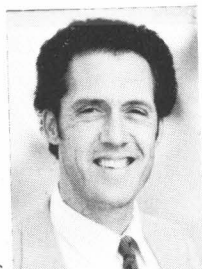


October 1984



Tyler Jones

Tyler Jones has been promoted to port director of the Port of Anchorage, Alaska, following the retirement of William McKinney. Through August, 426 vessels have arrived at the port, which has handled about 1.4 million tons of cargo this year.

Conflicts seen in rail board appointee

by John Knowlton
Times Business Writer

Seward officials today suggested that one of the new appointees to the Alaska Railroad board of directors has a conflict of interest because he also serves on the Anchorage Port Commission.

In a letter to the Interstate Commerce Commission, Seward Mayor Don Cripps said the city has "serious concerns" about railroad board member Lew Dickinson's ability to serve on the seven-member board with impartiality. Cripps also asked the ICC to review the credentials of other board members who were appointed to the post by Gov. Bill Sheffield Oct. 3.

Seward City Manager Ron Garzini said that as

a member of the port commission Dickinson sets tariffs for freight shipped to the port and then trucked to other destinations. As a member of the railroad board, Dickinson also will be setting tariffs for cargo hauled on the Alaska Railroad, Garzini said.

"I know Lew and think he's a fine man but I think he's so terribly conflicted that I can't believe it," Garzini said. "I can't believe that it's proper to give one individual the authority to be involved actively in the competing modes of transportation."

Dickinson, 52, was unavailable for comment. Cripps and Garzini also suggested that Dickinson may have a conflict because he is a board

Tuesday, October 9, 1984, The Anchorage Times

member of Anchorage Sand and Gravel. Gravel hauling operations are the largest revenue producer for the railroad, the Seward officials said.

Cripps said in an interview that the ICC should determine if Dickinson and others on the seven-member board have conflicts of interest. If one exists, then Dickinson should give up his spot on the railroad board of directors or the port commission, Cripps said.

"We're not trying to say anything bad about Mr. Dickinson," Cripps said, "but we're saying there's a potential for conflict."

Garzini also said Seward city officials were miffed that nobody from the Resurrection Bay community was named to the railroad board.

Anchorage Daily News Wednesday, October 3, 1984

KNIK crossing public hearing set tonight

By LARRY MAKINSON
Daily News reporter

Anchorage residents will have a chance to comment on the proposed Knik Arm Crossing today at a public hearing on the project's environmental impact statement.

The hearing, which begins at 7:30 p.m. at the Egan Convention Center, 5th Avenue and E Street, is being conducted by the state Department of Transportation, in conjunction with the Anchorage Planning and Zoning Commission and the U.S. Coast Guard.

Jerry Hamel, project manager for DOT, said public testimony should begin at about 9 p.m., following an explanation of the hearing process and a slide presentation on the project itself.

Currently, two routing options for a bridge are under consideration: a downtown crossing that would cost \$743 million and would empty into

Anchorage traffic at 3rd Avenue and L Street, and a \$547 million Elmendorf crossing that would wind through Elmendorf Air Force Base and connect to the Anchorage road system at the Glenn Highway near Muldoon Road.

Hamel said the slide presentation will be made by Jack Allen of Sverdrup and Parcel, project manager for the consulting team that prepared the impact statement.

Once public testimony begins, each speaker will be allowed three minutes, Hamel said. More detailed comments may be made in writing, he said.

Written comments on the project will be accepted through Oct. 22, Hamel said.

The entire hearing will be broadcast live to cable subscribers on Multivisions' Channel 3.

A second public hearing for

See Page C-2, KNIK

KNik Arm Crossing hearing set for tonight

Continued from Page C-1

residents in the Matanuska-Susitna Borough will be held Thursday at 7:30 p.m. at Wasilla High School.

A final hearing for residents in the Houston area — the proposed northern terminus of the project — is scheduled for Oct. 9 at 7:30 p.m. in the Houston City Hall.

Testimony from the hearings, and from follow-up written comments, will be incorporated in the final environmental impact statement, which Hamel said should be completed before the end of the year.

That final report will include a recommendation for which crossing route should be chosen.

Shippers and port officials have expressed concerns that a downtown bridge would cause a serious hazard to ships bound for the port of Anchorage, especially during winter when heavy ice packs make navigation difficult.

Municipal traffic planners have also expressed reservations about the downtown proposal, saying the extra

bridge traffic will clog downtown streets.

The project's own consultants and engineers counter that the downtown option makes more sense because it brings the undeveloped land across the Inlet within a short drive of the city center — something they say would encourage maximum development there.

The Elmendorf option, both sides agree, would spur less development across the Inlet because it is farther from downtown.

But because it would enter the Anchorage road system at

an already congested point — the Glenn Highway at Muldoon Road — it would likely lead to more traffic congestion than no crossing at all, according to the impact statement.

