

1977-1978

[MS 207  
Scrapbook 12]



## Tusty returns home repaired

by Carole Jaffa

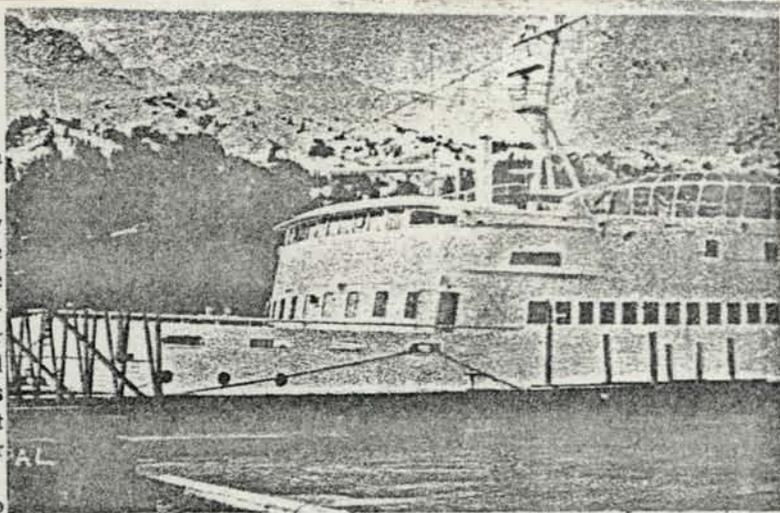
Alaska's most seaworthy ferry is back in service after a three months' haul out for maintenance and repair in Bellingham, Washington. She has resumed her usual route to Kodiak, and will also take over the Bartlett's runs to Valdez and Cordova while that ferry goes south in February for two months' maintenance.

The Tustumena returned to Seward with a new coat of paint, a rebuilt car deck, a new diesel generator, and stabilizer fins to minimize rolling in heavy seas. Lack of funds prevented renovation of the galley, however.

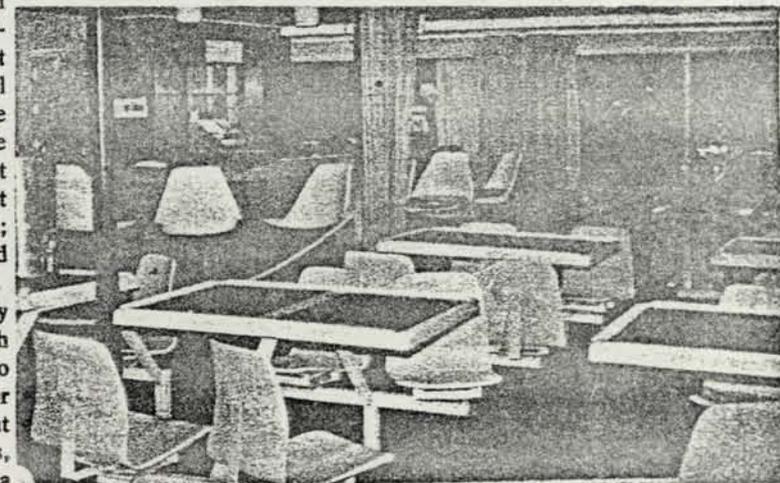
The ferry and her 35-person crew had beautiful weather between Seattle and her home port of Seward, Chief Mate Tim Vogel reported, but "as soon as we headed out for Kodiak, she howled." Heavy seas and 50-knot winds forced the vessel to lie at anchor behind Kayak Island, delaying her return trip a day and a half.

The Tustumena is the only ferry in the United States which does not require a special dock to load cars. Her special elevator system allows cars to be brought aboard from regular cargo docks, like the ones in Valdez, Cordova and Kodiak. Her schedule is kept flexible to accommodate the communities she serves. "The Port Lyons cannery burned down," said ferry administrator Ed Drayton, "and they've been overloaded with king crab. So we made special runs to get the crab to market before it spoils. In February we're coordinating our schedule to enable Seward sports teams to attend the Ice Worm Festival in Cordova without missing school or work after the weekend."

All hands agree that while summer is a nice time for tourists to visit Kodiak on the Tusty, winter trips are rough going. "A different--tougher--breed of people live over there," said 3rd Mate Plancich. "Even they only commute when they absolutely have to."



The State ferry Tustumena tied up to the Alaska Railroad Dock for checkup between Kodiak runs. She has been completely repainted and repaired for service.



The Tusty dining room was fitted out with new chairs, bolted the deck. Work was done at Haskell Shipyards in Bellingham. Photos by Carol Jaffa

## Ferries cost more

At one time the success of the state ferries led some to believe that road construction days in Southeastern Alaska were over. With spiraling rates and ship maintenance and construction costs, roads are beginning to look more attractive.

It is encouraging to learn that officials running the Alaska ferry system are going to do a rate study. The aim of the study is to get the rates more in line with the intent of the ferry system—to serve Alaskans at a reasonable cost with a marine highway system.

In the past few years, ferry rates, even the off-season rates, are so high that many Alaskans have gone to aviation exclusively. For example, it is much cheaper for a man and wife taking a winter vacation to fly from Southeastern Alaska to Seattle and return than to ride the ferry and pay for the stateroom and meals. It is cheaper for the vacationers to rent a car for two weeks in Seattle than it is to pay the fare for shipping their own car south and return.

Ferries are pricing themselves out of the market in several ways. The state recently rejected the bid of \$16.5 million to lengthen the Matanuska fifty feet. The lengthening provides 20 per cent more car deck space with little or no addition to the crew. The Malaspina had the lengthening several years ago and can now haul bigger loads.

But suppose that rather than lengthening the ships, the routes were shortened so that the ships could travel more frequently? There is one good example of that. If the road was extended from Sitka to Rodman Bay, the ferries could make a Sitka stop with the same frequency they stop at other ports. Peril Strait would be bypassed. We have been told by highway engineers that the Rodman Bay road could be constructed for a lot less than that \$16.5 million for lengthening the Matanuska.





## Ferry Costs Debated

**By The Associated Press**  
Officials of the Alaska Marine Highway System say relocating the ferry system's southern terminus to Bellingham could save the state more than \$1 million annually.

The assessment was made in a report by William Hudson, highway system director.

However, Don Harris, Alaska commissioner of public works, said Hudson's report is not comprehensive. Harris said the report does not go into adequate detail about whether the

move would add costs for ferry customers shipping goods to Alaska.

Fred Tolan, a Seattle freight traffic consultant, has filed a report with the Alaska Marine Highway Office which concludes shifting the terminal to Bellingham would save money for customers. He was among those in Juneau Friday to testify before the House-Senate Free Conference Committee on the Budget.

Harris, normally would make any decision on a move. He said

he will consult with a transportation advisory committee appointed by the governor before any decision is made. He said such a decision is as many as four months away.

But the legislature included in the 1978 budget a clause prohibiting the state "from spending money to acquire, construct, equip or operate" a southern ferry terminus anywhere but at pier 48. The move also would require legislative review and approval of any funds spent on a move.

The ferry system's present lease with Seattle for the terminal expires in January 1979.

State Sen. Clem Tillion, R-Halibut Cove, a member of the conference committee, says he supports the move but could not say how strong that support is among other legislators.

"The legislators from Southeast Alaska want to keep the terminal in Seattle, because they shop in Seattle," he said. "Me, I'm from the West. I don't shop in Seattle or Bellingham."

### Ferry Delay

**KETCHIKAN (AP)**—The debut of Alaska's newest ferry has been set back one month.

The 235-foot Aurora was to begin serving Ketchikan, Prince of Wales Island and Prince Rupert in early June. It also was scheduled to make sight-seeing trips from Ketchikan during the Memorial Day weekend.

But William Hudson, marine transportation director, says delays in certification of the \$7.5 million vessel will mean it likely won't be ready until July 1.

He says the biggest problem is delays in certification of the vessel's fire protection system.





The Aurora, second Alaska ferry from Peterson Builders

—Harmann

# THE ADVOCATE

2 SECTIONS

Vol. 116—No. 16

STURGEON BAY, WIS. 54235—THURSDAY, MAY 12, 1977

15¢

## Washington 'Sells' Ferries

OLYMPIA (AP) — Managers of the nation's largest ferry system have launched a campaign to "sell" this area's most conspicuous weather phenomenon — rain.

Ads being prepared by the 18-vessel Washington State Ferry System tell riders to go "over seas" to have a party, hold a meeting and even get married — no matter what the weather.

Officials want to increase rid-

ership when the vessels aren't crowded, especially during the eight months a year that Puget Sound is covered with gloomy mist and clouds.

"It's true that to a certain extent we will be selling rain," said Lee Kramer, system marketing director. "We're also selling destinations and the system.

"We will be trying to convince people that it's just as much fun to ride a ferry in the rain or foul

weather as it is any other time, and maybe more fun than some shoreside alternatives."

A study showed the system operates its 12 active and six standby vessels at peak efficiency only about three months a year, during summer.

"It occurred to us that those who do use the ferries for recreation might be convinced to use them for that purpose the year round, not just in summer, and in the middle of the week, and not

just on weekends, to help fill the valleys of demand," said Kramer.

Money for the \$335,000 newspaper, television and radio campaign was approved last winter, which, ironically, was among the driest ever in the Northwest. Aware of that, the system runs summertime ads showing sunlit waters and fleecy clouds.

But 85 per cent of the money is keyed for rainy months, the off-periods which cause the system's \$7.3 million annual deficit. All the advertising is being done within Washington.

Kramer and Shelley Radke, system marketing coordinator, say perversity in ad campaigns has paid off before. Volkswagens were shown as ugly but efficient, and a national car rental agency was No.2 and trying harder.

The groundwork for the stormy weather campaign is being laid in ads now appearing in newspapers.

"We're trying to be positive," said Ms. Radke. "Instead of telling people not to come at certain times or hours, we're stressing the hours that are best."

Kramer and Radke stress that newer vessels have glass-enclosed, radiant-heated outdoor areas for enjoying even foul weather. They note ferries are large enough to provide smooth rides despite storms.

A second theme highlights destinations. One slick new bro-

chure touts places people can go after leaving cars on shore, such as shops, restaurants and the battleship Missouri at Bremerton.

The area is being flooded with folders describing ferry-based off-peak tours, many without cars, with step-by-step instructions.



## PBI finishing tug 'at sea'

Work on the 144-ft. tug Jamie A. Baxter is being completed with the vessel at anchor at the mouth of the bay, according to Ellsworth Peterson, president of Peterson Builders.

The reason is the Baxter's deep draft. Tugs had a mighty struggle to get the vessel away from her slip at PBI where she was drawing 25 ft. Dredging depth in the channel is 23 ft. but the bottom is soft so the Baxter was able to make it through the bay.

The vessel looks odd because it is an integral part of a pusher tug and barge combination that extends 600 ft. The Baxter is six stories high so the bridge can see over the barge and its self-unloading system.

The Baxter will haul chemical fertilizer between Tampa, Fla., and New Orleans, La.

Standing without her barge the Baxter is stern heavy by 4 ft. She had to be ballasted in the bow to be moved to the outer bay. Small tugs are taking PBI workmen to and from the Baxter to finish work on the ship. The tug is scheduled to depart by May 26.

Peterson said trials on the Alaska ferry Aurora are scheduled for May 18.

### FERRY STRIKE CONTINUES

SEATTLE — No progress toward a new contract has been reported in the strike by members of the Inlandboatmen's Union of the Pacific against the Alaska Marine Highway System, operator of the Alaska ferry system. The strike began July 6 and, at press time, was over two weeks old.

A small tug brings in a load of workmen from the tug Jamie A. Baxter, now being completed at the mouth of the bay by Peterson Builders. The tug draws too much water to stay at the shipyard. It will be part of a 600 ft. pusher tug and barge combination.

## Ferry Negotiators Try One More Time

The state and its ferry workers resumed negotiations today in a last-ditch effort to agree on a new contract and avert a threatened strike Friday.

The Alaska Marine Highway Employees Union voted last week to strike July 1 if an acceptable contract wasn't negotiated. The current pact expires at midnight tonight.

A strike would tie up eight state ferries in the peak of the tourist season and would force hundreds of people counting on the ferries for travelling during the holiday weekend to make other plans.

The Division of Marine Transportation has posted signs throughout its terminals and offices warning passengers of the looming strike. And, said one reservation worker, most travellers seem to be taking the news stoically. He said there have been few complaints about the strike, with people asking mainly whether they can get a refund on their tickets and when a strike would end.

If the IBU members do strike the ferries will effectively be shut down as the other two ferry unions, the Masters, Mates and Pilots and Marine Engineers Beneficial, would likely honor IBU picket lines.

The state may also go to court to seek an injunction to force employees back to work in the event of a strike.

Although neither the state nor the union is talking, the contract dispute reportedly centers around the state's refusal to fund any pay raises for the life of the proposed new two-year contract, a state effort to subcontract out some ferry maintenance work

## Ferry System Snags Free Conference

By The Associated Press

The legislative budget free conference committee hit an unexpected snag today on Senate language aimed at blocking any effort to move the state ferry system's southernmost terminal from Seattle to Bellingham, Wash.

The debate included divisions within both the Senate and House delegations to the conference committee, and a resolution was delayed pending an interview with Marine Transportation Division Director William Hudson.

At issue was so-called "intent language" in the Senate budget which would prohibit the Department of Transportation and Public Facilities from expending any money to "acquire, construct, equip or operate" a southernmost terminal at any location other than "Pier 48, Seattle."

The section also would require the agency to get legislative approval for any move in the future.

The Senate adopted the language in response to a current study on suggestions that the state sign a new terminal agreement with the Port of Bellingham when the state's current contract with the Port of Seattle expires in January, 1979.

The prohibition language appeared to have the support of most conferees with the exception of Sen. Clem Tillion, R-Halibut Cove, and Rep. Clark Gruening, D-Anchorage.

Tillion said the move would cut 65 miles from the Alaska to Washington ferry run and efforts to block it were sparked by "powerful vested interests in Seattle."

Tillion said adoption of the language would "lock us in to Seattle" because it would not give the state time enough to plan for the move before the existing contract with the Port of Seattle expires.

Gruening said he also was concerned about "locking in to Seattle which has ripped off Alaska for years."

Rep. Ernie Haugen, R-Petersburg, countered that the move could have serious financial impact on the cost of transporting goods to Southeast Alaska because of the additional trucking costs which would be involved from Seattle to Bellingham.

Rep. Steve Cowper, D-Fairbanks, also worried about the impact on the tourist trade.

Sen. George Hohman, D-Bethel, said he had repeatedly requested the Division of Marine Transportation to provide information on any move plans, but had been ignored.

"These last minute presentations amount to a railroad job," Hohman said. "There are special interests at work here in Bellingham, too."

The debate came as the committee was about to close out the transportation general fund operating budget without any dispute on the spending level of \$11.2 million.

### Ferries In The Red In Washington State

OLYMPIA (AP) — Fuel tax payers subsidized the state ferry system by more than \$5 million last fiscal year, the state Highways Department reports.

That's how much the system went into the red last year, the department said Tuesday.

The ferry fleet and bridge operations brought in \$26.3 million for the fiscal year ending June 30, but expenses totaled more than \$32 million. The difference of \$5.6 million was made up by subsidies from the state motor vehicle fund.

The subsidy was approved by the Legislature several years ago.

The fund, rather than income from ferries and bridges, picked up a \$2 million tab for paying off bonds and other debt service and financed about \$250,000 in capital improvements.

Without income from the Hood Canal Bridge, the subsidy picture would have been worse.

# Columbia Initiates Ferry Strike, Crew Ties Up Boat In Juneau

By The Associated Press

MV Columbia, the flagship of Alaska's ferry fleet, docked here today to signal the start-up of a strike against the state marine highway system.

Identical scenes were to be played throughout the day and week as Alaska's seven other ferries pull into designated ports from Cordova to Ketchikan and the 500 members of the Inlandboatmen's Union walk off their jobs.

The entire state ferry system will be shut down by Saturday in a phased tie-up plan worked out Tuesday by union and state officials deadlocked over a new contract for IBU workers.

Marine Transportation Director William Hudson said the state ferry system has been halted briefly in the past by labor disputes but never has been shut down by a full-scale strike.

As the Columbia pulled into port to unload passengers, IBU Vice President Greg O'Clary reiterated that the union had an overwhelming mandate from its members to continue the strike until the state comes to terms.

"Our plan is to tie them up and leave them tied up," O'Clary said through a spokesman.

"They can stay tied up for a week, a month or a year, but they are going to stay tied up."

Commissioner of Administration Bill Allen said it was "unfortunate this strike had to occur during this peak traffic period on the marine highway and we would like to extend our condolences to those travelers who may be inconvenienced by this situation."

"However, I hope that all can appreciate that we must place the overall best interest of the Alaska taxpayer paramount," Allen said. "We believe it is better to negotiate through this work stoppage at this time than it is to agree to proposals which, in the long run, may price the ferry system out of existence."

Allen predicted that the IBU would go into court to force the state into binding arbitra-

tion, but said the state would not seek an injunction to force the ferry employees back to the jobs.

But O'Clary said the union would not initiate binding arbitration and was prepared to strike until the state blinked first.

"We're are going to tie up the ferries and wait for the state to make the next move," O'Clary said.

The strike by the IBU's 500 members will cut off all public surface transportation to about two dozen Southeast Alaska communities as well as Kodiak Island.

In addition, state officials said the strike will have a major impact on Alaska's summer tourist season if it lasts for any extended period of time.

IBU leaders called the strike based on an overwhelming vote from their members. The IBU's contract with the state expired at midnight last Thursday, but union leaders announced they would keep their members on the job throughout the busy Fourth of July weekend.

Allen said negotiations hit a deadlock on contract provisions for wage and cost of living adjustments for five classifications of workers, compensatory time off, vacations and seasonal manning schedules.

## Shut Down Schedule

By The Associated Press

Here is the Wednesday through Saturday schedule for shutting down the Alaska ferry system because of a strike by members of the Inlandboatmen's Union.

Taku Northbound—Leaves Prince Rupert 8 a.m. Wednesday, arrives Ketchikan 2 p.m. Wednesday and ties up.

Matanuska Southbound—Leaves Skagway 10 a.m. Wednesday, leaves Haines 12:30 p.m. Wednesday, arrives Auke Bay 4:30 p.m. Wednesday and ties up.

LeConte Southbound—Leaves Skagway 9:30 p.m. Wednesday, arrives Haines 10:45

p.m. Wednesday and ties up.

Chilkat Northbound—Ties up at Ketchikan Thursday morning prior to scheduled departure.

Malaspina Southbound—Leave Skagway 8:30 a.m. Saturday, arrive Haines 9:30 a.m. Saturday and ties up.

Tustumena Eastbound—Leaves Kodiak 3:50 a.m. Thursday, leaves Seward 8 p.m. Thursday, arrives Cordova 8 a.m. Friday and ties up.

Bartlett Eastbound—Leaves Valdez 7:30 a.m. Thursday, arrives Cordova 1 p.m. Thursday and ties up.

## Ferry Strike Postponed

By The Associated Press

Union leaders told Alaska ferry system employees today to remain at their posts over the Fourth of July weekend despite their declaration of an impasse with state negotiators over terms of a new contract.

Bargainers for the state and Inlandboatmen's Union broke off talks Thursday night shortly before the current contract expired at midnight, and no further meetings were scheduled.

Both sides said it was up to the other to initiate the next contact.

IBU Vice President Greg O'Clary said the main issues remaining in dispute were a state effort to reduce ferry manning levels during winter lay-ups in Seattle and contract out maintenance services to private industry in Seattle.

Such a change in existing state policy, O'Clary said, would result in six-to eight-month layoffs for many IBU members.

Commissioner of Administration Bill Allen said the state was pressing for reductions because ferries currently were manned by unnecessary personnel during winter drydockings at a cost of about \$6 million a year.

But Allen, the official responsible for labor negotiations, said the state was prepared to return to the bargaining table for continued negotiations at any time.

"We feel gains can be made through further negotiations," Allen said. "We think once the union takes a look at the whole deck of cards, we will be contacted again. The ball is in their court now."

O'Clary said the IBU's 500 members would remain on the job at least until Tuesday even though "the state has been throwing us from closet to closet for the past nine months during these contract negotiations."

But O'Clary said "in order to accommodate all the holiday traffic the Alaska state ferry system handles and as well as for the convenience of Alaska residents and tourists, the IBU will not take any strike action before Tuesday."

He said the state's position was approved by Gov. Jay Hammond.

# Long Wait Predicted For State Ferry Pact

By The Associated Press

Seven of Alaska's eight state ferries were thied up at strikebound docks today, and state and union officials say they may stay there for a long time.

Spokesmen for the state and Inlandboatmen's Union said Thursday they saw no hope for a quick end to the strike system workers without major concessions from the other side.

However, both sides used almost identical hard-line language in promising not to give in on any of the issues which sparked the strike Wednesday.

"Unless they (IBU negotiators) come to us with something more reasonable, we are going to tie the ferries up and keep them tied up," said Commissioner of Administration Bill Allen after discussing the strike with Gov. Jay Hammond.

But IBU Vice President Greg O'Clary said he had an overwhelming mandate from his 500 members to stand firm.

"The union's strategy is to tie the ferries to the dock and keep them tied," O'Clary said through a spokesman.

One issue in dispute is wages, but the primary barrier to a settlement is a state effort to replace IBU members with private contractors during long winter layup periods in the Port of Seattle at a savings in wages of about \$3 million a year.

"That's something we're not going to budge on at all," Allen said

of the state's refusal "to guarantee to retain crew members aboard ships during periods when they are not in operation."

Ever since the ferry system began in 1962, many IBU workers have stayed aboard ferries during winter maintenance periods which last from two to four months.

"The union is not going to budge on that issue," said O'Clary. "That is a no compromise issue. We're just not going to allow the state to put Alaskans out of work to give jobs to people in Seattle."

Allen also said the state would not compromise on the union's final wage position even though the IBU reduced its demand to include only a cost of living increase in the first year of a proposed new, two-year contract.

"Enough is enough," Allen said, noting that ferry system employees earn between \$20,000 and \$30,000 a year for working every other week.

Meanwhile, all but one of the state's eight ferries completed their final runs by Thursday and were tied up at docks from Ketchikan to Haines. The shutdown will be completed Saturday when the Malaspina arrives in Haines on a run from Seattle.

Even though the strike has cut off all public ground transportation to more than two dozen Southeast Alaska communities as well as to Kodiak Island, Allen said the state had received no complaints from citizens about hardships caused by the shutdown.

## Officials Meet IBU

SEATTLE (AP) — Two top Alaska officials met today with leaders of a striking union which has shut down the popular Seattle-Alaska ferry fleet for a week during heavy tourist season.

The meeting was planned between Administration Commissioner Bill Allen and Public Works Commissioner Don Harris on one hand, and officials of the Inlandboatmen's Union (IBU) on the other.

Scheduled to represent the union were IBU President Merle Adlum of Seattle and Alaska union Vice President Greg O'Clary of Juneau.

Allen said late Tuesday that the meeting will not be a resumption of contract negotiations.

"Our position is to listen to any proposals the IBU folks might have and give them (proposals) due consideration."

He said that if it looked as though the union were ready to go back to the bargaining table "hopefully we'll resume negotiations by the end of this week."

"We've received no indication that they are willing to come down on wage demands," Allen said. "When the talks broke off we were apart by a substantial margin."

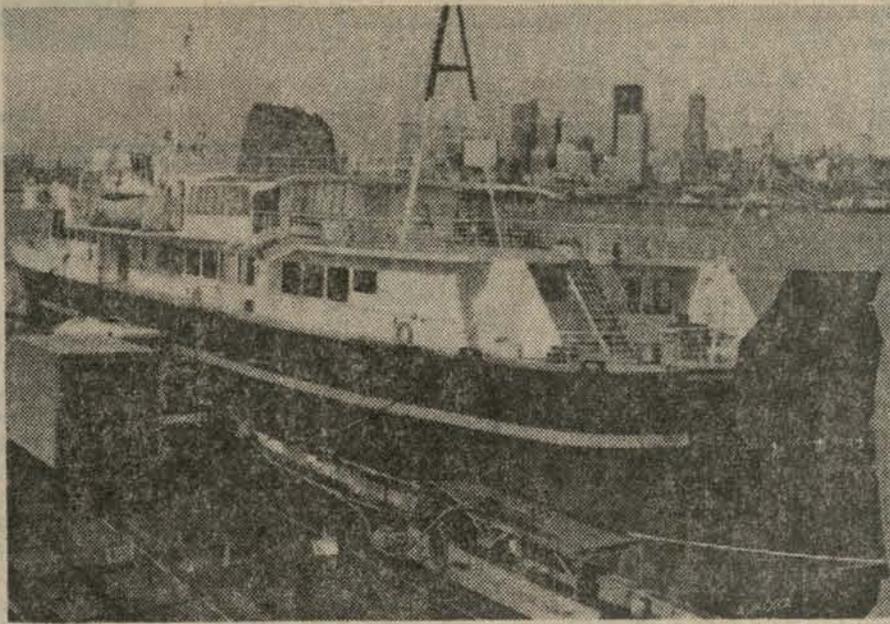
## A Beauty: Aurora's In Town

The Aurora is the newest ship in town. She's 235 feet of blue and white beauty and will join the Alaska State Ferry System as soon as the line accepts her from the builder.

She won't be sailing immediately because of the Inlandboatmen's Union strike against the system. But when she does she'll run between Ketchikan, Prince Rupert, and local runs in that area.

Built by Peterson Shipbuilders in Sturgeon, Wis., she came to Seattle via the Panama Canal and arrived at Todd Shipyard Corp. June 29. Some minor work is being done aboard her.

She has a big back door for cars to load and doors on either side toward her bow for vehicles to unload. She has a lounge with big, comfortable seats forward where the view is, a large dining area complete with bar, and a solarium on her upper deck.



P-I photo by Cary Tolman

THE AURORA, SOON TO JOIN THE ALASKA FERRY SYSTEM  
She's shown at Todd's shipyard being readied for delivery

Meanwhile, Milt Griffiths, the Alaska Ferry's man here, said yesterday he was busy refunding passengers who had reserved transportation

on the ferry Columbia, which had been scheduled to leave here 8 p.m. today. He said he had refunded some \$25,000 to disappointed

travelers.

There was no movement on the part of either side yesterday in the ferry strike.

# 'Pawns' Upset By IBU Action

By JOHN LINDBACK  
Sports Editor

Some travelers in Juneau over the weekend referred to themselves as "pawns," but the game of strategy in which they were involved wasn't their idea of a good time.

A number of the 350 passengers who were stranded in Juneau late Friday evening and Saturday were less than thrilled when they were caught in the middle of the dispute between members of the Inlandboatmen's Union (IBU) and the Alaska Marine Highway.

By late Saturday afternoon, many had been waiting for some type of announcement from either union or state officials since 3 a.m. when 16 members of the boat's crew walked off refusing to set sail for Haines, the ship's final destination.

"If they would just tell us the truth," said Mrs. Helen Neimeyer, a Texas resident who was on her way to the Yukon for a canoe trip. "Being used as pawns isn't the way to handle it."

She voiced her concern for the families with children who had no place to go. "Why aren't they doing more for the tourists," she questioned.

Mrs. Neimeyer also voiced irritation that the downtown terminal didn't stay open for those who were stranded and had no place to go. "It's damn cold here," she said.

A former Alaska resident, she had hoped that she would see signs of progress on her trip through the state. "Nothing has changed," she said.

Shelagh Campbell, a Canadian on her way to Whitehorse, said she was also irritated that the stranded passengers were without information on their destiny. "They haven't given us a definite answer on what they're going to do."

Neither Campbell nor Neimeyer were optimistic about using the Alaska Marine Highway as their mode of transportation in future travels. "I'd think twice before I'd do it again," said Neimeyer.

Russ Beery, 19, was visiting in Juneau for the weekend and trying to return to his home in Seward. He was told by a Marine Highway official before boarding the ferry to Juneau that he would "get back to Haines on the Malaspina."

Beery said the state should compensate the 350 passengers for the delay and inconvenience caused by the strike. He classified himself as sympathetic to the union's cause.

The trip marked his first time on the ferry system and he said he was "going to avoid" riding it in the future.

A lady returning to Seattle from a trip throughout Alaska wasn't sympathetic with 16 crew members who walked off the ship. "I don't think we should have to pay for their fight with the state," she said. "We won't ride it again."

Larry Merritt, 32, was trying to board the Malaspina with his wife and three children. He had been working for U.S. Geological Survey in Juneau and was leaving town because of a job transfer.

Although Merritt sympathized with the union's demands, he didn't like the way the IBU members handled the situation. "I think the 16 people who walked off ought to be sued," he said.

Merritt noted, "I think this is a situation nobody is going to resolve. We all feel a little bit like pawns."

He said he felt the passengers were showing good spirits in light of their frustrating situation. "Most people, disgusted as they are, still have a smile on their face," he added.

## Alaskan Ferry Disabled

The scheduled departure today of the Alaska State Ferry Columbia from Seattle has been canceled because of a broken crank shaft on an auxiliary engine. Bill Hunt, assistant manager of the system's Seattle terminal, said 500 to 600 passengers and 135 to 145 vehicles had been booked on the ferry.

Hunt said some persons might get a ride on next Tuesday's sailing of the Ferry Malaspina but it already is about 98 per cent booked. The next scheduled sailing of the Columbia is July 1.

## ALASKA FERRY CHILKAT OVERHAULED AT FOSS



SEATTLE — Smallest of the State of Alaska ferry fleet, the Chilkat opens wide during a recent overhaul at Foss Shipyards here. The Chilkat provides auto and passenger connections between Ketchikan and Metlakatla, Alaska. In February, Foss announced that its shipyard, which is the home base for the repair and maintenance of the Foss Launch & Tug fleet of 70 tugs, 130 barges, had gone public. The yard, located on the Lake Washington Ship Canal near the Ballard Bridge, is now offering the servicing and repairing of vessels in addition to those operated by the firm.

The state ferry Columbia, back in service after winter repairs, assisted in the rescue of a fishing boat in mid-April. According to the Ketchikan Daily News, the Columbia was northbound near Prince Rupert when the fishing boat radioed it was without power and drifting into rocks. The Columbia arrived on the scene and attempted to get a line to the troubled boat. Unsuccessful, the ferry finally turned broadside to protect the fishing boat from heavy wind and seas and held on until a tugboat arrived and was able to tow the fishing boat to protected waters. The Columbia continued on and arrived in Ketchikan 2 hours late.



The State of Alaska is building a new ferry terminal at Hollis on Prince of Wales Island, west of Ketchikan. The terminal will be able to accept the state's new 156-foot ferry Aurora. In late April, the dredging rig used in construction was overloaded and fell into the water, setting back the project 2 weeks. (The dredge pictured is a new piece of equipment owned by Smart Crane Rentals of Ketchikan.)

## Voice Of The People Ferry Strike

Dear Editor:

I'm sitting on the fence on this subject, neither for or against the Union's or State's stand on their differences.

In 1945 the Alaska Steamship Co. went on strike for several months. (Their stewards and engine room personnel.)

The Alaskan public paid for it. We had to air freight fresh produce and everything else we needed.

The air lines were booked weeks in advance.

I have a suggestion to the State officials and the Unions involved.

On any new contracts signed do it in the late fall and winter so we will not hurt our economy so much.

We all need the tourists money, granted there is some barge service.

I need to go to Juneau on business and cannot afford flying back and forth.

I'm sure there are hundreds in the same boat in Southeastern.

I realize if the Union agrees to my suggestion you are losing terrific leverage against the State.

You're both raising the devil with our economy.

We survived before and will again.

Sincerely  
Leo A. Land  
Haines

# Malaspina Finishes Haines Run

By SUSAN GILMORE  
Empire Staff Reporter

The state ferry Malaspina sailed into Haines Sunday nearly a day behind schedule after 15 members of the striking Inlandboatmen's Union staged a wildcat strike when the vessel docked in Juneau early Saturday.

The state said today that the 15 crewmembers who jumped ship have been fired.

Those crewmembers left the Malaspina, stranding nearly 400 people and 100 vehicles bound for Haines and Skagway. The vessel was tied up at the downtown Juneau ferry terminal until midnight Saturday when the ship sailed under court order.

Earlier Saturday, the state sought and won a temporary restraining order against the union which forced the Malaspina to complete its journey to Haines, the scheduled strike tie-up destination. The order was issued by Superior Court Judge Thomas Stewart, who gave the crewmembers until 10 a.m. Sunday to

set sail or they would be in contempt of court.

The Malaspina was the last vessel to tie up under the seven-day-old strike by the 500 IBU crewmembers who serve as stewards, deck and hands and other unlicensed personnel.

The majority of the IBU members—and reportedly all of the 15 that walked off the Malaspina in Juneau—are residents of Ketchikan. Sources say the crewmembers hoped to dock the ship in Ketchikan by making a deal with the state, returning the LeConte to Juneau, where most of its crewmembers live.

The union offered to crew the LeConte and sail it down from Haines to pick up the stranded Malaspina passengers. Sources say IBU members were hoping they could sail the Malaspina back to Ketchikan and tie up there.

However, marine transportation officials said the use of the LeConte would be impractical as it would require several voyages to transport all the passengers and cars.

A marine highway spokesman also said

there already are two ferries—the Taku and Chilkat—docked in Ketchikan and that city's float can't safely accommodate another one.

At the crux of the controversy is an agreement signed July 1 by IBU official Greg O'Claray and state negotiator Bruce Cummings that said, "no termination (of ferry service) shall result in discontinuation of vessel service until such time that enroute passengers are disembarked at their ticketed port of destination."

It was this agreement that prompted Stewart to award the temporary restraining order, coupled with arguments by City Attorney Lee Sharp that the vessel tie-up was causing harm to Juneau's tourism industry.

Two tour boats were in Juneau Saturday, the Renaissance and the Fairsea. While the Fairsea always anchors in the Gastineau Channel and lighters in its passengers, the Renaissance docks at the ferry terminal. On Saturday it, too, was forced to anchor in the channel.

Although few passengers were aware of the

long wait they would have in Juneau when the Malaspina sailed up the channel at 3 a.m. Saturday, both the state and the IBU knew of the possible walkout.

Marine transportation spokesman Vern Metcalf said his office had heard rumors late Friday that some IBU members might jump ship in Juneau, while IBU spokesman Michael Williams acknowledged that he had heard similar rumors since Wednesday.

However Williams, when contacted at the ferry terminal when the Malaspina docked early Saturday, admitted no knowledge of an impending walkout and vowed that the ship would continue on to Haines that night.

He also told several people waiting at the terminal that "not every ship would be tied up Monday," but today denied making that statement.

Williams said the crewmembers walked off the ship in protest over the state's refusal to pay expenses for them to return home after they tied up in Haines.

After the Malaspina left Juneau the state

leased a tug and two barges to carry the 27 stand-by vehicles to Haines. In addition, the state chartered a private vessel to carry 31 overflow passengers. The cost for the barges and charter vessel was more than \$2,000, Metcalf said.

"Although we had no legal obligation to transport these people, we felt a moral obligation to get them to the end of the line," said Marine Transportation director Bill Hudson.

Hudson refused to say whether the state will file charges and seek damages against IBU.

Lynden Transport Inc., meanwhile, has announced a special weekly barge service from Prince Rupert through Southeast Alaska to carry goods and vehicles on a first-come, first-served basis.

The first barge left Prince Rupert today and is scheduled to arrive in Juneau Wednesday morning.

The IBU contract expired June 30 and the state and union are locking horns over a number of issues, including a plan by the state to subcontract out some winter maintenance

## State Refunds \$105,000 For Unused Ferry Tickets

The State of Alaska has refunded \$105,000 in ferry tickets since the Alaska Marine Highway system was idled by the Inlandboatmen's Union strike Tuesday.

That figure does not include cancellations by scheduled tours or shippers, a marine transportation spokesman said, as these tickets are sold on vouchers with payment coming later.

The spokesman said most of the refunds were paid from the ferry system's Seattle and Anchorage offices, and other passengers who have bought tickets are calling in "from all over the country" to ask for a refund.

He added it still costs the state less to keep the ferries tied up than to pay to operate them. "We spend \$2 for every dollar we receive in revenue," he said.

By this morning seven of the eight state ferries had been idled by the strike and a settlement is nowhere in sight. The IBU walked off the job primarily in protest over the state's plan to subcontract out some winter maintenance jobs to outside firms.

Meanwhile, a spokesman for the U.S. Post Office in Juneau said the ferry strike won't affect the delivery of sea-going mail as Lynden Transport, the mail contractor, plans to bring the surface mail in by barge or other transport vessel.

The spokesman said there may be a one or two day delay in the first shipment, but the remaining mail shipped during the strike should arrive on schedule.

First class mail will still be transported by air.

In other action, the Inlandboatmen's Union members aboard the state ferry Tustumena "abandoned ship" in Seward after refusing to honor an agreement to move the vessel to Cordova for a strike tie-up, state officials said today.

IBU spokesman Michael Williams confirmed the walk-out, saying the approximately 15 IBU crew members also had refused pleas from union leaders to return to their posts.

It is mutually agreed between the parties that the 1975-1977 agreement by and between the State of Alaska and the Inland Boatmen's Union of the Pacific is hereby extended indefinitely, except as provided as below.

Either party may terminate the 1975-1977 agreement by serving notice of intent to terminate to the other party in advance of the termination date and time, provided, however, no termination shall result in discontinuation of vessel service until such time that enroute passengers are disembarked at their ticketed port of destination.

Date: July 1, 1977

Date: July 1, 1977

Bo. Clay

Bruce A. Cummings

### DOT Directors

By The Associated Press

The state Department of Transportation and Public Facilities, newly formed of pieces from two other agencies, has three new directors.

Commissioner Donald Harris said Ramon Shumway would be director of highways; Don Statter director of harbors work and Clayton Hueners director of the airport building program.

Shumway has been state highway engineer. Statter was director of the water and harbors division of the old Department of Public Works, and Hueners has been chief engineer for airport engineering in the old department.

# Ferry Strike Pinches Haines Residents

By CRAIG MEDRED  
Empire Staff Reporter

People in Haines are talking about applying for disaster aid if the state ferries do not soon resume their runs to that community near the head of the Lynn Canal.

"This is an economic disaster," city employee Frank Haas says of the Inlandboatmen Union's strike which has kept the ferries in port since July 5.

"We're looking at books that say cancel, cancel, cancel," a spokeswoman at the Tunderbird Motel says.

If the strike does not end soon, Gail Hay, at the Captain's Choice restaurant says, "I think we're going in for a hardship loan (from the state) to stay in business."

Haines, one of the northern terminuses of the Alaska Marine Highway, counts tourism as its third largest industry. That tourism is coupled to the state ferry system, which brings to Haines cars, trucks and campers full of tourists bound for the Yukon and Alaska's Interior.

"There are at least five businesses, six that are directly" dependent on tourist traffic, Carl Heinmiller, a well-known Haines resident says. "One gas station owner...says his business has dropped off almost 70 per cent."

Frank Wallace, who owns the Wallace Garage in Haines, says he has yet to feel the major impact of the strike, but can see it coming.

"My gas was down a couple hundred gallons (this week)," Wallace says. "My opponent claims a 50 per cent reduction in business. He's closer to the ferry terminal."

Wallace says he is still getting some business from people who drive down the Haines Highway from Haines Junction and then return. "They come down just to check" to see if the ferries are running, Wallace says. "There are a few just sitting here waiting," he adds.

What will happen if the ferry strike drags on, as it appears it will, is what worries Wallace.

Tourism was just starting to pick up when the strike started, according to Hay. If the union and the state don't settle soon, they will have killed the tourist season, she says.

"Travellers will be afraid to come up," she added. "It looks bad. I'm even laying off help."

Haines had enough economic problems without the strike, Hay adds. The Haines sawmill closed last winter because of a lack of logs. Fishing has been bad for several years, although it picked up somewhat last year. Those two industries, along with tourism, keep the town alive.

"The only people in town that are getting any money now are the fishermen," Hay says. "Business is off more than 50 per cent for me. All over town the business people are in the same shape I'm in."

Tourism is down to "zilch," Haas says. "It's like mid-winter. The streets are sort of deserted right now. It's really hurting us economically, and we've been hurt already."

The state, Haas says, should get an injunction against the union and submit the entire issue to binding arbitration.

Such feelings are prevalent in Haines. There is no love lost for the union.

"Let them sit and rot before we give any more money away," Wallace says. "That's going to hurt me much more in the long run."

Other Haines businessmen seem to share his sentiments. The city council, according to city manager Dan Bockhorst, endorsed the state's position at a meeting last week. "Haines is one of the largest ports in the Marine Highway System," Bockhorst says. "Obviously," he adds, Haines will suffer from the strike, but the city has decided the state should hold the line on wages.

Meanwhile, Haines stores are running out of goods. Supplies for Haines normally arrive by ferry. Tom Quinlan, the Foss Alaska agent in town, says that firm is now trying to get a barge into Haines, "which of course will be expensive." Something has to be done, though, because the stores are "pretty well out now. No fresh stuff," he adds.

Supplies too are a primary concern in Skagway, the only other community north of Juneau which is served by the ferry. Unlike

Haines, Skagway is not a primary loading and off-loading point for the Marine Highway System. It does, however, depend on the ferry for some tourism and its goods.

"We've got a few less tourists naturally," Skagway merchant Barbara Kalen says, but the biggest worry is merchandise. "We don't know what's going to happen about our supplies," she says. "We get everything on the ferry."

Dave Stevens at the Klondike Hotel says "it's definitely hurting us," but he too is more worried about supplies than the tourist traffic. Skagway is frequented by cruiseships which bring large numbers of tourists into town.

Stevens says his primary worry is food. "We're hurting as far as dairy and meat," he says. It will probably have to be flown in, he adds, a costly proposition. Stevens says he has already tried to get meat from Whitehorse, Yukon Territory via the White Pass and Yukon Railroad to Skagway, but learned that because of import quotas he can not bring in Canadian meat and dairy products.

Like their neighbors in Haines, too, the strike seems to have soured Skagway residents on the ferry workers.

There is no great sympathy for them in town, Kalen says. "Most of these guys don't even live in Alaska anyhow," she adds.

Ferry workers, she says, get good pay and lots of time off. "We just don't think they're hurting that much," she says.

I believe had the Pilot investigated this it might have found one of the disagreements between the union and the State to be jobs for our Alaska residents—Winter Overhaul—which the State proposes to have done by contract labor in the Seattle area. They would lay off the Alaska residents. This is work which has been performed by the ship's crews. This makes sense to our union. The man who has to live and work the entire year on these vessels will by nature do a better job than the person who is only concerned with getting it out of the yard. That is only one of the things the State wants us to give up.

The Pilot readers have already come to the conclusion that the IBU are a bunch of bad guys. It's misinformation has stated the lowest paid ferry worker makes \$28,500 per year. I assure you this is untrue. But people think what else do they want. Wages are not the big issue.

The Union at this time is trying to hold our contract which has been in effect for several years. The State in turn would like to throw away many parts of our contract, which was the reason for the strike vote. The results were overwhelmingly in favor of a strike. We people of the IBU are fighting for our existence and for the continuance of our ferry system.

None of our members want to strike. We realize what a hardship it would be on everyone in Southeast Alaska if the ships were tied up. The strike would happen only in protest to the State's unreasonable demands.

Tom Lewis  
Petersburg

## Allen Reports No Progress At Seattle Ferry Discussion

Top state officials have returned from a meeting in Seattle no closer to a settlement with the striking Inland Boatmen's Union.

The strike, now 10 days old, has idled nine state ferries throughout the state, dashed vacation plans of thousands of tourists, and disrupted the economies of more than two dozen communities.

"The meeting was very non-productive," said Commissioner of Administration Bill Allen. He and Transportation Commissioner Don Harris met with IBU President Merle Adlum and Alaska union Vice President Greg O'Clary in Seattle Wednesday afternoon.

"There was no agreement to bring back the negotiating teams to resume bargaining talks," Allen said. "We found to our disappointment (the IBU) wanted even more."

The 'more' Allen referred to is wages, an issue that stalled bargaining talks and prompted the union to ask its 500 workers to walk off the state ferries July 5.

According to Allen, the IBU is seeking a 13 per cent increase in wages and cost of living over the next two years, while the state is standing firm on what Allen calls a "generous" ceiling of 5.5 per cent over the same period.

"It's very difficult to say no," Allen said.

"But you just can't run a railroad like this. We've reached that point. We have to say no."

Allen termed many of the IBU salaries "ridiculous." "Imagine, a dishwasher making \$20,000 a year," he said.

