

## ANCHORAGE

The mix of business at the Port of Anchorage has changed dramatically during the past 2½ decades. In 1966, 70 percent of the cargo received was petroleum and 30 percent general cargo. Now the figures are reversed.

The change is due to many factors — building of the pipeline from Nikiski, the North Pole refinery unit transfer and shipping of jet fuel by hydrotrain through the Port of Whittier and the general growth of the Anchorage rail-belt area.

But aside from these factors, the mix has broad implications for the increased population in the Anchorage area: 75 percent of the general cargo for the rail-belt area runs through the Anchorage port. It is thus incumbent on port planners to meet requirements of general cargo shippers by upgrading the facil-

ity, making it more efficient and finding more space for the severely land-crunched area.

The port is expecting to increase its land holdings during 1982, with 14 properties leased from Elmendorf Air Force Base north of the port. It will take the next two construction seasons to bring the property up to useable level.

Wetlands fill permits are being sought to develop two more pieces, 7.6 acres and 6 acres respectively, the last two pieces of developable waterfront property within port confines. Sun Eel Shipping Co. of Korea and Sea-Land Service, Inc. are among the potential users.

By the end of 1981, the port had completed a state-funded, \$1.2-million cathodic protection system for the steel pilings with anodes driven into the mud. The unique system provides special protection for the 612-ft. petroleum dock with "sniffers" which detect emissions of hazardous gas. If hydrocarbons are present in the air, the sniffers, located at 10 stations, will shut down all electrically operated equipment and anything using open flame, and send out a piercing alarm.

During the coming year, two projects to enhance the port's useability will be combined, thus saving an estimated \$600,000 on the two jobs. The \$2 million for these two jobs came from state funding. In the past, the port has been funded through federal grants and municipal bonds, both general obligation and revenue.

One project will be lateral stabilization of piling to restore strength lost in the mighty 1964 earthquake. The other will be a crane turnout system which allows repositioning of the cranes for greater versatility. At present there is a single rail with cranes arranged in this order: 40-ton gantry, two 27½-ton containerized cranes, one 7½-ton break-bulk crane and then another 40-ton gantry.

General cargo tonnage was up 14 percent through November, said Chris Gates, the port's marketing and development manager, with figures showing 1.2 million tons through November. Petroleum tonnage, however, was down 43 percent, with only 310,000 tons received. Revenues earned through dock fees and some 373 vessel visits totalled \$2.3 million through November.

Mindful of the port's limitations for true commercial expansion and with a look to future potential of licking the backhaul problem, port officials are hoping to implement recommendations made by Booz, Allen and Hamilton, Inc., a nationally known management consulting firm of Bethesda, Md.

Booz, Allen and Hamilton suggest developing Fire Island as the commercial port and developing a transshipping procedure. This would work in various ways: if a specially built ship known as

a "con/bulker" (for containers and bulk cargo) was used to take the Usibelli coal from the Port of Seward at the Alaska Railroad dock, it would benefit Sun Eel Shipping to bring products from the Orient on its westbound voyage. Once in Anchorage, the containers of Asian goods could be transferred to the present major shippers — Sea-Land or Totem Ocean Trailer Express — and then shipped to the Lower 48.

Some of the goods from the East could be consumer goods for Alaska. "What about groceries from Yokohama?" Gates suggests, and he's not being facetious. Another likely product for Alaska consumption would be cement from the very firm in Seoul which is being powered by Alaska coal.

Over the next decade, the port's goal is to accommodate other Alaska resource exports. Gates notes the top 10 commodities which are brought now to the West Coast from the Pacific Rim. Three million tons of such items were moved in 1979, he said, and if one million tons of that were transshipped through Anchorage, "it would be the single absolute thing we could do for developing industry and reducing the cost of living here. It's a concept in which everyone, the Pacific Rim, the shipper, the general cargo carriers and the consumer, stands to gain," Gates said.

Key to the plan is to persuade Sun Eel to commit to longterm charter of the con/bulker vessels. These are 40 dwt and are made in Korea by Hyundai, one of the world's largest shipbuilding firms. Timing, said Gates, is also crucial. Sun Eel must commit in the first quarter of 1982 or "we will have to wait until the next major resource is ready for export," he said.

The Booz, Allen and Hamilton study also noted that for every ton of cargo unloaded at Anchorage, \$54 of economic activity is created within the municipality. The study was the first of a two-phase look at the port. The second phase will be an engineering blueprint for long-range development of port facilities.

The Fire Island location has numerous advantages for an industrial site with excellent conditions for a commercial port. The location solves three problems, according to Gates: space — 115 acres at the present port versus 4,000 on the island; elimination of costly annual maintenance dredging — \$1 million annually to maintain 35 ft. of mean low water versus 60 ft. of water close to shore at West Point on the island and 45 ft. of water naturally occurring 1,000 to 1,500 ft. offshore of Pace Point; and location — on the "right side of an under-sea mountain," as opposed to the Knik Arm Shoal at which carriers must now wait for half tide or more to enter the Port of Anchorage.