The Elmendorf crossing is about \$200 million cheaper than the downtown option, a factor that may weigh heavily in its favor since financing the bridge seems to be its most difficult problem.

Toll revenues from the bridge are only projected to bring in 20 to 30 percent of the project's cost. The source of the rest of the money has not been settled.

Port OKs SeaWay dock permit

by Annette Taylor
Times Business Writer

The Anchorage Port Commission Monday night unanimously approved a request by SeaWay Express, a Seattle-based non-union freight carrier, to use the municipality's port facilities for berthing and unloading cargo.

Despite opposition by union members, Will Condon, an Anchorage-based attorney for SeaWay, said the company was entitled to the terminal use permit because it had met all of the city's technical requirements, including obtaining more than a \$1 million in liability insurance.

Commission member Scott Heyworth, who also is a union member, introduced a motion to require SeaWay to post a \$100,000 performance bond to

cover any security expenses such as those incurred by city police in August when SeaWay's first break-bulk barge to Alaska was scheduled to arrive in Anchorage.

In anticipation of union protests against SeaWay's use of non-union labor, Anchorage police barricaded streets and patrolled nearby streets throughout the night. Police estimated the cost of the extra patrol at about \$5,000.

But during the night, SeaWay's barge was turned to Seward. Company officials cited muddy conditions at a private dock it planned to use, not union protests, as their reason for aborting its trip to Anchorage.

After his motion failed for lack of a second, Heyworth said he was obliged to approve the terminal

use permit because the company had met the criteria. But he added that his vote should not be interpreted as an endorsement of SeaWay's operations.

Several members of the Anchorage Independent Longshoremen's Union Local 1 opposed a terminal use permit for SeaWay, criticizing the company's safety record in Seward where SeaWay has trailed freight operations.

By comparison, the union members said, their safety and productivity record is impeccable and is the best on the West Coast.

SeaWay's new terminal use permit will become effective in a few days after all the necessary signatures are obtained, said Tyler Jones, general manager of the port.

October 2, 1984, The Anchorage Times

Dickenson sees no conflict from rail post

By RONNIE CHAPPELL
Daily News reporter

Anchorage businessman Lew Dickinson said Wednesday that his business and civic interests would not interfere with his ability to be an impartial member of a new state board charged with managing the Alaska Railroad.

Dickinson is chairman of the Anchorage Port Commission and a director of Anchor-

age Sand and Gravel, one of the railroad's largest customers. He was appointed to the railroad board by Gov. Bill Sheffield.

Earlier this week, the Seward City Council voted unanimously to ask the Interstate Commerce Commission to review Dickinson's business and civic affairs for possible conflicts of interest.

The ICC has limited authority to review the appoint-

ment of railroad directors throughout the United States.

In a letter to the agency, Seward Mayor Don Cripps questioned Dickinson's ability to "serve with impartiality."

"I can't comment on what somebody else's idea of a conflict is," Dickinson said.

Speaking of his position on the Anchorage Port Commission, Dickinson said, "I see a conflict, but not one that's

going to be detrimental. The port and the railroad have to work together. I see that as a plus."

Dickinson said his dual role as port commissioner and railroad director affords an opportunity to resolve some difficulties between the agencies.

Dickinson said his affiliation with Anchorage Sand and Gravel should not be a problem.

Second term to bring about transition period

Tuesday, October 16, 1984, The Anchorage Times

by Dave Postman
Times Writer

Anchorage Mayor Tony Knowles started his day today the same way he did three years ago — greeting municipal workers on their way into the Hill Building.

But those workers shouldn't think it will be business as usual under Knowles' second term.

Votes counted Monday show Knowles winning re-election by 185 votes over his challenger, Tom Fink. In the two weeks since the election —

while absentee and challenged ballots were readied for counting — Knowles made it clear there was going to be a transition period after the election, no matter who was elected mayor.

Knowles said Monday night that there will be a "new administration" in his second term replete with personnel and policy changes. Soon after Knowles learned he had won a second term, he told reporters that he anticipates changes throughout the city government.

He said he'll begin to re-engineer his

bureaucracy "very soon."

Chip Dennerlein, Knowles' executive manager of Public Services, said Monday, "The mayor has already asked us to look ahead to the next three years." And Dennerlein is excited about the prospects. "Tony won this election because he was a good mayor. At the end of this term he will be a great mayor," Dennerlein said.

But Dennerlein said he may not choose to stay on for all three years of a second Knowles administration. He said that someday he would like to return to

a job in land and resource management.

Dennerlein, the former state director of the Division of Parks and Outdoor Recreation, is one of the most visible members of Knowles' cabinet and was the only one Fink said would immediately be fired under his regime. Sharing the same sentiment, Dennerlein said he would be out the door before Fink could ask for his resignation.

Other top city officials, too, said they would only work for Knowles, including the Director of Communication Bob Miller. Miller has said "I don't support

Tony Knowles because I work for him. I work for him because I believe in what he is doing."