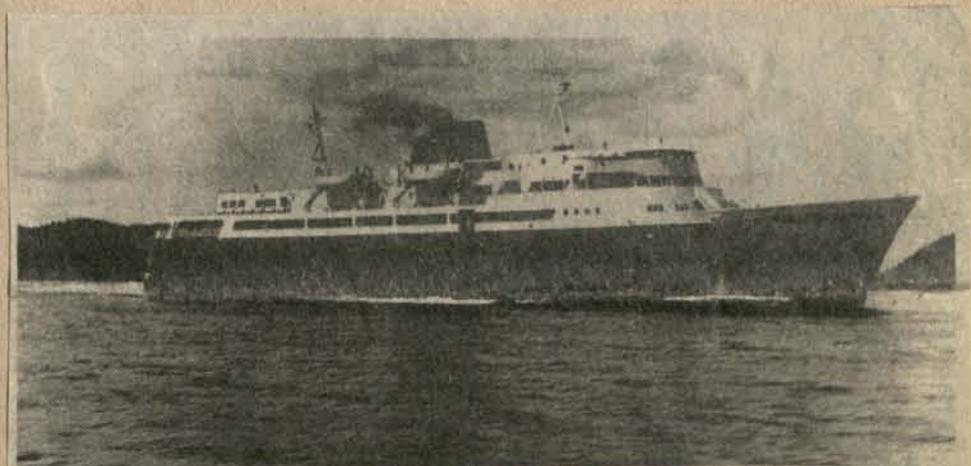
He said wages and vacations are the two main issues in contention. The state proposes to phase out the seventh week of vacation accrual after 10 years of service as no other state employee exceeds six weeks of vacation a year. The IBU contends the seventh week is necessary to provide another paycheck during vessel lay-ups.

Meanwhile, Allen said there are no plans to go back to the bargaining table, but that he planned to meet with his negotiating team later today to see if benefits or other cost items could be "juggled around" to improve the wage picture.

"We won't change our bottom line figure," Allen pledged. But he said some of the other ferry cost items to the state might be eliminated with the savings going to wages.

"We'll take a shot at that," Allen said. "We'll try everything we can to get this thing settled."

Allen said if agreement can be reached on wages and vacations, the other issues "will fall into place."



S-T-R-E-T-C-H — A \$15.2 million contract was awarded to Willamette Iron and Steel Co. in Portland today to stretch the state ferry Matanuska. The work, which will include cutting the vessel in half and adding a new section, is expected to be completed by next June. The company will begin building the stretch section immediately and install it into the Matanuska when it comes out of service October 1. The Portland firm also won the contract to stretch the Malaspina in 1972, a \$10 million job. Marine Transportation officials said Willamette Iron was the lowest of three bidders on the job and bids ranged from \$19 million to the Portland firm's low bid.



**DON'T TREAD ON ME**—Zana Persavich, a Chinese Pug named after her mistress, guards the ramp leading to the Alaska state ferry Columbia. The Columbia has been tied-up at the downtown ferry terminal since July 6 when members of the Inland Boatmen's Union went on strike. Ruby Dwyer, an IBU employee, is the picketer in the background.

## Air Business Booms While Ferries Idled

While the impact of the 11-day state ferry strike is being felt throughout Southeast Alaska from stranded vacationers to empty restaurants, one business doesn't seem to mind a bit.

"It's definitely hard to walk up to those places," said a spokesman for Southeast Skyways, referring to Haines and Skagway. He said business has been booming since the nine state ferries were idled last week by the Inland Boatmen's Union strike. And he's not alone, as air line charter service throughout Southeast report passenger increases of more than 100 per cent over traffic when the ferries are operating.

"The strike is a definite improvement for anyone who flies to Haines and Skagway," the spokesman said, estimating his business has increased 40 per cent since the strike. Thursday, he said, his airline carried 100 passengers to Haines and Skagway and the same amount back.

LAB Airlines, which operates continual flights between Juneau and Haines and Skagway, also reports a dramatic increase

in business because of the strike.

"It's been real busy," a spokeswoman said. She said five flights carrying a total of 30 passengers were added to Thursday's schedule. "People are coming up and leaving their cars," she said.

Business is even better at the other end of Southeast's Marine Highway.

Trans Provincial Airlines in Prince Rupert has boosted its regular twice-weekly service to Ketchikan to several flights a day.

A spokesman for the airline said that seven flights between the two seacoast cities were planned today.

The firm brought in an extra aircraft to meet the demand, which ranges from 50 to 130 passenger a day — nearly all of whom are stranded in Prince Rupert because of the strike, a spokesman said. Many, he said, are unaware of the strike when they drive into Prince Rupert and leave their cars to be barged north.

The charter companies contacted reported little increase in flights to cities serviced by Alaska Airlines, as Wrangell and Petersburg.

## State Meets Ferry Union

By The Associated Press

State and union leaders have begun talking again informally about terms for settling of a two-week-old strike against the Alaska ferry system, Commissioner of Administration Bill Allen said today.

"I was advised this morning that they had a productive meeting yesterday," Allen said. "But I'm afraid to say anything because it might spoil chances of getting this thing put back together."

Allen said Greg O'Claray, vice president of the striking Inlandboatmen's Union, was "very cooperative" in the meeting Tuesday with a member of Allen's staff.

"I hope he will say the same thing about us," Allen said.

O'Claray, however, was out of town and unavailable for comment.

The IBU went on strike against the eight-vessel ferry system July 6 in a dispute with the state over terms of a new two-year contract.

## More Ferry Strike

Dear Editor:

As one of the persons caught in Juneau by the walk-off of members of the IBU, I wish to express my thanks to the people from the Division of Marine Transportation who worked so many long hours making arrangements to get me out of Juneau and back on my trip north. I am certain that all passengers who had to barge their vehicles to Haines are most appreciative of the state's efforts.

Aboard the chartered boat that took me to Haines, I heard nothing but compliments to the state and dissatisfaction with the IBU. If the IBU wished to gain points with the public, both the outsider as well as the Alaskan, who were stranded, the union failed. Even most comments made by Juneau residents to me were against the union.

I do not know the position of either the union or the state, but as a result of the failure of the union to live up to their agreement I now am also against the union and wish the state well.

Even before the strike started, the attitude of the IBU crew I encountered was very anti-traveler. The only exception was the attitude of the dining room personnel from chief steward to waiter. The stewards lived up to their fine service I have come to expect

since first traveling via Alaska state ferry in 1963.

Again many thanks to all the Division of Marine Transportation Juneau staff who worked so hard to aid the passengers.

Keith Gerlach  
Quincy, California

## State, IBU Approve Schedule For Shutting Down Ferries

By G. MICHAEL HARMON  
Associated Press Writer

State and union officials today approved a plan for shutting down the Alaska ferry system with a strike by members of the Inlandboatmen's Union.

The tentative plan called for the state's eight ferries to begin docking Wednesday with the gradual shutdown to be completed Saturday.

Under the state-union agreement, each ferry will steam to its final destination before IBU members walk off their jobs.

William Hudson, director of marine transportation, said a schedule of the phased shutdown would be published as soon as possible "so passengers will know what the state can and cannot do."

Hudson said the tie-up will be completed when the MV "Malaspina" docks in Haines at the end of its current run from Seattle Saturday at 9:30 a.m. (APD).

The state ferry system has experienced some brief shutdowns by labor disputes in the past, but never has before been halted by a strike, Hudson said.

The strike by the IBU's 500 members will cut off all public surface transportation to about two dozen Southeast Alaska communities as well as Kodiak Island.

In addition, state officials said the strike will have a major impact on Alaska's summer tourist season if it lasts for any extended period of time.

Backed up by an overwhelming vote from their members, IBU leaders called the strike beginning Wednesday at 12:01 a.m. (APD) after declaring they were at an impasse with state bargainers late last week.

The IBU's contract with the state expired at midnight last Thursday, but union leaders announced they would keep their members on the job throughout the busy Fourth of July weekend.

The Alaska state-run ferry system is considering a move to Bellingham — this proposed shift causing shudders among Seattle Port officials. In any case, the Port is gearing up for a major campaign this fall — lobbying the Alaska legislators — to keep the Alaska Ferries at Pier 48. Adds one Port official, with a pun that causes air pollution: "We're even thinking about getting Anita Bryant here to help us save the ferries."

# High Level Seattle Talks Planned On Ferry Strike

By G. MICHAEL HARMON  
Associated Press Writer

State and union officials moved cautiously Monday toward reopening negotiations aimed at ending a strike against the Alaska ferry system.

Both the state and the Inlandboatmen's Union clamped a news blackout on the efforts to resume talks, but informed sources said the discussions were being conducted at the highest levels.

Leaders of the 500-member IBU ordered their men out on strike beginning last Wednesday after reaching an impasse with the state over terms of a new two-year contract.

Efforts to resume negotiations will be discussed at a meeting Tuesday or Wednesday in Seattle between Alaska Commissioner of Public Works Don Harris and Commissioner of Administration Bill Allen on one side and IBU President Merle Adlum and Vice President Greg O'Claray on the other, sources said.

A state source, however, warned that the Seattle meeting would not include actual negotiations.

"We will see if they have another offer," the state source said. "If it is reasonable, we will send in our negotiating team. If it is not, we won't."

A union source said, however, that a meeting of the IBU and state negotiating teams would be scheduled for Thursday or Friday.

The IBU said the state initiated the contact, but the state said it was the IBU which made the first move.

Efforts to resume negotiations came within hours of a state announcement that it had fired 15 IBU members who walked off their jobs aboard the ferry Malaspina here over the weekend.

The crew members were fired for refusing to honor a written agreement between the state and union not to begin a strike against the ferry system until their vessels dock at final destination points, a state spokesman said.

The Malaspina was bound for Haines from Seattle with about 350 passengers, mostly tourists, aboard when the IBU members walked off the ship after it docked at the capital city Friday.

A Saturday court order forced the men back to work, and the Malaspina docked in Haines Sunday, completing the shutdown of the state's eight-ferry fleet.

O'Claray responded to the firings with the pledge that none of the IBU workers would re-

## What Is It Costing?

The state has refunded \$250,000 worth of tickets since its ferry system went on strike a week ago.

And officials say this figure could go as high as \$400,000 as mailed requests for refunds come flooding into Juneau's marine transportation office.

A marine transportation spokesman said the state is paying an estimated \$1.5 million per month to keep the ferries tied up, about half of what it would cost if they were in operation.

The expenses are maintaining a minimum crew and paying salaries of non-striking Marine Engineers and Masters, Mates and Pilots union crewmembers. Other expenses involve running generators to keep the ferries' refrigeration units, lighting and other operations functioning and paying crewmembers per diem for food costs as the on-board food service is not in operation. The striking Inlandboatmen's Union, which consists of 500 unlicensed ferry workers statewide, operates the food service on the vessels.

The spokesman added that for every \$1 the ferry system receives in revenue, it spends \$2. Last year the system netted \$15.5 million in revenue, while the ferries' operating budget for fiscal year 1978 is \$32.8 million.

"But the strike will dent the system," he admitted. "Even if it is settled tomorrow it will take a month or two to get back in the swing."

turn to their jobs unless the 15 were reinstated.

In a related development, an Alaska trucking company announced it had arranged for once-a-week barge service between Seattle and Southeast Alaska to handle freight usually carried aboard ferries.

Lynden Transport Inc. said it had leased a large barge in Prince Rupert to transport Alaska cargo originating in Seattle.

A spokesman said the first barge left Prince Rupert Monday with 300,000 pounds of freight for Ketchikan, Wrangell, Petersburg, Juneau, Haines and Skagway.

## 'Price Of Poker Goes Up'

# Ferry Negotiations Stall Again

By G. MICHAEL HARMON  
Associated Press Writer

As suddenly as it flared, a flicker of hope for an end to the 10-day-old strike against the Alaska state ferry system has died.

Following high-level talks in Seattle Wednesday and continued discussions here Thursday morning, state and Inlandboatmen's Union leaders spoke optimistically about the chances for a agreeing on a new two-year contract.

But the mood changed dramatically later in the day after a brief formal meeting between state and union bargaining teams.

"I sent my boys over with some suggestions but they very rapidly found out that the price of poker has gone up," said Commissioner of Administration Bill Allen.

During the Seattle meetings, Allen said the union came up with a two-year package totaling about 13 per cent compared to the state's

offer of 5.5 per cent over the life of the contract.

But when the negotiators sat down to the table Thursday afternoon, Allen said the union proposal had jumped to an increase of 30 per cent over the current pact.

"Of course, my people packed their briefcases and came home," Allen said. "We'll never get anything settled with that kind of Mickey Mouse stuff."

IBU Vice President Greg O'Claray agreed that the day did not end on a positive note, but said he hoped the state would respond with a counter offer today.

"We've moved back to square one," O'Claray said. "I guess you could say we're back to 'do not pass go; do not collect \$200.'"

O'Claray, however, described the latest union position as an "alternative" which shouldn't be included in figuring wage hike percentages.

He said the increase came from a union

proposal to pay IBU Alaska residents a "bonus" of \$125 a month during the first year of the contract and \$250 a month during the second year. The union had previously proposed an additional \$125 a month for Alaska residents during both years on the contract. The state had countered with an offer of \$60 a month beginning in the second year.

Also remaining in dispute were the issues of cost-of-living adjustments to the IBU wage scale and manning levels during winter maintenance periods in Seattle.

The union was holding out for a cost-of-living increase tied to actual changes in the consumer price index in Anchorage. The state, however, was insisting on a single 5.5 per cent increase to cover both years of the contract.

"We are not seeking any wage improvement factor for the entire two years," O'Claray said. "All we want to do is maintain our existing buying power."

Allen, however, said the state was standing

firm on its position that the size of previous IBU contracts have exceeded the cost of living "and it's time to let the rest of the state employees catch up."

"The union has done an excellent job for its members in the past," Allen said. "The problem is they've done too good a job. The members are used to very large increases at contract time and to limit them to 5.5 per cent this time is very hard for them to swallow."

The other major issue in contention was a state effort to lay off IBU employees during winter drydock periods and contract out maintenance work to private industry in Seattle.

Allen said the state was willing to "discuss modifications of its position" but would remain firm on the basic premise that it should be allowed to lay off unneeded IBU employees

and subcontract maintenance duties when such a procedure could save money.

O'Claray said the IBU was not demanding that the state retain a full crew aboard ferries during layup periods, but insisted that the new contract include language "establishing minimum levels set by the state."

"Our people have a right to know whether they will be working or not," O'Claray said. "We are not uptight about having outside factory representatives come in and do technical work, but anything that has to do with the upkeep of the ship is our job."

O'Claray said the record is replete with instances of faulty work by ferry maintenance contractors previously hired by the state.

"They steal the ferry blind when they are aboard and we have to turn around and do the job over again once they leave," O'Claray said.

## TALKS TO RESUME

SEATTLE — Two Alaska officials—Commissioner of Public Works Don Harris and Commissioner of Administration Bill Allen—arrived here July 12 to resume negotiations in the strike of 500 members of the Inlandboatmen's Union of the Pacific against the Alaska ferry system.

The strike, which began July 6, cut off all public surface transportation to 24 Southeastern Alaska communities and Kodiak Island.

## Ferry Strike Talks Go On

JUNEAU, Alaska — (AP) — State and union leaders have begun talking again informally about terms for settling of a two-week-old strike against the Alaska ferry system, Commissioner of Administration Bill Allen said yesterday.

"I was advised this morning that they had a productive meeting yesterday," Allen said. "But I'm afraid to say anything because it might spoil chances of getting this thing put back together."

Allen said Greg O'Claray, vice president of the striking Inlandboatmen's Union, was "very cooperative" in the meeting Tuesday with a member of Allen's staff.

"I hope he will say the same thing about us," Allen said. O'Claray, however, was out of town and unavailable for comment.

The IBU went on strike against the eight-vessel ferry system July 6 in a dispute with the state over terms of a new two-year contract.

# Nautical Knots

For the past 12 days the Alaska ferries have been tied up by a strike called by the Inland Boatmen's Union. For the past week residents and business people in Haines, Skagway and Juneau have been calling the newspaper hoping we would know when the union and state would end their posturing.

We don't know when the strike will end. We doubt either the state or the union know when it will end.

But we do realize what the strike is doing to the economy of some of the towns on the ferry route. Haines is in trouble, Skagway is feeling the pinch. To a lesser extent merchants in Juneau have also seen a drop in tourism business.

We also know, once again, what it means to be without convenient transportation for a car and family out of Southeast Alaska.

The state tells us that members of the IBU already make more than ferry workers in Washington State and their compatriots ashore in Alaska. Also, the state adds, the IBU is a union that has been too effective in the past, winning wages and benefits that are too large.

Well, all that is true.

What the state fails to mention is that all Alaska State employees earn more than Washington State employees and, by-and-large, much more than workers in the private Alaska sector.

There actually seems to be only one reason the ferries are tied up: Gov. Jay Hammond's philosophy that state services should pay their own way as much as possible. Commissioner of Transportation Don Harris, apparently adhering to that philosophy, wants to keep salaries and benefits of ferry employees from escalating in order to cut the state's subsidy to the ferry system.

It is a commendable philosophy calculated to have great voter appeal—in Anchorage where half the state's voters reside and their highways are all overland.

According to recent reports, the main issue separating the state and the union is wages. The union began its demands with a pact that included no wage hike in the first year of the contract and a six per cent hike in the second year. The state rejected it. The union modified its demands, asking for no wage hike but a simple escalator clause allowing its membership to keep pace with the cost of living index. The state also rejected that offer.

If the problem weren't so serious the situation would be ludicrous. The state officials must be incredibly naive in the field of labor relations if they believe a union would sit down and negotiate a contract worse than the one it is to replace. From appearances it seems the union is willing to keep the status quo with a cost of living escalator so buying power is not eroded.

We know the IBU members already make handsome salaries. So do plumbers, electricians, teamsters, painters and other skilled tradesmen. So, for that matter, do the people in the new state office building.

But none of them work 84 hours in one week like the ferry workers, away from their home and families. In fact, other state workers work only 75 hours every two weeks.

Behind the state's preaching that enough is enough, there seems to be a certain amount of pride in the 'tie-em up' position they have taken with the ferry system. State officials say with relish that they are actually saving money by not operating the ferries.

If that attitude were taken with every state and municipal service, hospitals would close, airports shut down, highways deteriorate and social services dry up.

In fact, if we compared subsidies, the ferry system would shine when compared to the highway system. Ferries pay 56 per cent of their way while highways pay only 44 per cent of their way. If there is pride in the money saved while the ferries sit at the dock it is only reasonable to assume there would be greater pride in eliminating maintenance on the state highway system.

But that is unrealistic. Anchorage would scream about their imposed isolation. And half the state's votes are in Anchorage.

The great puzzle in the shutdown of the marine highway, however, is why is the state reluctant to obtain an injunction?

The answer seems to be that, with an injunction, comes binding arbitration. Is the state simply too unsure of its position that it doesn't want to submit its proposal to binding arbitration?

It would be melodramatic to say that the entire future of the ferry system hinges on the strike outcome. But it is not unreasonable to say that irreparable harm to the state may result from a long strike. Travelers have cancelled this summer and may not renew next year. We already know there are thousands of disgruntled tourists. Who knows how many there will be after this is all over?

The state seems to have forgotten the purpose of the ferry system. When service was inaugurated some 15 years ago, the ferries were hailed as Southeast's marine highway system. It turned our waterways into roadways to the north and south. It still is a marine highway, just as vital to our economy as the highway to Anchorage is to Anchorage's economy and, under a pay-as-you-go philosophy, a penny-wise solution to Southeast travel.

This stalemate which will soon enter its third week is not the product of responsible government. If there is no chance for a quick settlement, the state should ask for an injunction and submit to binding arbitration whatever the outcome may be.

## Ferry Antagonists Trade Charges

SEATTLE (AP) — Alaska state officials "are trying to get out of the ferry business," says Inlandboatmen's Union president Merle Adlum.

"Under no circumstances are we out to terminate the marine highway system," replies Alaska Administration Commissioner Bill Allen.

Adlum's union went on strike against the Alaska Marine Highway System on July 6. No talks are scheduled in the impasse.

The IBU president said Monday that in previous talks "we told them ... we'd accept welfare and pension benefits they have agreed to with no wage increase if they give us back the cost-of-living clause we had and which they rejected during recent negotiations.

"We haven't heard from them, and they've had the offer for three days."

He added, "I think they want to get out of the ferry business, but they'll get a lot of heat from Alaskans if they try. People up there don't have that closed-in feeling any more. ... They have enjoyed fresh milk and produce on the store shelves just like in a supermarket here in Seattle."

Allen said IBU members have gotten pay increases totalling 235.4 per cent during the past 13 years, while the cost of living in Anchorage has risen 85.6 per cent.

He said state officials didn't want to end ferry service, "but we don't want to be priced out of existence, either. The marine transportation system is growing more expensive than the taxpayers want to pay for."

## Voice Of The People

### Ferry Smoking

Dear Editor:

I would like to reply to Julie Tillinghast's letter published recently regarding smoking on the ferries.

I nodded in approval as I read until I reached the sentence "I hope smoking can be contained to a few small separate areas so that everyone can feel like they had a pleasant trip aboard the otherwise very fine marine ferries." Granted, she should not have been forced to sit in a "small separate area" to avoid the smoke, but neither should smokers be so limited.

Such segregation smacks of past attitudes toward racial and religious minorities as exemplified by the Warsaw ghetto. That is an extreme example—and in this case I believe apartheid is the best solution (and the only case in which it is any kind of solution at all).

But smokers have at least the same rights as everyone else. It's like having a giant wart on your face—not very pleasant but difficult and expensive to get rid of if the simple solutions don't work.

I try not to offend anyone and don't smoke when there are easily observable signs asking me not to. But I don't want to be shoved into a dirty little corner somewhere.

I have just as much right to a smoking area as you have to a non-smoking area. So, hurrah for apartheid and down with everyone who thinks that "what is right for me must be right for everyone else."

If I can learn tolerance for non-smoking areas when I'm chewing my fingernails down to the elbow, perhaps you can accept that smokers need more than "a few small separate areas."

Kit Stewart

### Ferry Strike

Dear Editor:

I am writing this letter in response to some of the things that were in the Empire recently in regard to the State Ferry strike.

I was particularly upset with Mr. Allen's statement that "enough is enough, that ferry workers earn between \$20,000 and \$30,000 a year for working every other week." I don't know where Mr. Allen got his figures. I am not going to argue averages with him but I can tell you that most of the people I work with don't make that kind of salary even if he or she were fortunate enough to work all year, which a lot of us are not. When the ships are laid up in the winter we are laid off for three to five months and all we can hope for is some relief between work to carry us over the winter months. A worker has to have between two and three years in with the system before he or she has enough time with the system to maintain employment all year long.

Now, I would like to explain how we work and what is expected of us when we are on board ship. We work 12 hours a day for seven days. That adds up to 84 hours a week. That is four more hours than most people on the beach work in two weeks. In the summer especially, with all the tourist traffic, it is hard grueling work and if at any time extra help is needed you are expected to work over your regular shift. We are called on to make beds, clean toilets, scrub floors, or what ever the need we are expected to fill it. Sure we are paid overtime for anything over 12 hours, but after 12 hours on your feet all I for one, want to do is crawl into my bunk and crash. Overtime is not all that appealing when you are completely exhausted. What I am trying to point out is that for seven days we are owned by the System. All we do is work, eat and sleep. We are not allowed in the public areas of the ship. We are not allowed to fraternize with the passengers. At the end of our day we cannot go home to our families, go to the movies, go fishing or flop down in our easy chair and watch TV., or any of the nice-things you people at home take for granted. So, don't begrudge us our salaries or our week at home, we have earned them.

Sincerely,  
Betty Hill  
Stewards Dept.  
M.V. Taku

The Alaska State Ferry System vessel Matanuska is going to be 56 feet longer when she leaves a Portland shipyard then when she entered it. The 16-year-old ship will be cut in half and a new midsection added in a \$15.2 million contract with Willamette Iron and Steel Co.

Other work includes installation of new state-rooms, crew's quarters, deck houses, dining areas and elevators. She'll even have a new solarium added to the bridge deck. Work will begin in October with a completion date of May, 1978.

# Ferry Talks Terminated

By Associated Press

Alaska state ferry system workers have voted to continue their 12-day-old strike until state agrees to "maintain existing wages" with a cost-of-living allowance, an Inlandboatmen's Union official said today.

IBU Vice President Greg O'Claray said he met with about 200 ferry workers over the weekend in Ketchikan "to talk to them about the progress of the strike and ask them their feelings."

"They gave us a unanimous vote to stay on strike until the cost-of-living allowance issue is solved," O'Claray said.

O'Claray said identical "stand firm" sentiment was voiced by other units from the 500-member union in Juneau, Haines, Petersburg,

Cordova and Seward.

O'Claray said the union has backed down substantially from its original contract demands, but complained that the state has made no movement from its offer of a flat 5.5 per cent increase in wages over the two-year life of the contract.

"All we want to do is maintain our existing wages with a cost-of-living allowance based on actual inflation," O'Claray said. "We don't understand the state's reluctance to negotiate. The state doesn't seem to have any interest in settling."

O'Claray estimated that the state would lose about \$6 million if the strike continues through July.

After a week of silence, the state and union

conducted three days of talks last week, but the negotiations were terminated Friday when the state formally rejected the IBU's "bottom line" contract offer.

O'Claray said the union had dropped its demand for a six per cent wage hike in the second year of the contract, and labeled a union proposal for "bonus" payments to Alaska residents as "just an alternative" which wasn't a part of the union's final offer.

The union's final proposal called for limiting salary adjustments to a cost-of-living raise beginning Jan. 1 based on increases in the Anchorage index computed each six months.

For each point the index increased, O'Claray said, wages would be increased five cents an hour.

Commissioner of Administration Bill Allen said, however, that the state was "standing firm" on its offer of a 5.5 per cent wage increase over the life of the contract.

"They are way above the cost of living now," Allen said.

The union chief also said an official from the Federal Mediation and Conciliation Service in Anchorage had tried to contact the state to offer its help to try to end the strike "but they (state officials) refuse to return his calls."

Federal mediator Harold Mays could not be reached for comment.

Allen denied the charge, noting that the state previously agreed to ask federal mediators to sit in on negotiations before the IBU contract expired June 30.

## Ferry Strike

Dear Editor:

This seemed to be as good a time as any to express my views on the Alaska Marine Highway. I'm expressing these facts, views, and opinions not as a Union member alone, not as an Alaska state employee only, but as a person and concerned Alaskan. I am not a spokesman for the union or the state of Alaska and by no means have the answers to all the issues. What the following are, are some things I feel maybe the public doesn't know about, and maybe even those directly connected with the issues may not see.

The first of these is the Alaskan-Washington wage differential. A statement made by Mr. Allen said "the difference between the Alaska State Ferry System and the Washington State Ferry System wages is approximately 37%." To try to justify this difference, I compared the cost of living through current, reliable sources and that figure came to 41.2% difference between Juneau and Seattle. It is this low because of using minimum Alaskan figures and also many thanks to Mark and Pak.

The next issue is the week on, week off work weeks for the Marine Highway employees. One thing that is rarely stated is that during the on week, these people work 84 hours, meaning that within 3 days they work close to what Alaskans on the beach would work in a weeks time. For every seven days worked they put in more hours than most folks shoreside do in 2 weeks.

Consequently, when returning home on your off weeks, the first 3 days are spent in recuperation, and to do regular home maintenance. The last day is used in preparing your gear and mind for another round. You spend 6 months out of the year in a 5 by 10 foot crews quarters with another person, these quarters nearly always within 50 feet of engines of 1000 horsepower or higher. These engines run constantly. If something does go wrong with an engine, you are on 24 hour call and that engine must be repaired. If there is a fire, you must fight it. You have had to pass tests to insure you know what to do. If the vessel were going down, you have to know your

lifeboat station, and be able to help passengers and fellow Alaskans board these boats and rafts and get free from the vessel. . . day or night. You also have taken schooling and a test on this to prove your efficiency.

To work on the ferries, you must work at least 3 years minimum as a relief steward, deck hand, or engine person before you are permanent. During this time you don't know whether you'll work at all, or whether you'll work all the time. You can work 2 or three weeks straight and as a relief, receive no overtime. Then when winter rolls around, you are laid off. Your vacation is used as protection as you can't go anywhere for fear you won't get on a vessel when you return.

The third issue, Mr. Editor, is one I don't pretend to know anything about, the issue of the ferry system not paying her way. Something that has impressed me is that the highway system between Juneau and the valley, 9½ miles long, cost 12 million dollars to build, the first year cost approximately 6 million to resurface, and that does not include routine road maintenance, lawn mowing, snow plows, state patrolmen or their equipment, equipment maintenance, or wages. Not that I think this was a bad expenditure, but I believe we should compare this with our unique ferry system and the thousands of miles she represents.

Another issue, sir, is the Alaskan resident hire law, the law to protect Alaskans jobs. On the ferry system, those that were living in Seattle were told they

were to reside in Alaska to hold down Alaskan jobs. These people move to Alaska, only to find that they will be laid off and replaced by Washington residents for ship maintenance. In working with shipyards for two years, it is my observation that Alaska isn't saving any money by giving this work to shipyard crews. Mr. Hudson made the statement that it is "good for our crews to do the work as it creates a kinship between crew and vessel." This is a very true statement. Something that has impressed me very much is the crews loyalty and pride to and in their vessels even though the communication between them and the Administration is poor at best.

Alaskans would be proud to see the effort that crews make to help prepare the vessels for each new year. When I see this effort put forth by these Alaskans against the plans to turn our vessels over to the shipyards, it discourages me greatly. It has been just two years since I joined this great Marine highway and I have seen some of the worlds top seaman join the ranks of those who believe that this Unique Alaska Ferry System is headed for a watery grave, then moved on to other shipping companies.

I hope that through these few facts and insights into the lives of those on the Alaska Marine Highway, that you can help those who are trying to make the right decisions. . . make them right.

Sincerely,  
a relief engine crewman,  
all vessels  
Alaska Marine Highway  
Name on File

## Ferry Ad Campaign Junked Because Of Inaccurate Wages

Commissioner of Administration Bill Allen said today that he plans to scrap a state-wide advertising campaign explaining with wage comparisons the state's position in the state ferry strike.

Allen said the state will "drop the ad" because of several inaccuracies in comparing the wages of the striking Inlandboatmen's Union workers with state AFL-CIO colleagues.

The full-page ad, which was scheduled to run in 14 Alaska newspapers, would have cost the state thousands of dollars. It ran in Friday's Empire, the first newspaper in the state to display the ad, while several other papers were scheduled to print the ad today.

"I feel it was a very poor ad," Allen said, "but it was done in a hurry." Allen said the advertisement was drafted by the Department of Transportation and he didn't see it before it was printed.

Incorrect figures were supplied when comparing the IBU with the Tri Trades workers. Tri Trades no longer exists as a separate union in the state and state officials apparently intended the figures refer to Alaska Public Service Employees Local 71, an arm of the AFL-CIO.

Several jobs under the Tri Trades column in the ad are accompanied by incorrect wages, according to Local 71 business agent Ken Spray. The figures don't reflect the recently-negotiated contract with the state, Spray said, and figures are too low.

Vern Metcalf, transportation spokesman who prepared the ad, said he was comparing the 1976 IBU wages with 1976 Local 71 figures, but added that he would make corrections before the advertisement ran in the two Anchorage papers Friday.

Whether or not the ads will run, though, seems to be in question as it was not known today whether Allen has the authority to pull the campaign.

## Ray, Duncan Want Binding Arbitration

Juneau lawmakers state Sen. Bill Ray and Rep. Jim Duncan both said Thursday they feel the state should submit the issues surrounding the strike by the Inlandboatman's Union against the state's ferry system to federal mediation and accept a solution reached by binding arbitration.

Ray criticized the state's administration for not seemingly being interested enough in settling the labor dispute.

"If they were really interested in getting things settled they would take it to binding arbitration. That would allow the entire contract to come under review by neutral parties and if the state is correct in their views they'll come out fine," Ray said.

Ray said the strike's effect on the image and reputation of the Marine Highway system could harm the state's tourism industry for years if the strike is not settled rapidly. He said to his knowledge "only a very small minority of lawmakers" would refuse to fund a reasonable settlement. Ray added he tended to believe a modest hike tied to increases in the cost of living is reasonable and fair, but added he was opposed to a flat pay hike for the union this year.

Duncan, a member of the House finance Committee, said he decried the effect the strike is having on Southeast's tourism

economy and faults the state for not taking the case to court and binding arbitration.

"The union did exactly what it should have done in striking if it was dissatisfied with the state's offer, but the state elected not to carry out its responsibility to the people of Southeast. The overriding state concern should have been for the people's well being and they haven't taken all the steps they should have to protect the public," Duncan said.

Ray said after the strike is settled he is certain the legislature will subject the administration to close scrutiny for its handling of the strike and of the system in general. Ray said the administration has not done a satisfactory job in supplying data to support its contentions regarding the strike, while showing a gross disregard for the public's well being by issuing statements that the state is actually saving \$2 for everyone \$1 lost in revenue while the ferries remained moored.

"The administration seems more concerned with spending time putting out inaccurate information about the strike than trying to settle it," said Ray referring to a full-page newspaper advertisement run by the state last week which the state later retracted admitting it contained misleading statistics.

## Ferry Strike

# Northern Lawmakers

By CHUCK KLEESCHULTE  
Empire Staff Reporter

Alaska lawmakers by and large are remaining in their neutral corners, refraining from taking sides supporting either the Inlandboatmen's Union or the state, protagonists in the strike against the Marine Transportation System.

But several Anchorage and Bush lawmakers Thursday came out swinging at the union and urging the state to stand firm against any settlement of the 17-day-old strike which would increase the state's subsidy of the eight-ferry fleet.

Rep. Mike Beirne, R-Anchorage, said he likely would vote against legislative funding for any settlement which would increase the ferry's operating deficit.

"The state's been overly generous to the ferry workers in the past—it just has to end

sometime. The system is just growing too expensive to operate. It's gotten to be a luxury and a drain," Beirne said.

Rep. Tim Kelly, R-Anchorage, a member of the House Rules Committee, warned that central and interior lawmakers would press for added funding for roads and airport maintenance in their areas if any larger slice of the state's general fund pie is funneled to support the ferry fleet.

"First, no one up here can understand why the union would strike at the height of the tourist season. That seems downright irresponsible. I'm upset that there was a strike at all this year given what they make," Kelly said Thursday.

"This is reaching the point where it's a regional issue, where the other regions won't tolerate Southeast siphoning off funds for a costineffective ferry operation. We, who have the bulk of the population, have roads with big potholes and roads that are so narrow the traffic will no longer fit on them. It's getting to the point where Anchorage residents have to start asking whether they should support the system at all," Kelly said.

Rep. Nels Anderson, D-Dillingham, informal spokesman for the House Bush Caucus, said as far as he could tell, the union's demands seem "out of line." "We just know the subsidy is getting high. We have to look at the total delivery of transportation services across the state and then try to even out its cost.

"We have airport needs in rural Alaska and I'll have to see some funds for them before I vote for a bigger subsidy for the ferries," Anderson said.

All three lawmakers said they felt the strike, while causing great inconvenience, should be settled by collective bargaining and not by binding arbitration, an avenue open to the state.

"In binding arbitration the union always starts with a padded offer and then gets more than it ought to when the difference in positions is split. I think binding arbitration always drives up labor costs," Beirne said.

Senate President John Rader, D-Anchorage, however, said that in his belief few northern lawmakers have enough information about the strike to be able to form an opinion on the labor dispute. Rader, head of the Republican-backed coalition leadership in the Senate, said he's noted no widespread public attitude on the strike and certainly no groundswell of support for either side.

Rep. Bill Miles, D-Anchorage, leader of the House Democratic Caucus, said he has been in frequent contact with northern and interior Democrats and has found lawmakers general-

ly showing no reaction to the strike and no negative reactions to the prospect of funding a higher wage settlement next winter.

Any settlement which takes effect this fiscal year will need to pass the legislature in the form of a supplemental appropriation before final approval is granted.

## Grumble

"There's always some grumbling about getting a supplemental through, but I certainly haven't noticed any widespread reaction against the ferry system. No one has said they won't vote for a supplemental to pay for any reasonable wage increase," Miles said.

State Commissioner of Administration B.B. "Bill" Allen Wednesday said he has received reaction from people living in the northern areas of the state and from lawmakers supporting the state's "hold-the-line" position in talks with the IBU. "If we continue to let the subsidy levels accelerate some legislator up

north might well hop on this and make an issue out of it," Allen said.

But Rep. Steve Cowper, D-Fairbanks, head of the House Finance Committee, said he has heard of absolutely no opposition from lawmakers to ratification of any pact the state reaches with the union. "This is a labor dispute and it's presumptuous of any of us to inject ourselves into it," Cowper said.

Ketchikan Rep. Oral Freeman, vice chairman of the finance panel, said to his knowledge the state and union are close enough to settlement on key money issues where they should be able to forge an agreement. Freeman says he favors a continuation of collective bargaining negotiations to reach a settlement and said he felt, while northern lawmakers are not "enamored with the ferry system," that they will support any reasonable wage settlement by the state and union.

## Full Schedule Planned In Seven Days

The Alaska ferry system should be back on schedule within seven days, according to Director of Marine Transportation William R. Hudson.

Hudson said late this morning that he had yet to be informed of the tentative agreement reached between the Inlandboatmen's Union and the state. "As soon as I receive word" we will put out a "resumption schedule," Hudson said.

Hudson said ferries will leave from where they are docked according to the regular schedule. If they were to have been northbound today, they will leave northbound, Hudson said. If they were to have been southbound today, they will leave southbound, he said.

According to the regular ferry schedule, the Columbia, which has been tied up at the downtown dock, would be leaving for Seattle today, and the LeConte, which has been tied up at the Auke Bay terminal, would be leaving for Haines and Skagway.

The ferries "will be leaving with full service," Hudson said.

He added that he was "hopeful we could recoup most of August's travel." Hudson said he thought the prospects for that were good.

There is heavy demand for ferry space in August, he said. People who cancelled their reservations because of the strike will probably be replaced by people who were on standby, he said.

# State Ferry Strike Settled, Columbia May Sail Tonight

By SUSAN GILMORE  
Empire Staff Reporter

The State of Alaska and the Inlandboatmen's Union today reached a tentative agreement ending the 20-day-old state ferry strike.

The ferries could begin operating as early as tonight and a spokesman for the IBU said all vessels should be sailing sometime this week.

Greg O'Claray, vice president of the union, said no details of the settlement would be released until members of the bargaining unit voted on the new contract. He said it should take a month before ballots are counted.

State officials involved in the negotiations were unavailable for comment this morning, but a joint release from the state and IBU was to be issued later today.

O'Claray said a settlement for the two-year contract was reached Friday, but a state official (reportedly Commissioner of Transportation Don Harris) was unavailable over the weekend to give his approval to the pact. That approval reportedly came this morning after a meeting clarifying the details of the agreement.

O'Claray said the Columbia will likely be the first vessel back on the line.

While O'Claray would not give details of the settlement, he said the five major issues in dispute were manning, subcontracting of winter maintenance to outside firms, reduction of vacation allowance, time off for workers on the Tustumena and Bartlett, and cost of living formula.

These issues prompted the ferry workers to walk off the job July 5 and tie up the state ferries along the marine highway route.

The strike stranded hundreds of travellers and dashed vacation and transportation plans for thousands more in the peak of Alaska's tourist season.

The state refunded more than \$250,000 in ferry tickets since the strike began and requests for refunds reportedly are still flowing into Juneau's marine transportation office.

O'Claray said the 500 workers who went out on strike will not be paid for their 20 days without work. He said the union had no strike fund.

Some workers accused the state of purposefully sidestepping attempts to forge an earlier settlement to pinch the IBU pocketbooks.

"There are some hard feelings (from the union members toward the state)," O'Claray admitted. "But I hope the new contract will help alleviate them. Nobody wins a strike. Contracts are merely treaties between wars."

Wednesday, August 3, 1977



RICHARD BERG  
'A major push'

# Negotiators Shake, Columbia Sets Sail

By G. MICHAEL HARMON  
Associated Press Writer

MV Columbia, the flagship of Alaska state ferry fleet, sailed out of port here today for Seattle following settlement of a 20-day-strike by union crew members.

By the end of the day, all but one of the state's eight ferries were scheduled to be back in operation.

The MV Tustumena was the first vessel to break the strike tie-up, departing Seward for Kodiak on the Southwest Alaska run Monday night.

The Columbia departed Juneau with only 38 passengers and five vehicles, but was expected to pick up more than 100 other passengers at stops in Petersburg, Wrangell and Ketchikan.

Officials said a full load of 140 vehicles and up to 600 passengers was expected to be waiting for the Columbia in Seattle for her regularly scheduled return trip to Southeast Alaska.

Also slated for departures throughout the day were the ferries Matanuska, Taku, LeConte, Chilkat and Bartlett. The last ferry to return to service will be the Malaspina, which will depart Haines for Skagway and then steam south to Seattle on Saturday.

State and Inlandboatmen's Union leaders reached agreement Monday on terms of a new two-year contract, but both sides refused to disclose details until members ratify the pact.

The settlement still must be approved by the IBU's 500 members in a mail ballot, but the union agreed to send workers back to their posts immediately.

IBU Vice President Greg O'Claray said he ordered IBU picket lines abandoned at 4 P.M. (PDT) Monday following a signing ceremony

with state officials.

Gov. Jay Hammond said he was "pleased we have been able to reach a settlement" and expressed regret for any "inconvenience to the traveling public during the last three weeks."

The big, blue and white ferries had been tied up in strike bound ports since July 6, dashing the vacation plans of thousands of tourists and disrupting the economies of more than two dozen Southeast Alaska communities.

More than 150,000 passengers, about 70 per cent of them tourists, rode the Alaska ferry system last summer, but complete figures on the number of passengers forced to cancel trips because of the strike were not immediately available.

In a joint announcement, the state and IBU said the agreement "provides for two cost of living adjustments during the life of the contract with a wage reopener 18 months into the contract, a more streamlined grievance procedure and an improved health and welfare package which includes an increase in contributions to the employee's retirement plan."

"The same language as had existed in the previous contract in vessel manning and vacations will be held over," the brief three-paragraph announcement said.

O'Claray said he would urge members to adopt the new contract, but declined to discuss details of the terms. State officials also refused to elaborate on terms of the settlement.

The two sides had been deadlocked on wages and manning levels of ferries during winter maintenance periods.

The state had offered the union a 5.5 per cent wage hike to be divided over two years.

Seattle PI July 27/77

## Columbia Leaves Juneau

The Columbia, flagship of the Alaska Ferry System fleet, was heading for Seattle from Juneau yesterday with the strike against the system ended.

She departed Juneau with 38 passengers and seven vehicles but expected to pick up more than 100 other passengers in stops at Petersburg, Wrangell and Ketchikan.

Meanwhile members of the Inlandboatmen's Union will vote by secret mail ballot on accepting or rejecting the state's proposal, but the some 500 persons concerned have returned to work pending the vote. The strike ended at 4 p.m. Monday.

The other Seattle caller, the Malaspina, will arrive here Saturday from her layup inaines.

## Alaska Ferry Strike Ends

By JOE FRISINO

The 20-day strike against the Alaska State Ferry System ended yesterday with a tentative agreement reached by Gov. Jay Hammond and the Inlandboatman's Union.

The settlement must be approved by the IBU's 500 members, but state and union officials said Alaska's eight ferries would resume operations pending the outcome of a mail vote.

Negotiators wouldn't divulge details of the settlement, but Merle Adlum, IBU president, seemed displeased with the terms.

"I'm happy it's over, but in assessing the situation, the little change in what was offered us July 6 (when the IBU struck) and today, I really don't see why we went on strike."

Wages and boat manning were the chief issues when the union went on strike. Negotiators said yesterday the package provides for two cost-of-liv-

## Alaska Ferry Strike Ends; Sailings to Resume Today

From Page A-1

ing adjustments during the life of the contract, with a wage reopener 18 months into the contract; a more streamlined grievance procedure, and an improved health and welfare package that includes bigger contributions to a retirement plan.

No changes reportedly were made in contract language on manning and vacations.

Adlum said the state agreed to fly the IBU crews to the boats, a concession that the state did not make until yesterday.

The ferry system, which carries both passengers and freight, maintains its southern terminus in Seattle. It provides the only public surface transportation to some 24 Alaska

communities — mostly in the Panhandle region.

Bill Hudson, director of the Division of Marine Highways, said from Juneau that the ferry Columbia will depart Juneau at 8 a.m. today for Seattle. Its first departure from Seattle will be Friday evening.

Milt Griffiths, Seattle terminal manager, said the Friday sailing will probably not be filled.

"Up to the strike, we had boats leaving here with all staterooms full and mostly all the cars we can carry. The Columbia hauls 110 to 120 vehicles and the Malaspina 85 to 90, and both ships were leaving here full."

More than 150,000 passengers, about 70 per cent of them tourists, rode the big blue-and-white ferries last summer.

## Ferry System in Red

The Washington State Ferry System went \$5.6 million into the red in the last fiscal year, the state Highways Department reported yesterday.

The ferry fleet and bridge operations brought in \$26.3 million for the fiscal year ending June 30, but expenses totaled over \$32 million. The difference was made up by subsidies from the state motor vehicle fund.

