

Kenai Refinery to Be Operational by January

JUNEAU — The controversial oil refinery at Kenai which has a contract to buy state royalty oil will be operating by Jan. 1, it was announced Tuesday by Gov. Keith H. Miller.

Alaskan Oil and Refining Company is to process 15,000 barrels of state royalty oil a day at the \$18 million facility known as the Big Bear Refinery.

"This is Alaska's first independent refinery, and is a prime example of Alaskan hire," Miller said. "The company has informed me that they will train plant operators at refineries located outside the state, then return

them to the Kenai plant for employment."

The refinery and the negotiations which got the company the contract to buy state royalty oil from the Cook Inlet field came under close scrutiny during the legislative session.

Some senators insisted the state should have sold the oil by asking for bids rather than by dealing with a single firm.

There also were a number of questions raised about the acquisition of Alaskan Oil and Refining by Tesoro Petroleum Corp. after the former firm

had obtained the state contract.

The governor's office said the price per barrel — as of today — which is to be paid the state is \$3.25, up 19 cents since the signing of the contract. However, this is for top grade oil — 40 gravity — and most of the oil taken from Cook Inlet is of poorer quality, and therefore brings a lower price.

A spokesman for the company said that initially the refinery will process 2,500 barrels a day in addition to the 15,000 barrels of state royalty oil, and added that the rate could go as high as a total of 30,000 barrels a day.

The governor's office said that of

the 174 workmen employed in construction of the plant, 172 were Alas-

kans. And the office said that when the plant is completed, 25 persons are

to be employed, with 75 per cent being Alaskan hire.

Tides Delay Timber Ship

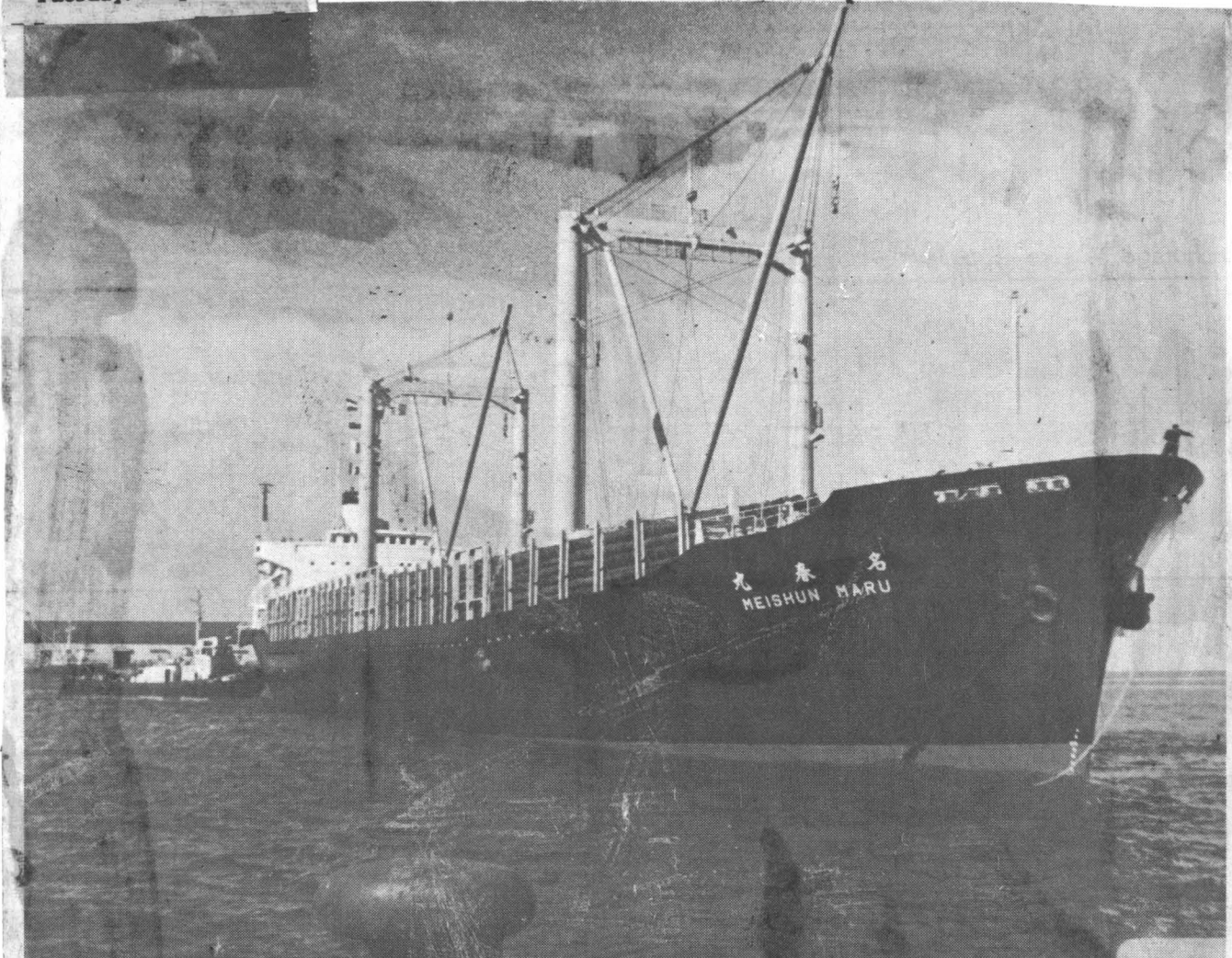
Adverse tides will delay the arrival of one of the world's most modern cargo vessels into the Port of Anchorage Thursday.

