

City Council Approves Ideal Cement Lease—After Hot Opposition

By STEPHEN BRENT
Daily News Staff Writer

Above the impassioned objections of the area's two established cement concerns, the City Council has approved a lease with a third—the Denver-based Ideal Cement Co., a subsidiary of Ideal Basic Industries.

With a unanimous vote the council approved a Port Commission recommendation of last Friday that the company be granted a 30-year lease on four acres in the Port Industrial Park, at an annual rental of \$14,744.

IDEAL spokesman Ian (Scotty) Marshall-Pryde said his company would build a dust-free facility worth more than \$1 million that would consist of four silos capable of storing 60,000 barrels of cement.

He said the cement would be barged to Anchorage from Seattle and unloaded at the city dock.

Almost violent in his opposition was Alaska Aggregate Corp. President Ken Hinchey, a former Anchorage mayor.

HINCHEY claimed that the South-central cement market is only some 350,000 barrels a year, now essentially split between his company and the Kaiser Cement and Gypsum Corp.

"If a third company comes into the market," Hinchey said, "there is only one result that can happen (unless one of the companies goes under), and that is that they would split the market three ways—and that would force the price up \$1 a barrel."

Hinchey said that by reducing volume, the unit cost would rise for all three competitors. He now holds a contract as a distributor of Ideal Cement, though he will compete with it after the contract expires.

BOTH HINCHEY and Atty. Jack Stern, representing Kaiser, argued that they were given no notice that the city was negotiating with Ideal and both said they would have bid on the

lease if they had been given the chance.

Hinchey added that he had more than once been told by the city that he could not locate such a plant in the Port Industrial Park because it would interfere with port operations.

The council's position was that the land in question had been up for lease since June and that the other companies had been free to bid for it. It added that other lots are available in the area if Alaska Aggregate or Kaiser want them.

STERN AND Hinchey charged that the Port Commission had been meeting with Ideal in secret, to work out the contract.

Commission Chairman Arne Michaelsen replied that the only commission meeting with the company was last Friday and that it was open to the public and publicly announced.

In other action, the council:

- Tabled to the end of February Councilman Bennie Leonard's proposal that a \$250 real-property tax exemption be granted to senior citizens. City Atty. Karl Walter Jr. said he believed the plan would discriminate against older persons who do not own property, and therefore be illegal. Leonard said he would research the matter further.

- Unanimously urged Congress to authorize a study of building a small boat harbor here.

4 Anchorage Daily Times
Saturday, Jan. 18, 1969

Sea-Land Ship Slashed By Ice

KODIAK — A Sea-Land vessel, en route from Anchorage to Seattle, received a 40-inch slash Tuesday over the No. 1 hole on the port side in what the unidentified skipper termed the heaviest ice he has ever encountered.

He reports that the waters are solid ice from Anchorage to Anchorage Point.

The ship made its normal scheduled stop at Kodiak and continued on to Seattle after repairs were made.

44 Anchorage Daily Times
Thursday, Jan. 30, 1969

Second Tanker Clears Inlet, Docks Safely

The second tanker to dock at the port of Anchorage this year sailed in without incident early Wednesday.

Standard Oil Company's Hillyer Brown is presently tied up at the port's petroleum docking facility. According to Port Director Russell Painter, this docking will ensure a full 12-month operation of this facility. He said the tanker experienced no difficulty with ice in Cook Inlet. Previous reports indicated vessels sailing in the Inlet had sustained damage due to heavy ice conditions.

The first tanker into port in 1969 was the Texaco California, which docked Jan. 1.

