



STATE AND FEDERAL OFFICIALS SEE DOCK FACILITY

From left, gathered to make final inspection of the dock expansion completed this year are Arne Michaelson, port commission chairman; Clyde Courtnage, Alaska manager, Economic Development Administration; Philip Perdichizzi, Tippetts-Abbott-McCarthy-Stratton; James Clinton, president of J. R.

Clinton Company, Inc.; Lewis Byrd, senior project manager, Economic Development Administration; William S. Bunselmeyer, resident engineer, Tippetts-Abbott-McCarthy-Stratton; Tom Anderson, general manager with General-Swalling, and E. Erwin Davis, city port director.

Officials Inspect Port Expansion

Final construction inspection on the first half of the third terminal at the Port of Anchorage was held yesterday when representatives of the

federal Economic Development Administration and the city and its consulting engineers and contractors gathered to tour the facility.

The cost of the project to date is \$5,673,701, said port director Erwin Davis. The second phase is scheduled to begin next summer if the city can find funds to match the \$3 million bond issue approved by Anchorage voters for the terminal.

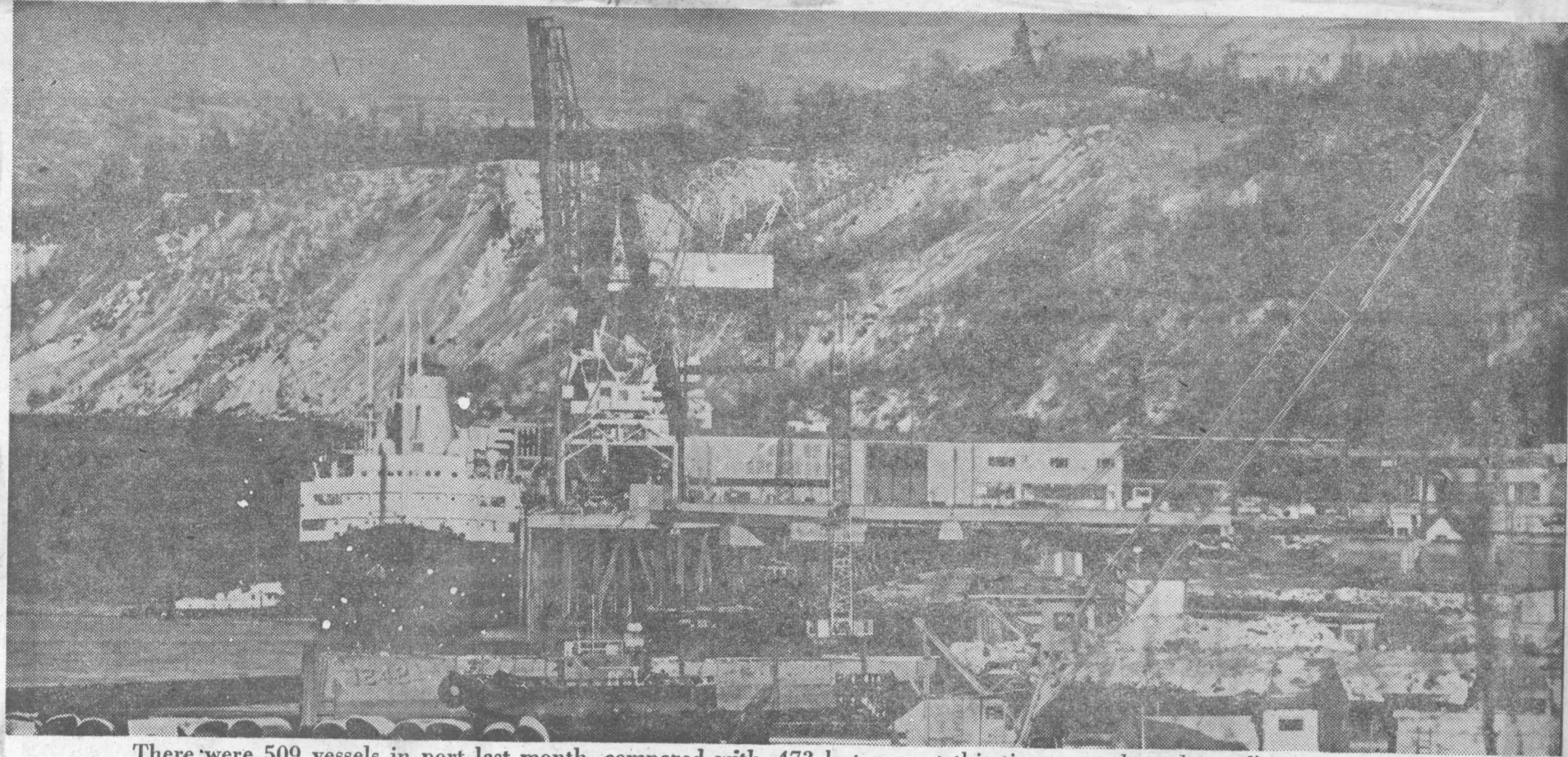
The apparent failure of a state bond issue in Tuesday's general election and lack of congressional funding for the Economic Development Administration has dried up immediate money sources.