Expected to arrive this morning, the M. S. Meishun Maru, a timber ship chartered by the South-Central Timber Development Co. Inc. of Anchorage will arrive at approximately 6 p.m. instead.

An open house scheduled for Thursday afternoon has been delayed until Friday from 10 a.m. to 2 p.m., T. Akimoto, executive vice president of South-Central said today. Because of container ship activity at the adjacent city dock, parking will be restricted in the port area and for this reason Akimoto said his company was seeking to provide free bus transportation for the open house. Tentative boarding site is the parking bowl at Third Avenue and C Street.

The visit to Anchorage, said Akimoto, is a good-will gesture on the part of his company as well as a chance to show off the new ship to Alaskan stockholders in the firm. South-Central is an Alaskan chartered corporation and has both Japanese and Alaskan investors. It is operated as a division of Iwakura-Gumi Lumber Co. of Hokkaido, Japan's largest wood products firm.

2 Anchorage Daily Times
Tuesday, May 20, 1969



NEW VESSEL WILL MAKE GOODWILL VISIT HERE

The Meishun Maru, a brand new ship built to carry timber from Alaska to Japan, will arrive at the Anchorage port about noon Thursday and the

public is invited to an Open House that afternoon. The ship is returning to Alaska after making her maiden voyage.

JAPANESE SHIP DUE ON GOODWILL VISIT

A good will visit to Anchorage will be made Thursday by the steamship Meishun Maru with the hope that city residents will join with the Japanese owners in celebrating the success of their Kenai Peninsula timber venture.

The ship is scheduled to arrive about noon Thursday and the public is invited to an open house session during the afternoon. The ship is new, fresh from the shipyard in March. It is returning to Alaska after its maiden voyage with a load of timber from Kachemak Bay to Hokkaido, Japan.

Isamu Ohuchi, director of South Central Timber Development, Inc., and Shohet Taguchi, special assistant to the president of Iwakura-Gumi Lumber Co., Ltd., of Hokkaido, are in Anchorage making arrangements.

Taguchi said the operation on the Kenai Peninsula is different from those of firms operating in Southeastern Alaska.

"In Southeastern Alaska there are Americans who know the timber business and Alaska in the firms," he said. "But we who operate here are in a Japanese firm and we need the helping hand of Alaskans to show us how to do things and how to do business here."

He said the firm is now seeking additional timber lands at Cape Yakataga, Montague Island, interior areas or elsewhere so that it can double its present output for shipment to Japan.

