

Anchorage chosen for coal port

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Madrepore to set sail on harbor tours, charters

by Bill Kossen
Times Writer

Anchorage's first harbor tour and charter boat service has been launched.

The Madrepore, a 50-foot fiberglass yacht, will take groups of six on romantic dinner cruises, day trips and weekend fishing excursions.

On the evening cruise, diners will enjoy a leisurely tour of Cook Inlet and watch the twinkling lights of Anchorage as the yacht churns along at a digestible seven knots (about eight miles an hour).

The cruise will follow a circular route from the Port of Anchorage across Knik Arm to Point MacKenzie before returning.

The dinner menu — prepared by a "Captain Cook" — will feature steak and halibut, baked potatoes, salad and dessert, along with a dinner wine. The price is \$60 per passenger. Two

dinner cruises will be offered a night, starting at 6 p.m.

During the day, starting at 8 a.m., the Madrepore is scheduling four 1½ hour rides at \$25 per head.

The fishing trips will leave Friday night and return late Sunday. The \$300 ticket includes food, fishing gear and sleeping quarters for six people.

The crew members and founders of Alaska SeaView Charters, Bill Haase (pronounced Hays), 33, and Gary Gardner, 37, have commercial and charter boat fishing experience in Alaska. They intend to take their weekend passengers down to Iliamna Bay where fishing for salmon and halibut is as good as anywhere, they say.

"We'll take them to nearly virgin fishing areas," says Gardner, who used to pilot charter boats out of Homer.

And to make sure they return to Anchorage, the Madrepore is fully-

equipped for emergencies, with survival suits, life rafts and a Zodiac runabout. The ship also features "crash bulkheads" which contain seawater in one section of the craft in case of an accident.

Built in 1976 by Vic Franck's Boat Co. of Seattle, the Madrepore can get up and run at 26 knots and cruise at 17 knots. It is powered by twin 280 horsepower diesel engines.

The charter boat service is the culmination of a five-year dream for Haase, who grew up in Anchorage and attended West Anchorage High School. Haase — who is also an airplane pilot — has been involved in other self-owned businesses since 1975 and currently owns Alaska Pony Express, a medical delivery service for hospitals.