Included in the project was \$1,479,189 for yard

improvements awarded to J. R. Clinton Co., Inc. This program reclaimed 11 acres of tidelands for use as storage area and included drainage and installation of utilities, fencing and lighting. Also included was construction of a trestle from the north end of Terminal No. 1 to the shore.

The construction of the terminal's first half, awarded to General-Swalling, a joint venture, cost \$3,329,256. This portion of the dock is 366 feet long and 69 feet wide. The project includes a stevedore building.

Contracts for dredging in preparation for terminal construction, amounting to \$302,440, were awarded to Christianson Construction Co. and General-Swalling.



There were 509 vessels in port last month, compared with 473 last year at this time — a three-dozen figure increase.

A full, busy dock

"Business here is booming more than ever before," said Anchorage Port Director Erwin Davis. "By next spring it'll be pandemonium."

Davis has a full dock at his port. Vessels, in fact, often are stacked two or three in inlet waters waiting for a space at the terminal to unload. And it's costly for the carriers to wait — as much as \$7,000 a day.

Demands for goods by Alaska's growing population and the boom of pipeline construction has fattened Anchorage's port business by 20 per cent over last year.

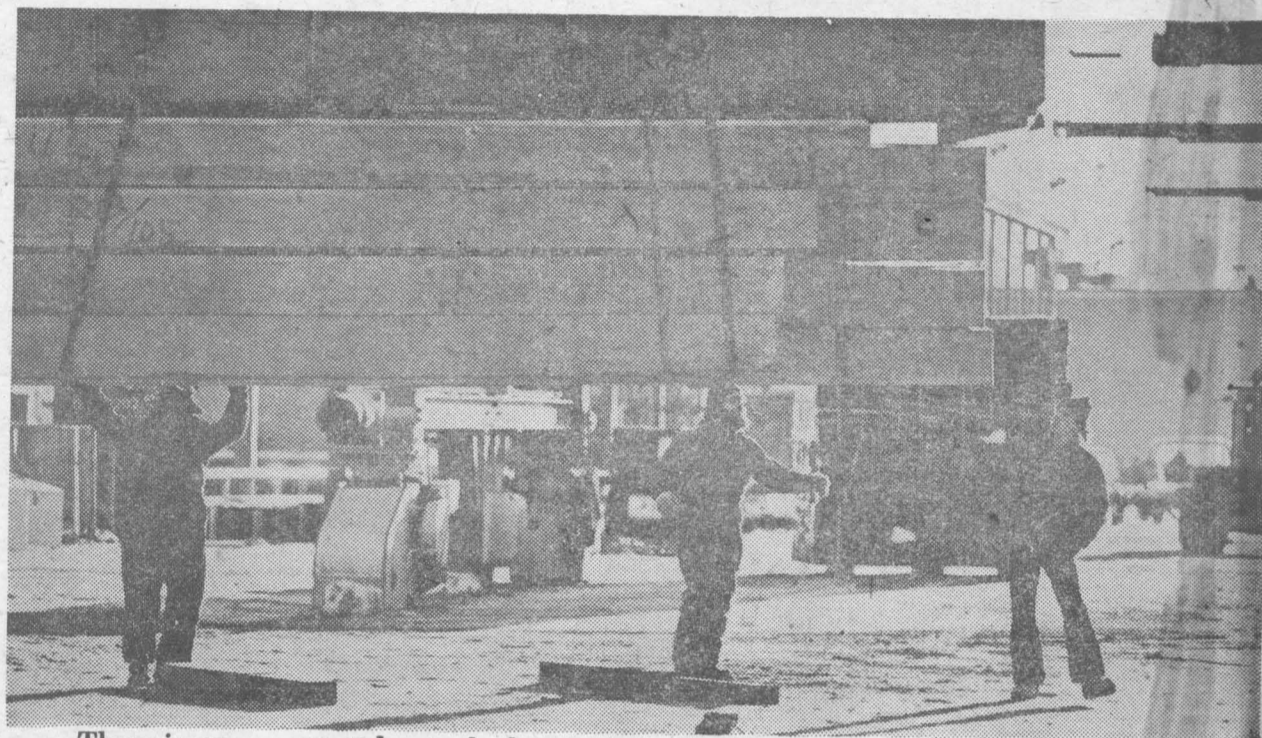
"We're already revising the projections and topping them by 10 per cent more," said Davis, who has been with the city port since 1969.