Ferry System General Manager Richard Berg said the loss in the preceding fiscal year was \$3.96 million. "Last year's heavier loss re-

fects several costly accidents, pay increases for Masters, Mates and Pilots Union members as well as engineer and maintenance people, and major steel replacement on several of the older ferry boats, Berg said. "Also, there was no increase in fares.

"We are in a major marketing push to generate more traffic to overcome this deficit," Berg said.

The Hood Canal Bridge brought in \$3.1 million in tolls with only \$582,000 in expenses.



AT SEA AGAIN—The state ferry Columbia set sail from downtown Juneau this morning the same way it arrived three weeks earlier: practically empty. The Columbia was the first ferry in Southeast Alaska to resume its schedule when it left the downtown terminal for Seattle at 8:05 a.m. with 38 passengers and five vehicles. The Tustumena, which sails between Kodiak, Seward and Cordova, was the first ferry to lift its anchor in Seward last night after a settlement was reached in the 20-day-old state ferry strike Monday. The other six state ferries will begin operating today and Wednesday and all should be back on their regular schedule next week. (Staff photo

## Ferry Strike

Dear Editor:

Another word on this ferry strike with a few points we may ponder, and a few little known facts I believe the people should be aware of.

At the time we negotiated our last contract the state asked the union to meet for negotiations in August 1976 to be completed by the first part of October 1976. This would have been for the new contract beginning July 1, 1977. The reason for this was to enable the Commissioner to present his budget to the legislature and eliminate the need to ask for supplemental appropriations to operate the Marine Highway System. This made sense to the IBU negotiating team so it was agreed on. Now we have been in negotiations since August 1976 to this date without a new contract. In past years we negotiated in the spring. If there was a gain in wages or whatever it was necessary to ask for supplemental money to operate after the 1st of July when new contracts were signed.

We would rather work for a living than be on the unemployed lists, and we most certainly don't believe in giving our work to outsiders.

Mr. Allen stated "we will not file for an injunction for fear it would lead to binding arbitration and that is a no win situation for us." I believe this really means the state would rather have your Marine Highway shut down than to try to reach an agreement.

When the Malaspina tied up in Haines there was not enough food aboard to feed the Captain, Mates, and Engineers who were left aboard the vessel. There wasn't enough linen aboard the ship to make up the beds. My question, folks, is this: Does it sound like the state intended to try to avert a strike?

They say the ferry system doesn't make money. This is Marine Highway, "the only highway we island people have." There are no highways that make money and this marine highway operates on less subsidy than most highways in our state. If we speak of making money we should figure how much money all these politicians make for us.

Let's think for a moment about we people who live on these islands. How are we to travel without the marine highway? The ferry system was beyond any doubt, one of the greatest things that has happened to Southeast Alaska. Now I believe we have an administration which is trying to destroy it.

If the union with help from a mediator or arbitrator is successful in getting our ships started again, it will be up to the people of Southeast to keep them sailing. Let the Governor know your feelings.

Thank you for reading.

Tom Lewis  
Petersburg

## 'Happy to Be Sailing Again'

By JOE FRISINO

Capt. Herbert E. Storey eased the broad stern of the Columbia into her berth at Pier 48 yesterday and the Alaska ferry system strike was truly over for Seattle.

The 418-foot ship brought only 52 passengers and 17 vehicles from the Northland, but when she sails tonight, Terminal Manager H. M. (Milt) Griffiths said, "every room will be filled, and she can sleep 324 people."

Assistant ship purser Ed Marksheffel, a member of the Inlandboatmen's Union which struck the ferries, said he was "really happy to be sailing again, I spent much of my off time fixing up my home north of Ketchikan, but there were no strike benefits. This was the first strike, you know..." His voice trailed off. "I did some crabbing too, and smoked fish."

The Columbia was emptied quickly and soon sweepers were at work on the gray car deck. The huge cavern was clean, and the sweepers had little to pick up.

A young man with a large pack, ice ax and high, caked boots hanging from it, walked off the ship.

"We had a good trip, not many people on board," he said. He had been logging on Saginaw Island in Southeast Alaska, setting chokers for \$8 an hour.

"I'll be visiting here in Seattle for a while, then I'm going back up and try for a better job now that I have the experience. Did you know my uncle Barry Farrell? He used to write for The P-I?" (Farrell was a feature writer for The P-I and left for a position with Time-Life in 1969).

For terminal manager Milt Griffiths and his staff, the landing was routine, but most welcome. "The work continues when the ships are not sailing," Griffiths said, "but everyone's pretty darn happy to see this boat."

The Alaska ferries are busy craft. "The schedule for the following summer is made up just after Christmas," Griffiths said, "and our state-room space is pretty well gone by the end of February. By March 15 all space is filled for the summer."

"We get phone calls from all over regarding our service. Even calls from Hawaii and Australia. About 75 per cent of the cars we load are for Haines. People prefer to drive from there to Anchorage or Fairbanks rather than take the 2,500-mile trip along the Alcan Highway."

"Some day maybe we'll go directly to Anchorage, but these ships are not built to take the heavy seas of the Gulf of Alaska."

He smiles and opens a copy of the ferry schedule as he talks with a customer.

Obviously a man happy to be making bookings on his big blue and white ships again.

## Ferry Pact Ratified By IBU

By a margin of 7-1, Southeast Alaska ferryworkers have ratified a new contract with the state ferry system.

Inlandboatmen's Union Vice President Greg O'Claray said Southeast members of the IBU voted 250-33 to ratify the new contract. Southcentral IBU members, working on the northern ferries, voted 34-8 to approve their new contract O'Claray said.

The Alaska Marine Highway was shut down for 20 days this summer when IBU workers went on strike.

The new contract calls for a raise of five cents an hour for every point the Anchorage Consumer Price Index rises, against a floor of two points, and increases in health and retirement benefits.

## Columbia Stalled, Generator Fails

By The Associated Press

Alaska Marine Transportation officials say mechanics are "working around the clock" to repair a main generator aboard the state ferry Columbia, which tried twice without success over the weekend to sail from the Port of Seattle.

Marine Transportation Director William Hudson said Monday he hoped the repairs to one of three main generators aboard the Columbia could be completed in time for the vessel's next scheduled sailing for Alaska Friday night.

Last Friday's scheduled departure was cancelled while the Columbia was still at the dock after two pistons blew up in the

No. 3 generator.

Repairs to the generator were completed on Saturday, but it began breaking down again early Sunday just north of Bellingham.

"We had no choice but to abort the trip," said Hudson.

Hudson said 445 passengers and 115 vehicles were on board for the cancelled trip up the Inside Passage.

Hudson said the latest malfunction appeared to be centered on "timing and other internal problems."

The Columbia, the flagship of the Alaska ferry fleet, missed on sailing in late June when a crankshaft cracked in the No. 2 generator.

## Generator Trouble On The Columbia

The Columbia, flagship of the Alaska State Ferry System has had to abort a trip north from Seattle because of generator trouble, Marine Transportation Director William Hudson said yesterday in Juneau.

He said mechanics were working around the clock to repair the main generator after the Columbia tried twice without success to sail.

H. M. (Milt) Griffiths, Seattle terminal manager, said, "The Columbia sailed at 6 a.m. Sunday, got as far as Bellingham and had to return. This time it was a new problem, a generator went out that had been giving us no trouble."

He said th the Malaspina, due today, would take some of the cars

and people from the Columbia, but most passengers on the Columbia would have to tough it out until Friday when, hopefully, she'll sail.

## CHAMBER SUPPORTS PIER 48 FOR ALASKA FERRIES

SEATTLE — Retention of the Alaska Marine Highway System's southern terminus at Seattle's Pier 48 is in the best interests of both the system and its customers, according to a resolution passed by the Seattle Chamber of Commerce board at its July meeting.

Seattle holds marketing advantages and other economic and service-related benefits, William C. Nelson, chairman of the chamber's Alaska Committee, told the board. Both the Alaska and Maritime Committees recommended the trustees pass the resolution.

Nelson admitted there would be fuel savings by moving the terminus to Bellingham, but he said there also would be lost fare revenues and reduced traffic.

Seattle offers cultural, tourist and industrial advantages over Bellingham, Nelson said, adding that Seattle also has connecting transportation systems for both businesses and foot passengers, many of which would seek alternate transportation rather than transfer to Bellingham.

The chamber concurred with the Port of Seattle's findings that Pier 48 can adequately serve the ferry system's needs and that traffic congestion has very little impact upon the present site.

# Ferry strike clobbers Haines

Two ferries a day in Haines—but hardly a traveler in sight.

As the M/V LeConte and Malaspina sit idly at the city's Lutak Dry Cargo Dock, the portion of the Haines economy which depends on tourist trade is hard hit. Restaurants, motels and hotel, gift shops, bus line, and other retail establishments report a tremendous drop in business.

According to Immigration Officer Harry Bryant, border crossings into Haines have dropped from about 400 persons per day to about 60 or 70; from 100 vehicles daily to about 20.

Motel managers report that their business has dropped from 75% to nearly 100%, and reservations are being steadily canceled.

Clarence Mattson, owner of the Hotel Halsingland, said that without a helicopter survey crew which is staying at the hotel, he would be nearly empty now during what is usually his busiest month. Three tour groups have canceled, and he is greatly inconvenienced by having to refund deposits made long in advance.

Steve L. Homer, owner/operator of Mar-Air Bus Co., announced Wednesday that he was suspending regularly scheduled service from Haines to Whitehorse, Y.T. for the duration of the ferry strike. He would provide limited service on call to those who have reservations or who desire to go, he said. The bulk of his passengers this year would have been walk-on ferry passengers, and as a result of the strike, Homer said, his gross has fallen off about 85% during what should be his busiest time.

Jon Halliwill, operator of a service station on the ferry route, says his gasoline sales have been cut down substantially, about 50%. Restaurant owner Gail Hay says her business has been cut more than 50%. She feels that the situation will affect the non-tourist-oriented businesses sooner or later.

Even the garbage service has been affected. Frank Shull of Haines Sanitation reported that by not servicing the ferries, his business has dropped off about 35% and could be affected even more if the campgrounds are underutilized for a long period. Cpl. Walt Ormasen of the Alaska State Troopers says that the Mosquito Lake campground is empty.

Several businesses which are not tourist-oriented report their trade has not been seriously affected by the ferry strike, but even the local hardware store has not been selling hardware cloth for windshield screens, or other small convenience and repair items that tourists use for their trips up the highway—ice chests, bolts, etc.

Grocery store operators say it is too soon to know just what the effect of the strike will be on their sales. Russ Jones, proprietor of the Food Center, said he expects shipments to arrive at least once a week. Rather than reduce his orders of the items tourists usually buy, he said he would "hang tough" since there is no way to know how long the ferry service would be shut down.

David Foulke reported that Lynden Transport plans weekly barge service from Prince Rupert to Haines/Skagway and intermediate points except Sitka, as well as weekly barge service from Seattle to Juneau. Seattle vans destined for Haines will be put aboard the Prince Rupert barge at Juneau for delivery to Haines. The barge will probably arrive in Haines each Thursday, and parcel post and freight will arrive once a week that way. In addition, Foulke said, the barge will take standard vehicles to any port in Southeast Alaska for \$150 and to Prince Rupert for \$250. Vehicles will go without any driver or passengers, and will go on a space available basis—the freight vans will have priority.

Charles West, owner of Alaska-Yukon Motor Coaches and TravAlaska Tours came to Haines. He reported that since the ferry system has been his major link between his Seattle-Prince Rupert buses and his Haines-Anchorage ones, he has had to re-route his tourists, flying some to Haines via Ketchikan and Juneau, and switching others to cruise ships, many of which are sailing with plenty of space available. Although the new arrangements are more expensive for the travelers, West said that more people are taking the alternate routes than are canceling.

Kathryn Marshall, manager of the Southeast Alaska State Fair, told the city council Monday night that she is assuming that the strike will be over in time for the fair, Aug. 19, 20 and 21. Since a large portion of the exhibits from outside Haines will come to the fair by ferry van, and since large numbers of people from Southeast Alaska will come by ferry to the fair, she said that not having ferry service at fair time would be a tremendous blow.

At the city council meeting Monday evening, a motion by Councilman Ken Freeman was unanimously passed "to write a letter to Gov. Hammond supporting his stand, emphasizing that the strike is causing extreme inconvenience to Southeast communities, and urging him to consider our plight." Great concern was expressed from the audience that the Haines economy is being crippled as a result of the strike. Jon Halliwill said he knew of some half-dozen businesses which had had to borrow money to keep going last winter, and which would be unable to continue this winter if summertime business is seriously affected by the ferry situation.

## IBU strike may halt the whole state ferry system next Tuesday

Possibility of a strike which could tie up the entire Alaska state ferry system remains following the postponement of the possible work stoppage from July 1 to July 5.

The Inlandboatmen's Union made the following statement to this newspaper by telephone Friday, July 1 through Michael Williams, media specialist for the Alaska Public Employees Assn.:

"The Inlandboatmen's Union announced last night that an impasse has been reached in contract negotiations with the State of Alaska. After being in negotiations all day yesterday, there still is no new proposal to report. The IBU's six-member negotiating team feels the state has been throwing them from closet to closet for the past nine months during these contract negotiations. The last ditch effort to reach agreement broke off last night in Juneau resulting in neither side gaining anything. The only issue to come of the negotiations thus far is an agreement that both the state and the IBU are tired of playing the 'What if . . .' game.

"In order to accommodate all holiday traffic that the Alaska state ferry system will be handling, as well as for the convenience of Alaska residents and the tourists that will be traveling in the state, the IBU will not take any strike action before Tuesday, July 5. At that time, should the IBU decide to go on strike against the state, all eight ferries would be tied up in an orderly fashion so as to eliminate any possible stranding of passengers en route to their destinations.

"The negotiations are now centering around the key issue of job security. By that, the IBU means the establishment of manning levels for the ferries, and subcontracting of IBU jobs during maintenance periods to out-of-state workers. This could mean from six to eight month layoffs for the IBU people."

Williams said that the IBU represents some 500 employees of the ferry system, and that 410 of 419 who voted recently "said let's go on strike if necessary if a settlement could not be reached at the negotiations table." There are no new negotiation sessions scheduled at the present time, Williams said.

He said that should the strike occur, the Masters, Mates & Pilots Union and the Marine Engineers Beneficial Assn. are willing to honor the IBU picket lines, which would shut down the ferry system throughout the state.

Earlier, a spokesman for the ferry system, Vern Metcalf, said that should the strike take place, there was a good chance that one of the vessels would be tied up in Haines.

Williams was unable to say what would happen to the crew members in such a case—whether they would be able to live aboard the vessel or find lodging in town. The ships would be kept in readiness for departure, he said.

Page 8 Alaska, Ketchikan Daily News, Wednesday, July 13, 1977

## Alaska Cruise Ship Co.

The tie up of the state ferries could leave the system a mangled wreck and not from any violence done by striking Inland Boatmen's Union members.

The system that was born in Southeast and has been a source of pride for 15 years is threatened by a shortsighted and cowardly administration.

The state would have Alaskans believe that the main issue in the week-old strike by 500 IBU seamen is wages. But here in Ketchikan, where over 60 per cent of the ferry system workers live, we know that isn't true.

The IBU and the state are only a half per cent away from agreement on a wage increase during the second year of a two-year contract. That's an easily negotiated difference. The IBU hasn't asked for any wage increase at all the first year of the contract and wants a six per cent hike the second year. The state has offered 5 1/2 percent.

The smokescreen of wages hides the real issue.

IBU spokesmen say the real problem is a state plan to ask for bids on maintenance work now normally done during slow-traffic, winter months by ferry system workers.

But that is only partly right. The overriding issue is the state's attitude that the ferry system should "pay its own way."

Sound familiar? It's Gov. Jay Hammond's pet requirement for any business that wants state support to get started in Alaska. Hammond's dictum is that the state should allow no private enterprise that will require a state bailout or subsidy later.

While administration officials haven't yet, to our knowledge, used the phrase in reference to the ferry system they are obviously applying the same principle.

Under this principle, transportation commissioner Don Harris and ferry system director Bill Hudson say the state ferries should require no subsidy to operate.

Now less than half of the total operating cost of the system, comes from subsidies.

One union official says the state wants to believe it is operating, not a marine highway system, but the Alaska Cruise Ship Co., that is, a profit-making or break even system in which fares pay for all expenses.

Examples of this philosophy are legion. The conversion of dining rooms aboard one ferry to cafeterias and elimination of the snack bars; laying up of all but one mainline ship during the winter; deferring maintenance work from year to year; increased fares several years in a row; money for only minimal promotional advertising in the Lower 48, and now contracting out maintenance work to Lower 48 firms.

There is real cause for alarm in this philosophy not merely because it is the governor's philosophy, but because its roots stretch all the way to Anchorage and Fairbanks. It's a sad fact of life in Alaska that what Anchorage wants, Anchorage gets, if not by influence them by votes, for more than half the state voters live in that sprawling metropolis.

Anchorage residents don't understand the ferry system, which according to one ferry official, they see as a giant featherbedding operation for Southeasterners.

The real job of education must be accomplished up north, far from the northern terminus of the marine highway. If Anchorage residents can be educated to the real value of the system, we believe Hammond, Harris and Hudson will toe the line.

Lesson No. 1: The marine highway system is just that, a substitute for paved highways, a relatively inexpensive alternative to trying to connect thousands of island by a massive system of roads and bridges.

Lesson No. 2: The paved highways in Alaska actually require a greater percentage subsidy to maintain than does the ferry system.

For this year the state estimates 44 per cent of the maintenance and operating costs for the ferry system will come from state subsidy. Revenues account for only about 56 per cent of the cost.

But for the state's paved highway system, the state subsidizes 56 per cent of the maintenance and operating costs. Only about 44 per cent is paid for by state taxes on gasoline—the only source of highway "revenue."

In other words the paved highways require about 12 per cent more state subsidy than the marine highway. If anything isn't paying its own way, it is the paved roads, not the ferry system.

Lesson No. 3: Some 60-70 per cent of all traffic on the marine highway system goes all the way from Seattle to Haines and up into southcentral and interior Alaska, according to Hudson. Those are tourists bringing millions of dollars, not to Southeastern ports, but to Anchorage, Fairbanks, and other mainland towns.

Lesson No. 4: To illustrate what the ferry system means to Southeasterners, imagine what similar cutbacks in paved highway service might mean.

How would Anchorage residents like it if, to save money, the state highway department plowed only one side of the Anchorage to Fairbanks highway in the winter, when it is less frequently used.

What if the Anchorage city-borough shut down side streets in the winter to save on the cost of plowing and repairing potholes.

Suppose the state made toll roads out of every highway that cost more to maintain than was paid for by fuel taxes. (That would apply to every highway in the state, we're sure.)

Lesson No. 5: If northerners think the ferry system costs too much, perhaps Southeasterners and Kodiak Islanders should opt for paved highways from Ketchikan to Kodiak including the dozen towns now served by the ferry system. The bond bill for that would be a lesson no Alaskan would ever forget.

Kind of like a Willow for Southeastern.

## THE FERRY STORY — Version 1:

[This story was set in print Wednesday. We are publishing it without revision, although conditions have changed at press time Friday—the story printed above details the changes. We just thought you'd like to know how difficult it has been to be certain of the information we try to present—and how handy it really is, sometimes, that this newspaper is able to appear late with accurate, revised information. We can rationalize anything!—Editor]

What is causing the shut-down of the Alaska Marine Highway System—a shut-down which is working hardship on the traveling public, on the Alaskans who make their living from serving the traveling public, and on the countless Alaskans whose lives have been inconvenienced by disruption of the usual means of sending freight throughout Southeast Alaska?

It depends on where the information comes from.

Both the State of Alaska, through a Division of Marine Transportation spokesman quoting Commissioner of Administration B.B. Allen, and Commissioner of Transportation Don Harris, and the Inlandboatmen's Union (IBU), through Michael Williams, union spokesman, explain the situation differently.

For example: Everyone has heard that the two commissioners and the union president, Merle Adlum, and vice-president for Alaska, Greg O'Claray, were meeting Wednesday in Seattle to discuss whether to resume negotiations. Why? Well, says the state, the IBU initiated the talks, and they were held in Seattle because both commissioners needed to be there for other things. Well, says the IBU, the state called the meeting, and the union is sticking "hard, fast and to the line, because that's what our general membership says to do."

Both sides agree that manning schedules and the question of subcontracting work on the ships are major items. The state says that the IBU wants to keep a full crew aboard a ship whether in drydock or running, while the state's position is that it is cheaper to subcontract maintenance work rather than keeping a full crew aboard during lay-up and drydock time. The state says IBU claims their members would be deprived of their work, but the state says it is not their work and that about 372 rather than 500 employees would be needed. The state says that the IBU wants to be consulted about what maintenance work would be subcontracted. This, says the state spokesman, would be "government by committee," and the state believes that manning schedules and subcontracting are management decisions.

On the same issue, the IBU says, during lay-up periods let the crew members do the work they can do, keep a work crew aboard for work that needs doing. For example, when the Columbia was laid up recently for generator work, the engineering staff could have worked on the generators but the deck crew could have been laid off, with a minimum number of stewards left aboard to do those things that were needed to be done.

The IBU says that a major complaint with manning schedules deals with the stewards' department. Both the state and the union agree that engineering and deck force minimum staffing is prescribed by federal regulation of what constitutes a proper "steaming crew." However, the union claims that there is no set minimum number of stewards' department personnel—waiters, bedroom stewards, cooks—for a voyage. While the management decides at the start of each voyage how many stewards to have aboard based on the bookings sold, the IBU says the state does not take into consideration additional passengers boarding, and has no regular number of people assigned to the jobs. Thus, the union says, a full ship with some 550 passengers may sail sometimes with 17 stewards and pursers, sometimes with 22, sometimes with 15, sometimes with 19. If the ship is undermanned, the union says, some of the work doesn't get done, and the public complains because the ferries are dirty, etc.

The state says that it has not heard of the stewards problem as part of the minimum manning schedule issue, and says that the move to go to a fast food system on all the ships—such as is in use on the Malaspina—would mean the reduction of about six people in the stewards' department and that the union is opposed to the reduction.

Another difference; The IBU says the state wants to eliminate a cost of living allowance (COLA) provision which has been in the contract under which the union has worked; the union has asked for a COLA which would increase five cents per hour for every point the Anchorage cost of living index rises. (The previous COLA was four or four-and-a-half-cents per point, the union spokesman said.)

The state says that since the strike, it has "wiped out all issues, and we start from zero base," but that in prior negotiations there had been a COLA offered to begin 1 July 1978, along with a wage increase of 55 cents per hour across the board at the same time.

The union says it is asking for no wage increase across the board for the first year of the contract, and a 6% increase across the board during the second year.

The state says the IBU was seeking an increase for five positions in the higher pay brackets now.

The IBU says that the state has recently signed two contracts with Alaska Public Employees Association (APEA) and Local 71 which had cost of living clauses in them.

The union spokesman stated that the IBU had requested the COLA be given only to those members who resided in Alaska, but that the state had said the law required all the employees to receive the COLA or none. The IBU then asked for a \$125 Alaskan longevity bonus to be paid to Alaskan residents as incentive to live in Alaska.

The state spokesman says a new law becomes effective 28 August 1977 which says that all employees of the state (not just ferry personnel) residing outside the state would not receive any COLA unless the Seattle price index matched the Anchorage one. The legislation was introduced by Reps. Oral Freeman and Terry Gardiner of Ketchikan, the state spokesman said.

The union spokesman said IBU members living in Seattle—some 15 out of about 500 members—had been Alaska residents when they were hired, and moved to Seattle afterwards. He said the Alaska preference hire law gives priority to Alaska residents, but that once hired, an employee may live anywhere. He said that all crew changes for IBU members are made in Alaska—Seattle-residing employees do not get aboard ship in Seattle, but must fly at their own expense between Ketchikan and Seattle to board or leave their ships.

## THE FERRY STORY — Another update

[After the front page had been made up, and we had thought the latest from everybody had been reported, we had a telephone conversation with Commissioner of Administration Bill Allen who gave us the following information.—Ed.]

The state's original offer on wages was 5½% in the second year of the contract, and no COLA, while the union wanted 6%. The "ante" was upped to 13½% by the union, and then the "price of poker went up—it's now 30.2% over two years." Allen said that the 13% represented the combination of a first year COLA and the 6% increase for the second year; he did not explain how the state arrived at the 30.2%. He said that in addition, the state has agreed to a 3% increase in the retirement benefit program. He said the union has requested a \$125 Alaska residency bonus which would rise to \$250 in the second year, and that the state has offered \$60.

Allen said that the state's position is that the IBU workers are considerably ahead of other state workers and that the state wants to hold the line to let others catch up. He said the whole marine transportation system could be in jeopardy if the subsidy paid by the taxpayers keeps getting bigger, and that the governor wants the marine transportation system to continue." He said he understood that private carriers were getting supplies to Haines—"we want to be assured that Haines is receiving the necessities for their well being." He said that apparently the main injury to the area was in the economic decrease.

Asked why the state did not seek a court order to require the ferries to operate while negotiations went on, Allen said that such an order would require the state to submit to binding arbitration, and that the history of such arbitration is that the employer is usually required to make concessions. He said that he had been encouraged by the way things had been going earlier in the week, but that he is "very discouraged now" about prospects for an early end to the shut-down.

"We need the support of the taxpayers," he said. "If we get correspondence saying to give them [the union] what they want, we'll take another look at it. We're getting the response to hang in there—enough is enough."

Allen said he would be in Haines next week to talk with people in the community. He will not travel from Juneau to Haines by ferry.

*Haines. The men were terminated Monday. The union spokesman said that the union had agreed only that the ferry passengers would be taken to their point of final debarkation, not that the ships would be taken to any particular port, and that they had been ready to take the Malaspina's passengers on the LeConte from Juneau to Haines.*

*The union spokesman said that knowledge of the new law (referred to in the article below had changed the union position, eliminating the bonus request.*

Asked about the prospects of restoring ferry service soon, the union spokesman said that if the state and union agreed on a contract, he thought "we'd have the ferries running by the first of August—we'd like to see them running some time the week of July 25." He said that official negotiation sessions would be needed first, agreement by the state and union next, then ratification of the agreement by the union membership which might take a week to 10 days to get the ballots to members, back again, and counted.]

## The state and union explain the strike

[NOTE: Since the story below was set in type, the following information has been received: State spokesman Vern Metcalf reported by telephone Friday morning that state officials feel that the only thing keeping the two sides apart is "the wage thing." While no official negotiations were going on, apparently some sort of understanding had developed from the meetings Wednesday and Thursday in Seattle and Juneau between state and union officials in what were not regular negotiation sessions. The state spokesman said that the strike could be a "quite lengthy" affair, and that state officials would be meeting Friday afternoon to discuss their position.

Referring to the Seattle and Juneau meetings, IBU spokesman Michael Williams reported that the union had told the state "the bottom line of our contract—what the bare minimums were that we had to have or we stand on the strike." He agreed with the state report that wages were the only outstanding issue now—although he said that it is not a wage increase but provision of a cost of living allowance (COLA) that is at issue. "We want to have a dollar today that's going to be a dollar at this time next year, not 80 cents; we want to keep the buying power of our dollar at a dollar," he said. He said the union recognized that their members are well paid. He also said that the public should remember that the normal work day aboard ship is 12 hours, and that straight time is paid for 84 hours of work per week; that while a shipboard dishwasher, for example, receives \$9.27 per hour, he works 7 days for the week he is on, spends a week away from his family, lives in a cubicle approximately five feet by nine, listening to the roar of the engines 24 hours a day—conditions different from a lower-paid shore-based dishwasher. "If you want the extra money you have to put up with a lot of extra inconveniences on a ship," he said, and added that positions keep opening up on the ferry system and "anybody can get a job on the ferry system."

The IBU spokesman also said that the union wanted the 15 workers who were terminated from employment last Monday restored to their jobs. The state had set a deadline by which the 15 crew members of the Malaspina were to report to the vessel to sail it from Juneau to Haines last week-end. The men had left the ship in Juneau, and did not report to work by the state's deadline. The state then got a temporary restraining order from Judge Thomas Stewart so that the ship would finish its voyage to

# HERE ARE THE REASONS THE STATE OF ALASKA HAS REACHED AN IMPASSE WITH THE INLAND BOATMAN'S UNION

BENEFITS COMPUTED ON AVERAGE  
(per hour)

### WAGE COMPARISON

MARINE HIGHWAY	EMPLOYER'S COST	JUNEAU HOTEL RESTAURANT	EMPLOYER'S COST
Chief Cook	\$10.98 + \$5.14 - 16.12	Sous Chef	\$5.91 + .85 - 6.76
2nd Cook	\$10.09 + \$5.14 - 15.23	Fry Cook	\$5.08 + .85 - 5.93
Asst. Cook	\$ 9.42 + \$5.14 - 14.56	Cooks Helper	\$3.64 + .85 - 4.49
Bartender	\$9.42 + \$5.14 - 14.56	Bartender	\$7.25 + .85 - 8.10
Headwaiter	\$ 9.43 + \$5.14 - 14.57	Head Table Attend.	\$4.42 + .85 - 5.27
Waiter	\$ 8.77 + \$5.14 - 13.91	Table Attendant	\$3.60 + .85 - 4.45
H. Room Steward	\$ 9.42 + \$5.14 - 14.56	House Service	\$4.12 + .85 - 4.97
Stewards	\$ 9.27 + \$5.14 - 14.41	Bus Boy	\$3.39 + .85 - 4.24
Cashier	\$ 9.36 + \$5.14 - 14.50	Cashier	\$3.60 + .85 - 4.45
Dishwasher/Std.	\$ 8.77 + \$5.14 - 13.91	Dishwasher	\$3.54 + .85 - 4.39
Chief Steward	\$12.79 + \$5.14 - 17.93	Hotel Manager	\$5.77 + .85 - 6.62

### IBU CONTRACT

Ferry Health & Welfare	\$ .34 Hr
Pension	.82 Hr
Laundry Allowance	.10 Hr
Room & Board	.78 Hr
Holiday Pay	.80 Hr
Vacation Pay	1.69 Hr
Sick Leave	.61 Hr
	\$5.14

### JUNEAU HOTEL AND RESTAURANT CONTRACT

	\$.20 Hr.
	—0—
	.10 Hr
	.44 Hr
	.02 Hr
	.09 Hr
	\$.85 Hr

COMPARISON OF WAGES PAID IBU EMPLOYEES ON WASHINGTON STATE FERRIES VERSUS IBU ON ALASKA MARINE HIGHWAY SYSTEM, PLUS TRI-TRADES SCALE IN ALASKA STATE EMPLOYMENT:

### IBU-ALASKA

A-B Bos'n -	\$10.69
Ordinary Seaman -	\$ 9.52
Ord. Seaman - Porter -	\$ 9.52
Oiler -	\$10.47
Wiper -	\$ 9.62
Jr. Engineer -	\$10.79
Assist. Steward -	\$10.59
Storekeeper -	\$10.07

### TRI-TRADES - ALASKA

Labor Foreman -	\$ 8.98
Laborer -	\$ 7.84
Laborer -	\$ 7.84
Machanic -	\$10.35
Equip. Operator -	\$ 8.42
Maintenance Foreman -	\$ 8.42
Housekeeping Super. -	\$ 9.66
Storekeeper -	\$ 8.98

### IBU - ALASKA Ferries

A-B Bos'n -	\$10.69
Able Seaman -	\$ 9.52
Ord. Seaman -	\$ 9.52
Ord. Seaman - Porter -	\$ 9.52
Steward (Matron) -	\$ 9.27

### IBU - Washington Ferries

A-B Bos'n -	\$8.14
Able Seaman -	\$7.86
Ord. Seaman -	\$6.73
Vessel Watchman -	\$6.59
Matron -	\$6.27

The average monthly wage for the highest paid Washington State ferry employee on the deck crew, A-B Bos'n, is \$1,410.93 per month. The lowest paid full-time employee on the Alaska Marine Highway system averages \$1,564.00 per month. The Alaska Marine Highway system IBU employee also receives in addition an average of \$5.14 per hour in benefits.

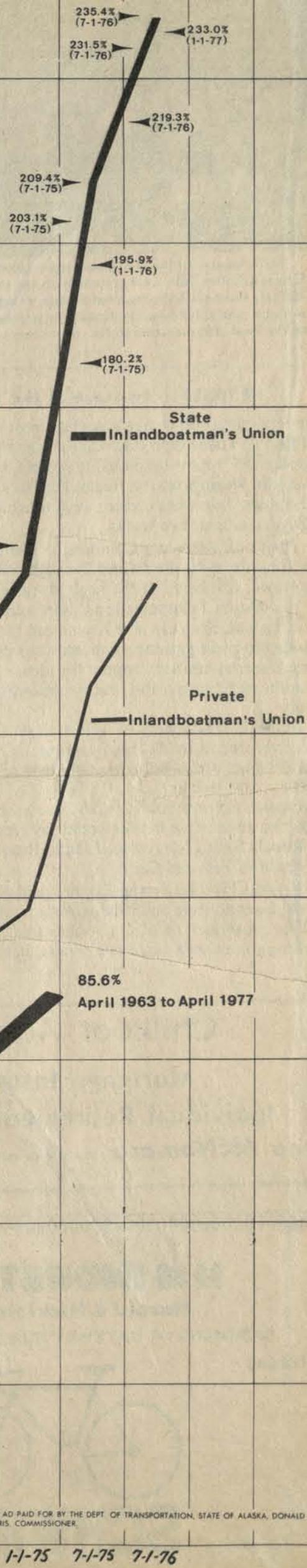
Despite this very favorable position by these employees, the Inlandboatmen's Union is asking for more. Do you, the employers of all State workers, think this reasonable?

PERCENT

225  
200  
175  
150  
125  
100  
75  
50  
25  
0

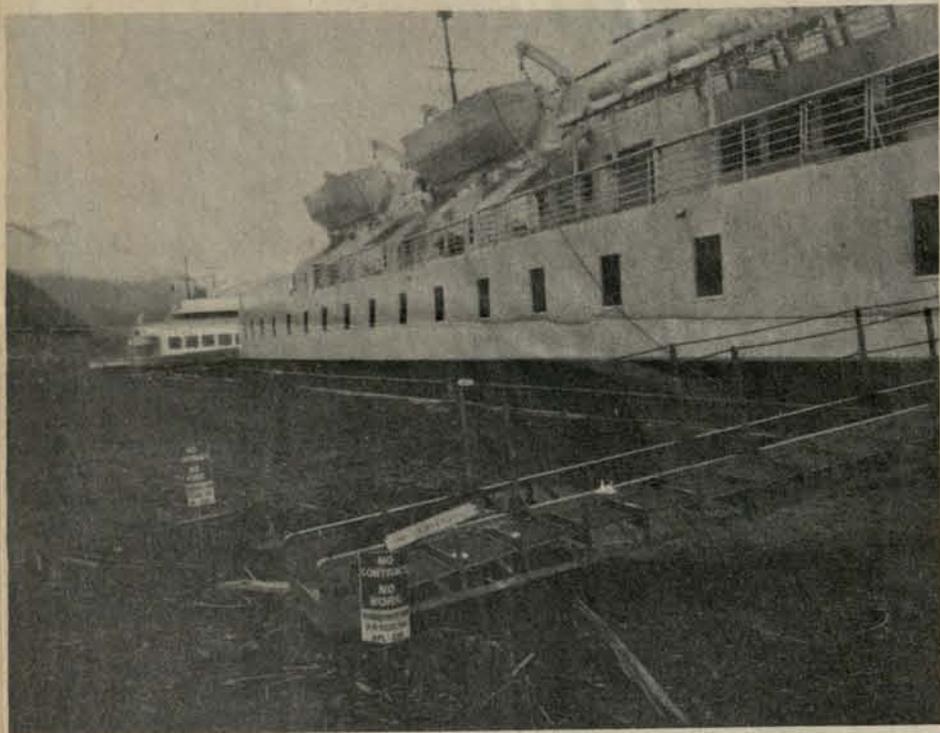
1963 1964 1965 1966 1967 1968 1969 1970 1971 1972 1973 1974 1-1-75 7-1-75 7-1-76

YEAR



THIS AD PAID FOR BY THE DEPT. OF TRANSPORTATION, STATE OF ALASKA, DONALD HARRIS, COMMISSIONER.

While the ferries sit idle at the Lutak dock . . . . .



Howard Robinson's *Glacier Seal* has entered the Juneau-Haines passenger service. A charter vessel which makes regular runs into Glacier Bay during the summer, the *Glacier Seal* is expected to arrive each Thursday in Haines while there is no ferry service, Robinson said. The vessel may make the trip more often depending on the need. The *Glacier Seal* Thursday trip will tie in with the Lynden barge service which will bring vehicles but no passengers. Traveling at 18 knots, the *Glacier Seal* makes the run from Haines to Auke Bay in about three hours, her skipper said.

### Study Finds Hydrofoil Fleet Less Costly Than Road System

TRANSPORTATION REQUIREMENTS IN SOUTHEAST ALASKA may well be tied to the hydrofoil, according to preliminary findings in a study carried off at the request of the Department of Transportation and Public Facilities. The report says it would cost \$50 million to replace the existing fleet with hydrofoils, compared with an estimated \$61 million to add more ships to the ferry fleet. The higher speed of the hydrofoils would also allow greater utilization of the hydro-fleet. The report also suggests that the ferry line be terminated at Prince Rupert instead of going all the way to Seattle—a move which would increase capacity by 46 percent and increase ship run frequency by 25 percent. The report also discusses a proposed road system, and suggests the following costs: from Petersburg up the Stikine and Isku Rivers to Canada, \$170 million; to Canada from

## What Others Say

# Columbia Troubles

(Editor's Note: The following opinion is reprinted from the Aug. 2 edition of the Ketchikan Daily News.)

The administrators of the state ferry system must be out to prove us and many ferry workers right.

We said in an editorial recently that most of the problems on ferries in the past few years—and there have been many—have been caused, not by work done by crews, but are the result of work done by outside firms building or repairing the ships.

The latest episode of the flagship *Columbia* is a perfect example. The poor *Columbia*, which really deserves a better reputation than it has, got another dose of generatoritis at the onset of its weekend sailing and had to run back to Seattle and unload 450 passengers and over 100 cars.

It was particularly unjust and galling to frustrated travelers who had waited three weeks for a needless ferry strike to end. Then they waited a full day in Seattle while workers tried to fix one generator. When the ship finally left one day late, it had to turn back when another generator went.

The first delay was caused by trouble on generator No. 2, which the manufacturer's men had repaired just before the strike. Then it went again last Friday because of what ferry Director William Hudson called "improper installing" of a new crankshaft.

Hudson and his boss Commissioner Don Harris want the system to contract out repair and maintenance work to the lowest bidder for winter work. Normally this will be Seattle area firms with the capacity to handle the big ships.

Not only will this put Alaskan crew members out of work in the winters, but, ferry workers say, it will also result in shoddy workmanship by Puget Sound shipyard crews who don't give a hang about Alaska ferries.

The work done previously by Alaskans who work and live on the ships has always been of high caliber. No one will deny that. However, work done on the *Columbia* and to some extent on other ferries by Sound shipyards has a notorious history. Some has had to be redone because it was not done correctly in the first place. That apparently is just what happened to the *Columbia*.

The *Columbia* has had a history of troubles as long as the run from Seattle. Much of the trouble originated under the previous administration of William Egan, and cannot be blamed on Hudson, Harris or Gov. Jay Hammond.

However, if the administration follows through with its plan to force winter maintenance in ports by outside firms, there will be nobody left to blame for vessel failure.

It may be an expensive lesson.

Wavemaker:

Who gave Burt Kleinenberg or anyone in this department of transportation permission to degrade our wonderful dining rooms to this terrible so called fast food service on the *Columbia* and others (state ferries) this winter?

LWS

Dear LSW:

W.R. Hudson, director, division of marine highways.  
Wavemaker

# Columbia Troubles

(Editor's Note: Yesterday we reprinted an editorial from the Ketchikan Daily News giving that paper's opinion about the mechanical troubles aboard the state ferry Columbia. Today we reprint an editorial from the Anchorage Times' Aug. 3 edition suggesting a far different solution to those problems.)

If Gov. Jay Hammond really is serious about saving the state some money, here's a suggestion that he might want to consider:

Sell the Columbia, the flagship of the state's ferry fleet.

The 418-foot vessel cost \$20.3 million and went into service in midsummer of 1974.

But in the three years that have passed since then, the ship has been in drydock for repairs almost as much as it has been carrying passengers between Seattle and Southeastern Alaska cities. And the costs in terms of schedule interruptions, repairs, down time, frazzled nerves, frustrated tourists and legal fees have been enormous.

It's doubtful, in fact, if the people of the state will ever be told the actual drain the ship has been on the taxpayers. It's not the kind of thing those in power like to relay to their faithful subjects. Maybe, in truth, nobody has ever compiled how much more than \$20 million the Columbia actually has cost.

The ferry is back in drydock in Seattle again this week, this time with workers laboring "around the clock" (and no doubt at overtime rates) trying to fix one of the vessel's main generators. Two pistons blew in the engine while the ferry was tied up at the Port of Seattle, and last Friday's sailing had to be canceled. At last report, this week's sailing is in doubt.

That's been the story of the Columbia ever since it was rushed into service in '74 in a hasty, election-year attempt to mesh its operations with the sale of the Wickersham, at that time the flagship of the fleet.

Even on its shakedown cruise, the Columbia had trouble. It was four hours late leaving Seattle. A rocker arm broke in one of its two 16-cylinder diesel engines and the 18,000-horsepower unit was put out of commission. A bow thruster wouldn't function and the vessel couldn't maneuver as it was designed to do. It arrived in Ketchikan seven hours late. And to top it off, during its first landing it knocked out nine pilings at the Ketchikan dock.

After that, you'd think, the Columbia would have nowhere to go but up. Unfortunately, it didn't work out that way. The vessel has been trouble-plagued for its entire three-year career. There was corrosion in the boilers. Cylinder heads cracked more than two dozen times. It was shaken by severe vibrations. Fresh water evaporators wouldn't function. Bow guidance thrusters failed. Engines that were supposed to operate for 50,000 hours without overhaul had to be overhauled at 5,000 hours.

Things got so bad at one point that the Southeast Alaska Empire, the Juneau newspaper that is a great booster of the ferry system, ran a photograph of the Columbia bearing the caption, "Lemon of the Sea."

Ironically, the ship replaced one that was a comparative operational joy. The Wickersham cost slightly less than \$7 million when Republican Gov. Walter J. Hickel bought it in 1968, and the only stormy waters it ever sailed in were political.

The major drawback in the journal of the 363-foot Wickersham was that it was foreign built, and thus it sailed always head-on into the restrictions imposed by the Jones Act. That old protectionist law prevents use of foreign-built carriers between U.S. ports.

An exemption to the law was obtained by the state to permit sailings between Seattle and Alaska destinations, but even without that exemption the Wickersham did very well when its operations had to be confined to British Columbia and Alaska ports.

No matter. The politics became such that the Wickersham had to go, and Democratic Gov. William A. Egan sold it for \$7.3 million to a Finnish shipping company. In its place came the \$20.3 million Columbia and the bottom hasn't been found yet in the state ferry system's pocketbook.

Maybe now, however, the time has come to leave it in Seattle—with a "For Sale" sign hanging prominently from its bow.

After all, Gov. Hammond has said he wants state operations to pay their own way. The Columbia hasn't done that yet, and shows no sign of ever being able to do so.

## PORT ENGINEER

(Resident Shipyard Inspector)

\$14.13 per hour in Portland. Temporary position starting as soon as possible after August 15.

Will act as Owner's Inspector on a major modification of passenger vessel including lengthening and refitting.

Requires: Six years progressively responsible marine experience including a minimum of two years experience in vessel construction and/or major vessel repairs OR possession of license as chief Engineer or First Assistant Engineer. Desirable: Experience as Resident Ship Construction Superintendent, Marine Superintendent, Port Captain, Marine Draftsman or Shipyard Supervisor in steel construction. Also familiarity with rules and regulations of ABC and USCG pertaining to ship construction. Will be physically demanding position.

Send resume to:

Roger Thayer  
Department of Transportation & Public Facilities  
Pouch Z  
Juneau, Alaska 99811

For details contact:

Recruitment Coordinator  
Division of Personnel & Labor Relations  
Pouch C  
Juneau, Alaska 99811

AN EQUAL OPPORTUNITY EMPLOYER

STATE OF ALASKA. PORT ENGINEER: (Resident Shipyard Inspector) \$14.13 per hour in Portland. Temporary position starting as soon as possible after August 15. Will act as Owners' Inspector on a major modification of passenger vessel including lengthening and refitting. Requires: Six years progressively responsible marine experience including a minimum of two years experience in vessel construction and/or major vessel repairs OR possession of license as Chief Engineer or First Assistant Engineer. Desirable: Experience as Resident Ship Construction Superintendent, Marine Superintendent, Port Captain, Marine Draftsman or Shipyard Supervisor in steel construction. Also familiarity with rules and regulations of ABC and USCG pertaining to ship construction. Will be physically demanding position. Send resume to: Roger Thayer, Department of Transportation & Public Facilities, Pouch Z, Juneau, Alaska 99811

## WISCO TO JUMBOIZE FERRY MATANUSKA

PORTLAND — Willamette Iron & Steel Co. (WISCO) has been awarded a \$15.2 million contract to lengthen and modernize the 352-foot long MV Matanuska, an Alaska state ferry. Work is to begin in October and be completed by May, 1978.