Cement Plant Work To Start

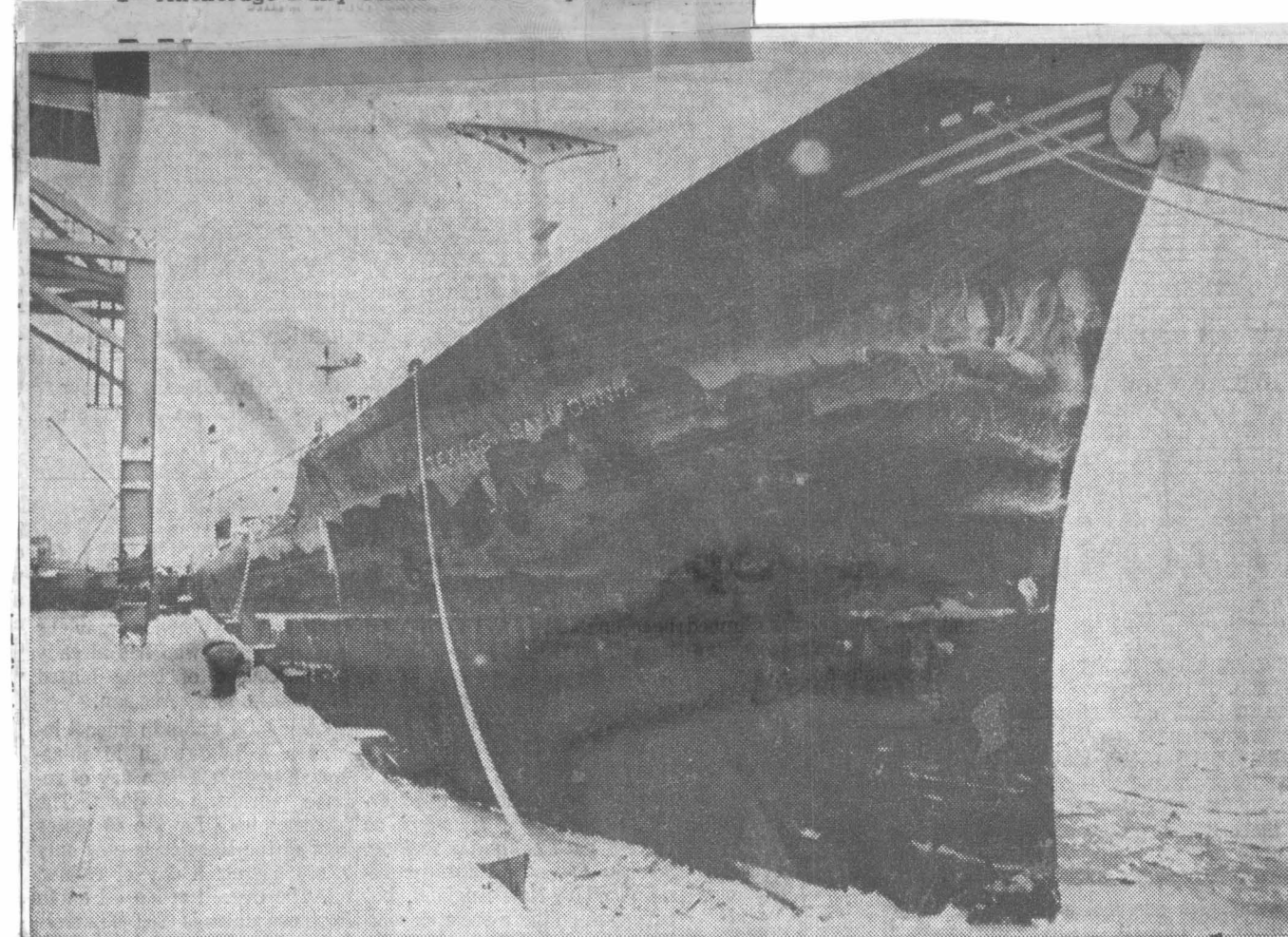
Construction of a cement processing terminal will begin this summer at the Port of Anchorage. The Port Commission approved the lease Friday of four acres of land to the Ideal Cement Co., of Denver, Colo.

The Commission met in special session and set a \$14,700 per year rent on the land, on which Ideal will build facilities costing over \$1 million. The lease will be on the agenda for next week's City Council meeting.

Ideal plans to ship cement and related products to Anchorage in barges from Seattle. The products will be unloaded by pressure pipelines from the extended city dock into silos to be constructed at Ideal's terminal.

Present plans call for cement to be sacked at the terminal and shipped throughout the state by way of the Alaska Railroad. A spokesman from the Port Commission said the facility will include the silos, pipeline, a sacking facility and a rail spur. Construction is to start Sept. 1 and reach completion a year later in 1970.

2 Anchorage Daily Times Saturday, Jan. 4, 1969



FIRST TANKER SETS NEW PORT RECORD

The tanker Texaco California, shown waiting to leave on Friday's tide, was not only the first tanker at the Port of Anchorage in 1969, it also set a record as the tanker responsible for making the port's petroleum docking facility a 12-month operation. The tanker docked New Year's day, hard on the heels of Standard Oil's F. S. Bryant, which docked Dec. 31, the last tanker to berth in 1968. The

last tanker to come into port in 1967 arrived Dec. 27 and no other tankers berthed until Feb. 11, 1968, when Standard Oil's Hillyer Brown came in. Port Director Russell Painter said another tanker is expected at the port in late January, establishing Anchorage as a year-round port for both tankers and freight vessels.