"The Meishun Maru will carry twice as much timber as we can produce at our present camps," Taguchi said. "We plan to build a second sawmill to handle more timber."

Taguchi said the firm has leased land at Seward from the Alaska Railroad and will build the mill there. Logs will be taken there from the cutting areas. After being processed in Seward they will be shipped to Hokkaido.

The new Seward sawmill is expected to employ about 16 in the camp and an additional 16 as loggers in the field. At loading time the Kachemak Bay mill employs 25 stevedores for about two weeks. Most of them reside in Seward and Homer.

Each boatload of timber represents an expenditure of about \$400,000 in Alaska.

The Meishun Maru is about 500 feet long and has a beam of 70 feet. It carries about 5 million board feet per trip. The South Central Timber Development, Inc., is a subsidiary of Iwakura-Gumi Lumber Co., of Hokkaido.

2 Anchorage Daily Times Friday, May 23, 1969



BOARDING PARTY TAKES TO TIMBER SHIP

Some of the first visitors from Anchorage to tour the Japanese timber ship Meishun Maru are shown as they board the vessel. The ship, which docked at the Port of Anchorage early this morning, was open to the public until 2 p.m. The newly-built ship, one of the largest and most modern of its kind, is under charter to South Central Timber Development Co. of Anchorage. It will be used to transport lumber from Kachemak Bay to Hokkaido, Japan.

TAMS Newsletter, May 1969, Vol. XVI, No. 2

PORT OF ANCHORAGE

by Tetsu Yasuda

October 31, 1968, marked the completion of a \$1.4 million extension to the Port of Anchorage and ended still another chapter in a long tale of TAMS' projects for the Port—a tale spiked by unusual events that seem to plague the frontier state of Alaska. The story began in 1955 when TAMS was engaged to study the engineering feasibility of constructing a general cargo terminal at the mudflats of Knik Arm. TAMS subsequently designed and supervised the construction of Anchorage's first deep-water cargo pier which was dedicated as Municipal Terminal No. 1 in July, 1961.

On March 27, 1964, the Good Friday Earthquake devastated south central Alaska. Anchorage, only 80 miles from the epicenter, suffered severe damage and the entire area subsided 3.7 feet, almost the exact clearance of the pier above high water. TAMS was called in to supervise emergency repairs to the terminal facilities even as relief supplies streamed across the pier. TAMS was also asked to design and supervise the construction of a petroleum unloading terminal for the Port. The Municipal Petroleum Terminal, providing 600 feet of tanker berthing space to the south of City Dock, was completed before the winter of 1965.

In 1966, the City of Anchorage engaged a local consulting firm to engineer the addition of 610 feet of berthing space to the north side of the City Pier. Less than one-third of the pier extension was completed when the bitter Alaskan winter and icing of the harbor forced suspension of the work. During shut-down operations, cracks were noticed in the concrete cap beams. While the cracks were being examined, a mass of ice fell off the piling and shook the pier. When the ice melted the following spring, it was discovered that some of the piling had fallen away with the ice.