The Matanuska carries both passengers and vehicles on the Inland Passage run.

A 56-foot midbody, built by FMC Corp., Portland, will be added to make her 408 feet long. Other work will include installation of new staterooms, crew's quarters, deck houses, dining and recreation areas, funnel, masts and elevators. A new solarium is to be added to the aft end of the bridge deck.

She will spend about one month in drydock while being jumboized. The rest of the work will take place at WISCO's dock on NW Front Ave.

Work on the Matanuska, which is 16 years old, will be the most costly single ship lengthening and modernization job ever done in Portland-area shipyards. Five years ago, WISCO did similar work on the Malaspina, another Alaska state ferry.

## Voice Of The People

### Ferry System

Dear Editor:

If my memory serves me correctly, when we voted for the State to build and operate the ferry system, there was to be no freight.

My wife and I have made the ferry trip out and back with our vehicle each year since the first one headed South. Over the years the ferry's have gradually deteriorated into freight ships. Making it more and more of a hassle for the people and their vehicles to make the trip.

At Prince Rupert, one has to get up at least by 3:30 a.m. in order to be in the line up with their vehicle by 4:00 a.m. And you sit there for 2 or 2½ hours with the engine running most of the time to keep warm while the crew and operators juggle freight vans, tractors, etc. aboard the ship. For the past two years others and I have had to off load at every port for 45 minutes to 2 hours while they loaded and unloaded vans.

If you are a Southeast Alaskan and for any reason you are on standby and they cannot take you aboard coming North, you have your choice. You can wait for the next (or the next several) ferry or leave your vehicle and fly home. If you live in the lower states, you can drive back home and tell your friends of your experience with the Alaska Ferry System.

It takes from 2 weeks to 3 months to get a reservation. It is hard for most people in the other states to plan to be in Seattle or Prince Rupert at a certain date that far in advance.

This year in early March I wrote for a reservation. Two weeks later when it was time to leave, I still had not heard from them at Juneau. So from Eastern Washington I tried telephoning the Juneau and Prince Rupert office every half hour for two days. All I could get was a busy signal. The Juneau phone operator could do no better. I do not believe those people are that busy. If they are they need more help.

It is my suggestion that if the State wants to go into the freight

business, they build some cheaper scows for that business and leave our ferry's for the people and their private vehicles. Until the State frees our ferry's from the freight business I (and many, many others) have made our last trip on them.

Yours Truly,  
Leon W. Hacbrouck  
Petersburg

## Strike Comment

Dear Editor:

Now that all the hysteria regarding the recent ferry strike has subsided, I would like to commend you on your enlightened editorials which had a great effect on settling the strike.

Also, the unbiased editorials and reporting were quite refreshing to those of us in the labor movement who are ac-

customed to being blasted by Bob Atwood of the Anchorage Times and various other right wing fanatics, no matter what the facts are on a labor dispute.

Your newspaper's efforts were a great service to your home town and all of Southeastern Alaska. Congratulations on having the insight and courage to print what was right.

Sincerely,  
Thomas E. Cashen  
Business Representative  
IBEW Local 1547

Oct. 1 new sailing date:

# Aurora sailings canceled

By YVETTE WIXSON  
Daily News Staff Writer

All sailings of the Alaska state ferry Aurora have been canceled until at least Sept. 30, according to ferry workers in Ketchikan.

It means the new \$7 million dollar ship, that was supposed to sail June 1, will miss its entire first season serving the Ketchikan area.

Bill Hudson, director of the marine highway system, could not be reached for comment on the cancellation.

Ferry system spokeswoman Ginger Johnson said Hudson would return a call to the Daily News, but the director did not call before press time. Ms. Johnson said she had heard nothing about the canceled sailings.

Ferry workers at the Ketchikan terminal said today they had received a teletype message from Hudson ordering that all sailings were canceled through the end of September.

A Seattle Coast Guard spokesman, Commander C.E. Conry, said that he believed the state would assume ownership of the vessel soon.

The Aurora was scheduled to begin sailings from Ketchikan to points in Southeastern on June 1, but it did not arrive in Seattle until after that date, according to

Conry.

Deficiencies found by the Seattle Coast Guard upon the arrival of the ship there were said to hold up the sailing of the vessel in July and early August, but reasons for the cancellation until Sept. 30 have not been ascertained.

The ship was built in the Great Lakes region and sailed from Sturgeon Bay, Wis., on May 27. When it arrived in Seattle the Coast Guard found some minor discrepancies which required repair before C.G. approval. Also the state did not want to assume ownership of the vessel until the manufacturer corrected other minor problems.

Conry said the vessel had received Coast Guard approval before leaving Sturgeon Bay, but that it is not unusual for different Coast Guard units to find discrepancies the other may have missed.

"When one or two inspect a vessel, they can't get everything 100 per cent of the time," Conry said. "This is not at all unusual."

Conry said the Coast Guard did not find much more than a dozen discrepancies, and that they were minor, such as signs hanging in the wrong locations and unfinished items.

Capt. H.J. "Red" Lockert, who was resident inspector of the Aurora while it was built in Wisconsin, said that deficiencies are common on any ship, and that he noted about 250 minor things, such as torn seat cushions, before the ship departed for Seattle.

Lockert's car and household belongings are on the vessel, and he has been constantly checking with state officials to find out when the Aurora would sail.

"Hudson told me a few days ago that he thought it would arrive next week," Lockert said.

One source said he believed the

Aurora had engine problems. Conry said that as far as the Coast Guard knows, there is nothing wrong with the engines, but he thought some of the engine's accessories were being changed.

"I'm not so sure you could term the Aurora's being in Seattle as a hold up," Conry said.

## Conference concludes with statements on ferries, fishing, permit processing

By JANE HANCHETT  
Daily News Staff Writer

SITKA — Southeast Conference delegates chided the state administration on operation of the ferry system and slowness in processing permits for natural resources development as they concluded two days of policy planning at Sitka Friday.

The conference is composed of municipal and business leaders throughout Southeast Alaska who meet periodically to determine common goals.

A hired lobbyist will push for legislation to attain the goals which the 68 voting delegates at Sitka expressed in 11 general policy statements.

One on transportation related to a strongly critical statement presented by delegate Bill Verwolf, representing the Ketchikan Gateway Borough. While Borough Manager Verwolf's policy statement calling for a "complete investigation of the division of marine transportation" failed, the conference did approve a statement hinting at displeasure over cutbacks reducing quality of service.

The conference policy statement said that the conference supports "efforts to provide efficiencies in the operation of the Alaska Marine Highway System providing those do not take the form of a reduction in passenger service."

Delegates also supported an improvement program for all forms of transportation in southeast and "adequate consideration for emergency air strips."

Although one delegate labeled the Ketchikan borough's call for an investigation of the ferry system a "witch hunt," Verwolf made available 13 pages, single-spaced, of a synopsis of news media reports about delayed or cancelled sailings, labor disputes and ferries' mechanical trouble over the last three years.

M. BEHREND'S BANK

OLDEST BANK IN ALASKA  
JUNEAU • ALASKA

⑆ 2683 ⑆ ⑆ 1252 ⑆ 000 ⑆ ⑆ 30500000 26 ⑆

EMPLOYEE NAME	DEPT NO.		
HELEN LOCKERT	000		
GROSS PAY	FED WHT	STATE WHT	FICA
55.00	.00	.00	3.81

YEAR — TO — DATE EARNINGS			SOCIAL S.
1962	3.81		445-19
FEDERAL WHT	FICA		

# Seattle Beats Bellingham In Study

By The Associated Press

A study commissioned last year by the Department of Transportation favors retention of the Port of Seattle as a terminus for Alaska state ferries over a proposed new facility at the port of Bellingham.

The report by a private consultant was completed in April, 1976, but was withheld from the public by department officials who favor moving the terminal to Bellingham.

The report obtained by the Ketchikan Daily News last week from the Ketchikan Gateway Borough said "Seattle facilities are expected to be substantially more economical than the Bellingham proposal for the foreseeable future."

It also concluded that ferry travelers favored the Port of Seattle terminal at Pier 48 by a margin of more than two to one.

However, Department of Transportation of-

officials immediately repudiated the report as being "not objective."

It should be considered "suspect since it appears to be designed to benefit the Port of Seattle and does not address objectively the relative merits of both Bellingham and the Pier 48 location," said Vern Metcalf, a department spokesman.

Fearing sentiment in the department to move the terminal, the 1977 Legislature

specifically prohibited the Division of Marine Transportation from considering such an action without prior legislative approval.

Metcalf said the Port of Bellingham is preparing another proposal to the department for a new ferry terminal when the current Pier 48 lease with the Port of Seattle expires in 1979.

But Metcalf said any future department recommendation for a move "would be presented first to the Legislature and undoubtedly there would be public hearings."

In his report, consultant Kent Miller acknowledged that moving the terminal to Bellingham could save six to seven hours in travel time for Alaska ferries with equal "fuel cost savings."

Such a change, he said, also would allow increased year around service to Sitka and a six-day schedule on the Skagway-Seattle run by the ferries Columbia and Malaspina.

It also acknowledged that "increasing congestion from neighboring development...could make Pier 48 undesirable as a terminal site beyond the early 1980s."

Based on 500 responses from questionnaires issued to ferry travelers, the report said 57 per cent favored retention of the Seattle terminal while 24 per cent preferred Bellingham.

## Alaska Ferry Report Favors Seattle Terminal

JUNEAU — (AP) — A study commissioned last year by the Alaska Department of Transportation favors retention of the Port of Seattle as a terminal for state ferries over a proposed new facility at the Port of Bellingham.

The report by a private consultant was completed in April, 1976, but was withheld from the public by department officials who favor moving the terminal to Bellingham.

The report, obtained recently by the Ketchikan Daily News from the Ketchikan Gateway Borough, said "Seattle facilities are expected to be substantially more economical than the Bellingham proposal for the foreseeable future."

It also concluded that ferry travelers favored the Port of Seattle terminal at Pier 48 by a margin of more than two to one.

However, Department of Transportation officials immediately repudiated the report as being "not objective."

It should be considered "suspect since it appears to be designed to benefit the Port of Seattle and does not address objectively the relative merits of both Bellingham and the Pier 48 location," said Vern Metcalf, a department spokesman.

Fearing sentiment in the department to move the terminal, the 1977 Legislature specifically prohibited the Division of Marine Transportation from considering such an action without prior legislative approval.

Metcalf said the Port of Bellingham is preparing another proposal to the department for a new ferry terminal when the current Pier 48 lease with the Port of Seattle expires in 1979.

But Metcalf said any future department recommendation for a move "would be presented first to the Legislature and undoubtedly there would be public hearings."

In his report, consultant Kent Miller acknowledged that moving the terminal to Bellingham could save six to seven hours in travel time for Alaska ferries with equal "fuel cost savings."

Such a change, he said, also would allow increased year-round service to Sitka and a six-day schedule on the Skagway-Seattle run by the ferries Columbia and Malaspina.

It also acknowledged that "increasing congestion from neighboring development . . . could make Pier 48 undesirable as a terminal site beyond the early 1980s."

But the report said the Seattle terminal should be retained "due to anticipated shortage of accommodations at Bellingham, lack of familiarity with Bellingham, lack of interstate travel connections at Bellingham and expected additional haulage cost for freight traffic with Seattle origins, destinations or interchanges."

Based on 500 responses from questionnaires issued to ferry travelers, the report said 57 per cent favored retention of the Seattle terminal while 24 per cent preferred Bellingham. Nineteen per cent had no preference.

### STUDY FAVORS SEATTLE

JUNEAU — A private consultant's study commissioned by the Alaska Dept. of Transportation favors retention of the Port of Seattle as the southern terminal for the state ferry system, but has been withheld from the public by officials in the department who favor moving the terminal to Bellingham, according to published reports.

The report said Seattle facilities are expected to be much more economical than Bellingham in the foreseeable future and reported that a survey of ferry travelers showed they preferred Seattle by more than two to one.

The Alaska legislature has forbidden the Division of Marine Transportation from considering such a move without prior legislative approval. The present lease at Seattle's Pier 48 expires in 1979.

Early this week, the officials of the state ferry system held a glorified news conference in Juneau on the operations of the ferry system. Or, it was originally called to discuss the criticisms of the ferry system operations. It developed, instead into a no-win debate between port officials in Seattle and Bellingham over why the southern terminal of the ferry system should be in their respective town.

Nothing was resolved because of conflicting statements and the lack of ability of state ferry system officials to do anything about the southern terminal without direct approval of the state legislature.

Members of the legislature from Southeastern Alaska were leaders in the formulating legislation that requires legislative approval before the terminal is moved from Seattle to Bellingham.

But Southeast Alaska legislators are not the only interested lawmakers. Senate President John Rader, D-Anchorage, said this week in Anchorage, "Speaking of the Senate, we'll need a whole lot more information before we can make a decision," and legislative hearings will be necessary to develop that information.

House Speaker Hugh Malone, D-Kenai, said, "Basically, John (Rader) is right. Seattle is now the southern terminus for the system and those favoring the move (to Bellingham) are going to have to prove their case."

Transportation Commissioner Don Harris advises that his agency is attempting to sift out the fact from fiction and present a report to the legislature. Wilbur Smith Associates is researching feasibility of a move and has two subcontractors assisting; R&M Associates, Inc. of Anchorage and Hohman & McDowell, Juneau. McDowell grew up in Juneau and Hohman is a Ketchikan-reared man, so Harris, at least, hasn't called in a bunch of outside experts.

## Decision 'Soon' On Ferry Switch

JUNEAU, Alaska — (AP) — The Alaska Marine Transportation Division will decide before the end of the year whether to formally recommend moving the southern terminus of the state ferry system from Seattle to Bellingham, a high-ranking official said yesterday.

Ferry system chief William Hudson also said fares on Alaska ferries may be increased by up to six per cent prior to the resumption of the next year's summer schedule.

He made the comments during a minidebate between representa-

tives of the Port of Seattle and Port of Bellingham over the relative merits of their rival facilities.

Tom Glenn of the Port of Bellingham argued that moving the terminal north by 60 sea miles would save the state millions of dollars while increasing service to Southeast Alaska.

Glenn Lansing of the Port of Seattle countered with an opposing argument that relocation from Pier 48 to Bellingham would cut into the ferry system's lucrative tourist trade without a corresponding savings.

# Layoff Dispute Rocks The (Ferry) Boats

By DANA JONES  
Empire Staff Reporter

When the state ferry system shifts to its winter schedule Saturday, record layoffs of workers will begin, a spokesman for the Inlandboatmen's Union said.

Up to 60 per cent of the union's members, or 300 workers, will be laid off from two months to eight months from October to May, union vice president Greg O'Claray said.

"This is the very worst in terms of laid off personnel in the history of the ferry system," O'Claray said.

Marine Highway director William Hudson, however, disagreed lay offs would be that high. Workers will be given the option of taking vacation or unpaid leave during ship lay-ups, Hudson said. Over one-third of the ferry workers have accumulated more than 400 hours of vacation which they could take while their ships are taken off line for repairs and maintenance, Hudson said.

However, if those with seniority who generally have the most vacation accrued choose to continue working, newer employees may have to be laid off, he said.

"We have no way of knowing the number of lay offs until we know the cooperation the oldtimers will play in this system," Hudson said.

Fewer IBU workers, however, will be used in repairs than in other years, Hudson said.

"Almost all the engineering work to be performed on the vessels will be by Marine Highway employees," he said. Electrical switchboard and painting, however, will be subcontracted to firms in Seattle where the ships will be laid up, he said.

In the past Marine Highway crews have gone to Seattle with the vessels to do maintenance work, O'Claray said.

The largest cutback will be in the stewards, Hudson and O'Claray agreed. In the past stewards have been retained during repairs to handle room and board services to other crew members who were housed in the ships.

"We're not going to use the vessels as hotels this year," Hudson said. "As a result we're not going to keep the stewards on board. We mostly determined we'd work this like a shipyard with men working a basic shipyard schedule."

Workers will be paid \$40 per diem for room and board, he said.

This will save the state 40 to 45 per cent, or a half million dollars, Hudson said.

O'Claray, however, challenged the anticipated savings. Figuring approximately 24 workers would be kept from each crew he said it would cost close to \$70,000 in per diem payments for two months. During the same time stewards pay, in addition to wages, averaged at \$10 per hour, would be approximately \$40,000 he said. The ferries carry 12 to 14 stewards.

The additional workers in the 24 laid off would be in other parts of the ships, he said. "And I don't think they're considering the cost of paying unemployment compensation," O'Claray said.

If workers opt to take vacation or unpaid leave, unemployment benefit payments will be small, Hudson responded.

"We're in business not to keep people employed but to provide a public service," Hudson said. "We're not making work for anybody."

In other charges against the winter schedule, O'Claray said cutbacks will lead to the loss of qualified people in the system.

"It's impossible for our members who are effected to plan their work schedules for the next six months," he said. They're going to lose a good portion of their skilled people to other industries or employers. There are plenty of other jobs in the maritime industry for those people.

"They have vessels tied up at the dock come spring because they're unable to man them with licensed and unlicensed skilled personnel."

Loss of workers was considered by the state in preparing the winter schedule, Hudson said.

"We are somewhat concerned with it but we had to ask at what expense do you maintain your work force?" he said. "I believe the long-time people will be here when the vessels are running again."

O'Claray also charged the ships will be in worse condition if they are tied up without a crew aboard.

"If they leave these ships in lay up without crews to maintain them, they will be late back on schedule," he said. "If there's no maintenance the ships will deteriorate."

"We don't feel anything we're going to do this winter will have any adverse affects on the vessels," Hudson responded. "In fact we're doing more maintenance than in the past two years."

O'Claray believes the cutbacks are a result of this summer's strike by ferry workers which shut down the system for three weeks and the (Gov. Jay) Hammond administration's disinterest in the system, he said.

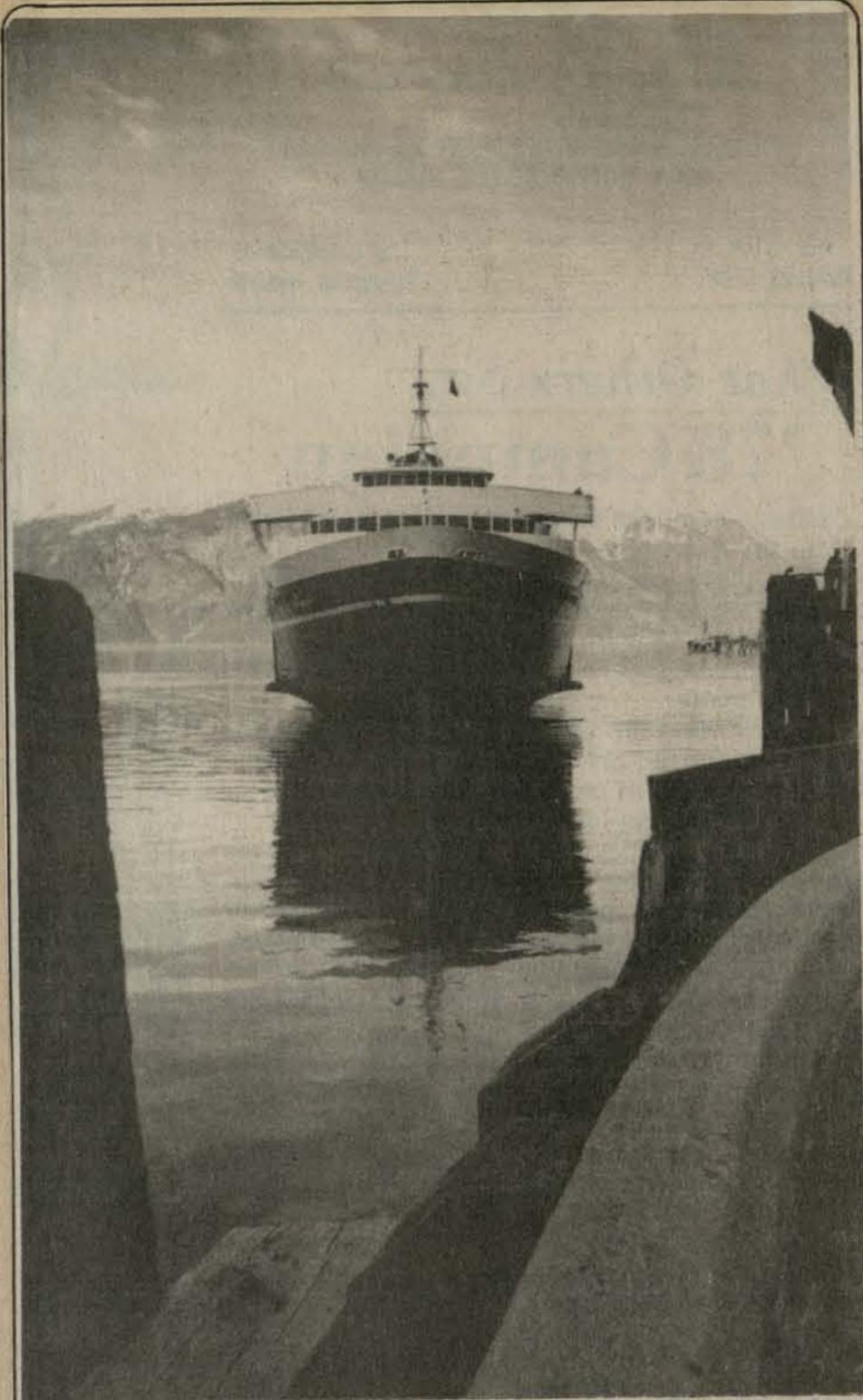
"Reshuffling in the numbers of workers they'll use has everything to do with the strike," O'Claray said. "We were told directions from the commissioner (Department of Transportation Commissioner Donalf Harris) were to stay within the budget for this year despite the loss of revenue during the strike."

Hudson agreed the cutbacks were in an attempt to meet the budget established by the legislators but said revenues from the system had no affect on this budget.

In criticizing the administration's attitude toward the Marine Highway system, O'Claray said it is a low priority to the government.

"I've watched the system go backwards since Hammond's administration," he said. "It's not a priority program as far as the administration is concerned. They're more concerned about building bridges on Taylor Highway than about viable surface transportation in Southeast Alaska."

Hudson countered O'Claray's charges pointing to increased ferry service to smaller villages under the current administration.



**MATANUSKA LAY-UP** — The Matanuska will be laid up for eight months from October to May for stretching and reconstruction. The Taku and Malaspina will run the Matanuska's route from Prince Rupert during the time. While ferry employees are not disturbed by this lay-up other Marine Highway Winter schedule plans are being criticized.

## Private Shipper To Lease Ferry

By The Associated Press

The state ferry Tustumena has been leased to a private shipper to ease a temporary crisis in freight service to Cordova, Gov. Jay Hammond said Wednesday.

Hammond said the ocean-going ferry has been leased to Sea-Land Freight Service to transport essential goods and supplies Cordova during the four-day period each week when the vessel is not used on its regular run between Kodiak and the Kenai Peninsula.

A spokesman said use of the ferry to haul freight would not interfere with its normal schedule.

In his announcement, Hammond said it was necessary to use the ferry to carry freight to the Gulf Coast community because Sea-Land vessels and barges which normally serve Cordova will be tied up by a predicted large crab harvest in Aleutian waters.

One major cargo to be shipped by ferry to Cordova, Hammond

said, will be supplies of propane gas essential to the city. But because the vessel will be hauling gas, passengers will not be allowed on the trips between Seward and Cordova.

Hammond said Sea-Land tentatively plans to charter the Tustumena during her weekly lay-up periods until the end of the year when the vessel is scheduled for annual overhaul and maintenance work.

# Ferry Port And Fare

## Increase Discussed

By G. MICHAEL HARMON  
Associated Press Writer

The administration of Gov. Jay Hammond will name the winner of a heated competition between the ports of Seattle and Bellingham over a southern terminal site for the Alaska state ferry system before the end of the year, a high-ranking state official says.

William Hudson, director of the state Marine Transportation Division, also said fares on Alaska ferries may be increased by up to six per cent prior to the resumption of the next year's summer schedule.

Hudson said he will make his recommendation on whether to renew the state's existing contract with the Port of Seattle or move the terminal to Bellingham by mid-December in time for submission of the issue to the 1978 Legislature which convenes in January.

He made the comments during a mini-debate between representatives of the Port of Seattle and Port of Bellingham over the relative merits of their rival facilities.

Tom Glenn of the Port of Bellingham argued that moving the terminal north by 60

sea miles would save the state millions of dollars while increasing service to Southeast Alaska.

Glenn Lansing of the Port of Seattle countered with an opposing argument that relocation from Pier 48 to Bellingham would cut into the ferry system's lucrative tourist trade without a corresponding savings.

But Lansing expressed fears that Division of Marine Transportation officials are biased in favor of the Port of Bellingham, and devoted most of his presentation countering arguments against renewal of the state's 10-year contract with the Port of Seattle when it expires Jan. 31, 1979.

In contrast, Glenn said the Port of Bellingham was at a disadvantage because of a bias in favor of Seattle within the Alaska Legislature.

Fueled by fears that officials within the Department of Transportation and Public Facilities, which operates the ferry system, were quietly preparing for a move to Bellingham, the 1977 Legislature tacked an amendment to the agency's budget that no funds could be

used for such a transfer without specific legislative approval.

The confrontation between officials of the rival ports was set up by Department of Transportation officials under pressure from Southeast Alaska newspapers and some legislators over contradictory claims from ferry system officials, consultants and the rival ports over the move issue.

However, the presentation by the two ports, which was broadcast live by the Alaska Public Radio Network and video taped for television, did little to resolve the conflicts.

Hudson said the issues involved were so complex that he was preparing to sign a contract with an outside consultant to resolve the claims and counter claims before issuing his recommendation to Transportation Commissioner Donald Harris.

Representatives of the City of Prince Rupert, British Columbia, also were invited to

the meeting following the publication of one in a series of recent reports on the issue which concluded that the Canadian port could represent another southern terminus alternative.

Hudson said the state was exploring the potential for expanding its port facilities at Prince Rupert, but added that ferry passengers have made it clear they would rather sail all the way to the Puget Sound area rather than drive to Washington from the B.C. port.

In his presentation, Lansing attempted to justify an effort by the Port of Seattle to up the state's annual rent at Pier 48 from \$87,747 in 1976 to a maximum \$105,459 under a new contract, an increase of about 20 per cent.

"It is true that this is an increase in rental, but we do not believe it to be an unfair increase considering inflation over the last eight years and considering what has happened in the marketplace," Lansing said.

Lansing also branded contentions by Bellingham representatives that the Pier 48 terminal was overly congested and physically deficient as unfounded.

He also expressed a willingness to negotiate with the state to improve parking, provide for foot traffic boarding and construct facilities for on-site fueling of ferries at Pier 48.

Lansing also outlined additional costs he said would be involved in moving passengers and freight from Seattle to Bellingham. He acknowledged that the state would save 3½ hours worth of fuel by terminating voyages in Bellingham but said fuel would cost an additional one cent a gallon more in Bellingham than Seattle.

Lansing hit hard at the contention the state would lose the opportunity to increase tourist traffic by moving to a location "remote" from Seattle.

The Port of Seattle pitch was supported by John Schneider, a spokesman for Calista

Corp. which wants to use an existing Pier 48 warehouse to build a \$3.5 million complex of shops and restaurants with an Alaska theme.

In his presentation, Glenn said the Port of Bellingham was ready to build an \$800,000 terminal facility for the state ferry system within nine months of the start of construction.

Glenn did not discuss rental figures, but hit instead on the alleged savings and increased service the ferry system could realize by moving to Bellingham.

In discussing the cost of surface transportation from Seattle to Bellingham, Glenn said the Port of Seattle failed to subtract out the cost of operating a ferry over the same distance, a cost he said was much higher.

He said the state could save more than \$400,000 a year in fuel costs alone by moving its terminal, enough to add an additional 10 trips a year from Juneau to Ketchikan.

## Debate on southern ferry terminal opens today in Juneau news conference

By NORMAND DUPRE  
Editor

JUNEAU — A fullblown media production got under way after lunch today as the debate over switching the state ferry system's southern terminus moved into high gear.

Invitations have gone to the Alaska and Washington press, the ports of Seattle, Bellingham and Prince Rupert, all mayors and state legislators in Southeast Alaska, plus staff and aides of legislative committees.

The purpose is a "presentation" by the representatives of the ports of Seattle and Bellingham regarding a proposed move of the southern end of the Alaska Marine Highway from Seattle's Pier 48.

At least two participants — the state of Alaska and the Port of Seattle — will videotape the press conference, organized by Vern Metcalfe, who since early summer has been a special assistant to Commissioner Don Harris of the Alaska Department of Transportation.

Harris and ferry system director Bill Hudson hosted the press conference, slated to begin at 1:30 p.m. in a conference room in the sprawling state office building. Metcalfe said the invitation list "was as long as my arm," but it appeared likely that the parties involved in the debate would greatly outnumber reporters.

It will be the first face-to-face confrontation between all sides in the debate and may answer some

of the contradictory information contained in a two-inch stack of correspondence from among the ports involved, from Alaska and Washington businessmen, from private consultants and from ferry system officials.

At stake is a possible shift of the ferry terminal after the Pier 48 lease expires January 31, 1979, after some ten years of use.

The press conference grew out of request by the Ketchikan Daily News for an interview with Harris and Hudson on ferry system controversies, including the proposed terminal move.

"You guys started all this," Metcalfe told the Daily News this morning.

Bellingham officials, continuing a drive begun in 1963, to win the terminal site claim they can provide vastly reduced costs to the debt-ridden system. Their port is some 60 sea miles closer to Ketchikan than is Seattle.

Hudson's report has projected savings of as much as \$750,000 in rent, fuel and handling charges if the move takes place.

The move also would "open the bargaining door" to cutting one shift of ferry crewmen.

However, the port of Seattle and a 1975 study done for the ferry system contradicts most of the claims by Hudson and Bellingham officials. The 1975 Kent Miller report claims "Seattle facilities are expected to be substantially more economical than the Bellingham proposal for the foreseeable future."

Miller's report has been criticized by state and Bellingham officials as being "inaccurate, biased and unprofessional."

The report from the Port of Seattle Research and Planning office, however, comes down hard on a Bellingham proposal dated in May of this year.

The Bellingham report is "filled with false assumptions, misleading statements, hypothetical data and factual omissions," the Seattle report charges.

The various reports contain contradictions on several key points. The Bellingham report alludes to "congestion" and increased traffic along Alaskan Way which faces Pier 48. Seattle officials say traffic has actually decreased along Alaskan Way and is now at the 1960 level, even with the addition of the Kingdome Stadium.

Bellingham and Alaska officials said vessel fuel will cost two to three cents less per gallon in Bellingham than in Seattle because Bellingham is closer to refineries, thus saving the state \$216,000 a year. Seattle officials responded that fuel costs are based on market locations, not refinery locations, and that "a Bellingham location will undoubtedly mean slightly increased fuel prices, not a decrease."

Even parking spaces at the current Pier 48 site are in dispute. The Miller Report, done for the

state, says some 232 spaces are available for passenger, crew and office parking. Seattle says parking spaces total 300 and more are planned.

Whatever the outcome of today's press conference the legislature likely will have final say. Lawmakers last year included a provision in the state budget preventing ferry system officials from spending any money on a move without prior approval of the legislature.

### Ferry Christening

By The Associated Press

Gov. Jay Hammond's wife Bella will christen the new state ferry Aurora Thursday in ceremonies in Ketchikan, the governor said today.

Mrs. Hammond will represent the governor at the christening along with Transportation Commissioner Donald Harris.

The \$7.5 million Aurora brings to nine the number of state ferries serving Southeast and Southwest Alaska.

The Aurora, which can haul 250 passengers and 42 autos, began service earlier this month in a winter schedule in the northern panhandle as a replacement for the LeConte, now in a maintenance lay-up.

# Assembly to consider ferry resolution

By ROLLO POOL

Daily News Staff Writer

Ketchikan Gateway Borough Assembly votes tonight on a resolution to request a marine highway investigation. The borough meeting begins at 8 in the council chambers.

The resolution states that past ferry system managements have failed to satisfy the needs of the communities and traveling public according to standards set when the system was created.

If passed, the resolution would ask the marine highway administration for a "complete investigation to determine the degree of good business practice, operational responsibility and conformance with the intent of the legislature being exercised in the planning, operation and service levels" of the system, the resolution states.

The resolution, proposed by assemblyman Len Laurance, criticizes the highway system management for lack of public hearings on "major decisions" such as the conversion of the Malaspina to fast-food service, establishment of winter maintenance facilities in Alaska, relocation of the south terminus of the marine highway system and on ferry fares and schedules.

## Aurora cruise sold out

Tickets for the first cruise of the ferry vessel Aurora Tuesday have been sold out.

The ship will be in Ketchikan for the mini-cruise Tuesday night before going to Juneau. It will return Oct. 27 for christening ceremonies that will be attended by Bella Hammond, the governor's wife, and other state officials.

The mini-cruise begins at 6 p.m. Tuesday and will last about five hours, according to state officials. Champagne and hors d'oeuvres will be served to a capacity load of 250 passengers. Two hundred tickets were sold locally.

The vessel will be in Ketchikan Wednesday and will travel to Hollis Thursday before heading to Juneau where it will be based for the winter. It will return to Ketchikan once weekly.

Next spring it will be based in Ketchikan and will offer service between here and Prince Rupert, B.C., Hollis, Wrangell, Petersburg and Juneau.

The \$7.5 million ship has been delayed since June when it was scheduled to begin service.

## Transportation Study

Dear Editor:

It appears as if your reporter, Craig Medred, quoted me out of context.

I was one of perhaps fifty persons at the S.E. Alaska Transportation Study Workshop.

I stated that the previous administration had construction plans for the highway from Haines to St. James Bay with funds appropriated for the bridge across the Chilkat River. For some reason they chose not to build that first link. The six year plan for the Highway Department had the road completed to St. James Bay in this year of 1977 with the Ferry Terminal constructed in 1978 and the road in operation from Bridgett Cove to St. James Bay in that year. This present administration continued

the previous administration policy of shelving the road.

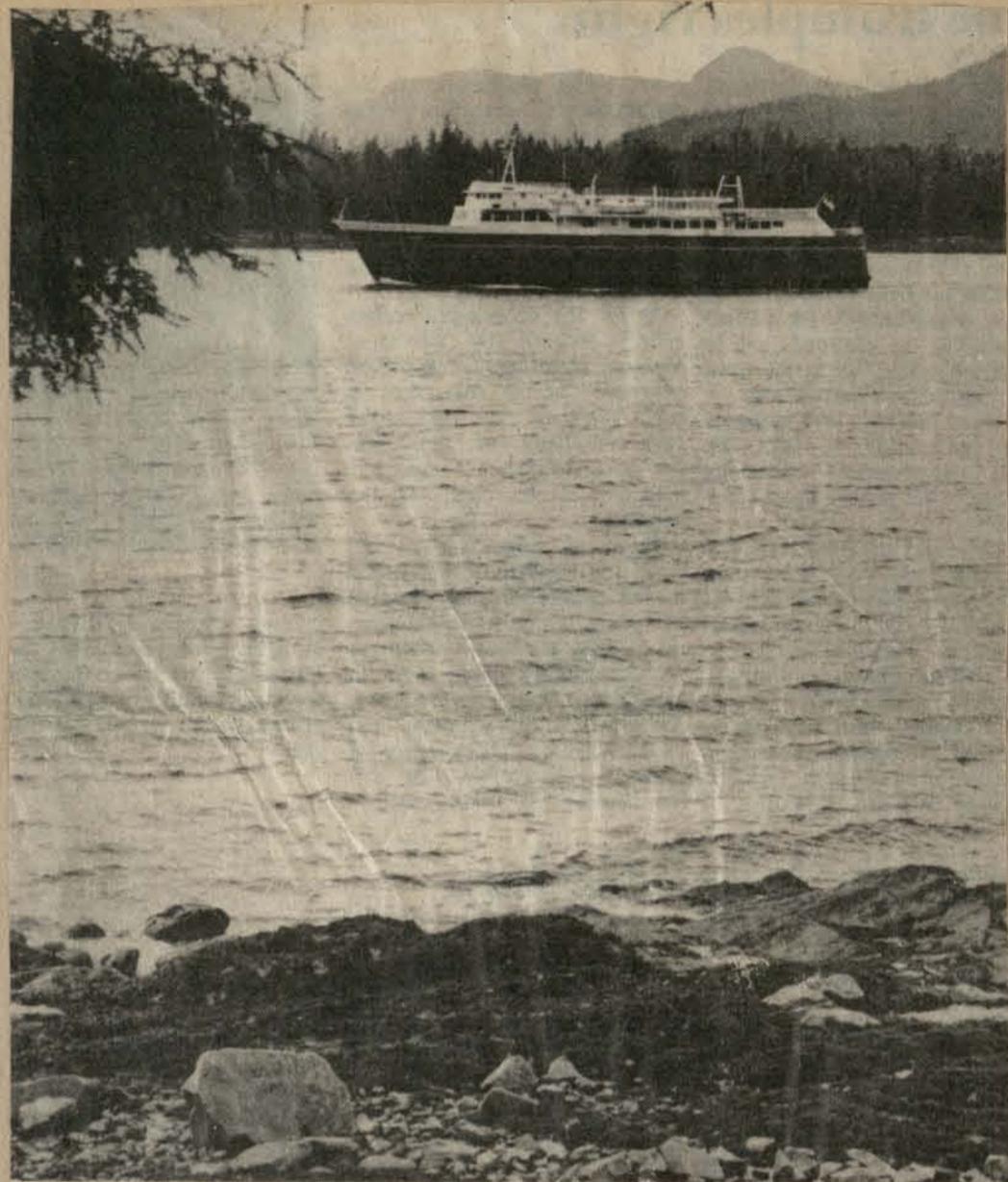
This Workshop was exciting in two aspects. First of all, it reaffirmed the May 1972 Study by the Division of Marine Transportation which showed that the most efficient way to run ferries was to run main-line ferries from the Seattle Terminal to Juneau and overland to a new ferry port at Bridgett Cove and a shuttle ferry from there to Haines/Skagway or to a new-to-be constructed road on the Haines side of Lynn Canal.

The second exciting thing about this workshop was that the economic perimeters showed the Skagway Juneau Road now to have greater cost benefits than the Haines constructed road. The net savings are projected at \$29.43 as over against the present cost of \$50.07 per passenger or ton. This is a net savings of 58.88% in operating costs of the present ferry system.

Another key advantage of the Skagway road is that the fuel consumption and use of resource will result in 950,000 gallons being utilized by constructing a highway then by continuing the present ferry configuration of service. If the connection were also made from Skagway to Haines an additional 200,000 gallons a year of fuel could be saved. In our energy conscious age, this an another advantage.

I am sure that other citizens will want to study the results of the S.E. Alaskan Transportation Study.

Milton S. Hunt



The new state ferry Aurora glides by Ketchikan on its first trip into the Ketchikan area

early this week. The vessel has begun service to Hollis from Ketchikan. Daily News staff photo.

## SEA-LAND CHARTERS ALASKA STATE FERRY



JUNEAU — Shown above is the Alaska state ferry Tustumena, cruising out of Homer, on Cook Inlet, after loading. She has recently been chartered by Sea-Land Service to provide extra transportation to Cordova. (Mel Fredeen photo)

JUNEAU — Sea-Land Service has chartered the Alaska state ferry MV Tustumena to provide service to Cordova during a time when transportation would otherwise be inadequate, according to an announcement by Jay Hammond, Alaska governor.

Sea-Land facilities which normally serve Cordova are expected to be utilized fully in handling a predicted large crab harvest. The Tustumena serves Kodiak and Cook Inlet communities and normally has a four-day layover each week in Seward.

The Sea-Land charter arrangement will utilize the vessel during the layover time, when she has been idle. It will also provide increased revenue for the state ferry system, Hammond said.

A major portion of the cargo hauled to Cordova will be propane gas. Because of this, there will be no passengers carried on the Tustumena to the city. Sea-Land has tentative plans to charter the ferry until the end of the year, when her winter overhaul and maintenance work is performed.

\*\*\*

KETCHIKAN — All sailings of the Alaska State ferry Aurora, which was scheduled to start service June 1, have been cancelled until at least Sept. 30, according to ferry service officials. Late delivery of the vessel to state authorities in Seattle and deficiencies found by the Coast Guard are said to be responsible for the delays. The ship was built at Sturgeon Bay Wisc., and sailed from that port on May 27, 1977. KN 0811.

JUNEAU — The State of Alaska has awarded a \$15.2 million contract to Willamette Iron and Steel Co., Portland, to stretch the state ferry Matanuska. Work which will include cutting the vessel in half and adding a new section, is scheduled for completion by next June. The Portland firm was the lowest of three bidders.

12-26

## Ferry Bias

# Seattle Rep Blasts State

Representatives of the Port of Seattle charged state officials are "totally biased" toward a proposal to move the southern terminal of the Alaska ferry system to Bellingham in a meeting with Gov. Jay Hammond Friday.

Glenn Lansing, director of the Port of Seattle and Washington House Speaker John Bagnariol asked Hammond not to make a decision on the move based on "mistatements that have come from the Division of Marine Highways."

"It would almost appear there is a concerted conspiracy afoot," Lansing said. "I have considerable concern about the whole way this thing has been handled. There's a definite bias toward Bellingham. The information we provide to them (the Division of Marine Highways) is ignored."

Lansing scheduled the meeting with Hammond after concluding Marine Transportation officials were spreading "factual errors" about the pros and cons of a move. He also was critical of a recent state-hosted press conference in which representatives of both ports were asked to explain their plans for servicing the ferry system.

"I had to speak first; I think that was a setup," Lansing said. "I wasn't allowed the floor for rebuttal."

Sen. Bill Ray supported Lansing's plea for a fair hearing.

"There seems to be a concerted effort by a group of individuals to move the terminus from Seattle to Bellingham," Ray said. "I think the intent behind some of this is to end the ferry system. The legislature is about fed up with the whole thing."

Lansing said the hour-long meeting with Hammond "went very well."

"I don't think he's made up his mind on this," Lansing added. "We just want to compete on an equal basis."

# LeConte Lay-Up Sparks A Dispute

By DANA JONES  
Empire Staff Reporter

The state is paying to dock one of its ferries in Everett, Wash., when it could do so for free in Seattle, the Port of Seattle director has charged here.

"There would have been no cost to layup the LeConte," Glenn Lansing said. "We've always provided that space."

The LeConte, taken off the line for six months while a new ferry of the same size—the Aurora — is broken in, was docked in Everett to save money, Division of Marine Highways director Bill Hudson countered.

"He (Lansing) is referring to dock charges only," Hudson said. "If the vessel were in Seattle we would have to pay a crew of 15 select men for security. At our own facilities the unions won't allow us to use a smaller group which forces us to go elsewhere."

Laying up the vessel in Seattle would have cost \$180,000 versus \$39,000 being paid to the Port of Everett, he said.

In addition to personnel expenses at the Seattle port, the state would have to pay for utilities needed to heat and light the ferry, Hudson said. These costs are included in the Everett docking charge, he added.

"Everett was selected through the competitive bid process," he said. "That's what the law requires."

The unmanned LeConte is watched 24 hours by security guards, Hudson said.

Docking of the ferry in Everett, however, has been criticized by Inlandboatmen's Union vice president Greg O'Claray and Sen. Bill Ray.

"You can't watch a ship," O'Claray said. "The Port of Seattle at Pier 48 had moorage space for the LeConte where our shipboard personnel could have stood watch around the clock. But we're told we're too expensive. They contracted to the Everett-based firm in order to escape payment of Alaska wages to Alaska residents."

"The problem of every ship layed up without a steward on board is they're paying the \$50 a day per diem," he added. "That money is going directly into the Seattle economy and further depriving Alaskan workers of wages they could be earning. That's further exporting Alaskan dollars outside the state. That's subcontracting of sorts."

Hudson denied the ferry system was "subcontracting" work that could be done by union members.

"Generally speaking the work that is being done by outside people requires outside expertise," he said. Work such as painting and carpet cleaning, done in past years by crew staying on board the ships, is being done by outside firms when it is more economical, Hudson said.

For example the state paid \$3,600 to have the Taku interior painted, Hudson said. Had union members been used seven stewards would have been retained on board at a cost of \$21,000 per month in salaries, he said.