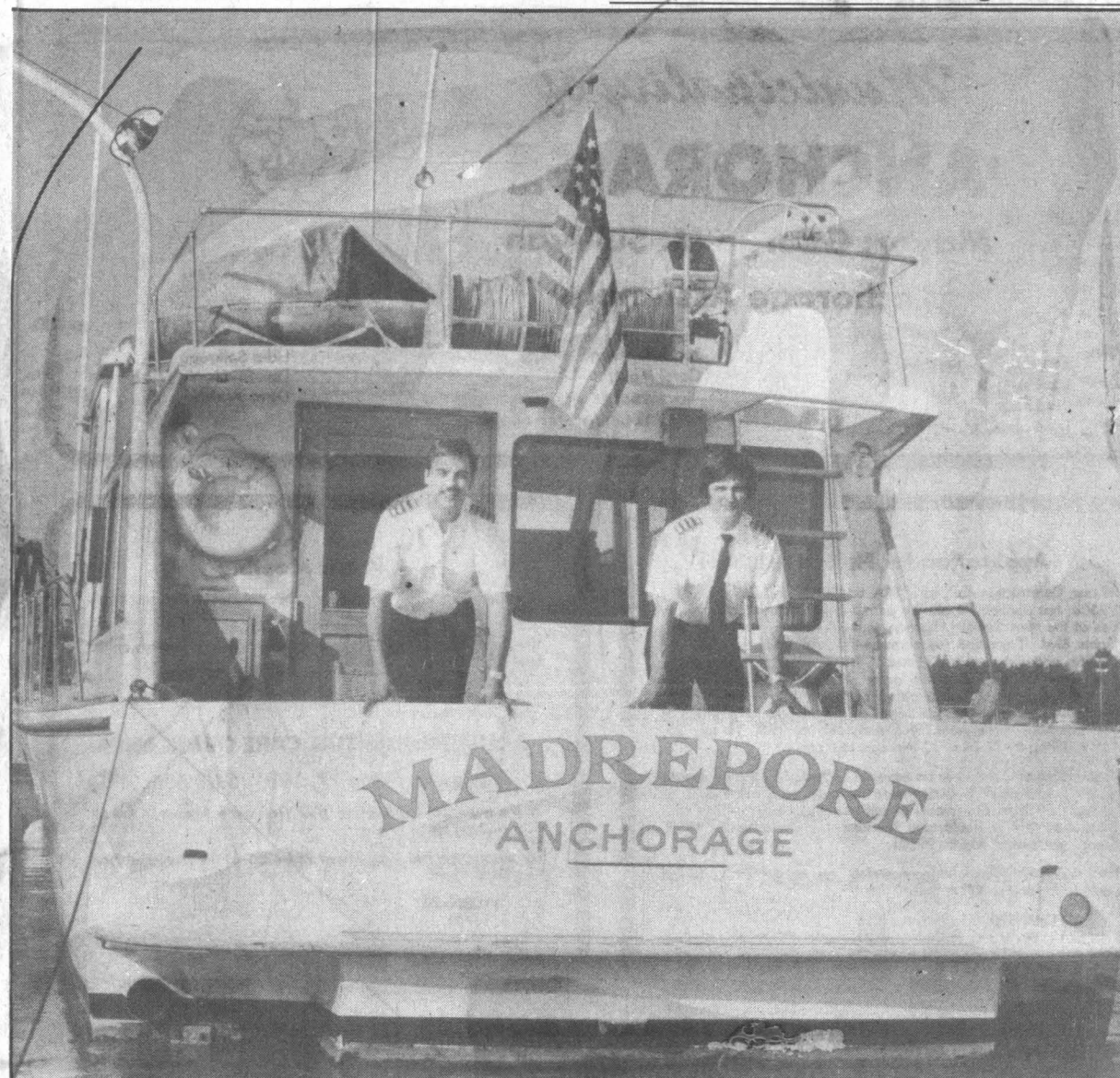
In addition to Haase and Gardner, the other partner in the business is Bill Lange.

The \$300,000 dreamboat was previously owned by Carol Huntington, of Anchorage, who had moored it in Seward.

The boat was made to be lived in, Haase said, and includes all the amenities of a houseboat. It has a dishwasher, trash compactor, washer and dryer, freezer, refrigerator, television, and stereo soundsystem.

Pouring his life's savings into such a venture was "very scary," the independent-minded Haase said, but he wouldn't have it any other way.

"I always took jobs just to be able to fish and hunt and fly."



The Madrepore, with Bill Haase and Gary Garder standing by, leaves port for a tour of Anchorage's waters

Anchorage wins bid for coal port

5/28/81

By BOB SHALLIT

Daily News business editor

Shipments of coal from Alaska's Interior to Korea will begin moving through the Port of Anchorage early next year, following an announcement Wednesday that Anchorage has defeated Seward in the competition to be this state's first coal exporter.

City officials and an attorney for a Korean shipping firm said Anchorage was selected over Seward as the export location because of its relative proximity to the Usibelli Coal Mine, located 200 miles north of here. They also said Anchorage received the nod because of the potential it offers as a market for Korean products carried on the coal ships' "backhaul," or

return trips to Alaska.

William Noll, an attorney representing Sun Eel Shipping Co. Ltd. of Korea, said his clients will begin purchasing 200,000 tons of coal from the Usibelli mine at Healy next year and increase that total to at least 800,000 tons annually in following years.

Although no firm purchase agreements have yet been signed, Noll and Joe Usibelli, owner of the Healy mine, said they expect to have contractual details ironed out by the end of next month.

"I think we're really, finally in the coal business," Noll said in an interview Wednesday afternoon.