Investigation of the damage indicated that the pier extension would have to be

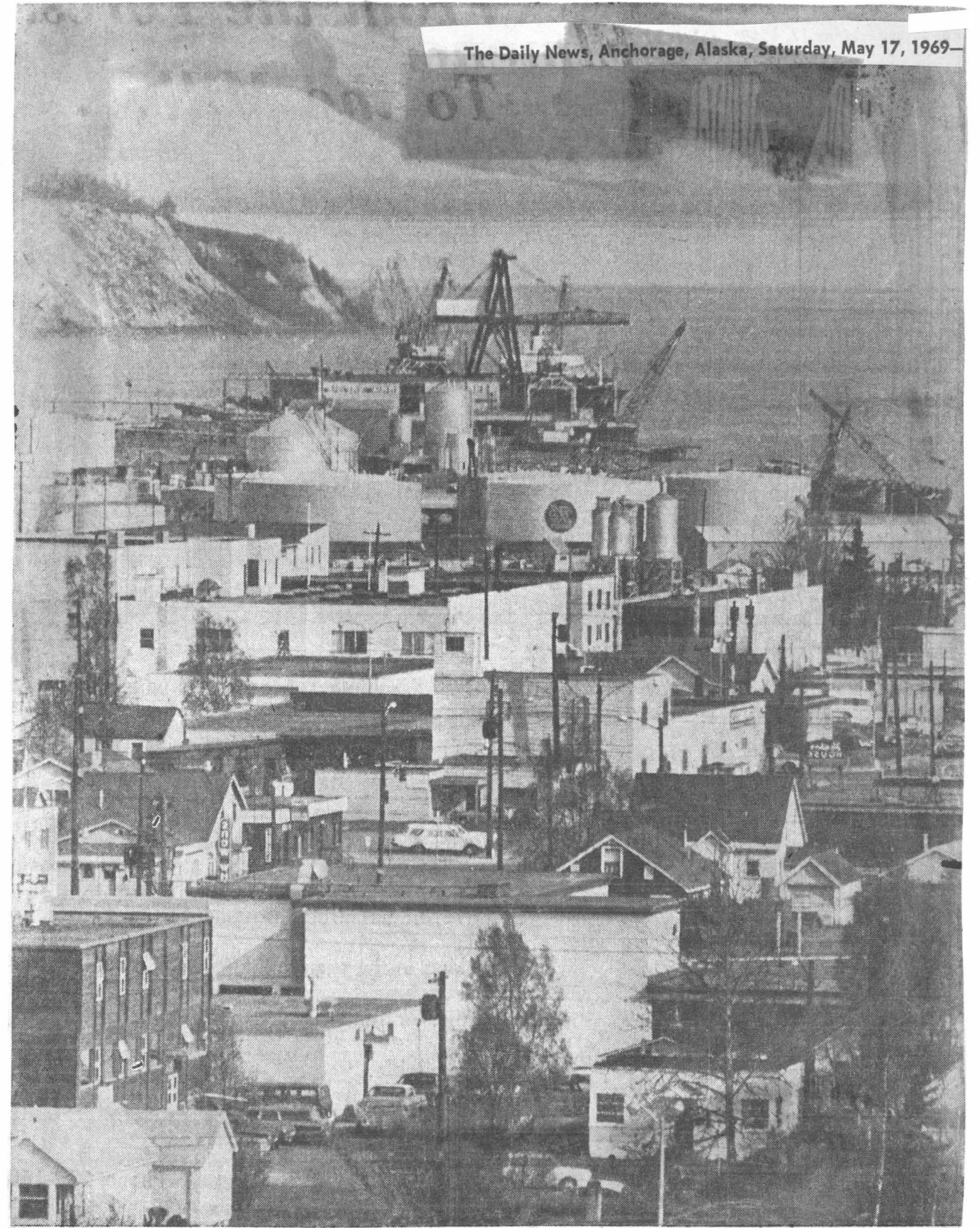


rebuilt entirely, and TAMS was retained to furnish design services and to supervise the construction work. Because part of the construction funds had already been expended, the new extension had to be tailored to suit the balance of the funds. The resulting Terminal No. 2, Phase I, which is 69 feet wide and 271 feet long, with a 22 by 48 foot truck turn-around, was completed in October 1968.

On November 15, 1968, a tanker nosed into the Municipal Petroleum Terminal at a considerable rate of speed, causing substantial damage. This spring TAMS will be back in Anchorage supervising the repairs, so the story of TAMS' association with the Port of Anchorage has still another chapter to be written.

The engineering for the original City Pier was performed by TAMS' New York office. All subsequent projects were handled by TAMS' Seattle office under the management of George T. Treadwell, Thomas J. Fratar and Barnett Silveston are Partners-in-Charge; Tetsu Yasuda is Project Engineer; and Harry Ekizian is the New York Liaison Engineer.

The Daily News, Anchorage, Alaska, Saturday, May 17, 1969—



The supplier: the Port of Anchorage.