"When you try to match an operating contract to a maintenance contract they don't jive," he said.

O'Claray and Ray criticized the conditions under which the ferry is layed up also.

"Nonuse is abuse in this case," O'Claray said. "When there's no heat there's a considerable amount of interior decoration like painting and carpeting that are subject to moisture damage during that long a period of sitting idle. There's relatively no air circulation, no ventilation operating. Things get pret-

ty musty."

"She (the LeConte) is, in my professional opinion, lying safely along the dock," Hudson responded. "She has heat and electricity and all the moisture critical areas have been removed or taped and sealed."

O'Claray also was critical of the one-man watch rather than an onboard crew to care for the vessel.

"If you're aboard you can prevent a ship from sinking or burning," he said. "The makeshift guard they have is just like watching a room burn."

Ray also criticized docking of the LeConte in Everett because of lack of onboard security and heat and light after visiting the port recently. The senator, however, had no further comment on the situation when contacted today.

In other progress of the winter ferry layup and maintenance schedule, O'Claray said Taku crew members were delighted to be called back to work several weeks sooner than expected. Approximately 40 IBU members work on that vessel.

"Looks like they're changing their minds," he said of ferry system officials who had indicated crews would be laid off during the entire duration of ships' layups. "We're just as happy as a clam at high tide right now," he said.

He believes the earlier return of the crew is because of pressure from the unions, he said.

Hudson, however, believes the layup of the LeConte outside the system's ports has caused the union to back down from their stand to have full crews manning laid up ferries.

"The climate of late is more receptive because we've had to go to a private shipyard," he said. He is hopeful future negotiations with the union will lead to establishment of layup crews smaller than operating crews, he said. In the past the unions have refused to do this, he charged.

## Bellingham Mayor Encouraged About Ferry Terminus Views

BELLINGHAM, Wash. (AP) — Bellingham has a strong chance of nabbing the Alaska Ferry System's southern terminus away from Seattle, Mayor Ken Hertz said today after returning from Alaska.

Hertz said he met last week with Alaska Gov. Jay Hammond and is optimistic about his city's chances, particularly since the governor said he would be making the decision and not the Legislature.

"The Legislature is more apt to make a political decision, particularly in light of the fact that southeast Alaska legislators are more interested in going to Seattle than here," said

Hertz.

"The only reason the Legislature would be involved (in the decision making) would be if capital money would have to be spent, and under present arrangements capital money from the state of Alaska would not have to be spent here," said the mayor.

Hertz said the governor told him the decision would be based on the outcome of a study conducted by a New Orleans firm, due to be completed in March.

The candidates for the ferry port are Seattle, Bellingham and Prince Rupert, British Columbia, Hertz said.

**TIP THE MITT** to Seattle in the debate over where to base Alaska State Ferries in the South 48. At least, that's the verdict of The Ketchikan Daily News. Southeast Alaska folk, who ride the ferries and rely on them for some food and supplies, have been suspicious of Alaska ferry officials' push to shift the southern terminal from Seattle to Bellingham.

And after listening to a debate between Glenn Lansing of the Port of Seattle and Bellingham spokesmen, the enlightened Ketchikan paper editorialized:

"Seattle won the initial debate over who gets the southern end of the state ferry system in our estimation . . . Granted, the Daily News previously favored keeping the terminal in Seattle, but even considering our prejudice, we think Seattle made the most convincing arguments. And we were no more prejudiced toward Seattle than the ferry system administration appears to be toward Bellingham. . . Bellingham is six to eight ship-hours closer to Ketchikan, and the reduction in distance means a saving in fuel. This is undeniable. But it could be meaningless if it reduces ferry desirability and revenues. . ."

**CRUISE SHIPS** should provide company aplenty for Alaska ferries on their runs north this summer. So far Vancouver, B.C., already has 151 port calls scheduled for cruise ships in the Alaska trade. That compares with 142 calls last year.

## Ferry Fire Cancels Trip

By The Associated Press

The Alaska state ferry Aurora returned to port here today after a small fire broke out in the vessel's engine room during the middle of a trip to several small Southeast Alaska communities, the Marine Transportation Division disclosed today.

No injuries were reported.

Department spokeswoman Ginger Johnson said the fire broke out in a port engine gear box Tuesday night as the ferry was steaming between Hoonah and Angoon about 50 miles southwest of Juneau.

Ms. Johnson said the fire was sparked by friction caused by a malfunction in a clutch device.

"The fire, which was confined to the gear box, was immediately extinguished and the ship returned to Juneau under her own power," she said.

Ms. Johnson said the ferry was expected to be out of service for "four or five days" for repairs.





# Ferry officers busted for bootlegging

**Seward**  
The skipper and chief steward of the Alaska ferry Tustamena have been arrested and charged with bootlegging about 200 cases of beer into the state aboard their vessel.

The two men, together with Seward bar owner Johan Banic, face charges under state liquor laws. In addition, investigators say, there are claims that bar games, food stuffs and other products were brought into the state aboard the ferry in violation of Alaska Marine Highway policy.

Gene Racine, master of the ocean-going vessel, and Bruce Griggs, the chief steward, were charged with trafficking in liquor. Banic is charged under a statute which makes it a bar owner's responsibility to be sure he buys from a licensed wholesaler.

At issue in the liquor complaints are about 200 cases of 12-oz. Michelob beer which Alcoholic Beverage Control (ABC) investigators say were purchased in Washington State while the Tustamena was in yearly drydock. No Alaska tax was paid on

the beer, ABC officials say. 188 cases have been recovered.

William Hudson, director of the Division of Marine Transportation, says he has asked that the "complete files" of the case be forwarded to him in Juneau. There are possible violations of state regulations and U.S. Coast Guard rules involved, he said.

Ferry system personnel are allowed a certain amount of personal freight on vessels, but transporting items for sale would violate division policy.

Ray Bryant, head of the ABC enforcement division, said unpaid state liquor taxes (now pegged at 25 cents per gallon for beer) would have amounted to only about \$132 for the 200 cases. Equally important, he said, was the \$7,000 to \$9,000 which retail sale might have left unreported.

An "extensive amount" of other freight allegedly destined for Tony's Bar in Seward also is involved, investigators say. Barrom games, such as air hockey, were reported aboard the Tustamena and "variety food stuffs" commonly sold in bars also are involved.

In addition, Bryant said, the Washing-

ton State liquor control board has been notified and is investigating possible violation of laws there.

Racine, a Seward resident, is the only master employed by the ferry system with an unlimited ocean license. The Tustamena serves Kodiak Island, an open-ocean voyage from Southcentral Alaska.

The investigation was headed by the Seward Police Department, Bryant said, but involves the ABC Board, Alaska State Troopers here and in Seattle, Juneau officials of the marine highway system and Washington State authorities.

Investigators say there have been unsubstantiated reports in the past of ferry system personnel violating regulations which prohibit use of the system for other than personal cargo.

Charges against the men were brought in magistrates court in Seward Feb. 16. They are to be arraigned on the liquor violation charges this week. Hudson's office should receive reports from Anchorage this week. Hudson's office should receive reports from Anchorage this week and will then determine what if any other action is appropriate.

## Ferry review group promoted again

By NORMAND DUPRE  
News Editor

JUNEAU—Rep. Terry Gardiner, D-Ketchikan, and Rep. Mike Miller, D-Juneau, think their proposal for a citizen's review committee to oversee the state ferry system has a better chance of surviving Gov. Jay Hammond's veto pen this year.

Such a bill last year passed both houses but fell under Hammond's veto.

Gardiner said that Southeast lawmakers "will be firmer with the governor" this time around with better committee assignments and more power.

Miller said that since the governor wants to create his department of transportation, perhaps a trade could be arranged. The department of transportation and public facilities would incorporate the functions of the present departments of highways and public works.

The Alaska Marine Highway Review Committee would consist of seven voting members, including two legislators and five members of the general public. Four of the lay members would live in coastal towns served by the ferry system.

Lay members would be appointed by the governor and confirmed by the legislature. The lawmakers, one from each house, would also be appointed by the governor, but from a list supplied by the house and senate.

The committee, according to the bill, would be a public watchdog over ferry rates, budget, vessel routes and schedules and

types of service and facilities.

The wide range of duties also includes review of levels of staffing and funding, naming of the ferries, construction of new ferries and terminals.

The bill also requires public hearings for setting ferry rates and prohibits changes in rates without additional hearings.

The ferry system would have to hold hearings on rate changes, which also would be reviewed by the committee, then sent to the commissioner of public works. If changes in the proposed rates after the hearing, the changes would be subjected to new hearings and review.

Gardiner said the reason for the bill is to insure that the people have some say in how the marine highway is run.

"The public has very little input into decision making on the ferries. I know there is no legislative input, so I don't see how the public could have any. The ferry system doesn't belong to the commissioner" of public works, he said.

The system has gone from crisis to crisis and the public is not told what is happening until after the fact, he said.

He cited a public hearing on rate increases last year. The department announced new rates, including about a 20 per cent hike, then held public hearings after the new rates were decided.

"The public needs input before the action, not after. Afterwards, the public is already mad." In this respect the bill will help the administration, Gardiner said.

## State abandons plan for ferry maintenance in state this year

By RICHARD FOLEY  
Daily News Staff Writer

The state division of marine transportation has scratched plans for winter maintenance of the ferry Bartlett in Ketchikan this year, according to director Bill Hudson.

Hudson notified the city of

Ketchikan about the decision Thursday.

Hudson told the Daily News that the winter maintenance of the Bartlett in Ketchikan was not possible this year because of time lost getting the ship to Seattle for dry dock work and the unavailability of parts for the main port engine.

The Bartlett lost five days to bad weather, Hudson said, and was unable to cross Prince William Sound from central Alaska. The division was also unable to get good scheduling for the drydock work, and now there isn't time for work in Ketchikan, he said.

The Bartlett is scheduled to return to service in about four or five weeks.

The original plan called for the Bartlett to spend several weeks in Ketchikan during its routine

winter maintenance after spending time in Seattle dry dock.

Hudson said the division will examine figures and records of the maintenance projects for two ferries which remained in Alaska, to see about future winter maintenance programs.

"I can't make any commitments now," Hudson said of programs next winter, "but I hope we can evaluate programs and weigh the information before making a recommendation."

The Chilkat was serviced in Ketchikan this winter, and the LeConte spent several weeks in Juneau for its winter maintenance work.

Hudson said the scheduling of the ferries for split maintenance program is a problem, and called Bartlett maintenance in Ketchikan, "a long shot, anyway."



# Repaired Columbia sails

By NORMAND DUPRE  
News Editor

The state ferry Columbia sails from a Washington shipyard March 4 hopefully freed of most of the major problems that have plagued the massive ship's first years at sea.

William Hudson, director of the state ferry system, said repairs and replacements to vital sections of the ship cost a total of \$480,000. The state paid the costs out of the ferry system's operating and capital improvements budget.

But it is believed the state will try to recover at least part of the costs from the ship's builders, Lockheed Shipbuilding.

Among repairs are major overhauling of all heads on both engines; replacement of one stack boiler that helps heat the ship; replacement of virtually all the ship's internal water system and major modifications to the ship's ventilation system on its two car decks.

The 418-foot vessel, that carries up to 1,000 passengers, is the flagship of the state ferry fleet. Since it entered service in 1974 the crew and passengers have suffered through one breakdown

after another. The Columbia has frequently cut its runs short and headed for Seattle drydocking and temporary repairs.

But now Hudson hopes most of the repairs are permanent.

Among them is complete replacement of salt water piping system that was used for sanitary systems, fire mains and other uses throughout the ship. The piping had run to every cabin and bathroom.

The builder had put in "black iron" pipe, which Hudson said was the wrong type and which was being eaten away by salt water corrosion causing numerous leaks. It was replaced with copper nickel pipe at a cost of \$150,000, he said.

Working with the DeLaval Enterprise Corp., builder of the ship's two diesel engines, workmen "performed some major modifications" on all the valve heads.

"We hope the main engine modifications provide a permanent solution but we're going to have to try it to determine that," Hudson said. The heads had been repaired several times previously.

Repairmen removed one of two stack

boilers, rebuilt it, modified it and put it back in.

"We only did one because we want to see how it works," he said. The boiler heats water which is converted to heat for the passenger areas. The water is warmed by absorbing heat that ordinarily goes up through the stack. If the modifications work, the second boiler will be changed next year. Cost for the one boiler is in excess of \$50,000.

Hudson is "optimistic we now have a very good purging system" for car deck ventilation. The system had failed to remove enough carbon monoxide from the car decks causing crewmen to suffer headaches. "Major modifications" and redesign cost almost \$100,000, Hudson said.

Hudson refused comment on the question of liability for costs. He wouldn't say if the state was considering court action against Lockheed to recover repair costs but ferry officials in the past have maintained that at least some of the faults lay with Lockheed's work.

About two-thirds of the cost came out of the system's operating budget for which some work on other vessels was deferred. The remaining third came

from the capital improvements budget.

The only work remaining on the ship is routine inspection of the hull, interior cleaning, and replacement of art pieces removed for safekeeping. The vessel will also need to be restocked.

Small changes were made to the dining room, but a conversion to fast food service coupled with closing of the cafeteria won't happen until next year at the earliest.

The controversial conversion was opposed last year by the legislature and the ferry system agreed in court to notify the lawmakers first before proceeding with the work.

Some salad and hot food serving units had to be replaced because they lacked electrical power and a water draining system and couldn't keep food at proper temperatures, Hudson said. Also a decorative wall was reduced in size because it blocked air circulation near the cashier's counter, he said.

Most of the crew will return to the ship Feb. 22 and 23 for final preparations. Then the vessel will resume its regular service from Seattle to Southeast Alaska, in time for the busy summer traffic.

# Plying Alaskan waters on state ferry system

By KATHY WALKER  
Staff Writer

Once the busy tourist season is over, many of us tend to forget, or just don't think about, some of the things which occupied our leisure time during the summer.

One of these things might be the Alaska state ferry, the E.L. Bartlett, which plies the waters between Valdez and Cordova, even during the winter, on a regular schedule.

During the summer thousands of tourists from the lower 48, as well as visitors from other parts of our own state visit Valdez via the Alaska State Ferry System. The winter schedule does not include Whittier, or stops at Columbia Glacier or the rookery, but it does provide a valuable means of transportation for the people of Valdez, Cordova, and a small village between the two, called Tatitlek.

According to the purser aboard the Bartlett, the majority of the traffic during the Christmas season was the villagers from Tatitlek going to Cordova or Valdez to celebrate the season with their friends and relatives.

There is no ferry agent stationed in Tatitlek, and there is not even a ferry dock there. The procedure is controlled by the school teacher, who has radio communication with the Valdez Ferry Office. The teacher calls in to tell the captain of the Bartlett that there will be passengers to be picked up as the ferry goes by Ellamar. Ellamar is an old cannery and is located

about a mile and a half via a trail from the village of Tatitlek.

When the ferry is in sight, a fishing boat from Tatitlek goes out to deliver the passengers. The aft ramp of the ferry is lowered into position, and the passengers are welcomed by the crew. They can buy their tickets from the purser after boarding the ferry.

Although no tourist attractions are pointed out, the crew is very friendly and it is quite easy to get an invitation to the bridge for an excellent view of the passage through the Valdez Narrows.

A point of national interest and controversy at this time is Middle Rock, located in the middle of the Valdez Narrows. It would be impossible to even see this rock at high tide if it were not for the concrete protrusion which has been constructed on top of the rock and holds a marker with a light on it. The story is quite different, however, when viewing Middle Rock through the radar which is located on the bridge. The rock sits in the middle of the Valdez Narrows, exactly one-half mile from either shore.

According to Alaska State Ferry personnel, this rock presents no problem to the ferry system under normal situations. They indicate that logically, you can't compare the Alaska Marine Highway vessels, the Bartlett or the Tustumena, with the oil tankers which will be transiting the narrows in the near future. They contend that the comparison would be like com-

paring the difference between day and night.

Another point of interest along the ferry's route to Cordova is the new radar station which is being constructed just before the entrance to the Valdez Narrows. The Potato Point Radar Station will be responsible for regulating the tanker traffic through the Valdez Narrows. The traffic for the tankers will be one-way, and so far there has been no indication as to whether or not this will hamper the ferry schedule into and out of Valdez.

Passengers who utilize the ferry between Valdez and Cordova during the winter are there for a variety of reasons. Many Cordovans take vacations to the "states" during the winter months, and they like to take their vehicles with them. Since the ferry is their "highway" they usually are on the ferry with their families and vehicles, on their way out as well as on their way home.

Some of the Alyeska pipeline workers use the ferry to see a little more of Alaska on their way to their R and R. They can take the ferry to Cordova and continue to the states on the jet, which leaves in the late afternoon. Sometimes pipeline workers whose homes are in Cordova use the ferry, rather than try to wait for clear flying weather.

A few winter tourists can also be spotted with their cameras and appreciative grins. Nothing can beat a ferry ride between Valdez and Cordova on one of the spectacular, blue-sky Alaskan winter days.



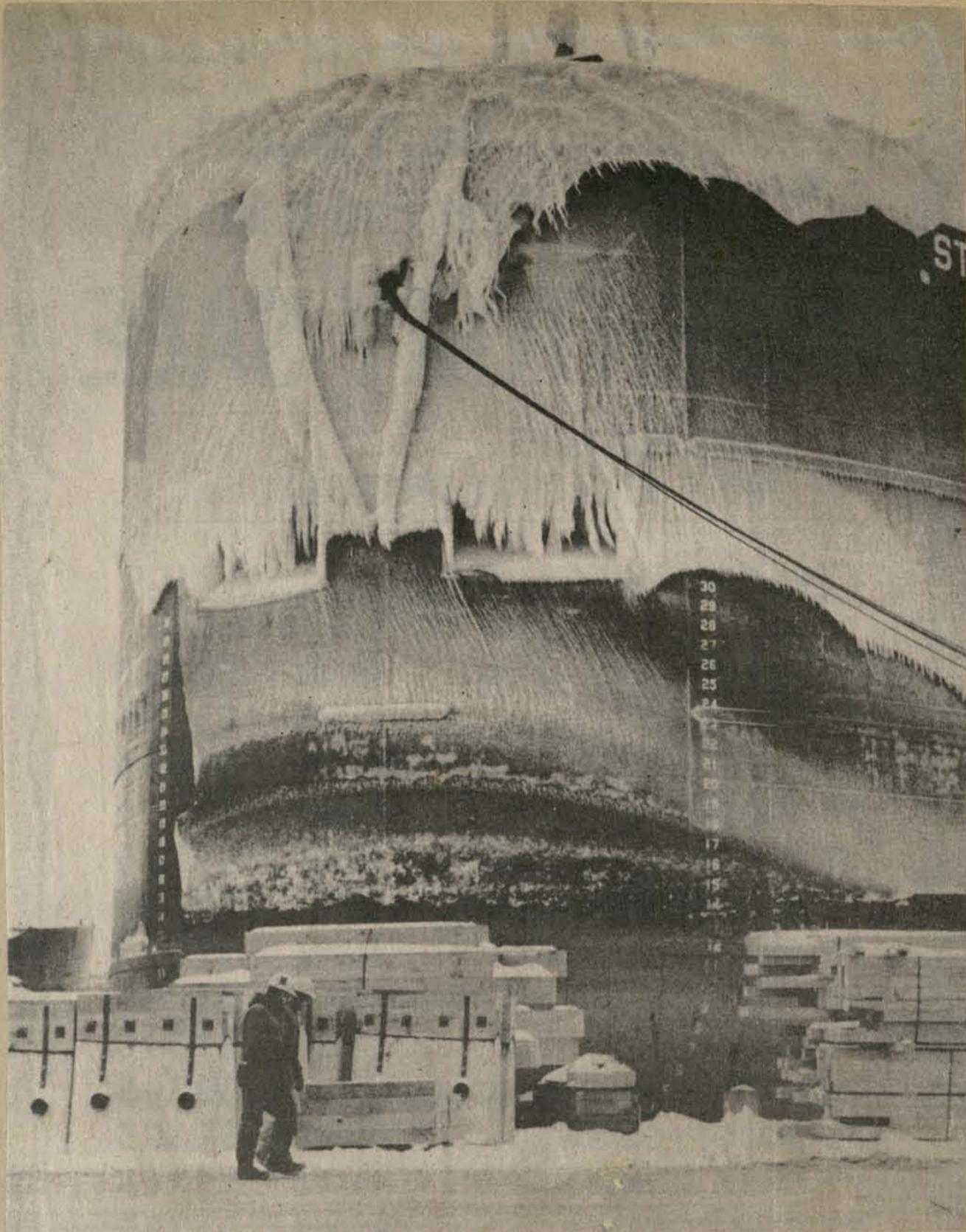


## Acacia gave area Christmas card



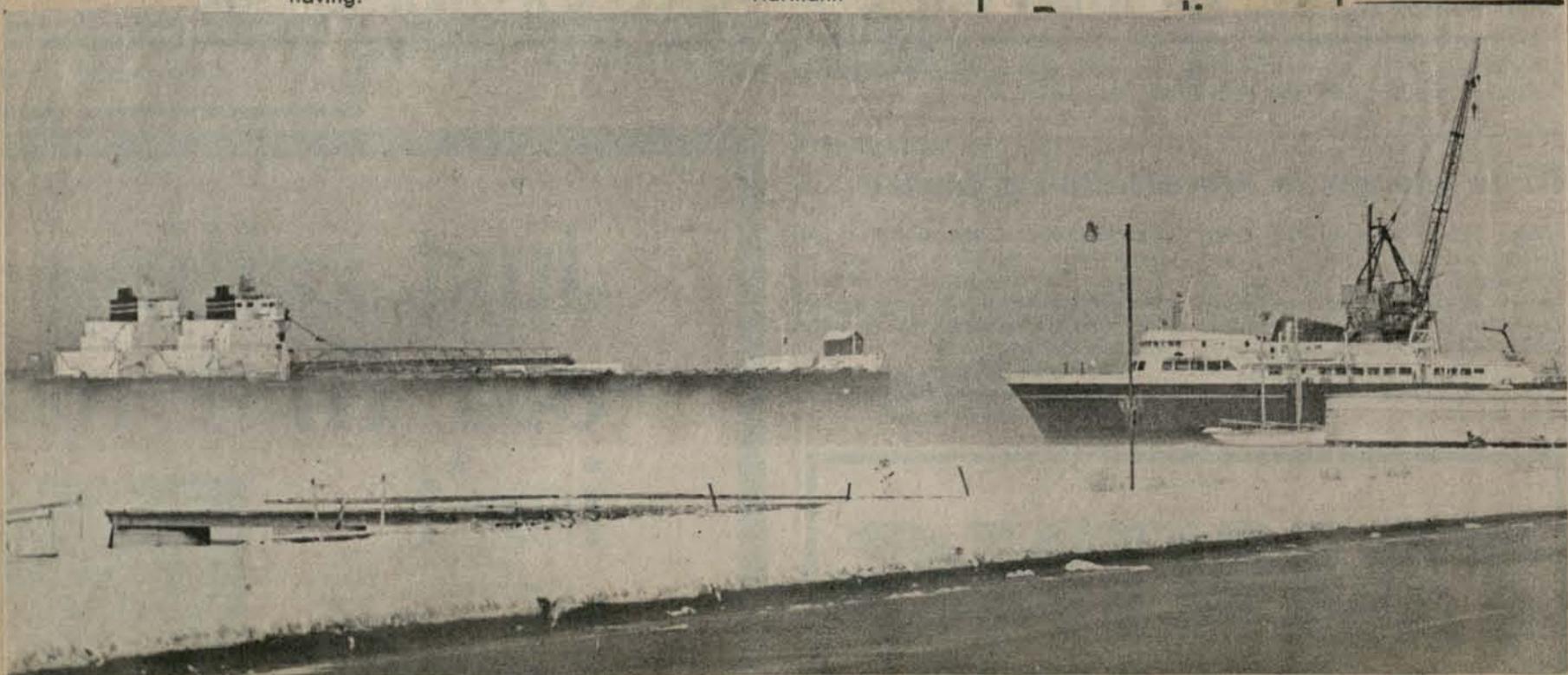
The seventh of 12 65-ft. fast patrol boats being constructed for the U.S. Navy by Peterson Builders left Sturgeon Bay last Thursday. It was placed on a trailer and taken across the bay by barge to begin its overland journey to California.

—Harmann

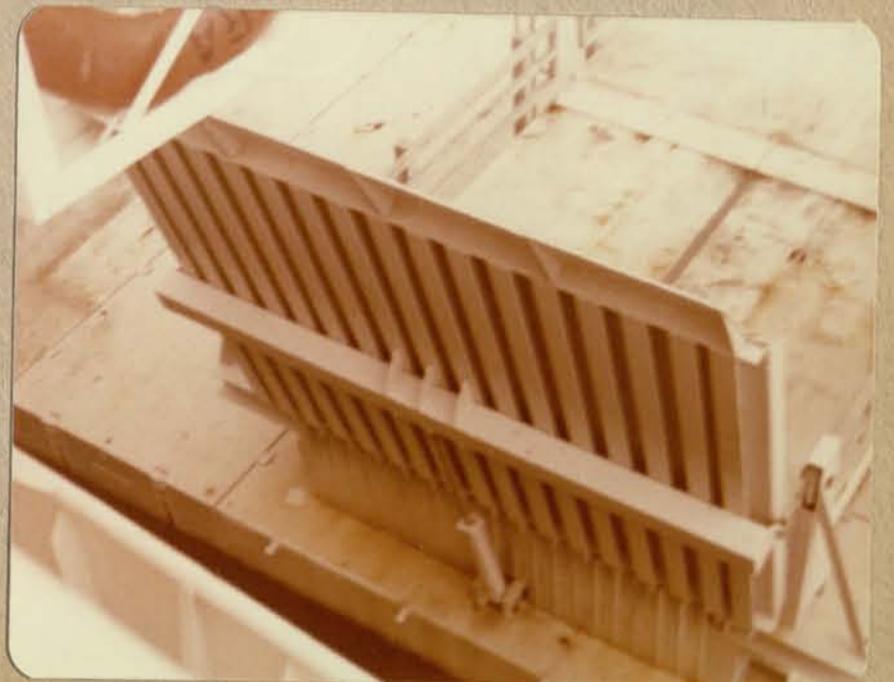


The St. Clair at Bay Shipbuilding is mute testimony to the unseasonably early sub-zero weather we've been having.  
—Harmann

**Weather**



Morning haze swirled around the White and Wilson as the Alaska ferry at Peterson Builders looked on.



# State Auditors Reprimand Ferry System

By DANA JONES  
Empire Staff Reporter

The Division of Marine Transportation has been reprimanded for losing money on gift shop and cigarette sales in an audit released this week.

The audit also charges terminal employees with improper use of petty cash, terminal facilities and payroll advances.

"This review disclosed that vessel gift shops are operating at a greater loss than what is being shown, operations are not properly controlled, foreign ivory and jade is being sold to unsuspecting customers and the state is competing with private enterprise," according to the audit.

Ferry records show a loss of more than \$50,000 in gift shop operations during 1977 but the audit review of the records revealed the loss was much higher, the audit says.

"A large percentage of inventory is invested in expensive jewelry which is very slow in selling but high in loss potential," the audit says. "Of the twelve gold nugget

we deal with millions of dollars."

Ketchikan terminal employees are using the state facility to sell newspapers and Alaska Marine Highway souvenirs for personal profit, the audit charges.

These employees have been told to stop such sales, Hudson said.

In another instance an employee of the system received a \$200 salary advance but it was not posted to his time-sheet and not picked up on payroll records until pointed out by auditors.

The audit also charges pursers with failure to collect ticket stubs from passengers disembarking and reboarding ferries during stops.

Procedures to prevent stowaways have been undertaken, Hudson responded, adding pursers have been told to collect the stubs. They have difficulty in doing so because passengers disembark in mass from the vehicle deck and it is difficult to stop each one Hudson said.

The system is considering separate loading ramps, he said.

watchbands purchased two have been sold and one lost. Over 100 rings priced from \$20 to \$150 were purchased at a cost of \$7,550 yet generated revenue in six summer months of \$513."

Sale of expensive jewelry is being phased out, director of the division Bill Hudson said.

"We haven't bought any expensive jewelry in the past year; we're trying to sell off what we have," Hudson said. "I'm considering going to the sale of drugs and sundries only and will look into contracting with private firms to operate the gift shops."

As to the \$50,000 loss he noted it was half of the recorded loss last year.

"I can show you the same loss for the bars, food, for the vessels in general, for that matter," he said.

The audit charges cigarettes are being sold to crew members at discounted rates in contradiction to a directive from Hudson which requires merchandise to be sold at retail prices.

"Our records indicate the state is making a profit on them," Hudson said. The state pays an average of \$3.19 a carton for cigarettes and sells them to crew members for \$4.50 a carton, he said.

The audit lists the cost of cigarettes at \$3.65 a carton with a selling price of \$4.

"Our review disclosed a large portion of the inventory discrepancies were in the cigarette category," the audit says.

Cigarettes are sold to crew members as a convenience, Hudson said. "The state makes a "couple \$100" a year on the sales, he added.

In matters concerning terminal personnel, two employees in the Seattle and Ketchikan terminals were found to have borrowed petty cash for personal use. In both cases the money was repaid.

"It makes it sound like they're stealing us blind," Hudson said. "That's just not so. We've sent an advisory to insure it doesn't happen again. In the whole audit process they found only two incidents of that when

"No doubt there's some of it (stowaways) but I don't think it's that much," he said. "I think the Seattle boat was the one that's probably given us the greatest problem but that has been corrected."

No stowaways have been reported in the past eight months, Hudson said. During this time the system instituted controls on visitors boarding the ships in Seattle, he added.

In other charges the audit says:

—Vessel bartenders are not complying with state law in assuring all persons drinking alcoholic beverages in the ferry bars are of age to do so.

—There is a potential liability to the state in selling tickets to minors not accompanied by adults.

—Unauthorized vending machines were found on state premises.

—Inventory on the ships is not properly tagged or accounted for in many cases.

Ferry system records show a net gain of \$2,500 in inventory. This, however, represents overall inventory adjustments of \$59,000 and a loss in inventory.

"Another effect of these unrecorded inventory adjustments is that the cost reports on food service and operating expense of the vessels is not correct," the audit says.

—Warehouse facilities are inadequate as is security at the Seattle warehouse.

"The freezer and cooler in the Juneau warehouse are inadequate to maintain the volume of food handled with any control of the quantity," the audit says. "Space and shelving in the open areas of the Juneau and Seattle warehouses were inadequate for proper care and control of inventory stock.

—The Canadian monetary exchange rate varies from seven to 10 percent throughout the system resulting in a loss in revenue to the system at those terminals assessing the lower rate.

## Generator KO's Ferry Taku

The state ferry Taku will be off-line for at least five days, an official of the Division of Marine Transportation said today.

The ferry was docked at Auke Bay early this morning after both generators malfunctioned, he said. Although repairs were made to one of the generators, the other is too badly damaged to repair here, he added.

The boat will leave for Seattle tonight where the generator will be rebuilt, he said. How soon it will be back on-line depends on how quickly parts can be found, he added.

He anticipated the Aurora will be used to carry Taku passengers and freight. The Taku has been running from Prince Rupert to Skagway twice a week; the Aurora is scheduled to run between Ketchikan and Skagway, he said. The Aurora most likely will add the four-hour trip from Ketchikan to Prince Rupert, he said.

The generator which will be rebuilt malfunctioned Wednesday enroute to Haines from Juneau. The ferry continued to Skagway and returned here under power of one generator. That generator, which has been repaired, malfunctioned because of overwork before the vessel returned to Juneau, the official said.

## Ferry Aurora's Clutch Falters

State ferry service was hampered for the second time this week when the Aurora's clutch system faltered today, a Department of Transportation spokesman said.

The Aurora had been scheduled to pick up the Taku's run to Prince Rupert after one of that vessel's generators failed earlier this week.

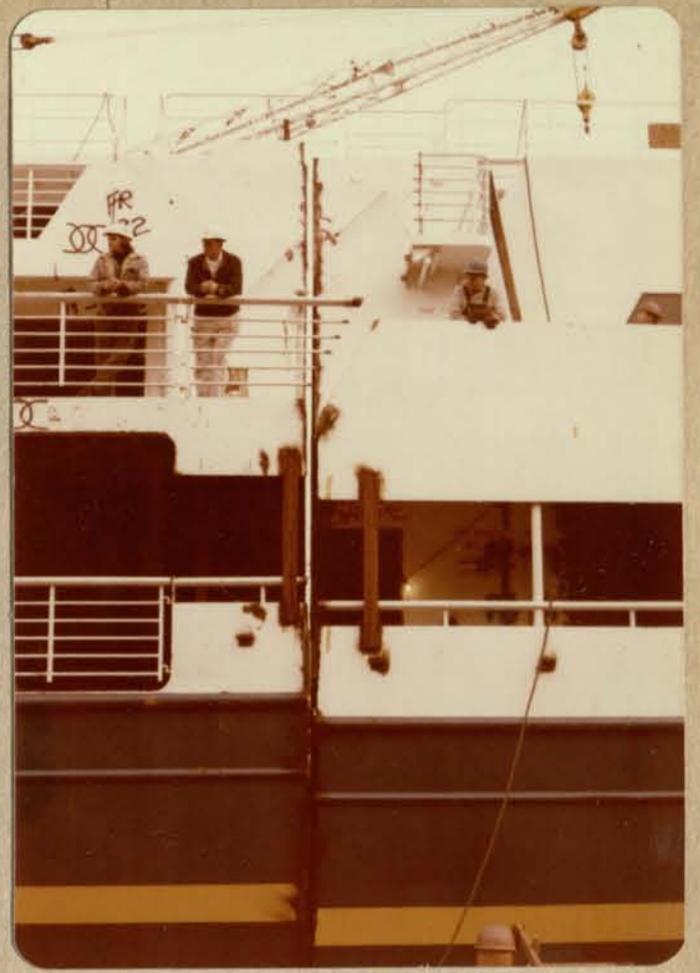
The Aurora, delayed in Wrangell for several hours after the clutch failed, will skip Sitka, Petersburg and Kake and arrive between 4 and 6 a.m. Saturday at the Auke Bay terminal, Vern Metcalfe, special assistant to DOT Commissioner Donald Harris, said.

A representative of the clutch company will meet the ferry to determine if it can be repaired here or if it will have to be taken to Seattle for repairs, he said.

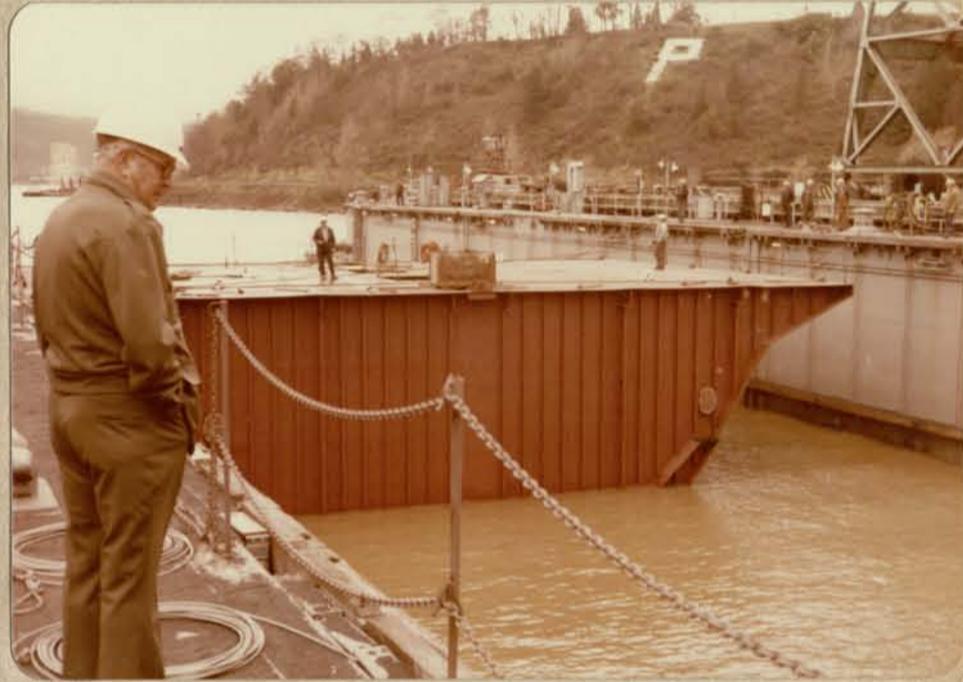
The Taku is enroute to Seattle where repairs will begin shortly after its arrival Sunday morning, Metcalfe said. It could be back on-line as soon as Tuesday, he added.

The LeConte, which is tied up in Everett, Wash. for six months could be brought back into service if the other two ferries remain off-line longer than expected, Metcalfe said.

Ferry system officials, however, have not yet decided on scheduling, he said.









# Taku generator gives up; Maly, Chilkat, Aurora left

The state ferry Taku is on its way to Seattle today after burning out a main generator, and may be out of service at least one week, Department of Transportation officials said today.

The ferry Aurora will be used to take over the Taku's Prince Rupert to Skagway route, but the Aurora is having minor clutch problems today, a spokesman said. The problems were not scheduled to change ferry schedules.

The Taku had been in Seattle for winter maintenance from Oct. 2 to Dec. 2 and had only been

in service two weeks when the generator failure occurred.

The vessel was scheduled to leave Juneau at 9:30 p.m. Thursday and to be in Ketchikan at 11 a.m. today. Persons could load their cars aboard the ship, but passengers were not permitted because of Coast Guard regulations, a state spokesman said.

Spokeswoman Ginger Johnson said the Taku trouble began Wednesday on a trip from Juneau to Haines and Skagway when the vessel's starboard generator sustained a power failure. Crew members repaired the

starboard generator but then the port generator went out.

After returning to Juneau, it was discovered that the generator was totally burned out and could not be repaired in Alaska.

Officials dispatched the ferry to Seattle for a new generator and said the vessel will be out of service for a minimum of a week.

The other ferries presently operating in Southeast are the Malaspina on the Seattle route and the Chilkat making trips from Ketchikan to Metlakatla and Hollis.

## Another Ferry Down And Out

KODIAK (AP) — For the third time in less than a week, an Alaska state ferry has reported problems.

The ferry Tustumena arrived in Kodiak today 12 hours behind schedule after an engine failure on the port hatch at Seward.

The engine that failed controlled the access of vehicles to the ferry.

A state spokesman said the ferry, called the "Trusty Tusty," will probably remain 12 hours off schedule for awhile.

Meantime, the ferry Aurora has returned to service after a clutch was repaired. The vessel had been out of service from Friday until Sunday.

And officials said the ferry Taku is expected back in service by Friday. The Taku arrived in Seattle on Sunday for installation of a generator that burned out last week.

### RECOMMENDATION DELAYED

JUNEAU — Alaska's Division of Marine Transportation has apparently dropped plans to recommend by the end of the year whether or not the Alaska ferry system's southern terminal should be moved from Seattle to Bellingham.

According to one report, Director William Hudson was forced to drop his plan, because the out-of-state consultant sought to evaluate information about the two ports could not complete the job before next March.

## Bearing Failure Knocks Out State Ferry Aurora For Week

By The Associated Press

The state ferry Aurora will go into drydock next week to correct a bearing failure on one of the vessel's propeller shafts, the Division of Marine Transportation said Thursday.

The ferry, the newest addition to the state fleet, should be back in service by next Thursday, a ferry system spokesman said.

The Aurora was to leave Ketchikan Friday for a shipyard in Vancouver, British Columbia for repairs scheduled to begin Monday.

A spokesman said the Vancouver shipyard

was given the job because all other Pacific Northwest yards had full loads and could not perform the work quickly.

The Marine Transportation Division currently is notifying passengers with reservations on the Aurora and will "assist them so that their travel schedule will undergo the least disruption possible," the spokesman said.

The bearing failure represented the second time within a month that the Aurora, which went into service last fall, has been sidelined with mechanical problems.

## Ferrys, Oil Pegged By Ray

A lube job for the oil companies and rough sailing for the ferry system were in Sen. Bill Ray's (D-Juneau) crystal ball for the coming legislative session.

He predicted a tight financial picture while speaking to the Greater Juneau Chamber of Commerce Thursday.

"In my estimation the Permanent Fund is a good idea, but it's premature; we're in debt now," Ray said. "We don't have any money to put into it. We're going to take money that is vitally needed to manage the state and put it into that."

He also predicted shortfalls in the highway budget and suggested this could give Southeastern lawmakers a point to bargain from for improvements to the ferry system.

"I think there's going to be a whole reorganization of the Marine Highway," Ray said. "We're going to make the Marine Highway do the job it's supposed to, and that's serve the people."

In other issues to come before the Legislature, Ray said the oil companies are getting a good deal and said he believed their recent ad campaign had set the stage for continued, not decreased, taxation.

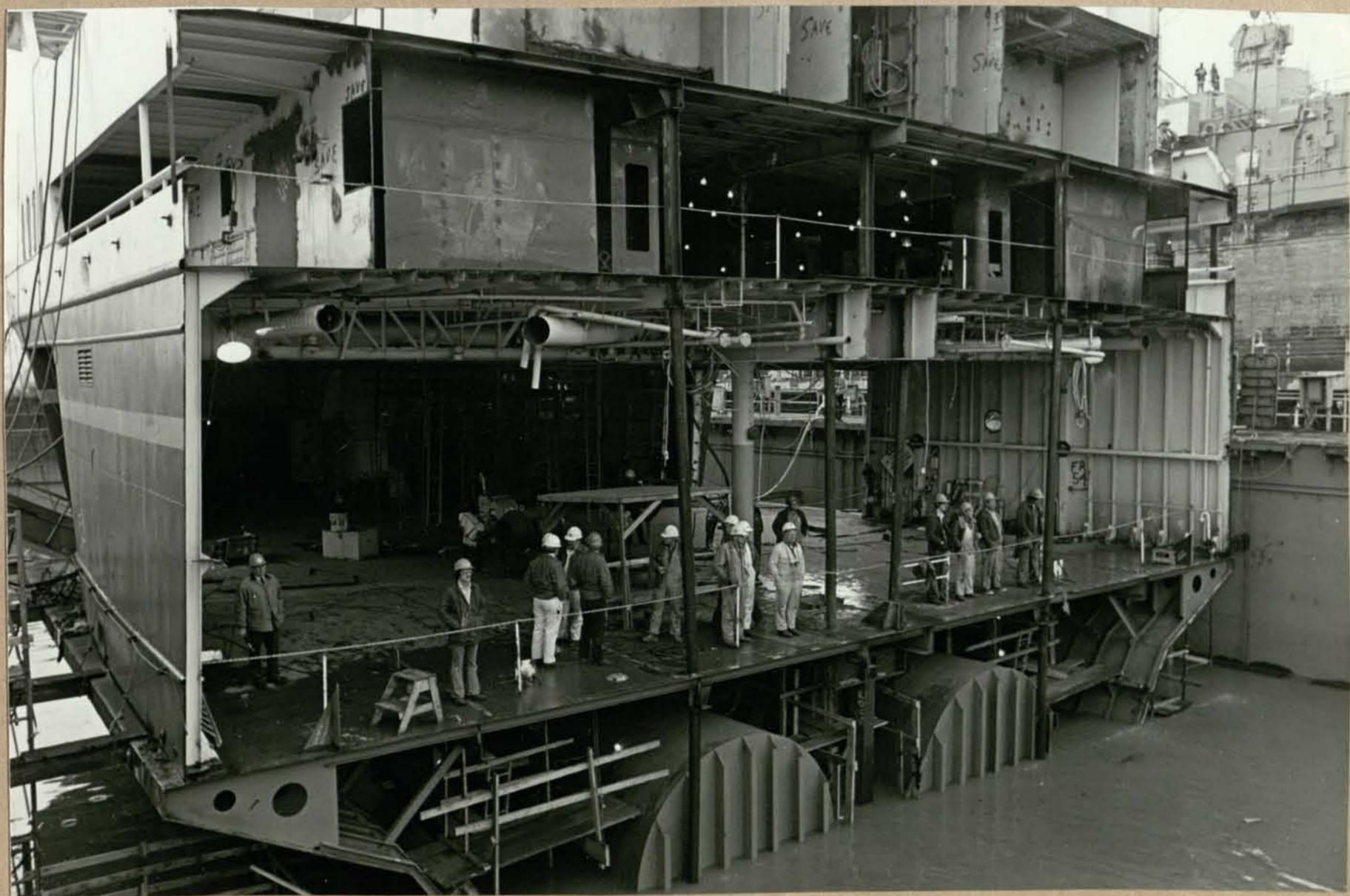
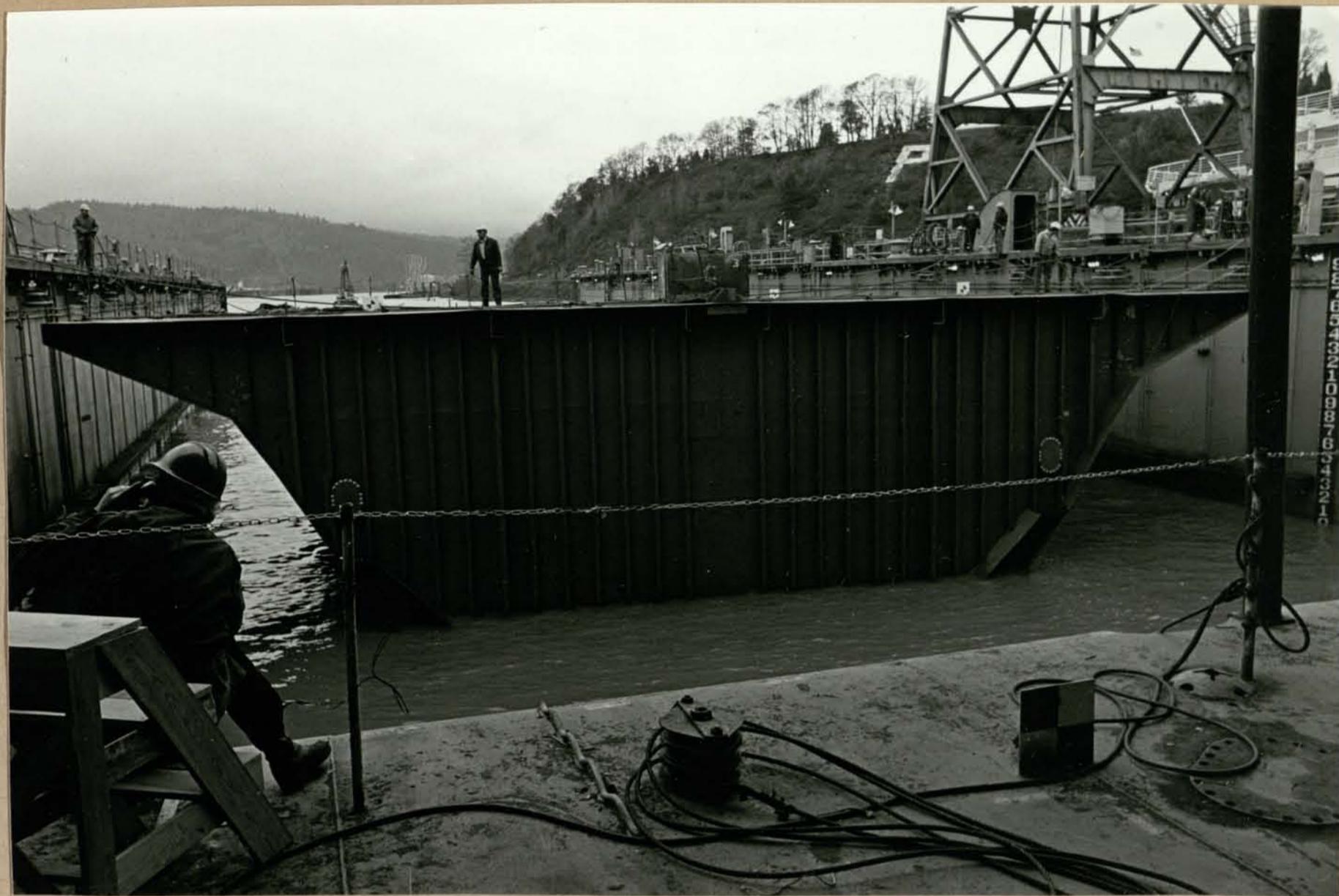
Improvements in the correction system will be limited to possible refurbishing of existing facilities and more release programs, he said. The Legislature will have to face building a permanent facility in the long run but won't this year, he said.

