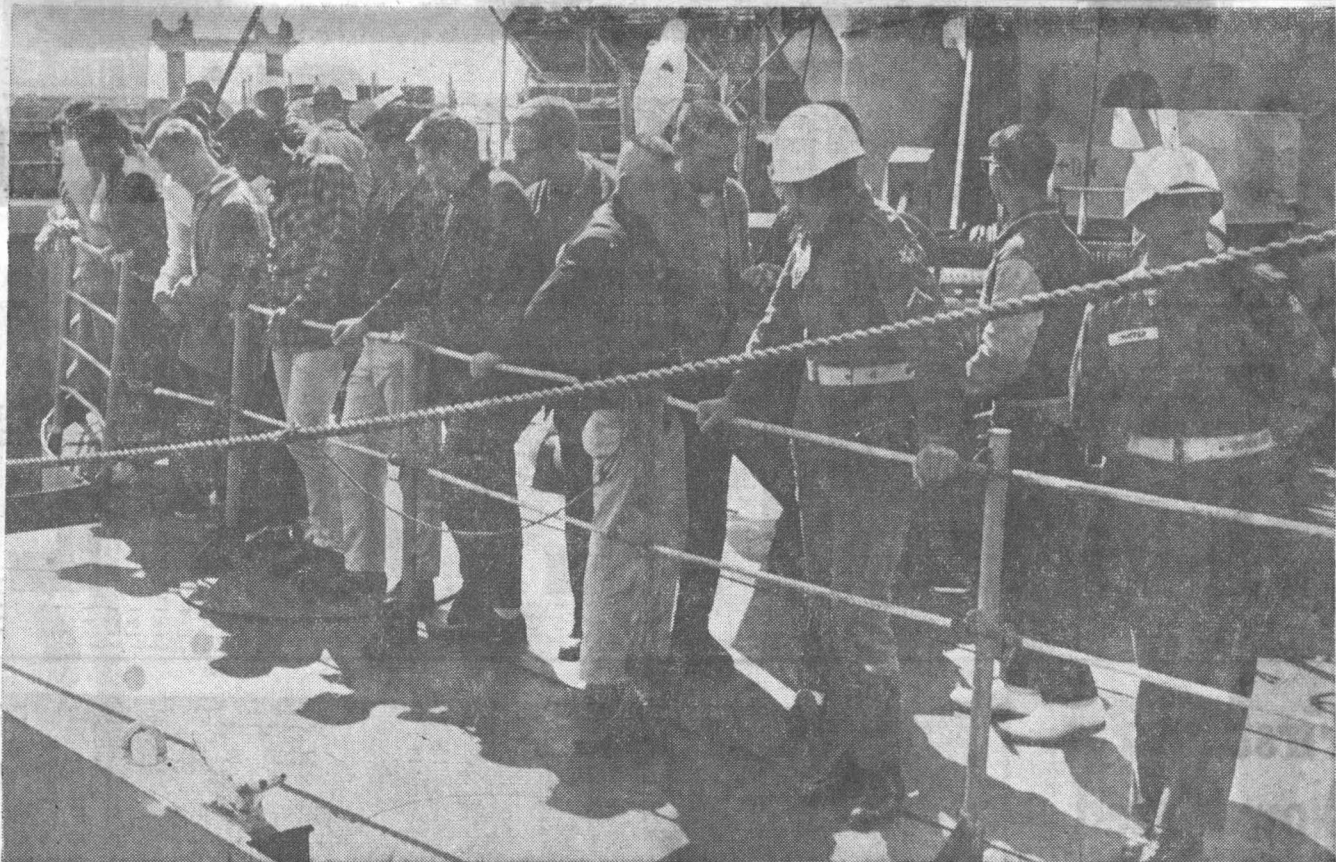
ANCHORAGE DAILY NEWS

Vol. XV, No. 77

Member United Press International

Anchorage, Alaska, Tuesday, July 31, 1962

12 Pages—PRICE TEN CENTS



REPLACEMENTS ARRIVE

Some 362 military personnel and their dependents were aboard the USS General W. A. Mann which berthed at the Port of Anchorage yesterday. The 623-foot troopship, largest to be accommodated here,

was to sail for San Francisco this afternoon. Aboard will be more than 800 Alaskan Command Army, Navy, and Air Force personnel and their families.

Gruening Recommends Gibbons for Port Job

Sen. Ernest Gruening has written a letter endorsing the appointment of John Gibbons as director of the Port of Anchorage, the Anchorage News learned today.

According to an informed source, Senator Gruening's suggestion that Gibbons be appointed to replace H. Henry Roloff, who has accepted a position with the state, was contained in a letter addressed to Harold Strandberg, chairman of the Port Commission.

Strandberg is spending the summer in the bush looking after the family's mining interests. He was not available for comment.

Roloff recently was appointed commissioner of the Department of Economic Development and Tourism by Gov. William A. Egan. He will leave Anchorage for Juneau at the end of the month.

Gibbons, well known Alaska businessman, has long been active in Democratic Party circles. A former resident of Kodiak, he moved to Anchorage about a year ago.

While checking with city hall officials today, the News also learned that Gibbons has not submitted an application for the job of port director.

The hiring of a port director is the responsibility of the city manager. When Roloff was employed in 1960, his appointment also received the endorsement of the City Council.

So far, Gibbons' name is the only one which has been mentioned as a possible replacement for Roloff as director of the \$8,200,000 port facility.

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Friday, July 6, 1962

Port Chief Being Sought

Applicants for the position of port director are being sought by the Port of Anchorage's commission.

Qualified applicants from Alaska and the Pacific Coast are sought to head up the \$8,200,000 port project now in its second year of operation.

The post has been vacant since the resignation of Henry Roloff, director since January, 1960. Roloff has been appointed state commissioner of economic development and planning.

Interested persons should contact the chairman of the Anchorage port commission, Box 400, Anchorage.

Plan Action On Tideland Ownership

Acting City Manager Richard Gantz said today the city will bring action to determine the ownership of the tidelands opposite the Port of Anchorage facility.

Gantz said he could not say when this ruling would be sought.

The problem is a complicated one, Gantz pointed out. The acting city manager had previously told the port commission the city's legal staff was involved in other litigation and could not bring its full efforts into the tidelands problem at this time.

Rod Johnston, vice chairman of the port commission, said today that additional revenue must come in to the port if the port is to meet its financial obligations.

POINTING out that the port's freight business was not increasing at the rate it should, Johnston said the port must handle more freight if it is to break even and meet its bonding obligations.

Port Accountant Don Walters set the break even freight figure at 120,000 tons annually across the port dock at a revenue figure of \$4.50.