

## Port Panel To Request Tustumena

The Anchorage Port Commission has approved a resolution asking the state to continue to operate the ferry Tustumena to and from Anchorage next summer.

The move followed an announcement by state Public Works Commissioner George Easley that the Tustumena would be pulled off the Anchorage run next year. Easley contended the run was losing money and paralleled a highway.

The commission, said Port Director Erwin Davis, feels the service is important to the Anchorage area and the reasons given by Easley were not sufficient to justify his action.

Neither a loss of revenue nor the fact that a ferry run parallels a highway are unique in the operation of the system, Davis said.

The Tustumena previously called at Anchorage each Friday and Sunday beginning in late May and ending in late September. From Anchorage the ferry went to Homer, Seldovia and Kodiak and returned.

Anchorage was allotted 100 spaces on the 200-passenger vessel for each trip, said Delbert Bradford, reservations specialist in Anchorage for Alaska Marine Highways.

According to Bradford each sailing out of Anchorage averaged only 75 passengers, while the ferry's stops at Homer and Kodiak yielded full passenger complements.

If Anchorage is deleted from the Tustumena's schedule, Bradford said plans are to have one trip departing Saturdays from Seward to Valdez and Cordova via the Columbia Glacier, and then follow the regular Homer - Seldovia - Kodiak route.

In view of the energy crisis, Davis said, the port commission wants the state to reconsider its action in pulling the Tustumena out of Anchorage. The commission, he said, looks on the ferry as a form of mass transit.

Also instrumental in the commission's request was the fact that the people of Anchorage were entitled to have the benefits of ferry service based on the percentage of population and the tax base generated here.

# PORT BUSINESS BOOMS

## A Job For The State

ONE OF THE THINGS the Alaska Legislature should look at favorably when it convenes on Jan. 21 is a request from the city for matching funds for expansion of the Port of Anchorage.

Efforts to secure federal construction money to enlarge the port facilities apparently have fallen on evil times back in Washington's labyrinth of red tape. The plan was to secure economic development grants to help finance port improvements, but assurances that such money would be available didn't pan out.

Hence the city sits with approval from local taxpayers for a \$3 million bond issue to cover half the cost. But the other half is wanting.

THE NEED for expansion of the port through the addition of a third general cargo dock at Terminal No. 3 remains a pressing item, however.

The urgency for expanded facilities will increase as work on the pipeline project steps up in the

months ahead.

Says the city in an impact study: "The Port of Anchorage is an essential facility for the logistical support of the oil pipeline construction. The Port of Anchorage serves Southcentral Alaska and the North Slope."

THE EXPANDED port is not something, in other words, exclusively needed by those who live in the Anchorage area. It is a matter of statewide concern.

"We must have federal and/or state financial assistance during the next two years," the city asserts.

The arguments are compelling in favor of the city's request. Since Uncle Sam evidently isn't going to step in with funds for this project, half the burden fairly belongs on the state.

Anchorage has done its part in pledging half of the funds. The legislature, speaking for all the people of the state, should do the rest.

ANCHORAGE ISN'T standing still either, when it comes to pipeline affairs... It doesn't want Valdez to grab all the business. To help spread the word that there is another port on the southern coast of Alaska, the city took out a half-page advertisement in the Dec. 31 issue of the Oil & Gas Journal, proclaiming: "Over 80 Per Cent of Alaskans Shop the Port of Anchorage... Insure your place at the market 365 days a year... When you ship, specify Port of Anchorage." The ad was complete with a big photograph of the busy, busy port.

Anchorage Times 1-12-74

## Logan Brought Power To City

Balfour "Bob" Logan directed a post-World War II project which made it possible for Anchorage residents to have electrical power during the hectic time when the city's population was mushrooming.

Logan, then a Navy lieutenant, directed the salvage of the stern half of the Sackets Harbor, a Liberty ship which broke in half in the Aleutians, and brought it to port here in 1946 where it provided 4,500 kilowatts of electrical energy. Wartime shortages made it impossible to acquire normal generating facilities.

The forward section of that ship sank and plans were being made to use the stern for target practice by the Navy. Anchorage officials, with assistance of key Interior Department officials, had it declared surplus turned over to that agency and sold to the city.

Logan was in charge of getting the half-vessel from the storm-tossed Aleutians to safety in Anchorage. The ship made it most of the way to this port under its own power. Logan rarely slept while the ship was brought into Anchorage in a very delicate maritime maneuver fighting vicious storms and tides.