"I think they're going to suggest we legalize cocaine in Alaska," he said of the criminal code revision committee's suggestions. "Yes, I'm sure we'll all agree with that one," he added, tongue-in-cheek. "The tail of liberality is wagging in criminal code revisions," Ray said, adding he believed Alaska would begin to take a more conservative approach to corrections in the future as have many states in the lower '48.

In response to a question from the audience Ray noted he had voted for an increase in taxes on alcohol but added he did not see those as an answer to alcoholism.

"If you increase the tax on alcohol you won't lessen the consumption of alcohol," Ray said. "A person must be self-motivated to change their way of life."

Ray is a member of the Senate committee studying alcoholism.





# Ombudsman Raps Fingers Of Ferry Officials

By CRAIG MEDRED  
Empire Staff Reporter

Officials of the Alaska Marine Highway System have made a practice of hiring friends and relatives while using bureaucratic red tape to tie up other applicants for state ferry jobs, according to a report released by the state Ombudsman's office today.

The report also charges that ferry system officials abused their pass privileges, recruited at least one non-resident for an Alaska job and maintained a secret personnel file on at least one ferry-system employee.

Among the nepotism cases cited in the ombudsman's report are the hiring of the sons of a port captain, a deck officer and a marine superintendent. Another marine highway of-

ficial, the port steward, encouraged the hiring of a Washington friend of his, according to the report.

At the same time, the report says, state officials were operating a "Catch 22" employment system which made it exceedingly difficult for anyone else to get a job on the ferries.

According to the report, that system worked like this:

—Marine Highway officials made it a policy that the recruitment period for ferry system jobs was restricted to the month of March. Job openings, however, were not advertised until late March.

—Prospective employees then had to obtain an application form. "Upon receipt of this ap-

plication form, and upon returning it to Marine Transportation in Juneau, the month of March was over, and the application was determined not timely. Many individuals fell into this situation and were denied employment as a result of the division's unreasonable application process," the ombudsman's report says.

That procedure, the report says, directly conflicts with the procedure used to hire a friend of Port Steward Albertus "Bert" Kleinenberg of Juneau, the son of Port Captain Herb Stetson of Juneau, the son of Marine Superintendent Harry Case of Juneau and the son of Deck Officer Robert M. Johnson.

In the first case, the report says, "Kleinenberg asked to have (Roger L.) Hecker

fill out an application for marine employment. Mr. Hecker completed the application in the personnel office. James Stansbury, steward inspector, noted on Hecker's application, 'original application received in March, lost in office shuffle, JSS.'"

Personnel staff, however, "did not have a record nor did they recall that Hecker submitted an earlier application during March," the Ombudsman's report says.

In fact, the report says, "Hecker applied May 11." At the time, the report adds, Hecker's application says he was employed by the VIP'S Restaurant in the Seattle area. "If he was employed by VIP'S Restaurant until June 1976, (as his application says) how was it possible for him to be in residence in Alaska from

March 3 until June?" the report asks.

In addition, it says, Hecker needed a commitment from the state of Alaska to obtain Coast Guard approval to work on the ferries. "Kleinenberg issued the commitment letter to Hecker over a month before he (Hecker) submitted his application to Marine Transportation," the report says.

"It is an obvious inference that Kleinenberg considered Hecker a friend who he wished to see employed by the Marine Transportation System," the report concludes. "Kleinenberg was willing to accept a falsified application, issue a letter of commitment to someone who had not even submitted a timely application and was not a resident of Alaska, and was obviously willing to go to any length to see this

individual employed by the state of Alaska." Kleinenberg said this morning "this is one of those deals where someone is after your butt."

When Hecker was "hired he was living here in Juneau," Kleinenberg said. "I have never put a friend on," he added.

"When we put people out...we put them out because they are capable of doing a job," he said. He said he recommended hiring Hecker because he thought Hecker would be an asset to the ferry system.

"Let's face it," Kleinenberg added, there are "at least 20 employees where their kids are working, the wife is working...when we put someone in we get our butts in trouble."

In the other hiring cases, the Ombudsman's report says, Stetson's son "was given a letter of commitment by his father at least 13 days before he submitted his application to the state, and at least 60 days before the division of marine transportation actually received his application." In addition, the report says, the application was received in January, well outside the restricted March application period.

Stetson was out of town this morning and could not be reached for comment.

Case's son, the report says, was "put to work in the Steward's Department at sea aboard the MV Columbia, which he reportedly boarded in Seattle to come to Alaska." The hiring, the report says, was ordered by Kleinenberg. The younger Case's job application "was processed on July 26, nearly a month after he began working for Marine Transportation," according to the report.

Case was out of town today and could not be reached for com-



## Ferry Charges Said 'Misleading'

ment.

Johnson's son, the report says, submitted a job application well past the March closing date for such filings, but was nonetheless hired "on board the MV Matanuska on June 6....The inference is obvious," the report said.

Johnson also was out of town and could not be reached for comment.

Along with those incidents, the report says Kleinenberg promised a job to a Florida woman "while she was still employed by the Florida Keys Electric Coop Association as a cashier." Jo Purcell, the report says, "related that when she got to Seattle with her two children she was given a free pass including a confirmed stateroom to Juneau."

The report goes on to say that once Purcell arrived in Juneau she submitted an application for Personnel Technician III and "on the same day that she applied, Purcell began working as a Personnel Assistant I, temporary, for the division of Marine Transportation."

In addition to the discrepancies in hiring procedures, the Ombudsman's report says Kleinenberg a number of times used his ferry pass improperly.

When those violations were discovered, "he was mildly reprimanded by the director in a letter of admonishment."

In contrast, the report says, when a crew member on board the MV Malaspina brought his wife on board and let her ride to Skagway, he was fired, and later reinstated only after his union intervened.

In the report, the Ombudsman recommends:

—An internal review of the

The Ombudsman's regional representative in Juneau said this morning the report was released only after the Marine Highway System and the Department of Transportation ignored repeated requests for comments on the findings.

pass violations, "including the Purcell incident;"

—"Appropriate disciplinary action;"

—Several modifications in personnel rules, including changes in the hiring practices;

—A review of pass procedures;

—Replacement of temporary employees, such as Purcell, with classified employees.

Charges by the Alaska ombudsman's office that Marine Transportation officials abused their pass privileges and hiring powers are inaccurate and misleading, according to ferry system Port Steward Bert Kleinenberg.

Kleinenberg is one of the central figures in an ombudsman's report critical of ferry system operations. The report was released Tuesday morning.

In an interview with the Empire Tuesday afternoon, Kleinenberg admitted there may be substance to some of the ombudsman's charges, but defended his actions in light of what he termed confusing ferry system regulations and policies.

"The state hasn't lost any money. I haven't broken a rule," Kleinenberg said.

It is a difficult job to keep the state's nine ferries functioning, Kleinenberg said: "worrying about getting the ships on line, feeding the passengers...in the meantime getting attacked from five or six different directions by the politicians.

"You know we've got nine floating hotels out there, and to manage that and get it under control there is just (Assistant Port Steward) Jim (Stansbury) and me. We do make mistakes. We do make goof ups. If there's a genius out there who can do the

job without mistakes, "he can have my job," Kleinenberg said.

In response to specific charges, Kleinenberg said he hired friends and people from out of state because it is his policy "to hire the best possible employees."

According to the ombudsman's report, Kleinenberg recruited Roger Hecker of Seattle to work for the Marine Highway system because "Kleinenberg considered Hecker a friend who he wished to see employed by the Marine Transportation system."

The report also says Kleinenberg recruited a Florida woman, Jo Purcell, to come to Juneau to work for the ferry system.

Hecker, Kleinenberg says, was not a friend. Kleinenberg said he met Hecker in a Seattle restaurant and was impressed with his work. The two got involved in a conversation during which Hecker said he would like to come to Alaska, Kleinenberg said.

Kleinenberg said he explained to Hecker that he had to be an Alaska resident to get a job, but added "look me up when you get to Alaska."

Kleinenberg says he later "bumped into" Hecker again while in Seattle. Hecker at that time explained that he needed a letter of "commitment" from someone in order to get a Coast

Guard "Z" card, which is necessary for marine employment, according to Kleinenberg.

Kleinenberg said he issued Hecker a letter of commitment, but explained to Hecker that it was "no promise for employment."

Sometime between this meeting and June, when Hecker showed up in Juneau, the Seattle man submitted an application to work on the ferries, according to Kleinenberg. In June, Kleinenberg says, Hecker came into the ferry offices and said, "here I am."

At that point, Kleinenberg said he turned Hecker over to Stansbury, who handles personnel matters, and "apparently there was an opening."

Stansbury could not find Hecker's job application, however, so Hecker refiled, Kleinenberg said.

According to the ombudsman's report, that was the first application ever filed by Hecker, but Kleinenberg says an earlier one

Purcell, he said, was "born and raised in Alaska, is a Native Alaska Filipino, went one year to Florida."

He says she got in touch with him at a time when there were problems in the personnel office. "So, Jo called and said, 'Mr. Kleinenberg, I'd like to come back to work.' My first reaction was, 'Good God, an angel from heaven.'" Kleinenberg said.

"It was a big advantage to us," he said, and it saved the state money. A new person did not have to be trained and broken in, Kleinenberg said. And, Kleinenberg added, "are you telling me that if a person leaves Alaska for a year they lose Alaska residency?"

Kleinenberg explains several misuses of ferry passes as "misunderstandings." He said he has repaid the state for one trip which ferry system officials decided was improper and would pay for any others.

"It didn't cost the state any money," he said.

Though Hecker's job application is marked "original application received in March, lost in office shuffle, JSS (Stansbury)," the ombudsman's report says he could find no record of Hecker's earlier application.

The report also says Hecker was obviously hired outside of the March "recruitment" period, to which the ferry system is supposed to limit all job applications.

Stansbury said the March-hiring rule was put into force because "the only way we could have current knowledge on an application is to keep current applications."

Unlike the Hecker incident, Kleinenberg said he recruited Purcell and got her a pass on the ferry from Seattle to Juneau, complete with a stateroom, because she was a highly useful former employee.

# Port Steward Suspended For Two Weeks

By CRAIG MEDRED  
Empire Staff Reporter

In the wake of a Legislative Budget and Audit Committee report documenting mismanagement in the state ferry system, Port Steward Albertus "Bert" Kleinenberg of Juneau has been suspended from his job for two weeks.

Donald Harris, commissioner of the Department of Transportation, in a Wednesday letter to the state's legislative auditor said Kleinenberg's suspension is punishment for the port steward's abuse of free ferry passes.

According to the audit committee report, Kleinenberg "obtained passes...for roundtrip passage between Juneau and Skagway on Dec. 27, 1976 for his children and an unrelated individual using his surname." The unrelated individual turned out to be Kleinenberg's girlfriend, whom he later married.

The report from the audit committee follows on the heels of a similar report by Alaska Ombudsman Frank Flavin outlining nepotism and pass abuses in the Marine Highway System.

The committee report, however, goes beyond the ombudsman's in outlining abuses of the ferry pass system.

According to the committee report, "in 79 percent of the administrative trip passes tested, individuals were traveling for reasons other than 'official business.' In many cases, dependents are also included on these pleasure trips."

Such actions, the report says, are "in violation of state law by providing administrative personnel free vehicle transportation for pleasure purposes."

Under Alaska law, "the state shall not pay an official or employee for transportation costs unless the travel is clearly necessary to benefit the state. Clearly the intent of the statute would also cover providing employees free passage, and would not include the 'pleasure' of Marine Transportation employees and their dependents as beneficial to the state," the report says.

The report goes on to list personal uses of ferry passes. This list includes:

- A vacation trip to Seattle and back last spring for the assistant traffic manager from Juneau;
- A "pleasure" trip to Seattle for the Juneau terminal operator in September of last year;
- A "personal" trip to Skagway for a ferry terminal assistant in Ketchikan.
- Transportation of the Juneau port captain's vehicle to and from Seattle in the fall of 1976;
- Transportation of the Juneau finance officer's car to Seattle in the fall of 1976 for repairs and "vacation;"
- Transportation of a secretary's vehicle from Skagway to Haines and "return vehicle home" on some unreported date;

- A "pleasure" trip to Sitka by the Juneau traffic manager in the fall of 1976;
- "Vacation" trips to Seattle in both the fall of 1976 and 1977 by the Juneau reservations specialist.

In his letter to the auditor, Harris says "a major revision of the pass procedure has been undertaken and is effect Jan. 1, 1978."

According to a Dec. 12 letter from Harris, to the legislative auditor, "all administrative pass privileges have been eliminated. When it is necessary for administrative travel on the ferry system for conducting official state business, a travel authorization will be processed."

In addition to documenting pass abuses, the legislative committee's report also indicates that nepotism within the ferry system may have been more wide-spread than indicated by the ombudsman.

The ombudsman reported the hiring of the sons of a port captain, a deck officer and a marine superintendent. The legislative report says the "son-in-law of an upper management employee," the nephew of a ferry services manager, the son of the Seattle ferry services manager and several other relatives of ferry system employees also were hired by the system.

In the case of the "son-in-law of an upper management employee," the report says, the man "was hired as a temporary Clerk Typist II in Nov. 1976 in the division's typing pool," but had to be "terminated"

when he stopped showing up for work and a supervisor noted "his typing and spelling needed improvement."

In other cases, the report says a temporary employee was hired "whose father and brother were vessel employees" at the time. A clerk who was hired "had the following relatives working on the vessels during the summer of 1977: father, brother and two brothers-in-law," the report says.

In addition, it says "a vessel employee worked on the same ship and crew as his father during August and September 1977. This is in direct violation of the division's nepotism policy which states that "members of the same family will not be put out on the same ship's crew."

In his letter, Harris concedes that most of those accusations are substantially correct. He says, "the department has established a new procedure that requires nepotism waivers on all employees, including vessel employees, to be submitted and approved."

Other problems within the Marine Highway System, as identified by the legislative report, include:

- Improper hiring procedures;
- Failure to properly advertise job openings;
- Lack of operating procedures for recruitment and the issuance of recruitment letters;
- Lack of job qualifications standards.

Harris says those problems will be corrected. (See related story.)

## Ferry System

In the last two months we have learned that the state's ferry system has:

- 1) abused the free pass system;
- 2) practiced nepotism;
- 3) lost money on gift shop and cigarette sales;
- 4) improperly used petty cash, terminal facilities and payroll advances;
- 5) and bypassed personnel hiring regulations in order to give advantage to selected applicants.

We wonder where and when the litany of charges will stop. The accusations indicate a lack of control of the bureaucratic machinery that propels the Division of Marine Transportation. Although the division has assured us that some of the problems have been rectified and in other cases overblown, the validity of the charges has been acknowledged by the ferry system.

We can't help comparing the situation in the Division of Marine Transportation with a recent probe of the Department of Community and Regional Affairs. An ombudsman's report charged Kevin Waring of Community and Regional Affairs with bypassing state hire rules and took him to court. Mr. Waring was acquitted of the charges but not before being chastised by the judge and spending thousands of dollars out of his own pocket to defend himself in court. Mr. Waring later resigned from state service, no doubt feeling a bit harassed.

On the other hand, the Division of Marine Transportation is charged with not only violating state hire procedures, but numerous other ploys, and the only result is suspension without pay for two weeks of the port steward. No charges were filed in court, and there does not appear to be any shakeup in the division.

The situation makes us wonder if the way to cure some of the alleged woes of the ferry system is to cut winter service, raise rates, eradicate dining rooms and move the southern terminus to Bellingham. It appears instead as if many problems would be eliminated if the ferry system were run as a business instead of a fiefdom where special favors appear to be the norm.

# Ferries Pound-'Fuelish,' Says Committee Report

By DANA JONES  
Empire Staff Writer

A penny-wise, pound-foolish Marine Highway System could save a half million dollars a year if it would slow down the Columbia, a report by the joint Senate-House Transportation Committee says.

Budget-cutting in the Alaska ferry fleet has meant "one cookie" coffee breaks for crew members instead of fuel conservation, the report says.

Committee chairman Sen. Bill Ray, D-Juneau, released the report, which calls for slowing down the Columbia, which runs from Seattle to Skagway, and cutting its run to Sitka. The document was prepared after talks with the masters and chief engineers on the ferries, Ray said.

The Masters and chief engineers proposed slowing the ferry to save fuel in a March 1975 letter to Donald Harris, commissioner of the Department of Transportation, then commissioner of Public Works.

That recommendation was never adopted and was lost by ferry officials during personnel changes caused by merger of the departments of Public Works and Highways, the masters and engineers have said.

In addition to saving 1 million gallons of fuel a year, slowing the Columbia would improve scheduling for tourists to Juneau and Ketchikan and eliminate the ferry's "excessive vibrations," the report says.

The Columbia is allocated 4.4 million gallons of fuel a year, according to the report. At 40 cents per gallon, it costs \$2 million per year to run the flagship, it says.

Fuel consumption of the Malaspina, which also runs the Seattle to Skagway route, is half that of the Columbia, the report says. It runs at 16 knots per hour versus the larger vessel's speed of 21 knots.

While the Malaspina was down for conversion of the dining area to fast-food service last year, the Columbia picked up the Malaspina's schedule and ran at the slower speed.

"This 'stand-in' operation emphatically displayed that the Columbia could fulfill and accomplish a satisfactory rescheduling at the reduced speed," the report says. "Upon fueling up, total fuel used per week was reduced 20,000 gallons."

Added to these savings would be those of increased life and reduced maintenance of the engines, the report says.

Following a suggestion from the Marine Engineers Beneficial Association to slow ferries by two knots an hour, the Washington state ferry system saved approximately \$2 million the first year, the report says.

Slowing the ferry also would enhance tourist traffic to Juneau and

Ketchikan, the report says. The Columbia's faster speed means the ferry arrives in Ketchikan at 6 a.m. Sunday and in Juneau the following midnight. At the slower speed it would reach Ketchikan at noon Sunday and Juneau at 8 a.m. Monday, it says.

The extra time gained by the faster speed is used for refueling in Seattle. While the Malaspina refuels in about eight hours the Columbia lays over in Seattle for 24 hours.

"The Columbia arrives in Seattle on Thursday afternoon or early evening and doesn't depart until Friday evenings, which appears to negate any value adhering from her faster running time at her present speed," the report says.

Further economic savings would result if Sitka is eliminated from the Columbia's schedule with shuttle service to the community from the mainline route provided by the smaller ferry, the LeConte, the report suggests.

Five ships other than the Columbia serve Sitka via Seattle during the summer. The LeConte serves Sitka twice-weekly during the winter, the report says.

"The original intent of the LeConte was for just such a shuttle service and she can make the Sitka run at one-fifth the fuel costs of the large Columbia and essentially provide the same convenience," it says.

Such a measure also would eliminate navigation of the Columbia through the "dangerous" Peril Straits and Sergius Narrows, the report adds.

"Perhaps a lot of the Columbia's small engine problems could have been avoided had not those new design engines have been pushed so hard," the report says. "It is contrary to good engineering practice to run marine diesels, especially four-cycle engines, continually at peak revolution per minute loads."

During its first year in operation, the Columbia was plagued with mechanical problems.

The masters and chief engineers' suggestions were not followed because of "mismanagement" on the ferry system, Ray said.

"There needs to be a policy that starts from the governor down," he said. "There's no obligation to follow federal guides to save energy."

"The ferry system is the lifeline of Southeast," he said. Additionally, Ray quoted figures from Alaska Industry Magazine which show 60 cents of every dollar generated by the Marine Highway system is spent north of Haines.

"I don't think people in Anchorage and Fairbanks understood what the ferries mean to them," Ray said.

## Ferry Changes Made By Harris

By The Associated Press

Transportation Commissioner Don Harris says policy changes are being made to end questionable practices in the state ferry system, adding that "somebody's going to have to go," if problems still exist this spring.

Harris' comments were made Wednesday after the release of a study by state Ombudsman Frank Flavin that cites improper hiring practices, improper issuance of free passes and other problems in the Marine Highway System.

The report quoted one complainant as saying the agency is like "a local country club

where the charter members have a key to all facilities as if it were their own."

Harris said the changes being made require more accountability of department workers, adding that improper hiring was the result of "bad practices that have been allowed to go on since the system started."

Sen. Bill Ray, D-Juneau, criticized Flavin for releasing his report before the audit was out and without legislative approval.

"This should not be put out by a hireling of the legislature," Ray said. "Budget and audit should be the one that releases the information and makes the determination of what happens in the future."

## Malaspina's Anniversary

SEATTLE (AP) — The state ferry Malaspina begins her 15th year service today in the Inland Passage run from the Port of Seattle to Alaska.

Since she first set sail on Jan. 20, 1963, the Malaspina has traveled one 1.3 million miles while transporting nearly 500,000 passengers. But the Malaspina of today isn't the same ship of 15 years ago. One year after her inaugural voyage, she returned to the shipyard for a stretch job which added 56 feet to her length.

The vessel is now 408 feet long, 73 feet wide with space for 750 passengers and 134 standard-size vehicles.

## Marine Survey Firm Formed

A new corporation, M. A. Stream Associates, was announced in Seattle yesterday, with M. A. Stream and L. R. Glosten as principals. It will engage in marine surveying work worldwide.

The firm is a subsidiary of Glosten's architectural firm.

Capt. "Doc" Stream is a veteran mariner and surveyor who retired in November as resident surveyor in charge of the Seattle office of the U.S. Salvage Association. Stream's associates will be Capt. Dick Parenti and Harish Gidwani. Frank E. Hanson will serve as consultant.

## Ferry System

Dear Editor:

Recently the ferry system has been making headlines-again. I have a great interest in the ferry system for several reasons-I'm an Alaskan resident, taxpayer, registered voter, and I will have completed five years of service on the ferries in May.

This is a plea to the people of Alaska, to elected officials, to anyone and everyone who can help. please SAVE OUR SHIPS. Having read the Ombudsman's report in the paper, I join with many other concerned individuals in applauding and saluting the Ombudsman and his assistants for presenting to the public a few of the infractions which should have been corrected by the Administration.

During the ferry strike the importance of the ferries to Alaska was dramatically brought to the attention of the people, (especially Southeast.) Yet it seems one factor has been overlooked, the ferries represent the State of Alaska, in a greater capacity than most people seem to realize. People from all over the world ride this unique mode of transportation, and to a great majority of Alaskan visitors, the ferries are the first contact with Alaska, Alaskan lifestyle and Alaskans. The ferries are the "first impressions" of Alaska and the services and information offered will be used as a guideline to expect of the rest of Alaska, Places such as Nome, Fairbanks, Juneau, Ketchikan, Anchorage, Barrow, Kotzebue, etc. are all represented by these ships. These visitors begin the first step of their Alaskan experience and have their initial introduction to the great land of Alaska on the

Using this perspective, evaluate the impressions presented of Alaska under present standards of services and operations-staterooms without restrooms or windows, a stand in line fast food service offering chicken in the basket or hamburgers, coffee from a machine costing 30¢ for breakfast and 25¢ for lunch, scrambled eggs only, prepackaged pastries containing so many preservatives that the wrappers are probably safer for consumption, golden trout-in a salmon, halibut, crab and prawns Kingdom, no pillow nor blankets to rent when there are no staterooms available, public showers but no towels, and the list goes on and on. What would be your "first impression" of Alaska? What represents the State of Alaska-a floating hamburger chain? If you aren't happy with your answers change it! Remember someday you might ride the ferries, what kind of comfort and conveniences do you want for yourself?

If you want these ships to represent Alaska, please let your elected officials know, now. Call them or write them and if you aren't sure who your representatives are call your local voter's registrar. The ferries belong to the people of Alaska, make them the pride of Alaska. Don't allow this bureaucratic red tape and misrepresentation to jeopardize our Alaskan reputation or the future of the ferries. Help us out here, we are what you, as an Alaskan, are letting them make us-especially during these times when we need you and your support.

Sincerely,  
Another Alaskan  
LaVena Blackwell

'Seattle Serves Us Well'

The head man of Alaska State Ferries was in Seattle yesterday, full of compliments for this southern port terminal of his fleet. Bill Hudson has been quoted at times as a critic of Seattle's place in Alaska's Marine Highways System and a proponent of moving his ferry system's base in the South 48 up to Bellingham.



BILL HUDSON

'Fine cooperation' next January. That decision's up to Alaska Gov. Jay Hammond. But we got the impression that sentiment for a shift from Seattle has waned the past few months.

HUDSON TOOK TIME out from conferences to talk with us for almost an hour about the past and future of the nine-ship ferry fleet that serves his state. And about Seattle. "Seattle has served Alaska very well," he said. "It's filled up our ships. And we've had an excellent interaction with the Port of Seattle — always fine cooperation."

ALASKA FERRY PLANS aren't set in concrete, Hudson emphasized. When he came aboard as director of Alaska's Marine Transport Division, he took on the job of reassessing ferry system operations in view of higher costs, like fuel's moving up from 13 cents a gallon to 40 cents and higher labor costs. Alternatives down here included moving to Bellingham, stubbing off service at Prince Rupert, B.C., or, of course, staying in Seattle. His original study with a limited planning staff left "a lot of question marks," he tells us.

"There certainly are some economic advantages in Bellingham," he said yesterday, "like saving of time and fuel. But there are serious question marks. For instance, the revenues we derive from walk-on passengers and the cost of goods and services to Alaska . . . It's our job to develop the most viable, efficient service for Alaskans with the money the legislature assigns us."

AN OVERALL Southeast Alaska transportation study now is under way, Hudson noted, and he's proposed to hire a private consultant to advise the state on those question marks about the Puget Sound end of the run.

And, as we've said, he was complimentary about Seattle. Maybe it was symbolic the way he posed for secretary Audrey Hess, smiling beside a wall chart of this city.

ALASKA FERRIES will resume two-ship service out of Seattle next June. Hudson hopes to have the Matanuska ready to sail on Tuesdays opposite



Don PAGE Marine Writer

the Columbia's Friday sailings. The Matanuska now is in a Portland yard, being stretched out and converted to probably the most comfortable ship in the fleet.

The system has completed a shift to computer reservations. A Seattle agent now can confirm reservations on the spot over a computer terminal in the office. Also, Hudson said, the system is adding two trunklines to its, overloaded Seattle phone system. Meaning, you shouldn't have to dial so often this year to talk about Alaska ferry rides.

THE FERRY MALASPINA was on Hudson's mind yesterday. The Malaspina sails tonight on her 15th anniversary voyage out of Seattle.

We remember her maiden voyage, out of the old Puget Sound Bridge and Dry Dock Co., which built her as the first of Alaska's four "blue boats." It was a memorable trip — up the Inside Passage to civic welcomes at Ketchikan, Wrangell, Petersburg . . . Alaska folk swarmed aboard to ride the wonderful new ship that was opening the highwayless Southeast Coast to the rest of the world.

Between ports, we roamed a nearly empty vessel — the crew and a few newsmen, Alaska officials, engineers, naval architect Phil Spaulding . . .

There were adventures. The kitchen wasn't working all the way, and we banqueted sometimes on cold sandwiches. Engineers had to straighten out a brief vibration problem on the ship. Alaska Gov. Bill Egan did so much hatless meeting and greeting that he got off the ship with a near case of pneumonia. . .

ONLY 15 YEARS AGO the Malaspina and her sisters were \$3.5 million vessels. In 1972 it cost the state over \$6 million to add a 56-foot midsection to the Malaspina and update her. Now, in 1977-78, it's costing more than \$15 million to do a very similar job on the Matanuska.

That's more than the original cost of all four "blue boats." Signifying, we suppose, that you'd better buy your ships now, while they're cheaper than they'll ever be again.

Auke Bay May Get Dock, Terminal

The Alaska Department of Transportation has slated \$2.8 million for construction of a second dock at the Auke Bay ferry terminal.

The proposal also calls for construction of an expanded terminal, similar to that in Haines. The dock project may also provide the department the option of performing minor vessel maintenance.

The department, which told city manager Mar Winegar of its plans in a letter, added that it also plans to repave the Glacier Highway from Brotherhood Bridge to the Auke Bay terminal.

The engineering section presently is preparing an environmental assessment on the

project, which may be advertised for bid later this year.

Transportation planning manager Morton Cook said the environmental assessment could be done "within a month's time."

After the assessment is completed, the department will hold a design hearing on the project.

Transportation department commissioner Don Harris said the department "currently has no intention of discounting the existing operations and level of service scheduled out of Juneau's downtown terminal facilities."

Harris made the statement in a letter to Gene Hanna, division administrator for the Federal Highway Administration.

Fire District 1 aide dies

James B. Littlejohn, fire prevention officer for Fire District 1 for the past 10 years, died Sunday of an apparent heart attack.

In his fire district position, the 49-year-old Littlejohn was in charge of investigating the cause of all fires and inspecting both new and old construction for possible fire hazards.

Littlejohn served as a volunteer fire-fighter for several years and was employed as an electrician by the John Fluke Manufacturing Co. before becoming a full-time fire department staffer.

He was a board member of the Alderwood Manor Community Church.

Littlejohn was active in both horse and youth activities. He and his wife had a number of foster children living with them over the years.

He was stricken at his Alderwood Manor home Sunday afternoon, and a Fire District 1 aid car transported Littlejohn to Stevens Memorial Hospital where emergency room crews worked on him for about an hour before he was pronounced dead.

He is survived by his wife Connie and two children.

Services will be Wednesday at the Alderwood Manor Community Church. Arrangements are being handled by Beck's Funeral Home of Edmonds.

Summer Held Up For Alaska Ferry

Bad news is in the mails for some Alaska voyagers. Twice a week service out of Seattle is going to start later this year than Alaska State Ferries had hoped, and some reservations are going out the window. A Portland shipyard is behind schedule on its "stretchout" of the ferry Matanuska, and the Matanuska's June 6 voyage out of here is being scrubbed.

With reservations full, Alaska must regretfully tell people that it has no other place to put them. The Columbia will keep sailing on Fridays, of course, but we hear it's nip-and-tuck whether the Matanuska will be available for her second scheduled voyage of '78.

January 5, 1978

12-44

# Heroes of Dramamine Express

That Alaska State ferry in the Todd yard this week ALMOST qualifies for the Coast Guard racing stripe. She's the MV Tustumena, sometimes known as "the Dramamine Express," for her route, which takes her through rugged waters serving Seward, Kodiak, Port Lyon, Seldovia, Homer and, on some legs, Valdez and Cordova. "Sometimes in Lower Cook Inlet when there's a nor'westerly blowing and all the tide coming in or going out," Capt. Richard Hofstad comments, "we get mountainous seas."

Hofstad is proud of his crew and his ship — "the only ship in the fleet that has open ocean rating." The Tusty wasn't always a ship to be proud of. When she came out of the yard 13 years ago as a 240-footer, she had a nasty roll. Then Alaska put her in a yard for another 60 feet of midsection and made a lady out of her.

**HOFSTAD IS PROUD** particularly now of his crew's extracurricular work this past year. He treasures a "Dear Tusty" letter from Gov. Jay Hammond on "heroic performances in answering the call of not one, but two, distressed vessels in mountainous seas off the rugged coast of the Western Gulf of Alaska on October 14 and 17, 1977." The governor added, "Your performance in near hurricane weather aiding the vessel Wind Dance off Point Elrington has been credited with saving two lives. Three days later your aid in searching for the fishing vessel Seafarer off the Barren Islands no doubt contributed to the saving of yet another three souls."

And the Coast Guard rescue coordinator at Kodiak radioed:

"Regret getting you off your schedule so much these past few days. Am considering permission to paint Coast Guard racing stripes on your vessel."

The Tustumena should be around the Sound — either at Todd's or laid up at Pier 48 — until late February.

**Don  
PAGE**  
Marine Writer



JANUARY 21, 1978

NUMBER 23

## "DOC" STREAM HEADS NEW SURVEYING FIRM



Shown are some of the principals and associates of M. A. Stream Associates, Inc., a new marine surveying firm. From left are Capt. Dick Parenti; L. R. Glosten, principal; Capt. M. A. "Doc" Stream, principal; and Harish Gidwani.

SEATTLE — Formation of a new corporation, M. A. Stream Associates, Inc., which will engage in marine surveying assignments throughout the world, has been announced by its principals, Capt. M. A. Stream and L. R. Glosten.

Stream has been engaged worldwide in marine surveying and maritime activities, specializing in

Alaska, for the past 40 years. Glosten is head of L. R. Glosten Associates, a 20-year-old Seattle firm of naval architects with an equally wide range of assignments and specialties, including towboats,

barges and exploration vessels.

The new firm, a wholly-owned subsidiary of L. R. Glosten Associates, Inc., will engage in hull, damage, evaluation and other surveys, as well as providing consulting and technical services on loading, towing and other cargo movements.

"We are pleased and gratified that Capt. Stream, who enjoys the highest respect of all who know him, has agreed to head up this new firm," Glosten said in Seattle. "We are confident it will fill a need not only in the Pacific Northwest and in Alaska, but elsewhere in the shipping and towing world."

Associated with Capt. Stream will be Capt. Dick Parenti and Harish

Gidwani, both with extensive deep-sea and towboat experience.

Capt. Stream, better known along the Pacific Coast as "Doc," started to sea in 1929, moving to towboats in 1937. Over the years, he rose to tug master, associated with such firms as Puget Sound Tug and Barge, Harbor Tug and Alaska Freight Lines, where he ultimately served as port captain in Seattle. In 1957, he joined U.S. Salvage Assn. as staff surveyor, becoming resident surveyor in charge of the Seattle office in 1962. He held this post until retiring from U.S. Salvage in November, 1977. During his service with U.S. Salvage, he completed assignments from the tropics to the Arctic.

Capt. Stream, Capt. Parenti, Gidwani and the Glosten firm all played an active technical role in the tug and barge movement of modules and other heavy equipment from Seattle to Alaska's Prudhoe Bay oil fields.

Capt. Parenti first went to sea in 1944, working offshore and in the towing industry, where he became chief mate and master for Foss Launch & Tug and Crowley Maritime Corp. During this period he served as port captain for Crowley's PAC and Fed PAC International operations. For the past three years, Capt. Parenti has been totally involved in international towing and cargo operations. As manager of marine operations, field operations and special projects for Global Transport Organization on a worldwide basis, he specialized in heavy lift cargo movements, including oil rigs and dredge fleets.

Gidwani, a graduate of the Marine Engineering College in India, had nine years of deepsea experience including five years as chief engineer on outside tugs for Crowley Maritime Corp., prior to serving in such shoreside supervisory posts as chief test and trials engineer for Lockheed Shipyard in Seattle and most recently as staff surveyor for U.S. Salvage Assn. in Seattle.

Also associated with M. A. Stream Associates, Inc. as a consultant is Frank E. Hanson, well-known in the Pacific Northwest and Alaska, who recently retired after 20 years with U.S. Salvage.

### Ferry Service

Dear Editor:

Some comments on ferry service. We are paying \$200,000 to let the Le Conte rot this winter in Everett. Mr. Hudson says that without her we still have the same or better service than we had under the previous administration.

To me, he is evading what should be the issue. The real issue is do we now have enough ferry service to supply the demand?

If you are in doubt as to the answer, call and try to get a reservation, as I did. Try not to pick one of the innumerable times when one is off for a breakdown, that wouldn't be fair.

If you think a six-week wait in the slow season is a reasonable level of service, you can quit reading here, because you and I don't understand each other.

On the other hand, if you are still with me, I'd like to suggest a new governor would help. Yes, I have a man in mind. I have talked to him about this and other issues, and find Wally Hickle is my candidate.

Dave Dawson  
Douglas

### Hole in Malaspina's Bow

WRANGELL, Alaska — (AP) — The Alaska ferry Malaspina knocked a six-foot hole in its bow early yesterday when it swerved to avoid a smaller craft and struck a buoy in the Wrangell Narrows, authorities say.

A ferry spokesman said arrangements were made to fly 95 Seattle-bound passengers to their destination, while the remaining 49 passengers would be dropped off at Ketchikan or Wrangell.

The southbound run was the last of the season for the Malaspina. The ferry Columbia begins its summer runs between Seattle and Alaska today.

The Columbia's runs would not be affected by the Malaspina mishap, the spokesman said.

### Port Woos State

BELLINGHAM, Wash. (AP) — The campaign to woo the Alaska Ferry System to shift its southern terminal from Seattle to Bellingham has gone public, but the decision could well be delayed until 1979, says one port official.

About 70 persons attending a rally here were told it's possible no decision on the shift will be made this year because it is an election year in Alaska.

Former Alaska Gov. Walter Hickel, who has announced he will run again, was the governor who opted for Seattle over Bellingham when the initial decision was made.

Tom Glenn, Bellingham port manager, said it might be unreasonable to expect an answer during an election year.

Local officials say up to \$1 million a year could be saved by moving here, a figure disputed by Seattle officials. The ferry system is expected to hire an outside consultant before making a decision.

The Bellingham Alaska Ferry Terminal Task Force has raised a reported \$14,500 from businessmen to help finance the local campaign, and needs an additional \$8,500 to "do the job right," said Chuck McCord, task force chairman.

Mount Baker Mutual Savings contributed \$425 at the rally Tuesday night, but only another \$53 in individual contributions was added by the time the session was over.

Questions were raised about the inadequacy of air service between Seattle and Bellingham, and the possibility of decreased ridership because of the distance between the two cities.

Roy Gillespie, Whatcom County Development Council executive director, said Harbor Airlines already is studying the addition of more commuter flights and larger planes. He also said that "only 12 percent" of ferry passengers are Seattle-bound.

### Shine Signs

Jim McAdams of Auburn visited for several days at his South Point residence. Jim was sad to relate that he lost a good friend in the passing of Captain Thurston of Seattle, who was well-known in maritime circles.

Captain and Mrs. J. Lockhart of Juneau, Alaska, have put in a bulkhead at their Bridgehaven property in preparation for the immediate building of their new permanent home. Captain Lockhart has been associated with Alaska Ferries for a number of years and upon retirement will move into a new home.

BINGHAM - WILLAMETTE



# POSTER

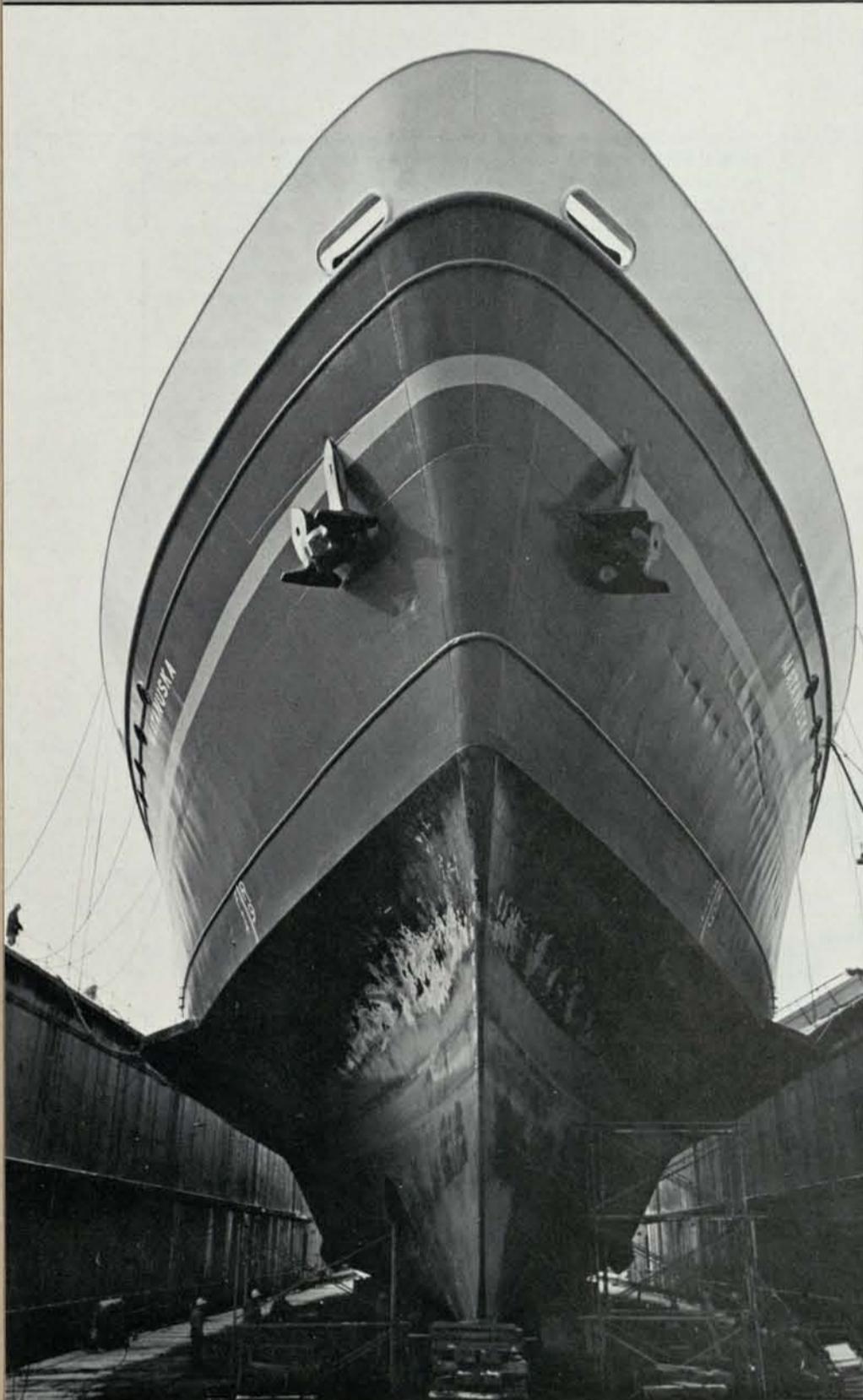


Vol 5 No 3

Jan-Feb 1978



# S-T-R-E-T-C-H-I-N-G THE MATANUSKA



## MAKING A BIG SHIP BIGGER, THE WISCO WAY

The handsome blue, yellow and white M.V. MATANUSKA, a State of Alaska ferry that plies the Inland Passage route, tied up at Willamette Iron & Steel Co.'s dock Oct. 11 for seven months worth of "major surgery" that has lengthened her from 352 to 408 feet.

