

## Barge turnaround confounds police, unions

By CHRIS GEIGER  
Daily News reporter

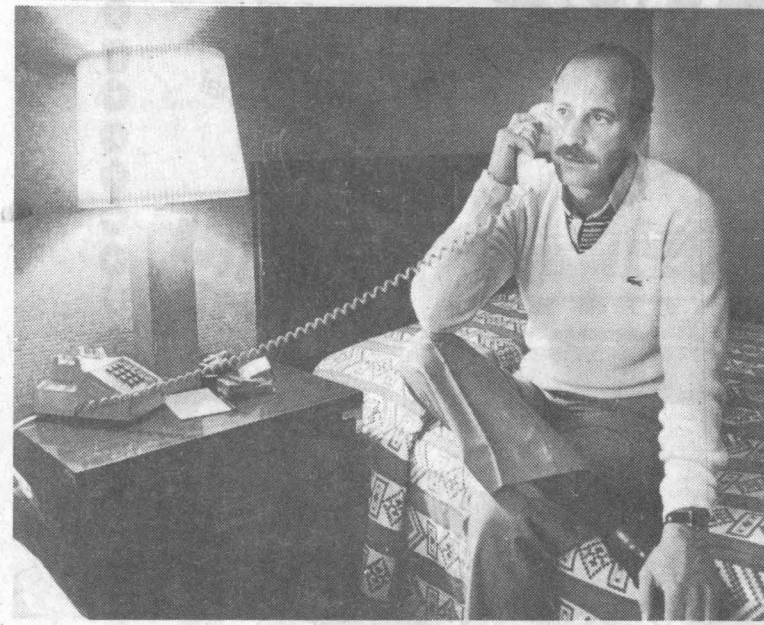
The unexpected diversion of a SeaWay Express barge from Anchorage to Seward angered local law enforcement officials and perplexed a crowd of union pickets Tuesday morning.

A threatened union demonstration was canceled, but another was promised in its stead Wednesday in Seward.

After departing Kenai Monday evening and steaming slowly toward Anchorage, the barge made an about-face and headed toward Seward. A mud-filled dock facility — and not union pressure — prompted the turnaround, according to SeaWay President Fred Peil, who ordered the change.

Larry Cotter, president of the Seward longshoremen's union, was dismayed over SeaWay's decision to go to Seward. He said his union is planning a large, peaceful protest there Wednesday in solidarity with Anchorage and Kenai unions.

"We're getting tired of being SeaWay's safe haven," Cotter said. "They know



Anchorage Daily News/Ron Lindsey

**Fred Peil, president of SeaWay Express, Inc. says the change in barge destination was due to muddy conditions by the unloading dock.**

they're not wanted in Kenai and Anchorage, so they come to Seward."

The Seward dock is the site of SeaWay's existing roll-on, roll-off barge services. About 200 union members turned out

to protest SeaWay's first barge run to Seward in April. Anchorage police Capt. Warren Suddock was angered

because Seaway was slow to notify him of its change of plans.

"His (Peil's) unwillingness to communicate his plans and the deviousness of his activities cost us a lot of expense and aggravation," said Suddock, head of the department's special projects. "I don't know why. The unions have been more up front with me than the barge company."

About 50 members of Solidarity Now and 10 pickets each from the Teamsters Union and Anchorage Independent Longshoremen's Union planned the Anchorage protest Tuesday because they believe the company intends to hire non-union labor for its proposed Seattle-to-Anchorage service.

Union officials were skeptical about SeaWay's motives for the surprise route change.

"It sounds like a Popeye cartoon," said Teamsters Union spokesman Steve Seplocha. "You jump up on the dock, look around and see if you can pull your barge in."

"We're delighted that there was no confrontation. We hope they (SeaWay) will come

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in next time and use skilled union labor to unload."

Peil planned to berth the barge at the Anchorage Dredge and Dock moorings on West 1st Avenue. After inspecting the facility at 4 p.m. Monday, however, he decided the dock was "not what is required for us to operate professionally."

"I probably would have spent most of my time getting equipment out of the mud," he said.

The barge turned around at 2:30 a.m., near the oil fields north of Kenai. Peil said it took "a lot of hours" to notify the barge captain of the change in plans by marine telephone.

Law enforcement authorities reportedly were not notified of the situation until five or six hours after the route change.

City and federal law enforcement supervisors had talked with union officials and barge representatives days in advance, hoping to

orchestrate a peaceful demonstration. Police that morning had also positioned nine members of the Anchorage Police Department Crisis Intervention Response Team and the department's mobile command post van near the dock.

Alaska Railroad police also were standing by. The railroad owns much of the land surrounding the area where unloading crews and union protestors would have been working.

Police and railroad authori-

ties estimate they spent about \$3,000 each to prepare for the demonstration.

About 1,800 tons of freight remain on the barge.

SeaWay's next break-bulk barge is scheduled to leave Seattle for Anchorage Sept. 8. The barges, which carry freight in bundles instead of truck trailers, will run every three weeks from Seattle.

□ Daily News reporter Larry Campbell also contributed to this story.

## Firm that wants state to back port may get \$3 million to study it

By JOHN LINDBACK  
Daily News reporter

JUNEAU — An international mining firm that wants the state to finance a port it needs in Northwest Alaska may get a \$3 million contract from the state to help determine the feasibility of the project.

Bert Wagon, director of the state's Alaska Industrial Development Authority, said this week that his agency is considering awarding a non-competitive bid contract for geotechnical studies of a proposed DeLong Mountain Regional Port to Cominco, Alaska, a subsidiary of Cominco, Ltd.

Cominco and a Native corporation plan to develop a

zinc mine that would be served by the port.