Usibelli, contacted at his

See Back Page, ANCHORAGE

Anchorage wins bid as port to export coal to Korea

Continued from Page A-1

home in Healy, added "We are committed to Sun Eel, and I think we'll arrive at a mutually agreeable contract," he said.

Sun Eel's decision to select Anchorage as its preferred site means that work will begin within the next three months on a major coal loading and storage facility on the Anchorage waterfront.

The facility, costing between \$5 million and \$7 million, will be started in late August and will be completed in time for shipments to begin in spring of next year, Noll said.

The loading facility will be located underground, minimizing dust and other pollution problems, Noll said.

He said the project will not require complicated construction techniques and should be

completed on schedule.

"This is pretty elemental industrial stuff," he said. "A guy who fooled around with an erector set knows the basic elements of a bulk loading facility."

Seward officials said Wednesday they were not disappointed with Sun Eel's decision, maintaining that their deepwater port will eventually attract exporters as Alaska's coal industry expands.

"I don't think it means anything in the longrun," said Johnny Johnson, Seward's city manager.

"I can't for the life of me see how they can get any bigger," he added, referring to the relative paucity of storage space in Anchorage.

Johnson said Seward will proceed with its plans to build a world-scale coal and grain loading facility at Fourth of July Creek in cooperation with

Torkelson-Kellogg, a Utah-based engineering and construction firm.

Chris Sauer, a sales manager with Torkelson-Kellogg, confirmed that his company intends to go ahead with the Seward project. "We still feel that Seward is the best port for long-term shipments of coal from Alaska. It doesn't change our commitment at all," he said.

He said his company will begin looking at other possible coal sources in Alaska.

Anchorage officials said Wednesday they were overjoyed at the Sun Eel announcement, which has been nervously awaited for the past several weeks.

"This project will stimulate trade in other commodities which will be of mutual benefit to Korea and Alaska," Anchorage Mayor George Sullivan said.

Jim Dunn, director of the municipality's transportation department, said Sun Eel's decision "offers potential for the export of a major product that is quite abundant in Alaska."

In addition to the construction of the coal loading facility, some dredging will be required in the Anchorage channel to accommodate coal carrying ships, Noll said. He said the municipality had determined that would cost an additional \$50,000 and the cost will be split between the city and Sun Eel.

The loading facility will be designed to handle 2,000 tons an hour so that ships can be loaded in 1½ to three days, Noll said.

Sun Eel's lease with the municipality for the facility will run 50 years, Noll said.

The coal will be purchased by Korea Electric Co. and the concrete manufacturing division of Ssang Yong, he said.

Saturday, June 27, 1981, The Anchorage Times



John Eaton for The Times

Korean firm says city better situated

by Lyn Whitley
Times Writer

A Korean shipping firm has chosen Anchorage over Seward as the export point for coal it will buy from mines in Healy, officials said today.

Mayor George Sullivan and Bob Breeze, an Anchorage attorney who represents the Korean firm, said the city was chosen for because it is closer than Seward to the Usibelli mines in Healy, about 200 miles north of Anchorage and located on the Alaska Railroad.

Also, the men said Anchorage was chosen for the firm's \$5-million to \$7-million combined loading and storage facility because the city offers greater opportunity to back-haul goods from Korea to the state's major commercial and industrial centers.

Sun Eel officials estimated the new facility will provide about 10 jobs.

The decision was announced early this morning by officials with both the city and Suneel Alaska Corp., the local firm that acts as an arm of Sun Eel Shipping Co. Ltd. in Korea.

Sun Eel will build the facility and has agreed to make it available to other companies.

"It's just a matter of putting everything in black and white," Sullivan said this morning. "We're expecting them (Sun Eel officials) here early next month, with the final signing in Korea in July."

The coal will be transported to Seoul, where it will be blended with coal from other parts of the world to power the Ssang Yong Cement Co. cement plant, thought to be the largest such plant in the world.