In shipyard parlance this work is termed "jumboizing" which, in the case of the MATANUSKA, meant slicing her in two, inserting a new 56-foot midbody, and "sewing" her back together again. Its purpose is to increase the vessel's carrying capacity both in passengers and automobiles by about 16 per cent.

After jumboizing was completed, work began on new and remodeled staterooms, crew's quarters, deck houses, dining areas, funnel and elevators. A new solarium will be added to the bridge deck that will offer passengers glassed-in weather protection — i.e., an opportunity for sunbathing, the Alaskan way!

The ticklish cutting and rejoining work described here took place over a 10-day period in late November and early December on drydock at Swan Island.

The entire job employs 350 shipyard workers and, at \$15¼-million, is the most costly jumboizing/modernizing job done to date in Portland area shipyards.

The MATANUSKA will be back in service on the Seattle/Skagway run in May in time for the summer tourist season.

This is a repeat of a similar job done in 1972 by WISCO on another Alaskan ferry, the M.V. MALASPINA.

Bob Gavin is contract administrator. Harold Copeland, Ralph West and Ken Gholston are ship superintendents.

# Ferries may gain by heeding users' needs

An editorial  
by Richard D. Ford, executive director

Some two years ago, the City of Bellingham proposed to the State of Alaska that the southern terminus of the Alaska Marine Highway System (Alaska ferries) be relocated from Seattle's Pier 48 to a new facility in Bellingham.

Bellingham had originally proposed to Alaska, in 1964, that a southern extension of its Southeast ferry system to Puget Sound would greatly benefit its entire system. Alaska agreed, but located the southern terminus in Seattle instead of Bellingham in 1968.

Since then, the "Seattle run" has been growing much faster than the Alaska Marine Highway System as a whole and has generated proportionately more revenue. The entire Alaska ferry system is losing money, however; and as renewal time for the lease at Pier 48 approaches (January 1979), Bellingham has seen an opportunity to re-open the issue of locating the southern terminus at Bellingham.

The location of the southern terminus has since become a confusing *political* question for the State of Alaska. The answer must be in the context of the ferry system's growing concern over its rapidly rising operational costs (subsidized by the taxpayer) and a general lack of (and conflicting) information regarding terminus choices.

In essence, Bellingham is answering the question, "How can the ferry system cut costs?" Seattle is answering the question, "How can the ferry system increase cash flow?" The Port of Seattle feels that the cost/revenue issue can be addressed by analyzing the relocation's impact on its customers.

The basic premise of Bellingham's relocation proposal is that Alaska ferries will lower operational costs because a Bellingham terminus would save 60 nautical miles over terminating at Seattle. The most northerly Alaskan port served is Skagway, 934 nautical miles from Seattle. Bellingham thus assumes a 60-mile, or 6.5 percent savings (actually, because of required backtracking into Bellingham,

Anacortes is even a few miles shorter than Bellingham).

How will this change of terminus affect the ferry system's users? The Alaska ferries may save money on operations by terminating service just short of the users' destination, but will unnecessarily place a penalty on customers.

Our position is that an overwhelming majority of the ferry system's users, including Alaska residents and visitors to Alaska, are Seattle-area oriented. The system serves a variety of users, such as transient recreational vehicles, freight merchandisers and walk-on Alaska residents. A move from Seattle's downtown waterfront affects every group differently.

The camper vehicle user, who may travel by freeway, may experience the least inconvenience. Walk-on users suffer the greatest hardship, since they must find alternative means of transport or interrupt their trip a few miles short of their destination.

The system's major opportunity for increasing revenue *without substantially increasing costs* is to encourage more walk-on traffic. This is especially true for off-season traffic in which the burden for "bridging" the Seattle-Bellingham gap would be the most difficult.

Numerous side issues affect the relocation debate. For example, the media have anticipated congested access to Pier 48 and operational chaos at the terminal. Nearness to the Kingdome has often been given as final proof that the Seattle facility is hopelessly congested (even though traffic to the Kingdome uses different routes, has short peak periods and doesn't operate at the same times as the ferries).

"Congestion" has become an issue only since Bellingham relocation proponents raised it. Seattle traffic records show that traffic counts on arterials serving Pier 48 are lower than they were 30 years ago because of the opening of nearby Interstate 5 Freeway and the Alaskan Way Viaduct.

On-site terminal circulation improvements could make the

facility more efficient *if* the ferry system desires it (the Washington State Ferry Terminal, two piers away and with approximately the same space, handles 200 times the traffic of the Alaska Marine Highway). However, no amount of evidence to the contrary seems to influence the "congestion" issue.

In addition, the users of the ferry system are not adequately considered. More than one-half the Alaska system's users are walk-on passengers, most of whom welcome multiple choices for public transportation and accommodations near Pier 48.

Other details compare proposed facilities of Bellingham to existing conditions at Pier 48. All side issues can be adequately addressed, one by one. Facility changes can be made to the tenant's desires.

Both Seattle and Bellingham can offer equivalent terminal facilities at nearly equal costs. Seattle can offer equivalent costs because the terminal is essentially amortized, even though it is on premium waterfront space. Bellingham, conversely, must build new facilities.

The community of Seattle desires the Alaska system and is committed to Alaska's needs — the state is important to this community. The users of the Alaska Marine Highway, especially the residents of Southeast Alaska, have been vociferously against the proposed terminus change. They are lost voices, however, as promises of the system's apparent operational savings sway the non-user majority that makes political decisions.

Relocation to Bellingham may cause an actual net loss of revenue in the only positive cash-flow run of the entire ferry system. Although the system may not lose on the southern run, it will suffer a *net loss in revenue if the terminus is moved*. Losses will occur because the ferry users (particularly those whom the system can least afford to lose) will shift to other means of transportation, such as Vancouver's cruise ships or Seattle's airlines and private freight lines.

The Port of Seattle hopes that the voices of the most important group in the relocation issue — the ferry system's users — will be adequately heard, because consideration of the users' desires will help in the ferries' revenue-generating half of the relocation issue.

## Malaspina Hits Channel Marker

WRANGELL (AP) — The state ferry Malaspina limped into Wrangell today with a hull leak caused when the vessel struck a channel marker in Wrangell Narrows this morning while avoiding a small boat.

No injuries were reported, but ferry system officials said they did not yet know the extent of damage. Passengers were put ashore in Wrangell, and divers were scheduled to begin inspecting the ship.

"The Malaspina was taking on water in two empty spaces below the water line," Marine Highways Director Bill Hudson said, "but there was never any danger of the vessel sinking."

The mishap occurred about 8 this morning as the Malaspina was southbound through Wrangell Narrows in heavy fog. Hudson said the ferry reduced its speed when it encountered a small boat in the fog. The ferry then hit the channel marker.

The Malaspina arrived in Wrangell under its own power about an hour later. The ferry was on a run to Seattle, where the vessel was scheduled to enter drydock.

## About Launchings...

A launching is more than just champagne and flowers. It is the first, and often most trying test of a new ship or barge; considerable planning and effort is devoted to its execution. The forces imposed on a hull at launch can be as severe as any it will encounter in its service life. And, the speed gathered on a ship's slide down the ways is sometimes the fastest it ever attains.

To the Vikings, a ship launch was no laughing matter. It was their conviction that nothing important could be accomplished without someone dying in the process, and to insure their vessels would be so abetted, their habit was to lash slaves to the ways immediately prior to a launch. When slaves were scarce, livestock was substituted.

Then it was the English to the rescue. During the reign of the Tudors, it became custom to launch a vessel with a pedestal on the poop, where a silver cup filled with red wine as placed. Following the launch, the king's representative (in these days still male) would drink to the vessel's propitious future, spill the wine at the four cardinal compass points on the vessel's deck to represent the bloodshed ritual, and then heave the cup overboard as a final cavalier gesture to Neptune. The cup toss was deleted when intelligence filtered back to the monarch that, more often than not, shipwrights would rig nets and retrieve the cup after spectators dispersed.

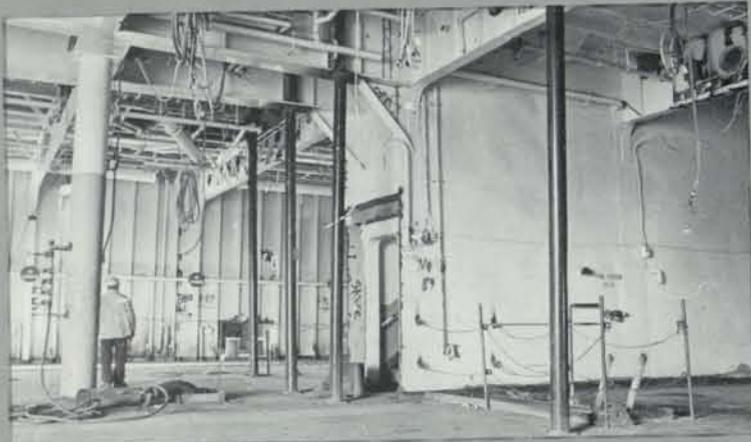
In 1811, King George II of England introduced the feminine element in launchings. Theretofore, launchings were men's affairs, with merchantmen proceeding down the ways with little or no ceremony.

Anxious to afford his daughters some stature in the public eye without depleting the royal purse, King George struck on the idea of having them sponsor naval vessels, and the custom has, with very few exceptions, persisted.

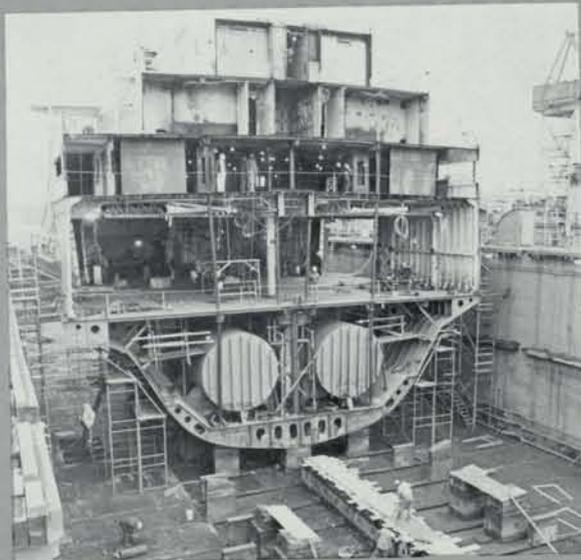
Red wine was eventually replaced by champagne as the latter's complex aging process and high cost gave it a more princely cachet. Today, a cheesecloth-wrapped champagne bottle, decorated with woven ribbon, is broken against the vessel's hull.

Alaskans still agree Seattle vital to them





**1.** Interior stripping, severing of piping, power cables and control wires, and marking of cut lines were the first steps in the jumboizing process. The ship was sliced in two about one-third of the way back from the bow immediately in front of the doorway in center photo.



**4.** ... while the forebody remained anchored in place ready for mating with the new 56-foot midbody, built under subcontract by FMC. (The drydock had to be flooded or raised for each step of the cutting and rejoining process.)



**2.** THE CUT: Amid showers of sparks and molten steel, in only one long day acetylene torches sliced the ferry in two, through four steel decks and hull, just forward of the engine room. The cut was checked by running a wire through it, top to bottom.



**5.** The new midbody was carefully floated in, aligned, fitted and welded to the forebody.



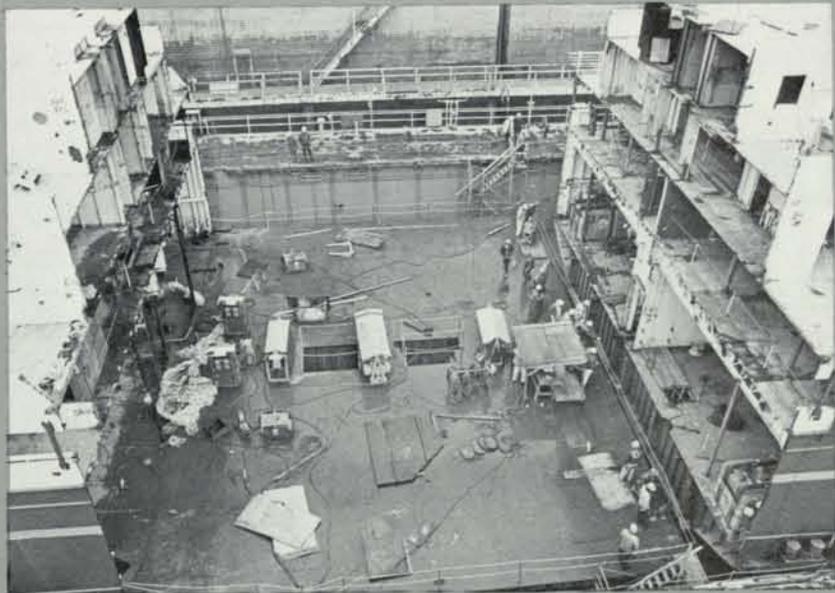
**3.** After the cut the drydock was flooded allowing the aftbody section to float free and be moved out...



**6.** Does everything match up? The moment of truth occurred when this centerline blade on midbody mated with the centerline receptacle on forebody.



**7.** *The aftbody was then floated into drydock . . .*



**8.** *. . . and joined to the new midbody.*



**9.** *The MATANUSKA's new, longer look begins to take shape. She is now ready for further facelifting — cabin deck steel, propeller and shaft overhaul, hull sandblast and paint — before being moved to WISCO's Front Ave. dock for finish work that will last through April.*





# Bellingham Spends \$20,000 To Get State Ferry Terminal

By JEAN KIZER  
Associated Press Writer

The battle between Seattle and Bellingham over location of the southern terminal for the Alaska ferry system is being fueled by a \$20,000 advertising campaign aimed at convincing Alaskans to move the terminal from Seattle.

The Port of Bellingham-backed campaign includes mass mailings to 20,000 Southeast and Southcentral Alaska residents and planned color advertisements in Fairbanks and Anchorage newspapers.

The Bellingham Chamber of Commerce is financing the project with money raised "mostly in the business community," said Bob Stephens, chamber executive vice president. The Port of Bellingham staff also is working

Stephens said \$16,000 to \$20,000 will be spent on the project.

Brochures already have been mailed to some 17,750 persons in communities served by the ferry system, while another 2,500 are in the mail now. Large, color advertisements are scheduled for insertion in Anchorage and Fairbanks newspapers.

"Bigger and better facilities at a lower lease price is the major attraction of the proposed Bellingham Terminal," the brochure states. It lists several "advantageous features" of a Bellingham terminal, which would be 66 sea miles from the Seattle terminal.

The heated competition between the two cities likely will come to a head later this year. The state's existing contract with the Port of Bellingham expires Jan. 31, 1979.

## Hickel Backs Seattle

SEATTLE (AP) — Walter Hickel, Republican candidate for governor of Alaska, says he favors keeping the southern terminus of the Alaska Ferry System in Seattle.

Hickel also said pending d-2 legislation "could mean economic disaster for Seattle" if one-third of Alaska is classified as wilderness.

"Alaska and the Pacific Northwest have been partners since territorial days," Hickel said. "And if Congress legislates against jobs in Alaska, it could mean increased unemployment in the state of Washington, too."

Hickel urged Seattle business leaders at a Monday evening

meeting to support a delay in the federal legislation.

"You don't build a Frederick & Nelson store on the North Slope just because the land's cheap," Hickel said. "Alaskans need the convenience of getting on and off the ferry where their business is done — in Seattle."

## Bellingham Terminal

Dear Editor:

Early this month, a comment from Sen. Bill Ray and your editorial the same day raised some questions about the proposal to shift the southern terminus of the Alaska Ferry System from Seattle to Bellingham.

Sen. Ray closed his comment with this question: it needs a much closer look, doesn't it?

We agree. It does need a closer look—closer than the one Sen. Ray has taken so far.

In that close look, you might notice:

—The ferry system loses \$17 million a year, and the switch to Bellingham could result in huge savings for the Alaska taxpayer.

—At the same time, there could be great benefits to the residents of Southeast Alaska and to the passengers who use the ferry system. For instance, the time saved in making the shorter trip to Bellingham could be used to make four additional trips to Southeast Alaska during the tourist season. Or the ferries could remain longer in Alaskan ports, allowing tourists additional time to sightsee and shop. Or the time could be used for port maintenance on the vessels, reducing lay-up time and allowing for additional trips each year.

—Bellingham would welcome the ferry system, providing the warm reception Alaskans are used to.

—Bellingham would provide far better port facilities for the Alaska ferry vessels—more space, better service, lower costs.

In short, in taking a closer look, you'll see that a switch to Bellingham would mean better service as well as huge financial savings.

In short, the Alaska Ferry belongs in Bellingham.

Sincerely,  
Chuck McCord  
Alaska Ferry/Bellingham  
Terminal Task Force  
625 Cornwall Avenue  
Bellingham, Wa. 98225

## From Sen. Bill Ray Matanuska

If you've been wondering, "Whatever happened to the Matanuska?"—don't worry, she's safe and sound. She's been tied up to the Williamette Iron & Steel Company dock since last October 11. She's undergoing major surgery, popularly known as "jumboizing," and is being lengthened from 352 to 408 feet.

They sliced her in two, just forward of the engine room, and are inserting a 56 foot midbody into the original hull. After they had stripped her interior, severed fore and aft piping, power cables and control wires, they then took acetylene torches to her body and cut her in half. Believe it or not, this marine surgery, actual cutting through her four steel decks and hull, was done in one long day.

After the cut, the shipyard people floated out the aftbody section, leaving the forebody anchored firmly in place within the drydock. With a little maneuvering, they steered the midbody into its new place, then floated in the aft body, and joined all sections together. Then the new facelift began in earnest with new cabin deck steel, propeller and shaft overhaul, sandblasting, and then new paint overall. Finish work should have been started by now with tests beginning in late April so she'll be ready for the summer tourist season in May.

All in all, the job will take 350 shipyard workers some seven months to complete at a cost of \$15 1/4 millions of dollars. Wonder if it was worth it? Let's see.

Overall gross receipts (or moneys) taken in annually by the ferry system are some \$20 millions of dollars for the four main-line vessels. This figure may be considerably higher than the actual revenues, even with the expected impetus of Alaskan travel the department expects will be resulting from their recent million dollar advertising campaign, but it is convenient for simple demonstration purposes.

Three of the "blue canoes" are getting pretty old. On the average I would estimate the Taku, Malaspina and Matanuska are each around 20 years old now.

I believe the Matanuska is 22 years old and we're spending \$15 1/4 million for a 50-foot midsection transplant that will increase her passenger and automobile capacity by some 16% (or so they say). Even if she would gross \$500,000 additionally each year she wouldn't break even with just the recent investment for approximately 30 years, or when she was a grandmother of 50 or more. Doesn't sound too feasible does it?

Maybe the managers of the system should better be planning for a gradual replacement of the older vessels with new ever more modern ships over an extended period instead of the exorbitantly costly "jumboizing" process to nearly worn out hulls they now appear committed to.

Replacement instead of rejuvenation makes more sense, wouldn't you say!

# Can Alaska ferries better serve Alaska through a Bellingham Terminal?



## From Rep. Mike Miller Ferry Board

The House did a good piece of business Tuesday morning. We passed House Bill 665, which creates a state Marine Transportation Advisory Board.

The bill was originally suggested this year by Representative Oral Freeman who chairs the House Special Committee for Marine Transportation Oversight (Representative Duncan and I are members) and is very similar in many respects to a Marine Highway Advisory Board bill which was introduced two years ago by Miller, Gardiner and Specking. The earlier bill, incidentally, passed both houses of the legislature but was vetoed by the Governor. It is my own belief that if he had not vetoed the legislation, the board would have been in existence to give the Marine Highway Division some badly needed public input which in turn might have saved the

Governor and the Division a lot of grief and bad press.

The new legislation like the old, provides a citizens' committee to which the public can address their concerns about fares, scheduling, and general operation of the ferry system. As the owners, if not quite the managers of the ferry system, the public I believe has every right to express itself in these areas, and I believe the administration has an absolute obligation to listen and whenever possible respond affirmatively.

Hopefully, with the creation of this new board, the day will have passed when a department can make a decision regarding fares, for instance, and then afterwards hold public hearings on the issue.

Here's hoping the bill this year enjoys fairer seas and smoother sailing than the last time out.

# DOT 'Farm' Policy Questioned

A decision by the commissioner of the Department of Transportation to farm out 10 percent of his department's design work to consultants has drawn the anger of some within DOT.

In a March 13 memorandum to Deputy Commissioner of Transportation H.D. Scougal, Commissioner Don Harris said "each individual director of each division should have 10 percent of the design work and 10 percent of the construction work, measured by both the number of projects and the total dollar value, handled by consultants."

Some DOT employees, who asked not to be

identified, have questioned the reasons for such an order. As one put it, "everything the consultants have done for us, we have had to redo."

Asked why the decision was made to funnel the work through consultants, Harris said through a spokeswoman "that it gives support professionally" during "peak work periods."

Harris would not talk to the press.

The spokeswoman said the commissioner said most of the other reasons for the order were contained in the memorandum.

According to the memorandum, because of the "mutual goals of supporting private enterprise, minimizing the increase in state employees, promoting local hire and ac-

celerating the completion of our capital program, we need to make more effective use of consultants.

"General Design is in relatively good shape, but the other divisions are not." All of those, the memo said, should send out 10 percent of their work.

Harris's spokeswoman, Ginger Johnson, added that the memorandum was wrong in referring to construction work. About 98 percent of all construction work is now done by private firms, she said. "Basically, we're talking about design work."

She added that Harris thought "perhaps it should be more than 10 percent."

She had no idea of what the change would cost the state. Scougal, who heads up the Design and Construction section in Transportation, said this morning he could not put a figure on the costs.

"I have no idea, at this time," Scougal said. Asked why the decision was made to go to consultants, Scougal said, "I have no idea."

Asked if the change was necessary, Scougal said, "Oh, I don't know."

"We really haven't had time to evaluate it," he said. He did give one reason for the change, though.

"We're interested in minimizing state employees," the deputy commissioner said.

Red Lion  
Reception immediately following  
at  
the Cascade Room  
Coliseum Thunderbird

RSUP, (503) 228-9281 Ext. 119

FMC

rice

LA REINA

a triple deck trailer barge  
built for

Trailer Marine Transport Corporation

a Crowley Maritime Company

at our yard

4350 NW Front Avenue

Portland, Oregon

Thursday, March 23, 1978 at 11:00 am

Ms. Wendy Sesnon  
Sponsor

## Malaspina Passengers Can Fly High (And Dry)

By The Associated Press

The state ferry Malaspina sustained an 8-foot gash in the hull below waterline when the vessel hit a concrete channel marker near Wrangell Wednesday, officials said.

The rupture will require that the vessel go into drydock in Seattle for repairs as soon as the Coast Guard grants clearance, Marine Highways Director William Hudson said.

A cost estimate on the damage was not yet available.

Hudson said the 242 passengers aboard the Seattle-bound ferry were given the choice of continuing their trips by airline or on another ferry. The passengers were put ashore in Wrangell about an hour after the incident occurred Wednesday morning.

The ferry was southbound through the Wrangell Narrows in heavy fog when Captain Cecil Rice sighted a small boat in the ferry's path, Hudson said. Rice quickly reduced speed to avoid hitting the boat, Hudson said, but the ferry then struck a channel marker.

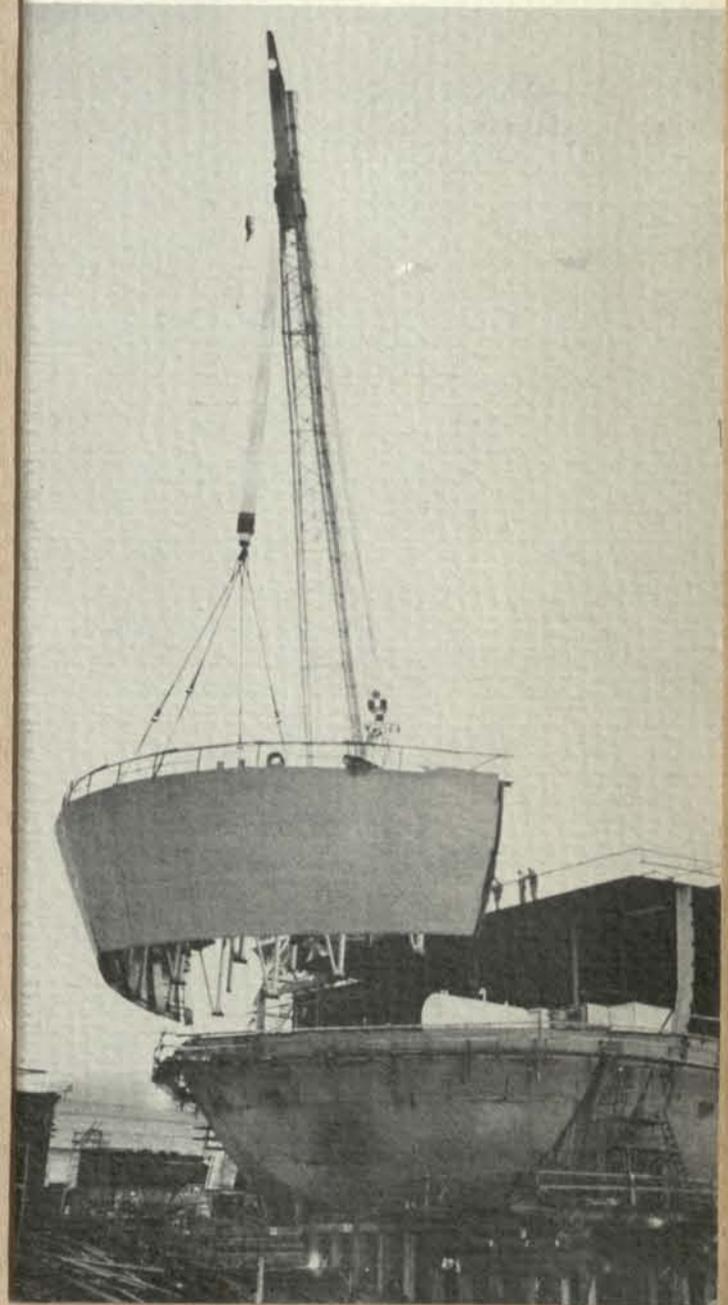
"Captain Rice's skillful handling of the vessel kept damage to a minimum," Hudson said. The captain's ability to maneuver the ferry was hampered because he was forced to reduce speed suddenly in strong current, Hudson added.

Flooding from the rupture in the hull was confined to two empty spaces below decks. Officials said the vessel quickly stabilized after striking one of the concrete columns that mark the sailing channel through Wrangell Narrows.

FMC

## LaReina

March 23, 1978



THE MALASPINA is southbound as an ocean casualty. Not a tragedy, fortunately. The Alaska ferry is due into Pier 48 tomorrow morning for repair of a 6-foot gash she chopped in her bow when she swerved to avoid another craft in Wrangell Narrows and hit a buoy.

# Bellingham To Get State

By JEAN KIZER

Associated Press Writer

The battle between Seattle and over location of the southern terminus of the Alaska ferry system is being fought in a \$20,000 advertising campaign aimed at convincing Alaskans to move the terminus to Seattle.

The Port of Bellingham-backed campaign includes mass mailings to 20,000 Southern Alaska residents and color advertisements in Fairbanks and Anchorage newspapers.

The Bellingham Chamber of Commerce is financing the project with money mostly in the business community. Stephens, chamber executive vice president, said the Port of Bellingham staff also

## Features of the Proposed Bellingham Terminal

- A large, well laid-out vehicle staging area.
- Large truck and trailer staging area with terminal contractor for the loading and unloading of attended vehicles to and from the ferries.
- Fenced terminal for the security of vehicles not boarding the ferries.
- 24-hour watchman service.
- Secure parking for the vehicles of the ferries' crew.
- Passenger terminal and ticket office with nearby restaurant.
- Offices for the Alaska Ferry System.
- Boarding ramp for vehicles and separate upper-level covered walkway for foot passengers, providing both safety and convenience.
- A 200,000 gallon fuel storage facility to fuel ferries in transfer berth with no moving necessary, as is presently required.
- Electrical plug-ins for both vacation and commercial vehicles.
- Special sewage pump-out station for campers in staging area.
- All utilities to shipside including city sewer connection.
- Arrangements for disposal of all sludge oil, at no charge to Alaska.
- Direct shipside Greyhound bus service with ship to shore communications so as to accommodate exact number of passengers wishing to use the bus. This bus service would fall into the category of charters, making a much reduced rate possible.
- Airport limousine service and rental car facilities.
- Hotel and motel courtesy transportation.



The following comparison of the marine highway from Alaska to Bellingham and Alaska to Seattle is offered for your consideration on behalf of the people of our city. We hope you will feel, as we do, that Bellingham provides the ideal link between the lower Pacific Northwest and the State of Alaska.

We would appreciate your reading through this comparison and we thank you for your time and consideration. From the citizens of Bellingham, I extend the hope that you will regard it favorably.

Ken Hertz, Mayor  
City of Bellingham

FIRST CLASS  
PERMIT NO. 16  
BELLINGHAM, WA

### BUSINESS REPLY CARD

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

POSTAGE WILL BE PAID BY

ALASKA FERRY/BELLINGHAM  
TERMINAL TASK FORCE  
625 CORNWALL AVE.  
BELLINGHAM, WA 98225

## Hickel Backs Se

SEATTLE (AP) — Walter meeting to federal leg  
Hickel, Republican candidate for "You don't  
governor of Alaska, says he favors Nelson stor  
keeping the southern terminus of just becau  
the Alaska Ferry System in Seat- Hickel said  
tle. convenienc  
Hickel also said pending d-2 the ferry w  
legislation "could mean econo- done — in  
mic disaster for Seattle" if one-  
third of Alaska is classified as  
wilderness.

"Alaska and the Pacific Northwest have been partners since territorial dsays," Hickel said. "And if Congress legislates against jobs in Alaska, it could mean increased unemployment in the state of Washington, too."

Hickel urged Seattle business leaders at a Monday evening

## From Sen. Bill

### Matanuska

If you've been wondering, "Whatever happened to the Matanuska?"—don't worry, she's safe and sound. She's been tied up to the Williamette Iron & Steel Company dock since last October 11. She's undergoing major surgery, popularly known as "jumboizing," and is being lengthened from 352 to 408 feet.

They sliced her in two, just forward of the engine room, and are inserting a 56 foot midbody into the original hull. After they had stripped her interior, severed fore and aft piping, power cables and control wires, they then took acetylene torches to her body and cut her in half. Believe it or not, this marine surgery, actual cutting through her four steel decks and hull, was done in one long day.

After the cut, the shipyard people floated out the aftbody section, leaving the forebody anchored firmly in place within the drydock. With a little maneuvering, they steered the midbody into its new place, then floated in the aft body, and joined all sections together. Then the new facelift began in earnest with new cabin deck steel, propeller and shaft overhaul, sandblasting, and then new paint overall. Finish work should have been started by now with tests beginning in late April so she'll be ready for the summer tourist season in May.

All in all, the job will take 350 shipyard workers some seven months to complete at a cost of \$15 1/4 millions of dollars. Wonder if it was worth it? Let's see.

Over a million dollars advertising campaign, but it is convenient for simple demonstration purposes.

Three of the "blue canoes" are getting pretty old. On the average I would estimate the Taku, Malaspina and Matanuska are each around 20 years old now.

I believe the Matanuska is 22 years old and we're spending \$15 1/4 million for a 50-foot midsection transplant that will increase her passenger and automobile capacity by some 16% (or so they say). Even if she would gross \$500,000 additionally each year she wouldn't break even with just the recent investment for approximately 30 years, or when she was a grandmother of 50 or more. Doesn't sound too feasible does it?

Maybe the managers of the system should better be planning for a gradual replacement of the older vessels with new ever more modern ships over an extended period instead of the exorbitantly costly "jumboizing" process to nearly worn out hulls they now appear committed to.

Replacement instead of rejuvenation makes more sense, wouldn't you say!

ports, allowing tourists additional time to sightsee and shop. Or the time could be used for port maintenance on the vessels, reducing lay-up time and allowing for additional trips each year.

Bellingham would welcome the ferry system, providing the warm reception Alaskans are used to.

Bellingham would provide far better port facilities for the Alaska ferry vessels—more space, better service, lower costs.

In short, in taking a closer look, you'll see that a switch to Bellingham would mean better service as well as huge financial savings.

In short, the Alaska Ferry belongs in Bellingham.

Sincerely,  
Chuck McCord

Alaska Ferry/Bellingham  
Terminal Task Force  
625 Cornwall Avenue  
Bellingham, Wa. 98225

## From Rep. Mike Miller

### Ferry Board

The House did a good piece of business Tuesday morning. We passed House Bill 665, which creates a state Marine Transportation Advisory Board.

The bill was originally suggested this year by Representative Oral Freeman who chairs the House Special Committee for Marine Transportation Oversight (Representative Duncan and I are members) and is very similar in many respects to a Marine Highway Advisory Board bill which was introduced two years ago by Miller, Gardiner and Specking. The earlier bill, incidentally, passed both houses of the legislature but was vetoed by the Governor. It is my own belief that if he had not vetoed the legislation, the board would have been in existence to give the Marine Highway Division some badly needed public input which in turn might have saved the

Governor and the Division a lot of grief and bad press.

The new legislation like the old, provides a citizens committee to which the public can address their concerns about fares, scheduling, and general operation of the ferry system. As the owners, if not quite the managers of the ferry system, the public I believe has every right to express itself in these areas, and I believe the administration has an absolute obligation to listen and whenever possible respond affirmatively.

Hopefully, with the creation of this new board, the day will have passed when a department can make a decision regarding fares, for instance, and then afterwards hold public hearings on the issue.

Here's hoping the bill this year enjoys fairer seas and smoother sailing than the last time out.

# DOT 'Farm' Policy Questioned

A decision by the commissioner of the Department of Transportation to farm out 10 percent of his department's design work to consultants has drawn the anger of some within DOT.

In a March 13 memorandum to Deputy Commissioner of Transportation H.D. Scougal, Commissioner Don Harris said "each individual director of each division should have 10 percent of the design work and 10 percent of the construction work, measured by both the number of projects and the total dollar value, handled by consultants."

Some DOT employees, who asked not to be

identified, have questioned the reasons for such an order. As one put it, "everything the consultants have done for us, we have had to redo."

Asked why the decision was made to funnel the work through consultants, Harris said through a spokeswoman "that it gives support professionally" during "peak work periods."

Harris would not talk to the press. The spokeswoman said the commissioner said most of the other reasons for the order were contained in the memorandum.

According to the memorandum, because of the "mutual goals of supporting private enterprise, minimizing the increase in state employees, promoting local hire and ac-

celerating the completion of our capital program, we need to make more effective use of consultants.

"General Design is in relatively good shape, but the other divisions are not." All of those, the memo said, should send out 10 percent of their work.

Harris's spokeswoman, Ginger Johnson, added that the memorandum was wrong in referring to construction work. About 98 percent of all construction work is now done by private firms, she said. "Basically, we're talking about design work."

She added that Harris thought "perhaps it should be more than 10 percent."

She had no idea of what the change would cost the state. Scougal, who heads up the Design and Construction section in Transportation, said this morning he could not put a figure on the costs.

"I have no idea, at this time," Scougal said. Asked why the decision was made to go to consultants, Scougal said, "I have no idea."

Asked if the change was necessary, Scougal said, "Oh, I don't know."

"We really haven't had time to evaluate it," he said. He did give one reason for the change, though.

"We're interested in minimizing state employees," the deputy commissioner said.

**FMC**

*Red Lion*

Reception immediately following  
at  
the ~~Cascade Room~~  
~~Coliseum Thunderbird~~

RSVP, (503) 228-9281 Ext. 119

LA REINA  
a triple deck trailer barge  
built for  
Trailer Marine Transport Corporation  
a Crowley Maritime Company  
at our yard  
4350 NW Front Avenue  
Portland, Oregon  
Thursday, March 23, 1978 at 11:00 am

Ms. Wendy Sesnon  
Sponsor

**FMC**

## LaReina

March 23, 1978



## Malaspina Passengers Can Fly High (And Dry)

By The Associated Press

The state ferry Malaspina sustained an 8-foot gash in the hull below waterline when the vessel hit a concrete channel marker near Wrangell Wednesday, officials said.

The rupture will require that the vessel go into drydock in Seattle for repairs as soon as the Coast Guard grants clearance, Marine Highways Director William Hudson said.

A cost estimate on the damage was not yet available.

Hudson said the 242 passengers aboard the Seattle-bound ferry were given the choice of continuing their trips by airline or on another ferry. The passengers were put ashore in Wrangell about an hour after the incident occurred Wednesday morning.

The ferry was southbound through the Wrangell Narrows in heavy fog when Captain Cecil Rice sighted a small boat in the ferry's path, Hudson said. Rice quickly reduced speed to avoid hitting the boat, Hudson said, but the ferry then struck a channel marker.

"Captain Rice's skillful handling of the vessel kept damage to a minimum," Hudson said. The captain's ability to maneuver the ferry was hampered because he was forced to reduce speed suddenly in strong current, Hudson added.

Flooding from the rupture in the hull was confined to two empty spaces below decks. Officials said the vessel quickly stabilized after striking one of the concrete columns that mark the sailing channel through Wrangell Narrows.

THE MALASPINA is southbound as an ocean casualty. Not a tragedy, fortunately. The Alaska ferry is due into Pier 48 tomorrow morning for repair of a 6-foot gash she chopped in her bow when she swerved to avoid another craft in Wrangell Narrows and hit a buoy.

# Bellingham To Get State

By JEAN KIZER

Associated Press Writer

The battle between Seattle and over location of the southern terminus of the Alaska ferry system is being fought in a \$20,000 advertising campaign aimed at convincing Alaskans to move the terminus to Seattle.

The Port of Bellingham-backed campaign includes mass mailings to 20,000 Southeastern Alaska residents and color advertisements in Fairbanks and Anchorage newspapers.

The Bellingham Chamber of Commerce is financing the project with money "mostly in the business community," said Stephens, chamber executive vice president. The Port of Bellingham staff also

## Hickel Backs Seattle

SEATTLE (AP) — Walter Hickel, Republican candidate for governor of Alaska, says he favors keeping the southern terminus of the Alaska Ferry System in Seattle.

Hickel also said pending d-2 legislation "could mean economic disaster for Seattle" if one-third of Alaska is classified as wilderness.

"Alaska and the Pacific Northwest have been partners since territorial days," Hickel said. "And if Congress legislates against jobs in Alaska, it could mean increased unemployment in the state of Washington, too."

Hickel urged Seattle business leaders at a Monday evening

meeting to support the federal legislation. "You don't want Nelson staying just because of convenience," Hickel said. "The ferry will be done — in

## Features of the Proposed Bellingham Terminal

- A large, well laid-out vehicle staging area.
- Large truck and trailer staging area with terminal contractor for the loading and unloading of attended vehicles to and from the ferries.
- Fenced terminal for the security of vehicles not boarding the ferries.
- 24-hour watchman service.
- Secure parking for the vehicles of the ferries' crew.
- Passenger terminal and ticket office with nearby restaurant.
- Offices for the Alaska Ferry System.
- Boarding ramp for vehicles and separate upper-level covered walkway for foot passengers, providing both safety and convenience.
- A 200,000 gallon fuel storage facility to fuel ferries in transfer berth with no moving necessary, as is presently required.
- Electrical plug-ins for both vacation and commercial vehicles.
- Special sewage pump-out station for campers in staging area.
- All utilities to shipside including city sewer connection.
- Arrangements for disposal of all sludge oil, at no charge to Alaska.
- Direct shipside Greyhound bus service with ship to shore communications so as to accommodate exact number of passengers wishing to use the bus. This bus service would fall into the category of charters, making a much reduced rate possible.
- Airport limousine service and rental car facilities.
- Hotel and motel courtesy transportation.



## From Sen. Bill Matanuska

If you've been wondering, "Whatever happened to the Matanuska?"—don't worry, she's safe and sound. She's been tied up to the Williamette Iron & Steel Company dock since last October 11. She's undergoing major surgery, popularly known as "jumboizing," and is being lengthened from 352 to 408 feet.

They sliced her in two, just forward of the engine room, and are inserting a 56 foot midbody into the original hull. After they had stripped her interior, severed fore and aft piping, power cables and control wires, they then took acetylene torches to her body and cut her in half. Believe it or not, this marine surgery, actual cutting through her four steel decks and hull, was done in one long day.

After the cut, the shipyard people floated out the aftbody section, leaving the forebody anchored firmly in place within the drydock. With a little maneuvering, they steered the midbody into its new place, then floated in the aft body, and joined all sections together. Then the new facelift began in earnest with new cabin deck steel, propeller and shaft overhaul, sandblasting, and then new paint overall. Finish work should have been started by now with tests beginning in late April so she'll be ready for the summer tourist season in May.

All in all, the job will take 350 shipyard workers some seven months to complete at a cost of \$15 1/4 millions of dollars. Wonder if it was worth it? Let's see.

Over a million dollars (advertising moneys) for the ferry system. Millions of dollars in main-line revenue may be lost. The actual expense of the travel will be

cent million dollar advertising campaign, but it is convenient for simple demonstration purposes.

Three of the "blue canoes" are getting pretty old. On the average I would estimate the Taku, Malaspina and Matanuska are each around 20 years old now.

I believe the Matanuska is 22 years old and we're spending \$15 1/4 million for a 50-foot midsection transplant that will increase her passenger and automobile capacity by some 16% (or so they say). Even if she would gross \$500,000 additionally each year she wouldn't break even with just the recent investment for approximately 30 years, or when she was a grandmother of 50 or more. Doesn't sound too feasible does it?

Maybe the managers of the system should better be planning for a gradual replacement of the older vessels with new ever more modern ships over an extended period instead of the exorbitantly costly "jumboizing" process to nearly worn out hulls they now appear committed to.

Replacement instead of rejuvenation makes more sense, wouldn't you say!

ports, allowing tourists additional time to sightsee and shop. Or the time could be used for port maintenance on the vessels, reducing lay-up time and allowing for additional trips each year.

—Bellingham would welcome the ferry system, providing the warm reception Alaskans are used to.

—Bellingham would provide far better port facilities for the Alaska ferry vessels—more space, better service, lower costs.

In short, in taking a closer look, you'll see that a switch to Bellingham would mean better service as well as huge financial savings.

In short, the Alaska Ferry belongs in Bellingham.

Sincerely,  
Chuck McCord  
Alaska Ferry/Bellingham Terminal Task Force  
625 Cornwall Avenue  
Bellingham, Wa. 98225

## From Rep. Mike Miller Ferry Board

The House did a good piece of business Tuesday morning. We passed House Bill 665, which creates a state Marine Transportation Advisory Board.

The bill was originally suggested this year by Representative Oral Freeman who chairs the House Special Committee for Marine Transportation Oversight (Representative Duncan and I are members) and is very similar in many respects to a Marine Highway Advisory Board bill which was introduced two years ago by Miller, Gardiner and Specking. The earlier bill, incidentally, passed both houses of the legislature but was vetoed by the Governor. It is my own belief that if he had not vetoed the legislation, the board would have been in existence to give the Marine Highway Division some badly needed public input which in turn might have saved the

Governor and the Division a lot of grief and bad press.

The new legislation like the old, provides a citizens committee to which the public can address their concerns about fares, scheduling, and general operation of the ferry system. As the owners, if not quite the managers of the ferry system, the public I believe has every right to express itself in these areas, and I believe the administration has an absolute obligation to listen and whenever possible respond affirmatively.

Hopefully, with the creation of this new board, the day will have passed when a department can make a decision regarding fares, for instance, and then afterwards hold public hearings on the issue.

Here's hoping the bill this year enjoys fairer seas and smoother sailing than the last time out.

# Port Authority's Policy Questioned

of the identified, have questioned the reasons for such an order. As one put it, "everything the consultants have done for us, we have had to redo."

Deputy H.D. is said division work and work, ets and consul-

Asked why the decision was made to funnel the work through consultants, Harris said through a spokeswoman "that it gives support professionally" during "peak work periods."

Harris would not talk to the press. The spokeswoman said the commissioner said most of the other reasons for the order were contained in the memorandum.

According to the memorandum, because of the "mutual goals of supporting private enterprise, minimizing the increase in state employees, promoting local hire and ac-

celerating the completion of our capital program, we need to make more effective use of consultants.