The Fire Island facility would need a causeway connecting it with the mainland. In 1948 such a connection was estimated to cost \$16 million. In 1970 the figure was \$48 million and today, with proper access, the costs are estimated at \$80 to \$100 million.

"Any thought of using the Fire Island would need a joint concept," Gates pointed out. Cook Inlet Regional Inc. (CIRI), a Native corporation, is the future landholder, and state and municipal funding would be necessary, along with federal approval. "It would be a marvelous example of Native, state, federal and local governments working together," Gates said. In addition, using the Fire Island site for the major industrial use would mean railroad carriers would exit south Anchorage and would avoid 10 rail crossings in Anchorage.

Anchorage Daily News Tuesday, March 16, 1982

# Seattle barge company gets dock permit

By ANN CONY  
Daily News reporter

A movement aimed at opening the Port of Anchorage to non-union labor gained momentum Monday night when port commissioners approved a docking permit for a Seattle barge company that intends to bypass union longshoremen.

The permit for Southeast Alaska Barge Lines Inc. was approved over the objections of Teamsters-affiliated Anchorage Independent Longshore Union Local 1, which was represented at the port commission meeting by business agent Bud Kowalski and

Teamsters counsel James Witt.

"Those longshoremen have established, over a period of years, certain conditions pertaining to wages and working conditions," Witt said.

He argued that standard contract provisions pertaining to union labor in the past resulted in a competent and reliable work force at the port, which he said would be jeopardized if those contract provisions were deleted.

Witt urged port commissioners to postpone action on the permit application because longshoremen had not received a copy that they had

requested Thursday.

"If we don't see it until the day or hour of the meeting, you can't expect the public to be able to comment on it," he said.

Port Director Bill McKinney told the commission that the longshoremen had received only part of the information on the permit application because the request had been misinterpreted.

In a March 10 letter to commissioners, McKinney recommended approval of the application while warning that Southeast Alaska Barge Lines is a non-union carrier and that its use of the municipal dock could generate con-

troversy.

Municipal attorney Julie Garfield told the commission that the established practice of using union labor at the port was not required by law, and the commission had no legal grounds for denying the permit as long as the barge company could post adequate insurance and agreed to abide by conditions in the contract negotiated with municipal officials.

Commissioner Brandon Collins said the commission has an obligation to make port facilities available to the public, and a motion to grant the permit passed without dissent from any of the other

commissioners — Arne Michaelson, Lew Dickinson, Glen Chambers and Gordon Zerbetz.

A second company that intends to use non-union labor submitted a permit application at the port director's office Monday and sources say a third non-union company is expected to file an application soon.

The company that applied Monday was K&W Trucking. Teamsters Local 959 has been on strike against that company here and in Fairbanks for several months.

Anchorage Cold Storage — the food and beverage distributorship Teamsters have been

striking for more than eight months — set the precedent last fall when it obtained a permit to use the municipal dock without reference to union labor.

Longshoremen picketed and clashed with police at the port Oct. 30 when the distributor used non-union labor to unload a barge.

The union challenged the Anchorage Cold Storage dock permit in Superior Court, arguing that the permit was issued secretly, but the case was dismissed last month by Judge Brian Shortell with minimal comment.

Anchorage Daily News Saturday, March 27, 1982

# 'Apostle' prowls port

By ROBIN CRITTENDEN  
Daily News correspondent

Brother Gerald O'Malley is an apostle of the sea.

Right now he's the only one in Anchorage, but if he has his way there will eventually be an interdenominational network of "apostles" in all the ports of Alaska.

Brother O'Malley is a member of the Roman Catholic society called The Apostleship of the Sea, set up to minister to sailors in ports all over the world by bringing the church to them, rather than expecting them to find their way, in strange cities, to the church.

The Anchorage slot was unfilled until O'Malley came along.

"In all the other ports in Alaska the local priest fills the position of port chaplain," he says, "but none of them really have time to do the job we could be doing."

O'Malley came to Anchorage a year and a half ago after 17 years in the village of St. Mary's on the Lower Yukon River. Before joining the Society of Jesus (Jesuits) in

1954 he spent 14 years in the Coast Guard, nine of them in Alaska.

"I'm still a sailor!" O'Malley emphasizes.

And as a sailor, he knew there was an unmet need in the ports of Alaska as far as his church was concerned, but he doesn't see the ministry as strictly a Roman Catholic one.

"The only way it's going to work is if all the churches get together," he says.

He began on the project about a year ago, when Anchorage Archbishop Francis Hurley appointed him port chaplain of Anchorage after O'Malley had written to the National Director of the Apostleship of the Sea program in Pensacola, Fla.