State law normally restricts agencies from awarding non-competitive bid contracts for more than \$25,000. But exceptions are allowed.

The non-competitive award is under consideration for Cominco partly because the company has already done some technical studies on the port project, Wagon said.

Construction of the \$50 million to \$60 million port and a 55-mile road estimated to cost up to \$90 million are considered vital to development of Cominco's proposed Red Dog zinc mine and other mineral deposits in the region.

Cominco and its partner in the mine project, the Kotze-

bue-based Nana Regional Corp., have asked the state to help finance the port and road. Gov. Bill Sheffield has said the state may provide the port tax-exempt bonds issued by AIDA and finance the road with an interest-free state loan to Cominco and Nana.

Sheffield says he backs the state's financial support of the mine development because a study has shown it will create about 400 permanent jobs and help open trade between Alaska and the Orient.

As a result of its prior technical work on the port, Cominco would probably hold a competitive edge over other

potential bidders on the port contract, Wagon said.

A recent opinion requested by Wagon from the attorney general's office cited a state contracting law that allows non-competitive bid contract awards if "one person or firm can clearly perform the required tasks more satisfactorily because of the person's or firm's prior work."

Wagon said geotechnical studies, engineering, design and land-purchasing information on the port and proposed road collected by Cominco would be used to help his agency compile a plan for possible state participation in financing the project. The contract for technical studies was financed by a \$3.4 million

appropriation this year from the legislature.

The information Cominco would furnish the state under the contract is so technical that there would be no reason to worry about putting a company with a vested interest in construction of the port in charge of developing feasibility data on the project, according to Wagon.

"I would say a core drilling is a core drilling," he said. The information included in the technical studies does not call for subjective judgments from Cominco, but it will be used to develop a financial plan that will examine the feasibility of the project, Wagon said.

Cominco's relationship

with Nana was another reason cited as justification for a non-competitive bid contract by Wagon and Assistant Attorney General Jon Rubini in his written opinion.

"Cominco, Alaska, has the exclusive right to develop the mineral deposits under the agreement with the Nana Corporation, the owner of much of the land involved in the entire development," according to Rubini in his opinion. "Access to Nana land for purposes of developing the preliminary information may well be restricted to Cominco, Alaska, employees or their authorized agents."

Don Argetsinger, a Nana

## Cominco

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executive working on the Red Dog project, said Tuesday that Rubini was "making a supposition that isn't well-founded." Nana would allow other firms on its land to do the work if someone other than Cominco received the state contract, he said.

Argetsinger argued, however, that Cominco's prior work on the project justifies awarding the contract to them.

"There's knowledge there and I think it would be foolish not to take advantage of it," he said.

## Port commission to consider SeaWay berthing

by Annette Taylor  
Times Business Writer

The Anchorage Port Commission next week will consider a request by SeaWay Express, the Seattle-based non-union freight carrier, to use the municipality's port facilities for berthing and unloading cargo.

If granted a terminal use permit, SeaWay barges would have a place to dock here, unlike last month when the company's first break-bulk barge to Alaska was forced to Seward.

The commission meeting will be

at 7:30 p.m. Monday in the Terminal 3 conference room.

Jack Brown, operations and maintenance supervisor for the Port of Anchorage, said the commission will review SeaWay's application and liability insurance and if all documents detailing responsibilities are in order, then the company probably will get the permit.

"We are in a unique situation in that we are an international port and a public port and so we cannot show discrimination against any carrier,"

Brown said. "It'll be up to us to handle any problems."

Alaska's unions most likely will stage protests at the docks if SeaWay comes in and uses non-union labor. When SeaWay's first break-bulk barge was scheduled to dock at a private facility west of the city port, dozens of protesters were on hand with picket signs.

Before reaching the inlet, however, company officials turned the barge to Seward. The company attempted to unload onto a city-owned

beach but was halted by the U.S. Army Corps of Engineers for violating federal environmental protection laws. The barge eventually unloaded onto a gravel breakwater.

Unions have protested SeaWay's use of non-union labor since the company entered the Alaska market in April, shipping trailered freight to Seward. The company launched its new break-bulk service from Seattle Aug. 18. Break-bulk is a term used to describe cargo that generally is un-

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## SeaWay barges

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loaded with the use of cranes or forklifts.

Brown said the port would use its own security forces to keep picketers within a confined area so as not to impede the operations of other carriers.

"If we have to bolster our security forces, SeaWay would have to bear that cost," Brown said. "I don't know if that's in the contract but we made that very clear to SeaWay so there wouldn't be any misunderstanding."

If granted the permit, SeaWay barges, like other non-scheduled or transient carriers, would be assigned berths on a first-come

basis, Brown said. Port officials ask a minimum of 48 hours notice before a ship's or barge's arrival. Sea-Land and Tote are scheduled carriers and, by contract, give the port 15 days notice of arrival.

Brown said no fee is charged for terminal use permits. Money for using the port facilities comes from standard wharfage and handling fees.

Glenn Stavik, sales representative for SeaWay in Anchorage, said the company has not yet scheduled its next sailing of break-bulk cargo. Fred Peil, SeaWay's chief executive officer, was unavailable for comment.

SeaWay filed for a terminal use permit Sept. 21.

## Assembly Agenda

Saturday, December 15, 1984, The Anchorage Times A-9

Egan Civic and Convention Center  
December 18, 1984  
Regular Meeting  
5:00 p.m.

1. CALL TO ORDER
2. ROLL CALL
3. MINUTES OF PREVIOUS MEETING
4. CONSENT AGENDA
5. A. BID AWARDS
6. Assembly Memorandum No. AM 1634-84, recommendation of award for providing sacrificial anode pipe material to the Port of Anchorage.