According to Davis, general cargo during October was up 30 per cent over the previous year and petroleum shipments were running 5 per cent higher. Total ship movements showed 473 vessels in October 1973 compared with 509 last month — a three dozen figure increase.

Sea-Land is the biggest carrier with three vessels per week from Seattle. Bechtel, a pipeline construction contractor, however, is routing much of its equipment and materials through the port. "There are tremendous trucking and rail movements out of here these days," Davis said. "It's certainly not normal. And by next spring, it'll be pandemonium."

The port recently opened its new cargo and staging area for business, but work on a third terminal and a second petroleum dock is waiting on the outcome of a federal application with the Economic Development Administration and bond results from the Nov. 5 election. Indications are that the bond proposition is failing, although a final tally won't be completed until this week.

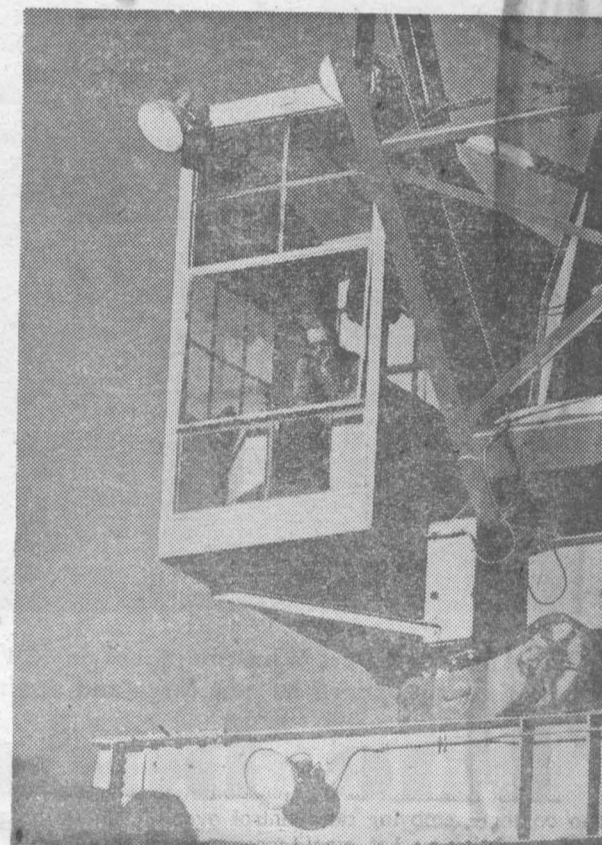
Photos
by Neal Menschel



There is more cargo today as the boom of pipeline construction ups demand for goods.



Vessels are stacked two or three in inlet waters these days while men scramble to handle the cargo.



Up in the crane cab, workers are pulling more of a load than they did last year.

Failure Of Bonds Could Cause Problems Here

By MARGARET SCHMIDT
Times Staff Writer

The apparent failure of two of the 10 state bond issues in Tuesday's general election may have serious repercussions in Anchorage.

Although neither city Librarian Dorothy Shaver nor Anchorage Port Director Erwin Davis are willing to concede defeat until some 7,000 absentee ballots are counted, they agree that failure of the bond issues will create serious problems here.