When the Sackets Harbor came into Knik Arm the banks overlooking the port and the port area itself were jammed with spectators. Once moored lines were hooked to the ship and it produced 4,500 kilowatts of power for nearly nine years. When other and cheaper facilities became available,

the Sackets Harbor was sold, a new forward section was constructed and she sailed as the Angelo Petri, hauling wine in bulk tanks from California wineries to bottling plants.

Tuesday, January 15, 1974, Anchorage Daily Times

## No Profit Is Shown In Port's New Record

Although the Port of Anchorage handled more than two million tons of cargo last year for the first time in its 12-year history, the city's general fund had to come through with something like \$10,000 so the facility could meet its debt service obligations.

While the port is not making a profit in actual cash dollars, a fact port director Erwin Davis readily admits, "we're this close to paying our way in total."

Each year shortfalls in revenue have been getting smaller, David noted. In 1962 the shortfall was \$446,674 and in each succeeding year has diminished until last year it amounted to about \$40,000.

That, however, does not give a true picture for the port, like all city utilities, contributes a certain amount to the city's general fund in lieu of taxes. In 1973 that amount was budgeted at \$29,790.

Gross revenue last year was \$1,378,750. Operating expenses, not including depreciation but including payment in lieu of taxes, amounted to \$439,790.

Total debt service budgeted last year for both general obligation and revenue bonds was \$1,059,631. The port came up \$40,873 short of making its required amount.

However, since almost \$30,000 of the port's gross revenue was paid into the general fund anyway, the city only had to fork over about \$10,000 to bring the books into balance, Davis said.

General obligation bonds issued through 1973 amounted to \$11.6 million and as of Dec. 31 last year about \$9.1 million

of this was still outstanding.

A total of \$6.2 million in revenue bonds has been issued since the port began operations in 1961, of which \$4.25 million is still outstanding.

City taxpayers, Davis noted, have given substantial support through their tax dollars to the port from its inception.

If no further bonds are sold, the port would be breaking even and possibly making a real cash profit this year, Davis said.

There is, however, a \$3 million general obligation bond issue authorized by voters last October which has not yet been sold. To finalize construction of the port's third terminal late this year, this bond will have to go to market.

That will knock the books awry again, possibly creating some shortfall at the end of this year's operations, Davis predicted.

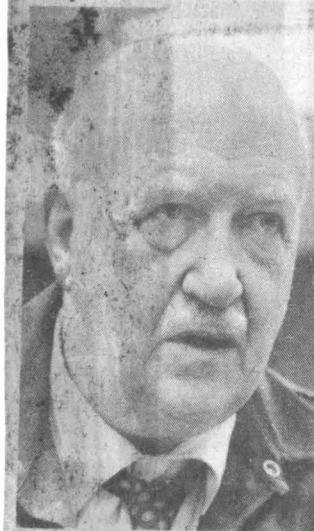
Computing profits and losses for the port is not as simple as it may appear. Under the terms of the first revenue bond issue of \$6.2 million in 1968, Davis said, the city council conceived a trustee system to handle port funds.

The trustee named by the council was the Seattle First National Bank. Under the system, still in operation, all funds received after required debt service, interest and reserve accounts are filled go to the trustee, Davis said.

Fifty per cent of this amount goes into early retirement of revenue bonds and the remainder goes for debt service on general obligation bonds.

Last year, he said, \$260,400 was set aside for early retirement of revenue bonds and an equal sum was used to apply against debt service on general obligation bonds.

## Prominent Alaskan Engineer Succumbs In New York City



BALFOUR J. 'BOB' LOGAN

Balfour J. "Bob" Logan, 67, a prominent Alaskan marine engineer and surveyor, died at 7 a.m. today in the Beekman Downtown Hospital in New York City.

He suffered a heart attack while in New York on business a week ago Thursday. He was there to conduct business with the American Institute of Marine Underwriters and to receive the honor of becoming a Knight of the Order of Malta, a high laymen's order in the Catholic Church.

Mrs. Logan was with him in New York, and will return to Anchorage Monday.

She telephoned friends here this morning that Logan had

been transferred from the intensive care unit of the hospital yesterday and was apparently doing quite well last night. He died peacefully in his sleep this morning.

Funeral arrangements are pending at Green's Anchorage Funeral Chapel. The body is due to be shipped to Alaska Wednesday, Mrs. Logan said. The Logan home is at 237 E. Third Ave.