Anchorage Daily Times Saturday, Jan. 25, 1969

CEMENT PLANT TO BE BUILT HERE

2 Anchorage Daily Times Wednesday, Jan. 23, 1969

Lease Opponents Level Charges At City Council

By MARGARET SCHMIDT
Times Staff Writer

Charges of secret meetings and failure to abide by the city charter were leveled at the City Council Tuesday night by opponents of a plan to lease a lot in the Port Industrial Park to Ideal Cement Co., a Denver-based firm.

Despite bitter opposition from representatives of Anchorage's two other cement companies, Alaska Aggregate Corp. and Kaiser Cement and Gypsum Corp., the council approved the lease.

Ian Marshall-Pryde of Ideal

Cement told the council his firm plans to barge cement from Seattle and store it on the leased site in four silos capable of holding 60,000 barrels.

The lease, extending for 30 years, provides a yearly fee to the city of \$14,742.

Marshall-Pryde said a \$1 million dust-free plant will be constructed on the site. The cement will be moved over the city dock facility, but Marshall-Pryde would not disclose the tonnage the firm expected to move in this manner.

Ken Hinchey of Alaska Aggregate asked for a two-week ex-

tension before a decision was made on the lease application. He contended a third company in the cement business in the area would force prices up.

Hinchey further stated that granting the lease would jeopardize future development of the dock area. He claimed he had no objection to Ideal Cement locating somewhere else, but said there were "better possibilities on the horizon" for the industrial park area.

Hinchey added that he had been led to believe that the land in question would not be made available to him should he apply for a lease for the same purpose as Ideal Cement. However, it was noted that at no time had Hinchey made application for a lease in the industrial park.

Since the land in question is public land, said Hinchey, it should be leased by public bid. Jack Stern, representing Kaiser Cement, charged that by failing to lease the lot by bid, the city was acting against its own charter.

City Atty. Karl Walter countered that charter provisions had been adequately met in the lease arrangement.

Charges that "secret meetings" had been held between the Port Commission and Ideal Cement were refuted by Arne Michaelsen, commission chairman, who said notices of the meeting had been mailed to news media and posted at City Hall.

Wednesday, Jan. 29, 1969 Anchorage Daily Times 11

Oil, Shippers Seek Marine Forecasts

By TOM BRENNAN
Times Staff Writer

The Alaska oil and shipping industries are asking the Weather Bureau to establish a special marine forecast unit here in hopes of reducing ship accidents.

The industries, backed by marine insurance companies, have asked for a substantial increase in the amount of forecast information available in Alaskan waters.

Twenty-three representatives of companies involved, the Weather Bureau and the U.S. Coast Guard met privately Monday at the Anchorage-Westward Hotel to discuss ways to obtain the information. Marine forecasts are now made as a by-product of forecasts designed for pilots.

The meeting followed discovery that a combination of extreme low tides and difficult ice conditions resulted in damage to at least four oil tankers, a Sea-Land van ship and three oil rig supply boats in Cook Inlet in an eight-day period.

The problem has reportedly brought the wrath of the shipping and insurance companies. Oil industry sources indicated they could have scheduled their supply activities on oil rigs to keep supply boats off the inlet at peak danger times, if given adequate warning.

Larry Mahar, director of the Weather Bureau in Alaska, said he has asked Washington for

funds to establish a marine forecast unit in Alaska before, but has been unable to get the money. "I've advised my higher headquarters of the problem before," he said, "but now it's possible that, with some support from the users, I can get Washington to take another look at it."

Mahar reported the men at the meeting Monday, "laid it on the line. They've had some tremendous damage that could have been avoided with adequate forecasting," he said.

Marine forecasts are now handled on a low-priority basis by the five-man team which provides weather forecasts for fliers. The marine operation is a round-the-clock service, Mahar said, but the forecast is very generalized and made by men with many other duties.

Mahar said the marine forecasts are not adequate for the needs of the shipping, fishing and oil industries and other boaters, "but it is the best we can do at the present time."

He said the required unit would involve five men working full-time on marine weather problems. If it is approved, they would have to conduct a study of Cook Inlet ice and tide conditions before they could provide accurate forecasts for the inlet, but "even in the beginning it would be better than what we are giving them now."