The agreement will require Sun Eel to ship a minimum of 200,000 metric tons of coal next year and 800,000 metric tons annually from 1983 until the end of the agreement.

William Noll, vice-president of Suneel Alaska, said the decision was a close one. "I'd say the main reason Anchorage was selected is because of its potential for backhauled goods from Korea to Anchorage, the Matanuska Valley and Interior Alaska," he said.

Sullivan said Sun Eel's staff decided that long-term trade opportu-

nities were greater if a trans-shipment facility were built in Anchorage.

Breeze said the preliminary design for the facility is complete and the Koreans hope to begin shipments early next year.

Sullivan said the terms of the agreement call for the city to lease 4.5 acres of land immediately south of the port's petroleum dock. The Koreans would be allowed to fill in another three acres to use above the high-water line, for an annual rent of \$68,000.

The city had offered a 25-year lease on the land, renewable for three successive 10-year periods, but Sullivan said the firm asked instead

(See COAL, page A-3)

for a 50-year lease. "I don't think there're any renewable options," he said.

Also, Breeze said the city's offer to split the estimated \$50,000 dredging cost to guarantee two additional feet of inlet bottom at the dock for the Korean ships will be only for the first year.

The largest Sun Eel ship will probably be about 50,000 dead-weight tons. In order for the ships to come into the port here, another two feet must be dredged from the dock's bottom.

"After the first year, the municipality will assume the cost of dredging the additional two feet beyond what the U.S. Army Corps of Engineers guarantees," Breeze said.

That additional cost to the city can be taken into account, he said, when the port commission sets the tariff rate for the Korean ships. The tariff is the cost the city port charges all customers to use the docks.

Another term of the lease, Breeze said, is an 18-month option on 65 acres of city land south of International Airport Road, on both sides of the planned Minnesota Bypass.

He said the land would be used, if the option is exercised, for warehousing and possible assembly of equipment.

Noll said construction of the loading facility probably would require only a small crew "because it will entail only backfilling, preparing the ground, laying some track and installing the conveyor system."

Breeze said up to 75,000 metric tons of coal will be stored at the port, "but the size of the coal pieces and the moisture system that will be used to keep it damp will virtually eliminate the possibility of pollution," he said.

The facility is being designed by Swan Wooster Company, a Canadian firm Breeze said is known as one of the world's foremost bulk loading engineering firms.

Seward continues plans for coal shipping facility

by Mary Pat Murphy
Times Writer

Seward City Manager Johnny Johnson said today he's "not particularly" surprised or disappointed that a Korean shipping company chose Anchorage over Seward as a coal shipping port.

"I assume they're businessmen and they have to make decisions as they see fit," Johnson said of Sun Eel Shipping's decision to use Anchorage as a shipping point. "I think they made a mistake, but that's their option."

Anchorage and Seward have been competing for the coal loading facility since Sun Eel announced it wanted to purchase up to one million tons of coal a year from Usibelli Coal Co. at Healy for export to Korea.

Johnson said he didn't think the Sun Eel's choice of Anchorage as its shipping location would affect plans by Torkelson-Kellogg Inc. of Salt Lake City to construct a coal loading facility in Seward.

Torkelson-Kellogg, a member of the Wheelabrator-Frye group of companies, announced plans for the facility earlier this month, contingent on obtaining long-term coal or-

ders and land for the project.

The Seward City Council unanimously approved a resolution allowing the firm to lease city property at Fourth of July Creek.

Johnson said the city of Seward is in final negotiations with Torkelson-Kellogg on the project, which will involve construction of a temporary coal port, followed by a much larger permanent facility to be built when increased coal exports made expansion necessary.

'ANCHORAGE-D'

The U.S. Coast Guard cutter Storrs docked at the Port of Anchorage this week for a brief visit to the municipality. But before her men could leave ship or let others aboard, the decks of the 230-foot, 1916-ton cutter had to be swabbed down. Doing his share of swabbing was soapy-footed Coast Guardsman Tom Trainer at right.