Logan was born June 24, 1907, in Cotati, Calif. He first came to Alaska in 1923, and thereupon began a long love affair with the sea and Alaska.

"I guess I was just never able to get completely away

from the sea after that first trip," he told a Times reporter two years ago.

He moved to Alaska permanently in the early 1940s and through the years, he was, among other things, a sea captain, a Democratic member of the First State Legislature from Cordova, a salvage diver and the representative here of the American Institute of Marine Underwriters as well as Lloyds of London.

He also at one time was the president of the Cordova Chamber of Commerce, a member of the Cordova City Council, a member of the International Development Commission, a member of the Anchorage Rotary Club, a member of the Elks and Moose, the American Legion, the Veterans of Foreign Wars and the Pioneers of Alaska.

He also started the Kodiak-Aleutian Salvage Co. Just two weeks ago, in a speech to Anchorage Rotarians, he blasted the federal government's handling of the salmon industry prior to statehood and called for a \$450 million rejuvenation of the industry.

Anchorage Daily Times, Wednesday, February 20, 1974



### SEATTLE PORT OFFICIALS VISIT

About 40 Seattle businessmen involved with the Port of Seattle visited Anchorage yesterday to discuss problems that might arise with increased shipments to Alaska resulting from construction of the trans-Alaska pipeline. Henry T. Simonson, commissioner of the

Port of Seattle, left, chatted last night at a reception in the Anchorage-Westward Hotel with Anchorage port director Erwin Davis, center. Jack Block, another commissioner of the Port of Seattle, was also an active member of the visiting group.

Anchorage Daily News, Tuesday, January 29, 1974-11

## Marine engineer Logan dies

By The Associated Press

Balfour J. "Bob" Logan, a prominent Alaska marine engineer and surveyor, died Saturday in a New York hospital of a heart attack he suffered in the city Jan. 17 while on business. He was 67.

Logan was in New York to conduct business with the American Institute of Marine Underwriters and to become a knight of the Order of Malta, an honor in the Catholic Church. He is survived by his widow.

Logan was born in Cotati, Calif., and came to Alaska

Friday, February 22, 1974, Anchorage Daily Times

## Alaska Cities Back Port Bill

JUNEAU (AP) — Representatives of nine Alaskan communities expressed solid support today for a pair of bills providing state aid for construction of port facilities throughout the state.

The bills would authorize issuance of \$20 million in general obligation bonds for port construction if approved by voters. Support would range from \$2.5 million for

Anchorage to \$250,000 for Tanana, St. Mary's and Kaslof.

Port of Anchorage Director E. Irwin Davis told a joint session of the Senate State Affairs and Finance Committee he supported the "spirit and expressed objectives" of the legislation but questioned the distribution.

He said the Port of Anchorage serves 70 per cent of the state's population, and repre-

sents the economic and transportation center for all of south central Alaska, the rail belt and interior.

Davis estimated port expansion to meet normal needs, aside from the impact of trans-Alaska pipeline project, runs to about \$16 million. Estimated pipeline-related needs, he said, total an additional \$5 to \$6 million.

Anchorage needs more than \$2.5 million to meet expansion needs of port facilities, he said, noting that rural areas supported by the port would be more severely affected than Anchorage itself, if the needs are not met.

Finance Committee Chairman Sen. Cliff Groh, R-Anchorage, questioned the per capita aid clause in the bill. He said Anchorage would receive only about \$20 per capita under the proposal, while Kaslof, a community of 71 persons on the Kenai Peninsula, would get about \$3,000 per capita.

Frank Mullen, a legislative assistant from Kaslof, said "maybe \$250,000 is too much," but that some type of port facility is needed in the community because "there's not even a small dock to tie up your own boat" in the predominately

fishing community.

Former house speaker Bill Boardman, testifying for the Southeast Conference, said he believes the bills are among the most important legislation to be considered this session.

Boardman said the proposals have statewide support, but he submitted four amendments, including a \$3 million increase in bonds to provide \$1.5 million for construction at Cordova and a \$3.5 million fund for miscellaneous port projects.

City officials from Nome, Wrangell, Juneau, Petersburg, Kodiak and Dillingham also expressed support for the bond proposals.

There are indications the federal administration does not have funds available for another grant to the city. City officials have appealed to the state to aid in funding the third terminal which observers have said already will be insufficient to handle expected tonnage increases by its completion.