Mahar said his previous budget requests had been for a team to provide marine forecasts for Cook Inlet and the barge routes through the Gulf of Alaska, but the people at Monday's meeting indicated they need forecasts for all Alaskan waters, including the Aleutians, Bristol Bay, the Bering Sea and the Arctic.

An insurance industry spokesman said detailed forecasting of marine conditions could avoid many fishing vessel accidents.

Wednesday, Jan. 8, 1969 Anchorage Daily Times 17

PORT JUMPS REVENUE BY \$60,000 DURING 1968

More than \$60,000 in increased revenues was realized by the Port of Anchorage during 1968, Port Director Russell Painter reported to members of the Port Commission.

This was in addition to the \$703,471 in estimated revenues budgeted for 1968.

Despite inroads into the flow of petroleum, oil and lubricant products (POL) due to use of the military pipeline from Whittier, the POL docking facility increased the flow in 1968 by 600,000 barrels, said Painter, realizing \$30,000 in revenues over 1967 traffic. This figure excludes military POL throughput.

Another \$30,000 increase in port revenue came from a 23,000 to 29,000 ton increase in dry cargo shipped over the port during the past year as compared to 1967, the port director said.

With the projected completion of phase two of the dock extension due sometime in 1969, Painter forecast an even brighter outlook for the coming year. Preliminary discussion with firms interested in constructing a pipeline to the North Slope indicated that at least 100 shiploads of pipe can be expected in Alaska ports, principally Valdez, Anchorage and Seward. Coupled with a normal rate of increase for other products coming through the port, this would indicate a banner year for the port, said Painter.

Additionally Painter noted that the port's POL docking facility had become a year-round operation, with tankers utilizing the dock on a full 12-month basis for

the first time since the POL dock went into operation. While revenues were increasing, Painter said port operations continued to show a reduction in overall operating expenses.

Anchorage Daily News, Wednesday, January 8, 1969

City Council Delays Action On Port Position

With two members absent, the City Council decided Tuesday night to postpone a decision on whether to reinstate the position of assistant port director.

The position was knocked out in the budget for 1969, but the Port administration, expecting its busiest year in history, has requested that the job be reinstated.

Wilda Hudson moved that the job be revived.

BUT COUNCILMAN William Besser, concerned by the absence of Dick Silberer and George Kimura on an important vote, moved that action be postponed until all councilmen were present.

Mrs. Hudson's motion was withdrawn and Besser's was passed with two dissenting votes—those of Mayor George Sullivan and Councilman Joseph Y. Yesenski.

22 Anchorage Daily Times
Saturday, Jan. 18, 1969

R. J. Reynolds Eying Sea-Land

Sea-Land Service Inc., primary Alaska sea-freight carrier, will be sold to the R. J. Reynolds Tobacco Co. according to the Wall Street Journal. Reynolds, the world's largest cigarette producer has reached a preliminary agreement to purchase McLean Industries Inc., a major shipping concern and owner of Sea-Land, the article said.

Purchase price was reported to be \$350 million.

Processing Terminal Site In Port Area

Estimated Cost
Of New Facility
Over \$1 Million

Ideal Cement Co. is planning construction of a cement processing terminal in the Port of Anchorage industrial area at an estimated cost of well over \$1 million.

The Anchorage Port Commission met in special session Friday night to approve a lease application on four acres of land in the industrial park. The lease, which carries rent of about \$14,700 a year, will be on the agenda at next Tuesday's City Council meeting.

Commission Chairman Arne Michaelsen said the Denver, Colo.-based company plans to bring bulk cement and related products to Anchorage on deep-water barges from Seattle.

The cement will be transferred from the extended city dock to the plant under pressure through a pipeline and stored in silos.

It will be sacked here and distributed along the railbelt. Ian (Scotty) Marshall-Pryde of Seattle, a representative of Ideal Cement, said the new facility will be "a terminal for handling of cement for the railbelt area." It would presumably also supply cement products for construction on the North Slope.

Ideal Cement has been distributed here since 1960 by Alaska Aggregate Corp. Ideal Cement is a division of Ideal Basic Industries of Denver, Colo.

Port Director Russell Painter said he has been working with the company on the project since last spring, though the plan has not previously been made public.

Michaelsen said Ideal's plans call for installation of modern equipment designed to prevent air pollution and will include a sacking facility, a rail spur, the pipeline and storage silos. Construction is planned to start by Sept. 1 with completion due by Sept. 1, 1970.

Michaelsen noted that the proposal is especially well-suited to the port industrial area since the city would make money on materials brought across the municipal dock as well as on the rent.