Most particularly affected will be the port, where, Davis said, lack of the \$3.5 million of the state's total issue of \$22.5 million port bonds "poses a

real problem" by halting completion of the third general cargo dock.

The first phase of the port's third terminal, just completed this week at a cost of \$6 million, Davis said, is only half of the dock required to meet unprecedented activity.

Also planned for 1976 construction is a new petroleum dock.

The second phase of the third terminal, also expected to cost \$6 million, was to be under construction next spring.

Initially, Davis said, the city hoped to apply the \$3.5 million from the state bond funds to the petroleum dock.

However, because the

federal Economic Development Administration is suffering funding cutbacks at the hands of Congress, the city is being hard-pressed to find the \$3 million it needs to match an equal amount Anchorage voters authorized in general obligation bonds a year ago.

That local bond issue specified that half the cost of the third terminal must come from some type of matching funds from either the federal or state government.

The city could, Davis said, ask voters to endorse another general obligation port bond, but those funds would have to go to a project other than the completion of terminal three.

Although a preliminary application has been made to the federal agency, Davis said "at this point in time there is no indication EDA will have adequate money to fund the project."

"The state funds were really our backup," Davis said. "They would have assured that one way or another we could have proceeded. Now we don't know if we can do any portion of the work towards completion of the third terminal."

Davis is not yet counting out other funding sources, both for the third terminal and the new petroleum dock. Other state funds, he said, might become available, as might federal

impact funds.

Mayor George Sullivan said failure of the library bond probably cancels the city's intent to ask Anchorage voters for a bond issue to provide local funds for the regional center.

He agreed with Davis that federal funding for the port is extremely chancy, and noted Economic Development Administration is asking that the city apply for its needed \$3.5 million over two years instead of one.

"If that's the case we'll be a long way in finishing terminal three and Lord knows when we'll get to the petroleum dock," Sullivan said.

Meanwhile, Miss Shaver optimistically hopes the library bonds, of which Anchorage will get \$2.9 million, will pass when absentee votes are counted.

"I honestly made no plans for their failing," she said.

Anchorage's share of the \$7.9 million library bond issue was destined to fund a headquarters library which would serve as a resource center for the southcentral region of the state.

The city's Loussac Library, a small, crowded edifice, already is operating a regional inter-library loan program funded by the state, Miss Shaver said.

Port Tariff Revision Would Mean More Money For City

A tariff revision to be filed by the Port of Anchorage next week would bring the city-operated facility additional gross revenues of \$266,749 next year.

The new tariff, approved by the Anchorage Port Commission last week, will be filed with the Federal Maritime Commission Dec. 6, according to Port Director Erwin Davis. The tariff does not need City Council approval, Davis said.

The major revision, Davis said, is in the port's assessment policy on vessels

which dock here.

"In the new tariff we will follow the practice of all West Coast ports for the first time by converting from our present assessment on the gross registered tonnage of the vessel to one of overall length," Davis said.

The tonnage method, Davis said, was "sort of an arbitrary determination by vessel owners." The new assessment procedure, he added, is more equitable.

While this change does not mean an automatic increase in

dockage rates, Davis said the revised tariff does contain an increase for each commodity item moving under the wharfage section.

The net overall effect, Davis said, is a 16 per cent increase in revenues to the port. The estimated 1974 gross revenue for the port is \$1,667,180.

The hike in rates is the first since 1969, Davis said, and came only after the port staff conducted an intensive five-month study into the existing tariff.

"We were reluctant to make

any change, but the results of the study were so overpowering we had no choice," Davis said.

Davis cited spiraling inflation and increased labor costs as the main reasons for asking for the tariff change.

The tariff will not include Sea Land Services, Inc., vessels which regularly dock at the port, Davis said. These vessels operate under a preferential use agreement currently being renegotiated and expiring in February.

However, Davis anticipated

a similar percentage increase will be written into the new port contract with Sea Land.

In addition to the general rate increase the tariff includes a hike on oil coming over the dock, the first jump since the port opened in 1961.

Petroleum coming over the dock will be charged seven cents a barrel under the new tariff instead of the six cents which has been charged.

Davis hastened to point out that this means only a 42-cent increase would be passed on to the consumer.