He's been doing what he calls "spade work" ever since — talking with the people in authority at the port, as well as members of other churches and agencies who work with Anchorage's transient population.

"The first thing you've got to do is educate the public,

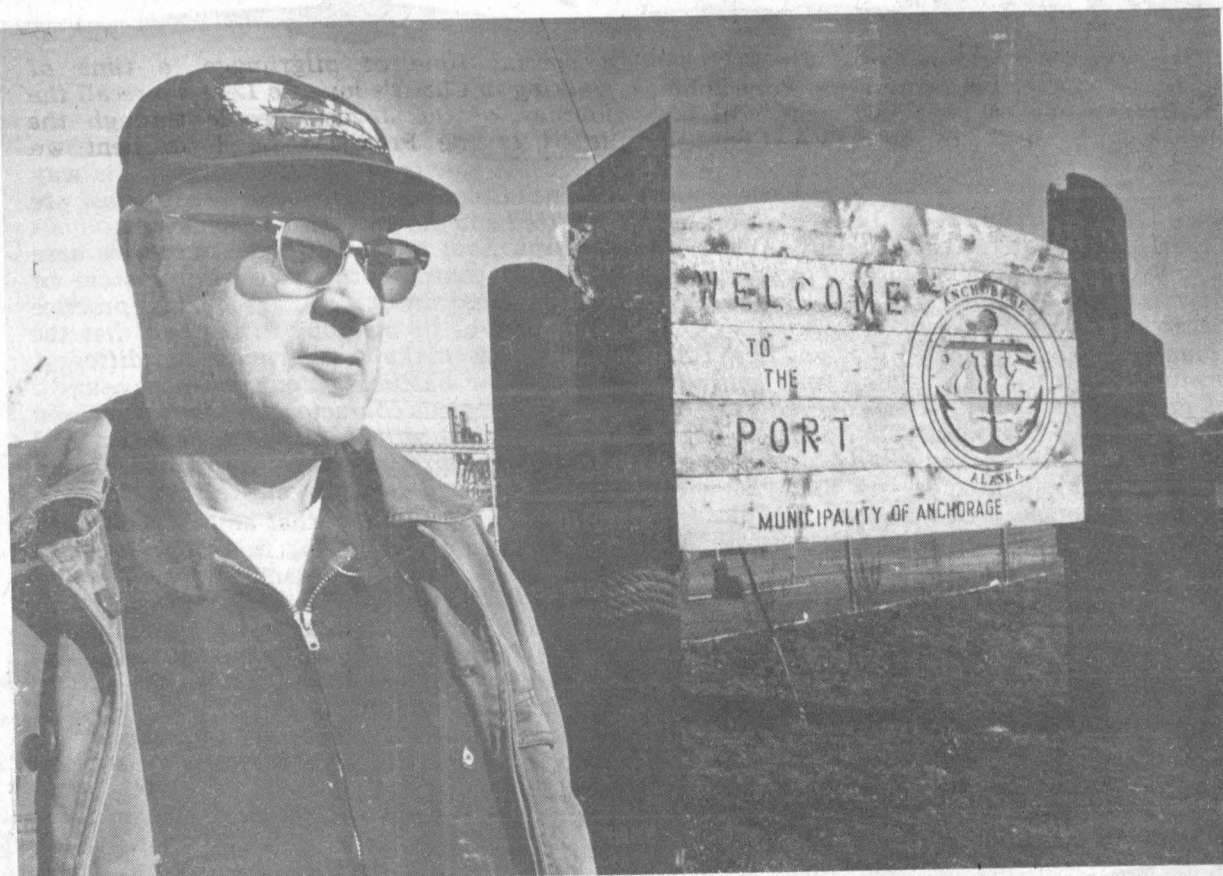
especially the maritime community," says O'Malley, "and you've got to deal separately with the leaders and the troops."

O'Malley says he began to "break through" about two months ago. "Nobody here knew anything about this, so I had to start from scratch, even in the church," he says.

He envisions starting out with a mobile home, perhaps, where "turnaround" sailors can spend their few hours in port reading, watching television, or just sitting around talking.

"The last thing we want to do is start preaching to them," says O'Malley. "In a lot of the port communities the ships that come in are from Third World countries and the sailors aren't even Christians. We can't just move in there and start stuffing Bibles down their throats."

There aren't too many foreign ships arriving in Anchorage, he says, mostly just cargo ships that run regularly between Seattle and Anchor-



Gerald O'Malley ministers to his flock of sailors at the Port of Anchorage.

age. He sees his ministry as a catalyst for a community outreach to the docks. "Nobody in Anchorage knows what

goes on down there," he says. "It's like a separate community."

He went to Houston, the

third-largest port in the world, in February for a training program for port chaplains.