Allan Tesche, director of Property and Facility Management said early in the evening it would be premature to speculate as to his future under either leader.

Dennerlein said the focus of his work will change in the coming years. "The theme of the mayor's first campaign was back to the basics. And we did that in the face of tremendous population

growth. The business of local government has completely changed," he said.

In the next three years there will be a stronger emphasis on the city's port and aviation facilities in the municipality's overall transportation plan, Dennerlein said.

Before Knowles ends his second term, the city's performing arts center will come on line and Dennerlein said there will be a stronger concentration on arts and culture.

"The theme of this campaign was 'We're moving in the right direction' and I think we're going to keep on moving. That's why he should be mayor," Dennerlein said, gesturing to Knowles across the crowded campaign headquarters.

Bill Luria, director of community planning, said his department has come a long way under Knowles. Three years ago planning decisions were made on "archaic land-use policy." Now, Luria says, the city uses state of the art procedures to guide land use decisions.

Seward protests businessman's appointment to rail board

By ROKNIE CHAPPELL
Daily News reporter

The Seward City Council has protested the appointment of Anchorage businessman Lew Dickinson to the board of the Alaska Railroad Corporation.

Dickinson is one of four non-government people appointed to the board by Gov. Bill Sheffield last week. The board will run the railroad for the state, which bought it from the federal government for \$22.3 million and will take over its operation in January.

Monday, the council voted unanimously to ask the Interstate Commerce Commission to examine Dickinson's business and civic affairs for possible conflicts of interest.

He is chairman of the Anchorage Port Commission and a director of Anchorage Sand and Gravel, a company that ships large amounts of bulk freight from Palmer to Anchorage via the railroad.

Although he termed Dickinson a "fine Alaskan" in his letter to the ICC, Seward Mayor Don Cripps said he and other city officials had "serious concerns about (Dickinson's) ability to serve with impartiality."

An agency spokesman said Tuesday that the ICC has "limited authority" to review Dickinson's appointment if questions of conflict of interest have been raised.

Federal laws provide for ICC review when a railroad director controls or owns significant amounts of stock in another carrier, said Martin Zell, deputy director for state and community affairs for the agency. The laws are designed to ensure that railroads treat all shippers fairly.

Zell did not know if the ICC could block Dickinson's appointment.

Dickinson, who is working and duck hunting in the Eureka-Chickaloon area, was un-

available for comment Tuesday.

In his letter, Cripps says, Dickinson is "directly involved in the railroad's gravel haul tonnage, which I believe is the railroad's largest revenue source."

"He, as a railroad board member, would be involved in decisions regarding future competing gravel sources and rates for competing services."

Seward city officials believe the startup of a new coal export facility will make it possible to use empty coal cars to backhaul large amounts of gravel to the Anchorage area.

Dickinson's position as chairman of the Anchorage Port Commission also creates problems, Cripps said.

"In most instances," he wrote, the interests of the railroad and the Port of Anchorage are "in direct conflict. We do not believe that one individual can effectively

serve both bodies."

The statement is based on the theory that high railroad freight rates encourage the movement of freight through the Port of Anchorage. That's because most of the major shippers serving the city have union contracts requiring them to truck most of their freight inland.

"Ninety percent of the carrier traffic using the Port of Anchorage is by truck and, therefore, is competing with the Alaska Railroad," Cripps said.

Despite that fact, Cripps continued, Dickinson will be "directly or indirectly setting tariffs and practices for the railroad."

Anchorage Port Director Tyler Jones termed Cripps' analysis a "narrow interpretation of the role of the Port of Anchorage and our partnership with the Alaska Railroad."

Jones said he and other

port officials would like to see more extensive use of the railroad.

"That's been a longstanding position," Jones said.

Sheffield knew about "Dickinson's interests" before he appointed him to the railroad board, said Sheffield Press Secretary John Greely.

"The issues were reviewed by the attorney general's office and it was determined that all (of the men appointed to the board) could pass muster," Greely said.

Other businessmen named were Jim Campbell of Anchorage, president of Spenard Builder Supply; and Frank Chapados, owner of H & S Forwarders Inc. of Fairbanks. Gerald Valinske will represent unions on the board and Transportation Commissioner Richard Knapp and Commerce Commissioner Richard Lyon will represent state government.

Campbell's company moves

substantial amounts of freight over the railroad, Greely said.

The Chapados nomination already is being reviewed by the ICC, said assistant attorney general Jack McGhee. The state requested the review, McGhee explained, because it is "unclear in our minds" whether ICC statutes governing freight forwarders "would preclude him from serving."

None of the appointees has filed a financial disclosure statement with the state.

Financial disclosure is not required by law, Greely said, and it "is not standard practice to ask for financial disclosure in the course of a job interview. Usually there's a verbal assurance that there are no conflicts of interest."

Sheffield selected Dickinson, Campbell and Chapados because "they know how the railroad operates."