"General Design is in relatively good shape, but the other divisions are not." All of those, the memo said, should send out 10 percent of their work.

Harris's spokeswoman, Ginger Johnson, added that the memorandum was wrong in referring to construction work. About 98 percent of all construction work is now done by private firms, she said. "Basically, we're talking about design work."

She added that Harris thought "perhaps it should be more than 10 percent."

She had no idea of what the change would cost the state. Scougal, who heads up the Design and Construction section in Transportation, said this morning he could not put a figure on the costs.

"I have no idea, at this time," Scougal said. Asked why the decision was made to go to consultants, Scougal said, "I have no idea." Asked if the change was necessary, Scougal said, "Oh, I don't know."

"We really haven't had time to evaluate it," he said. He did give one reason for the change, though.

"We're interested in minimizing state employees," the deputy commissioner said.

**FMC**

Red Lion

otion immedi

at

the Cascade

Coliseum Thu

(503) 228-92

## Principal Particulars . . .

Triple deck trailer barge, LaReina  
Built for Trailer Marine Transport Corp.,  
A Crowley Company

Length, overall . . . . . 580 feet  
Beam, molded . . . . . 105 feet  
Depth, overall . . . . . 57 feet  
Draft, light (estimated) . . . . . 5 feet 6 inches  
Draft, loaded (est.) . . . . . 10 feet 6 inches  
Displacement, light (est.) . . . . . 6,400 short tons  
Displacement, loaded (est.) . . . . . 7,400 short tons  
Cargo capacity . . . . . 374-truck trailers  
Class . . . . . ABS A1 Barge, ocean service,  
+USCG certificated

a triple d

ailer Marine

a Crowley

at

4350 N

Portl

ursday, Marc

Wendy Sesnon  
sor

## Schedule of Events

Invocation 11:00 A.M.  
Rev. Marlee Anderson  
Nazarene Church  
Beaverton, Oregon

Introductory remarks  
William R. Galbraith  
FMC Division Vice President, Sales

Welcoming remarks  
John E. Carroll  
FMC Division President

Remarks  
Donald C. Oskin, FMC Executive Vice  
President, Marketing  
Thomas B. Crowley, Chairman of the Board  
and President

Introduction of platform guests

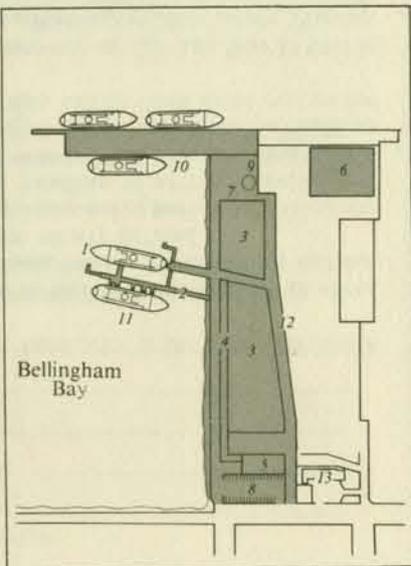
Sponsor ascends christening platform

Christening  
Ms. Wendy Sesnon, Sponsor

Launch  
11:30 A.M.

### Plan of proposed Bellingham Terminal

1. Loading berth
2. Passenger boarding
3. Vehicle staging area
  - Auto lane with tickets
  - Auto lane without tickets
4. Foot traffic
5. Passenger service building & offices
6. Warehouse space
7. Employee parking
8. Passenger parking
9. 200,000 gallon fuel storage
  - Waste oil disposal
10. Maintenance and repair berth
11. Lay-up berth
12. Security fence and
13. Port office building



## Malaspina Ferry Can Fly High

By The Associated Press

The state ferry Malaspina sustained a 6-foot gash in the hull below waterline when the vessel hit a concrete channel marker in Wrangell Wednesday, officials said.

The rupture will require that the vessel be taken into drydock in Seattle for repairs as soon as the Coast Guard grants clearance, Marine Highways Director William Hudson said.

A cost estimate on the damage was not yet available.

Hudson said the 242 passengers aboard the Seattle-bound ferry were given the choice of continuing their trips by airline or on another ferry. The passengers were put ashore in Wrangell about an hour after the incident occurred Wednesday morning.

The vessel kept damage to a minimum," Hudson said. The captain's ability to maneuver the ferry was hampered because he was forced to reduce speed suddenly in strong current, Hudson added.

Flooding from the rupture in the hull was confined to two empty spaces below decks. Officials said the vessel quickly stabilized after striking one of the concrete columns that mark the sailing channel through Wrangell Narrows.

**THE MALASPINA** is southbound as an ocean casualty. Not a tragedy, fortunately. The Alaska ferry is due into Pier 48 tomorrow morning for repair of a 6-foot gash she chopped in her bow when she swerved to avoid another craft in Wrangell Narrows and hit a buoy.

# Merdes Backs Seattle Terminal

Alaska should put the southern terminus of the state ferry system where it can get "the best deal," gubernatorial candidate Ed Merdes told Juneau Democrats Wednesday.

And Merdes believes the best deal is keeping the terminal in Seattle.

"It's the first time I've seen Seattle scared," Merdes said.

"I say let's talk about putting

the terminal where we can get the best deal," Merdes added.

The Fairbanks lawyer, whose home is some 4,000 miles from the nearest ferry terminal, added that he is a booster of the ferry system.

"Everytime I see opinion-makers in Anchorage attack the ferry system, it makes me wince," he said.

"You know what they are mad

about in Ketchikan," he said. "They are angry because the state takes one person off the ferry and adds two more to the administration."

Merdes also said he has an advantage over his Democratic opponents—Sens. Jay Kerttula of Palmer and Chancy Croft of Anchorage—since both will be tied down in the legislature until mid-June.

Merdes also recommended that the Legislature avoid going to Washington, D.C., "en masse" to lobby on the d-2 issue.

He said a similar legislative effort in 1970, aimed at pushing the trans-Alaska oil pipeline, "didn't motivate anybody. Here come a bunch of Alaskans trying to lobby quantitatively instead of qualitatively. It didn't work before and that's why I'm against it."

# Eye on Finnish Ferry

OLYMPIA — (AP) — A Finnish-built ferry may be plying the waters between Anacortes and Sycamore, British Columbia, by July 1, the state Transportation Commission was told yesterday.

Richard Berg, manager of the state ferry system, said the Anacortes-based combine seeking to buy the ferry to make the run in place of a ship the state is removing, is making progress in negotiations.

Asking price of the Polar Express in Finland is \$3.5 million. But Berg said he thinks a lower price can be negotiated. A second choice is the English M.V. Bonanza at \$4.5 million, he said.

The Anacortes combine of the Chamber of Commerce, port district and others, will submit a fund request for 80 percent of the ship's purchase price to the federal Economic Development Administration next week, he said.

They expect a reply from Washington, D.C., by the first week in March.

# Matanuska 'Stretch' Job Delayed

By The Associated Press

The state ferry Matanuska probably will be a month late coming out of drydock this summer, forcing a change in the vacation plans of about 150 tourists, officials say.

In a dispatch from its capitol bureau, the Anchorage Daily News disclosed that shipyard officials in Portland, Ore. have advised the state Marine Transportation Division that it probably cannot meet a May 15 contract date for completing a "stretch" job on the 15-year-old ferry.

"The shipyard has advised us of a potential of a three or four week delay," said William Hudson, marine transportation director. "And it would take a minimum of two weeks to then

outfit her and make trial tests and get back on the run."

Hudson said the ferry, which runs between Seattle and Skagway, could miss all four of its June sailings.

He said the 150 persons with confirmed reservations aboard the Matanuska will be notified by telegram of the prospective delay and will be given refunds if the ferry is unable to make its scheduled sailings.

"If you want to take a shot in the dark, at \$500 a refund, that would total \$75,000 for 150 passengers," Hudson said.

The Matanuska is being renovated by the Willamette Iron and Steel Co. in Portland to stretch the vessel to increase its capacity by

250 passengers and 31 vehicles.

The stretch job, which involves cutting the ship in half and adding a new section, will cost \$15.2 million, \$1.8 million from the state and the rest from the federal government.

Hudson said the contract with the shipyard contains a penalty clause which allows the state to collect damages if the ferry is delivered late, but he declined to say whether it would be enforced.

Hudson said shipyard officials blame the potential delay on the late arrival of material from the East Coast.

"I'm not confirming or denying that, though," Hudson said. "That's what they say."

# Delay in Matanuska sailing would hit 500 ticket holders

By JON MATTHEWS

Our Juneau Correspondant

JUNEAU — The newly stretched ferry Matanuska may not make its first scheduled voyage until July 4, well into the peak summer travel season, the Daily News has learned.

And such a delay from the original projected sailing date of June 6 would force cancellation of about 500 reservations already booked for voyages, ferry officials say.

State ferry Director Bill Hudson Tuesday told the Daily News that a contractor now doing a major renovation and stretching of the Matanuska informally has told the state that the job will be completed around June 15, about a month after the vessel originally was scheduled to be ready for shakedown and sea trials.

If the ferry is delivered on June 15, even under a tight shakedown schedule

the vessel couldn't begin regular sailings until July 4, Hudson said from his Juneau office.

But the state ferry director said a "high level conference" was scheduled today with the Puget Sound contractor doing the work, and that the completion date of the stretch job and overhaul could change.

The state has "vital concerns" over the possible delay, Hudson said.

The contractor handling the ferry overhaul is Willamette Iron and Steel Co. of Portland, Ore., Hudson said.

Meanwhile, state ferry system traffic manager Doug Burton said about 500 persons have already made reservations for the first four weekly voyages out of Seattle the Matanuska was scheduled to make after June 6.

Burton said the ferry system hasn't yet notified any of those who have made reservations about possible can-

cellation of the voyages.

He said the ferry system would begin contacting persons if today's meeting with contractor's officials showed that there would in fact be a delay in delivery of the ship.

The ferry system, however, has stopped taking reservations for those first four scheduled voyages of the Matanuska, Burton said.

Ferry reservations personnel had been assuming that the vessel would begin operations on June 6, he said.

Alaska Transportation Commissioner Don Harris Tuesday told the Senate State Affairs Committee that there could be a three-week to month delay in the Matanuska coming on line.

Hudson confirmed the statement, saying there was "no mistake" that a potential delay existed.

The contractor "informally" has told the state that the Matanuska can't be

delivered until June 15, Hudson said. He said earlier predictions were that the vessel could be delivered by May 15.

Hudson said if the ferry were delivered by June 15, it would take a "tight" schedule of trials to get it running on regular voyages by July 4.

A minimum of two weeks is needed for acceptance trials, shakedown, stocking and loading to get a vessel ready after such a major overhaul, Hudson said.

The Matanuska entered the shipyard in November, according to Ginger Johnson, information officer with the state ferry system.

The Matanuska is being stretched from 352 feet to 408 feet, a total increase of 56 feet, she said. She said the "jumboizing" will increase the ferry's capacity by 16 percent, and will include new stateroom accommodations.

# Matanuska Delays Blamed On State Errors

By DANA JONES  
Empire Staff Reporter

Failure to design ferry furnishings to meet Coast Guard specifications will cost the state time and money in the stretching of the Matanuska, a spokesman for the shipyard has said.

In two letters to Department of Transportation officials, the manager of Willamette Iron and Steel Co., the firm hired to enlarge the vessel, charged the delay in bringing the vessel back into service is the state's fault. When notified by the shipbuilder that proposed furnishings likely would not meet Coast Guard requirements, the state refused to revise

them, W. F. Wild said in the letters.

The letters were released as part of a report on Marine Transportation facilities prepared by Sen. Bill Ray, D-Juneau.

"At this time, in light of the foregoing, the contractor hereby notifies the owner (the state) that the delivery date of the vessel, through no fault of the contractor, may be delayed and that additional costs to the owner's account will undoubtedly be incurred for that delay and for additional engineering and procurement of approved type of materials," a letter to Capt. H.J. Lockert, marine facilities manager, says.

"I don't know of anything in the specs that

would be justifiable delay in delivery of the vessel," Division of Marine Highways director Bill Hudson said today, adding Deputy Commissioner of Transportation H.D. Scougal had been handling direction of the project.

Scougal was unavailable for comment today.

"There have been many, many requests for substitutions and changes in this contract to date," Hudson said. "Most are routine."

Lockert, contacted in Portland, Ore. Where the stretching is being done, is looking into the company's charges, he said.

"I don't consider the letter sufficient to be

a final, acceptable statement on this," he said. "They've got to furnish further documentation. It would be premature for me to make a judgment. I'm down here to sift it out."

The state has not received a bill for charges beyond those agreed to in their contract with the shipbuilder, he said. It will take several weeks of negotiations to settle the issue, he added.

The ferry will go back into service by July 18, about six weeks later than originally scheduled, Hudson said. Five to six sailings from Seattle will be canceled because of

delay, he added.

The Matanuska has been in port since fall for midsection stretching to provide additional car-deck space. It was scheduled to go back on line around the first of June.

In explaining the delay, Wild said his firm notified the state its specifications would not meet Coast Guard regulations but the state refused to make changes.

"The contractor is now in the position whereas he did prepare his drawings in accordance with the specifications and as directed and much of the materials were disapproved," the letter to Lockert says.

Commissioner of Transportation Donald Harris told the shipyard to stick with the state's specifications, Lockert said.

Among state guidelines for the vessel which did not meet Coast Guard regulations was use of a laminate which is not an incombustible veneer, the letter says. Similarly, a finish selected for furniture aboard the ferry was not approved, it said. Draperies and shower stall specifications were questioned, it adds.

Delays are also the result of inclement weather, the letters from Wild say. Those delays will not be charged to the state, they say.

## Ferry Audit

I have had numerous phone calls and inquiries in the last few weeks concerning the results of audits which have been conducted on the Division of Marine Transportation by the Legislative Budget & Audit Committee.

There has been considerable discussion recently concerning the management of the Marine Highway system. Charges have been leveled by various sources that there are serious management problems within the Division of Marine Transportation.

The audits conducted by Legislative auditors were done not only to determine if there were management deficiencies but also to make recommendations as to steps which should be taken to correct the deficiencies.

The audits have been presented to the Budget & Audit Committee and have been released to the public for their information. In each of the audit reports there are several findings or recommendations by the Legislative auditors for improvements in the present management of the system and notation of many operating deficiencies which should be corrected. Although much could be written on the deficiencies noted and the recommendations made to correct them, I believe the most interesting and the most critical deficiency is stated in the Summary of Findings by the Legislative auditors.

To quote from the last audit report which was conducted between the days July 1, 1977-February 5, 1978:

"Most of the problem areas noted in our review have been addressed in prior audits, not only by the Division of Legislative Audit (November 1973 and April 1976) but also by the Governor's Management & Efficiency Review, (May 1976), The Department of Transportation & Public Facilities Internal Review, (November 1977), and the Department of Administration's Division of Internal Audit, (April 1966). Each of the previously mentioned reviews emphasized inadequacy of the Division's accounting and management information system yet management still lacks an effective means of evaluating the passenger service operation. The dates of the above audits show that a sufficient period of time for effective action has elapsed since the problem areas were initially addressed."

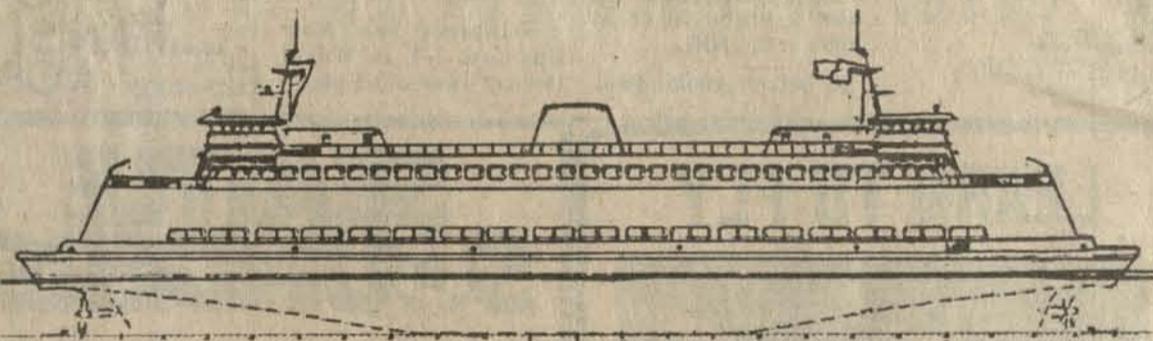
That statement has to be looked at very carefully. It points out the fact that many of the deficiencies have existed within the Division of Marine Transportation for a long time and have been pointed out by various audit staff, both of the Administration and Legislature, and have gone uncorrected. To be fair it would be pointed out that this problem does not exist only in Marine Transportation but in other state agencies as well.

It is apparent that steps need to be taken by both the Administration & Legislature to see that audit recommendations are followed. Those in management positions within the Administration need to view the audit reports as tools for improvement of operations and not as mere criticisms of present operations.

At the same time I believe it is the responsibility of the Legislature to establish the policy of conducting follow up audits to ensure that steps are taken to correct any deficiencies which may exist in the operation of State Government.

### Capt. Dick PARENTI

Of Gig Harbor, age 51. Survived by his wife, Ida M., of the home; two sons, Alan D. and Michael L., both at home; parents, Mr. and Mrs. C. E. Ohlsson, of Sacramento, Calif.; and Mr. and Mrs. John A. Parenti, of San Jose, Calif.; one brother, Phillip E. Ohlsson, of El Paso, Texas. Mr. Parenti was an owner and worked as marine surveyor for M. A. Stream and Associates, in Seattle. Services will be held Saturday, 1 p.m., at the Haven of Rest Chapel, Gig Harbor. At the family's request, contributions to the American Heart Fund.



SIX NEW FERRIES: Construction to begin immediately

## Seattle Firm Gets Ferry Contract

OLYMPIA — (AP) — Washington state moved a step closer to construction of six new ferries today, with the signing of the state's largest construction contract ever.

Peter Woeck, head of Marine Power and Equipment Co. of Seattle, and state Transportation Secretary William A. Bulley signed a "letter of award" and four separate contracts totaling \$105.8 million. It capped a lengthy, legally thorny selection process.

Representatives of

the state attorney general's office also signed the documents.

The signings meant the engineering and development work will start immediately. Hull construction will begin within 60 days, the Department of Transportation said.

The first vessel must be delivered by Nov. 30 of next year and the remaining vessels will follow at six months intervals, with the last one due on line in May of 1982.

Marine Power officials estimated that shipyard employment

will reach a peak of over 500 during the life of the contract, with a total direct payroll of more than \$50 million. Construction materials will be purchased from local businesses where possible, they said.

Total taxes to the state and local governments could exceed \$10 million, the department said.

Marine Power will build the vessels in Seattle at what they call Yard 4 on Fox Avenue.

Marine Power actually bid more than

another firm, Equitable Shipyards of New Orleans. But after taking into account a six percent advantage given in-state firms, the state Transportation Commission chose the Seattle company.

Equitable sued, unsuccessfully, in Thurston County Superior Court.

The ferries will be financed through a \$135 million bond issue and a 10 percent boost in the motor vehicle excise tax — an arrangement approved by the Legislature last year.

# Ray Charges 'False Economy'

Money-saving efforts by Marine Highway officials will cost the state more in catch-up maintenance in the future, Sen. Bill Ray said Tuesday.

"False economies aren't efficient," the Juneau Democrat said, charging winter maintenance of engines and rooms on the state's ferries has been inadequate. Earlier this week Ray released a report including interviews he conducted with crew members of several ferries.

In that report, he criticized Marine Transportation officials for failure to overhaul engines on the LeConte which was laid up for the winter in Everett, Wash.

"Everyone I talked to was really upset because the engines weren't going to be overhauled," Ray said. "When they took it over to Everett and tied it up they could have taken care of that."

Division of Marine Highways Director Bill Hudson disputed the need to work on the engines.

"We specifically looked at the need or lack of need to overhaul the LeConte's main engines and were told the equipment certainly could operate for at least one more season," Hudson said. "Their professional

judgment (the system's engineering staff) was that we not waste state money to overhaul these engines this year and program it for next year."

But some questions have been raised. "The engineers did not advise them to change the power packs," Bill Henry, spokesman for the Marine Engineers Beneficial Association in Seattle, said. Changing the power packs is the portion of the overhaul crew members discussed with Ray, according to the report.

"The manufacturers say to change them after 16,000 hours," Henry said. "The LeConte has run slightly less than 18,000 hours on the power packs and the company isn't changing them."

Henry would not recommend whether or not the engines should be overhauled, he said.

In other criticism of the ferry system, Ray described ferry interiors as neglected.

"The crews' quarters were filthy," Ray said. "And the ovens were terrible. The crew members were just told to get off the ship so they just got off."

Ray noted one area of the LeConte where pipes had leaked and caused carpeting to mildew.

"When a vessel is off-line and undergoing maintenance to someone not trained it looks something of a mess," Hudson said. "The workers cause great disrepair. You have dirty, greasy mechanics walking around the ship. Sawdust is flying. These things appear quite normal to me."

It would be useless to clean vessels until after mechanical maintenance is complete, he said.

In further criticism Ray struck out at the system's administrators.

"It's just one mess," Ray said of the Marine Highway system. "There's no competent manner to explain how much it costs to run the vessels or to feed the crews. There's no excuse for the department not being able to reconcile the costs of the system and the revenues brought in by the system."

"I have a tendency not to believe anything the department says," he added.

Hudson, likewise, was distressed by Ray's comments.

"He didn't talk to any of my directors or responsible staff," Hudson said of Ray's interviews with system employees. "He has only one side of the picture."

Hudson noted Ray was accompanied on his

ferry trips by two union officials who represent unlicensed ferry workers.

Hudson believes crew members' remarks to Ray are the result of discontent among some of the unlicensed employees who were laid off for longer periods this winter than in past years.

"In reality this is because we've tried to be sure labor costs are necessary," Hudson said. "We've put more money into areas of the vessels heretofore neglected or slighted and less money into crews during down time."

"I believe there is some disgruntlement among these people," Hudson said pointing to the stewards who were not kept on board during lay-ups for the first time.

Ray's report, which is part of one being prepared by the Special Committee on Transportation which he chairs, could lead to legislation to correct abuses by the Department of Transportation, he said.

"What can you do legislatively?" Ray said. "You can hold back the money but you hold back a service."

"We're not out to kill the system," he added. "We want to sustain it and see it grow. The Marine Highway system is a vital lifeline in Southeast Alaska."

## Ombudsman Hits Kleinenberg Decision

The state ombudsman said today that the recent dismissal of charges against a Marine Highway Port steward "leaves the door wide open for further abuses of public trust in other quarters."

In a strongly worded release, Ombudsman Frank Flavin condemned the exoneration of Port Steward Albertus "Bert" Kleinenberg by Commissioner of Administration B.B. Allen.

Kleinenberg, who was suspended for two weeks in January without pay for abuse of the ferry pass system, was given a clean bill of health by Allen. Kleinenberg said Monday he was given two weeks back pay for the two

weeks he was absent. Also, all mention of the ferry ride was expunged from his record.

A Legislative Budget and Audit Committee report found that Kleinenberg had obtained passes for a "round-trip passage between Juneau and Skagway on Dec. 27, 1976, for his children and an unrelated individual using his surname."

Flavin said in his release that Allen's findings in the Kleinenberg question "flies in the face of Director Hudson's testimony concerning a later incident that 'in Mr. Kleinenberg's case, I felt as though it was a case of very poor judgment on the part of a staff officer. And in his particular case, I felt

since it was the first occasion an admonishment and requirement to pay was justified."

Flavin adds: "Unknown to Mr. Hudson, however, the incident was not the first, and it is illogical to bar later disciplinary action based upon admonishment made without knowledge of the first violation."

Commissioner Allen, Flavin adds, "has developed two odd public policy principles: (1) You're not guilty of anything you can get a superior to approve and (2) violations must be pursued in the order they occur rather than the order they are discovered."

Flavin also said that if the officials issuing the passes were aware of the violation, they too should be disciplined.

## Ferry's Crew Faulted For Channel Mishap

U.S. Coast Guard investigators are recommending a formal hearing for the master of the ferry Malaspina for alleged negligence which resulted in hitting a channel marker earlier this year.

Cecil H. Rice was found negligent for failing to navigate with caution under restricted visibility, failing to properly evaluate radar information and failing to keep control of the vessel, according to the Coast Guard report.

"It is concluded that had the M/V Malaspina been proceeding at a lesser rate of speed during the time prior to the casualty, the casualty may have been avoided," the report says. "A contributing cause of this casualty was premature evasive action on the part of the master due to his failure to properly use information available to him to determine the course and speed of a radar contact suspected to be a vessel."

Rice has said he slowed the vessel to avoid hitting an unidentified second vessel which crossed the ferry's path. In doing so the Malaspina hit a marker in the Wrangell Narrows, destroying the marker and causing an 11-foot gash in the port side of the ferry. Coast Guard sources did not know who would pay for the marker. No one was injured in the accident.

If radar controls had been evaluated the master would have seen the second vessel, believed to be a fishing boat, was far enough away the evasive action was not necessary, the report says.

"Neither the Master nor the Chief Mate evaluated the contact to determine its course or speed," the report says.

The second vessel has not been identified.

"There is evidence of negligence on the part of the master in that he failed to use, and properly evaluate information available to him for the purpose of determining the course and speed of a radar contact which was suspected to be a vessel," it says.

When the radar contact was noted the Master slowed the boat which then was pushed by the current toward the channel marker, the report says.

"A contributing cause of the casualty was the loss of control of the vessel due to the failure of the master to consider the effects of the current on his vessel," the report says.

Charges have not yet been filed against Rice, Coast Guard investigator R.H. Spoltman said. Rice, a resident of Seattle, who has been with the ferry system since 1963, is on leave, Spoltman said.

Editor's corner:

## Where's the inspector?

Gov. Jay Hammond is making political noises suddenly about his administration's commitment to service on the state ferry system, but the system is tripping him up.

In this election year the governor's biggest political headache in Southeastern is his administration's handling of the ferry system, or at least, the perception of Southeast residents of his handling of it.

While he is trying to play up improvements in service, things like the possible Matanuska delay come up. Transport officials admitted Tuesday that a month-long delay in sailing of the stretched ship is likely this spring, wrecking havoc with reservations for 500 vehicle reservation holders.

Transport Commissioner Don Harris even speculated that the contractor may be holding out for overtime.

We wonder where the state's project inspector has been. Every ship project has an inspector who looks out for the state's interest during work on state vessels (similar to state inspectors on roads and buildings).

If the shipyard contractor was delaying work to get more overtime, where was the inspector?

Wherever he was we hope he's on the ball from now on. From experience we know that once a problem starts on a state ferry it seems to snowball, a la the Columbia and the Aurora. We won't be surprised to hear of further delays and broken sailing dates. We wait with dread.

# Port Steward Wins Battle

By CRAIG MEDRED  
Empire Staff Reporter

What started as a suspension has turned out to be a paid vacation for the port steward for the Alaska Marine Highway.

Port Steward Albertus "Bert" Kleinenberg says he has received full back pay for the two weeks he was absent from his job in January when he was temporarily suspended amid reports of mismanagement in the state ferry system.

In addition, Kleinenberg says, the suspension has been revoked and all mention of it removed from his personnel file.

Commissioner of Transportation Donald Harris suspended Kleinenberg in January, saying the suspension was punishment for abuse of free ferry passes.

The suspension stemmed from reports on the ferry system by the state ombudsman and the Legislative Budget and Audit Committee.

According to the Audit Committee, Kleinenberg "obtained passes...for roundtrip passage between Juneau and Skagway on Dec. 27, 1976 for his children and an unrelated individual using his surname." The unrelated individual turned out to be Kleinenberg's girlfriend, whom he later married.

Kleinenberg said this morning that his suspension was revoked and the back pay awarded "based on the fairness of the whole thing, because I didn't issue the pass."

"Their whole reason (for suspending me) was I had used indiscretion with the pass process, and I had not," Kleinenberg said.

He said he has received "full pay and benefits" for the 10 working days he missed because of the suspension.

He added, too, that "even though I am not required, I will pay back the cost of the pass." He said that is a "personel decision," based on making good what he said was a misunderstanding.

Kleinenberg also praised the Alaska Public Employees Association (APEA), which went to bat for him over the suspension.

"I think that APEA did a hell of a job in defending me," Kleinenberg said.

He said his suspension was revoked at the fourth step in the grievance procedure—the commissioner of Administration. Appeals to the director of the marine highway and the commissioner of Transportation were both turned down, Kleinenberg said.

In the wake of the affair, Kleinenberg added, the ferry system has revoked all pass privileges for "shore-side" personnel. He blamed that decision on "ombudsman pressure."

The January report by the Budget and Audit Committee concluded that "in 79 percent of the administrative trip passes tested, individuals were traveling for reasons other than 'official business.' In many cases, dependents are also included on these pleasure trips."

Such actions, the report said are "in violation of state law by providing administrative personnel free vehicle transportation for pleasure purposes."

The ombudsman issued a similar report.

Though Kleinenberg admits to making such trips, he says the responsibility is not his. "I was really requesting a pass, which was issued," he said.

If the pass was improper, he adds, it should not have been issued.

# Ferry Terminus

Elsewhere on this page Juneau's Sen. Bill Ray asks two very pertinent questions about proposals to move the terminus of Alaska's Marine Highway from Seattle to Bellingham.

Assuming the ferry system officials believe the most optimistic of the varying price quotes by Bellingham proponents, Sen. Ray asks:

—Will the ferry system cut fares 10 percent to reflect the shorter route?

—Will Alaska passengers, foot traffic in particular, shift to other means of transportation because of the added inconvenience of loading and offloading in Bellingham?

The questions are important and we suspect if the ferry officials searched their cost-cutting hearts they would have to answer "no" to the first question and "yes" to the second.

It all comes down to a question of service vs. doubtful economics. For three years we have been subjected to (and suffered through) ferry administration discussions of merits vs. demerits of various efficiency measures. Some have been implemented but the ferry terminus issue is still looming in the background and there is no resolution in sight. It is, supposedly, still being "studied."

It is about time for the administration to come out from behind the studies to answer Sen. Ray's questions. There is, after all, no better time than an election year to answer questions.

One again; will fares for Alaskans be cut to reflect the shorter route to Bellingham? Will Alaska passengers shift to other means of transportation because of the inconvenience of a Bellingham terminus?

How about it Gov. Jay Hammond, Dept. of Transportation and Public Facilities Commissioner Don Harris and Marine Transportation Division Director Bill Hudson?

Juneau, Alaska, Thursday, March 2, 1978 —PAGE THREE

# Ferry Board Wins Approval

By DANA JONES  
Empire Staff Reporter

The House Finance Committee recommended establishment of a citizen advisory board to oversee Marine Highway operations today.

The five-member board would advise the governor, Legislature and Department of Transportation officials on operations of the system and recommend schedule and tariff, management and planning changes.

The board will be established as an impartial body to review differences between ferry system administrators and workers on the ferries, Rep. Oral Freeman, D-Ketchikan said.

"The problem is the people within the transportation system have biases," Freeman said. "The administration has certain opinions and biases and so do the ferry workers. And they're not always the same."

"You really have no body set up to represent the public in this except the Legislature," Freeman added.

Ferry workers have protested administration maintenance layoff schedules which have resulted in fewer employees remaining with the system during winter layoffs.

For example, while the LeConte is tied up for six months this winter in Everett, Wash., the crew is not on board as had been the practice in previous years.

The measure was taken to cut costs, Marine Highway Division officials have said. However, union officials have objected to the layoffs saying the LeConte is not receiving proper maintenance and care without the crew aboard.

Ferry system employees also have objected to hiring of out-of-state firms to do layup maintenance and repairs.

Marine Highway officials defended the out-of-state hire saying it was less expense than maintaining a crew on the vessels during layups.

The advisory board, expected to be funded at about \$50,000, will review such disputes and make recommendations for change.

# From Sen. Bill Ray Bellingham

Bellingham made its first proposal to be the southern terminus of Alaska's Marine Highway System back in 1964. At that time they suggested the ferry system should terminate at a port on Puget Sound instead of at Prince Rupert in Canada. Alaska agreed it would be more convenient for the traveling public, especially foot passengers, and chose Seattle as being most advantageous in that respect.

The "Seattle-run" appears to have been a wise choice as even the muddled records of the department will attest. In fact, it appears to have proportionately generated more revenue than any other segment of the system.

Inflationary pressure, as in every other state program, has boosted the operating costs of the ferries. In their efforts to stem the tide the managers of the system have tried to find ways in which to economize. At best, their endeavors so far have produced questionable results. Legislative Audit reports have not confirmed departmental statements that their changes in the management and operation of the ferries have resulted of outstanding proportions. In the past two or three years it appears the muddle has gotten even worse instead of better.

Now the system is considering altering the only possible good thing they have going for them. By moving the southern terminus to Bellingham, they say the ferries may save in-port movement money in fuel and lube costs of approximately \$142,000, 12,500 in line handling, and \$49,000 in waste disposal. They combine these figures of \$203,500 with \$119,000 in supposed savings in lease terminal facilities and voyage fuel and lube savings of \$143,000 for a total estimated \$465,000. Not too surprisingly, in their (Bellingham's) latest brochure,

they have incorrectly added their own numbers to reflect an estimated additional \$100,000 savings for a total of approximately \$565,000. Is it any wonder the veracity of their report is questionable when they can't even make their own figures balance out?

In the freight category of the brochure, Bellingham had doctored up a set of figures attempting to show van-haul savings. But their footnotes are infested with "maybes," "perhaps," "could happens" and "if not."

When they get into the passenger analysis they really show their ineptness. They attempt to compare apples with oranges and try to arrive at bunches of bananas. Truly a sad effort on their part if one wants to take the time to go over their presentation and attempt to rationalize or correlate their figures. At least, to my knowledge, Seattle hasn't also stooped to play at the "numbers game." Thank the good Lord for small favors.

As I see it, here are two main questions with a Bellingham terminus:

1. Will the ferry system cut fares 10 percent to reflect the shorter route? If they do, this will substantially wipe out any indicated savings for the shorter haul. If they don't a goodly share of the traffic will have to pay additional supportive transportation costs as a result of riding the ferries.

2. Will Alaskan passengers, foot traffic in particular, shift to other means of transportation because of the inconvenience of being offloaded in Bellingham? This could result in a drastic reduction in net revenues for the system which would have to boost the subsidy, or alternatively reduce overall frequency of service.

Needs a much closer look, doesn't it!

# Recalling the 1st Malaspina voyage



Above, Ketchikan's fireboat greets the Malaspina just after she was lengthened in 1972. Below is the Malaspina before lengthening. Log staff photos.



At 6 a.m., a vessel came alongside to remove Spaulding and certain yard workers. Without losing any speed, the Malaspina continued north with her crew, two shipyard workers and their engineering supervisor, this writer, Captain Eastman, some Alaska representatives and the governor.

Three media representatives also joined us: Don Page, marine editor of the Seattle P-I, Wayne Jacobi, then reporter for the Seattle Times and now with the P-I and Jack Fletcher, National Geographic's photographer. Also aboard were representatives of the ship's diesel builders. The diesel was 8,000 horsepower, more than three times that of a World War II Liberty ship's 2,500 horsepower.

We bunked in the ship's few private rooms, two to a room. I think my roomie was a diesel man and he never slept because he was on the engines constantly. The loudspeaker blasted 24 hours a day, so sleep was impossible anyhow. I didn't sleep for over 33 hours the first "night."

We arrived at Ketchikan first, at night, and I recall hundreds of autos lined along the shore with headlights

**The state's first governor, William Egan, was aboard, but he was very ill and confined himself to his so-called cabin for most of the voyage ... "so-called" because the ship was not quite fitted out for passengers yet, and we all camped like gypsies.**

aimed at their big blue canoe (which was an Eskimo joke about the big autoliner). The Alaskans had adopted their big ships as part of their families—the spirit was amazing.

I recall that we got our first hot meal, sitting at the table, as we approached Ketchikan. It was excellent, but then we could have eaten hot Kennel-Ration and been happy by that time!

An Alaskan newsman aboard was on the ship's radio as we entered Ketchikan harbor. He told the story of the Malaspina's arrival to all who could tune in on her first port visit in Alaska. It was somewhat of a thrill, especially to feel the electric enthusiasm of those Alaskans!

We touched at Wrangell and Petersburg afterward, and at one of these small ports, Captain Eastman pulled the pin and refused to permit the ship to proceed to Juneau unless corrective measures were taken immediately to stop the eight-inch vibrations of the exhaust stacks. He blasted at me from the flying bridge while I was happily about to take photos of the phones were available to me to call the shipyard to fly the ship.

I never got a chance to get one shot. We held a conference and I dashed ashore, using half of the town's two taxis to get to the town's hotel. There one or two phones were available to me to call the shipyard to fly up some experts on stack vibration—right now!

We finally made it to Juneau and got the governor off and to a sick bed. The very next day was his inauguration ceremony. He was so ill, I recall his wife made his speech for him in his absence.

It was quite a trip — my third "ocean" voyage. The first two were World War II trips and ghastly. Here was my third: except for the lack of uniforms it matched the first two for no food and loss of sleep! But the quality of the ship and the tremendous enthusiasm of the Alaskans for "their" ship made up for everything.

## From Port of Seattle "Tradelines"

Late in January the Alaska Marine Highway System's elegant ferry Malaspina celebrated her 15th anniversary of voyages out of Seattle.

Lockheed Shipbuilding & Construction Co. had built her in Seattle in 1963. Early in 1972 the Willamette Iron & Steel Co. in Portland, Oregon, cut the Malaspina in half, added a 56-foot mid-body section, re-fitted her removed sections and remodeled the vessel throughout. The improvements cost \$6.8 million.

After her renovation she measured 408 feet long and 73 feet wide, with a capacity of 750 passengers and 134 standard automobiles. She is driven by two 4,000-horsepower, V-12 diesel engines.

Fred Short, public information assistant for the Port of Seattle, reminisces about his trip on the Malaspina's inaugural voyage:

I was builder's representative on the Malaspina's very first voyage in January 1963, from the middle of Elliott Bay—at about 6 a.m. on a dark and bleak morning—to Southeast Alaska ports.

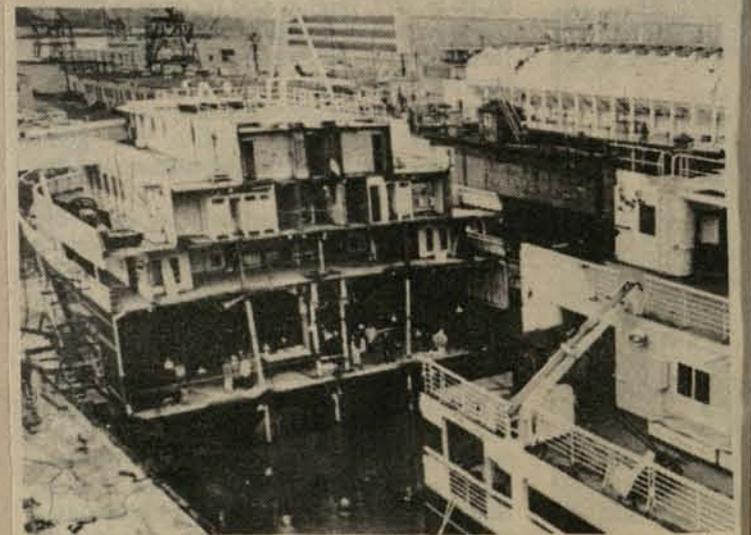
I got aboard about 4 p.m. the day before, along with dozens of working bodies, some Alaska officials and one VIP, the relatively new first governor of Alaska, William Egan. The governor was very ill and confined himself to his so-called cabin for most of the voyage...so-called because the ship was not quite fitted out for passengers and we all camped like gypsies. In fact, gypsis had it better since we lived on the most primitive of foodstuffs, uncooked or at least unheated. The galley had not been activated yet!

The Malaspina was beautiful but Spartan in accommodations, having left the builder's yard that same day. Puget Sound Bridge & Dry Dock Co. built her as the first of three identical ships, the Matanuska and the Taku being the other two. The larger—and now the flagship—Columbia was also built at the same yard, which officially became known as Lockheed Shipbuilding & Construction about 1964.

Aboard on the "cruise" in Elliott Bay from about 4 p.m. to 6 the next morning were shipyard workers, Alaska representatives and U.S. Coast Guard officials, of whom the ubiquitous Capt. Jess Eastman, officer in charge of marine inspection, was the most visible and audible. Also aboard were Phillip Spaulding, veteran naval architect who had designed these autoliners, and his staff of experts.

The 14 hours of cruising around the bay before departure were due to the Coast Guard's refusal to grant permission to leave the harbor because of certain deficiencies.

Cont. on next page



The Malaspina undergoes lengthening in January 1972. The vessel was the first in the Alaska Marine Highway fleet to be expanded. The second is the Matanuska, not in the process in shipyards of Willamette Iron and Steel Co. of Portland. Because of expense of the expansion, no other ferries are planned to undergo the process.

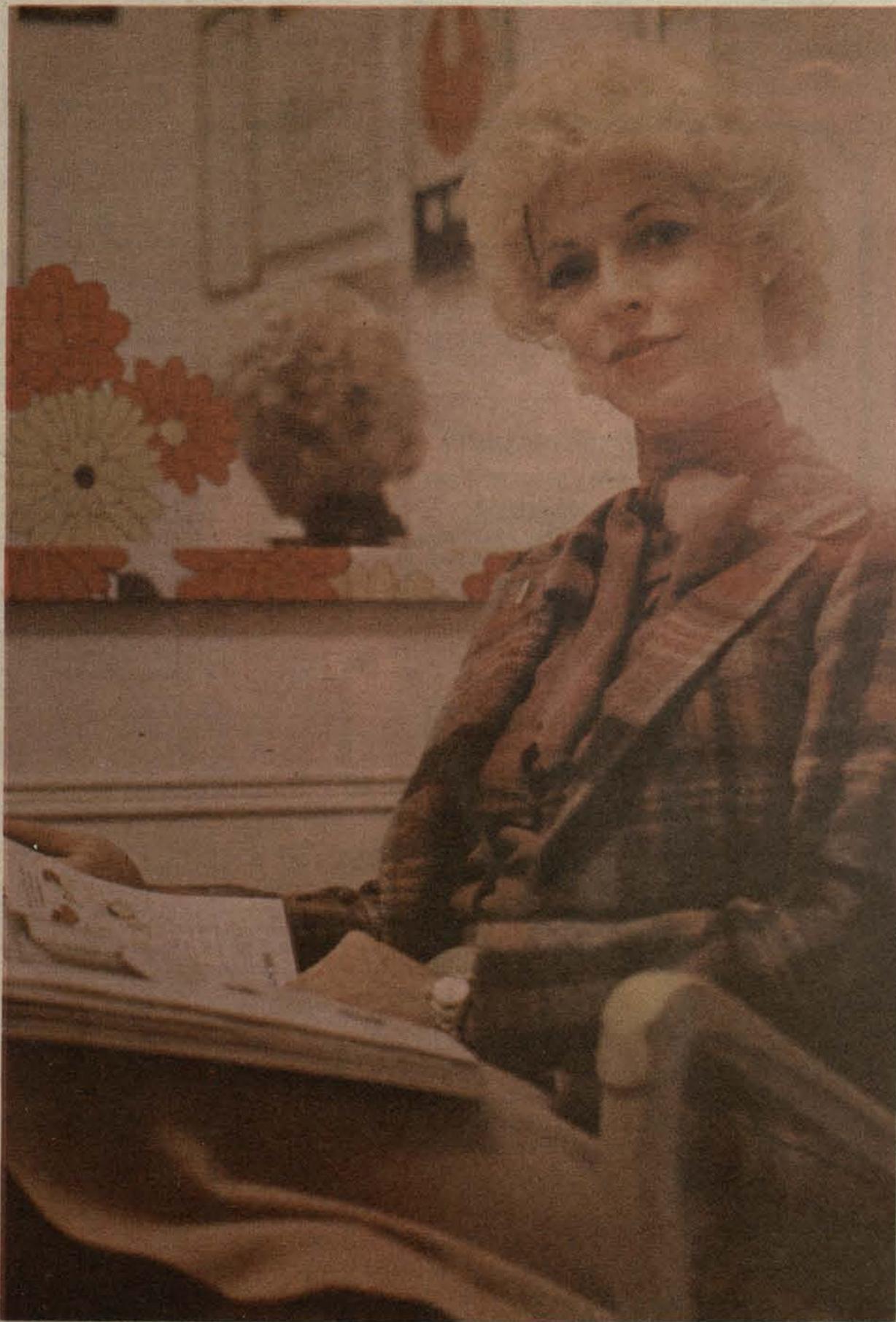
12-60

# Southeastern LOG

Controlled circulation postage  
paid at Ketchikan, Alaska.

Postal Customer  
Local

VOL. 7, NO. 12 KETCHIKAN, ALASKA DECEMBER 1977 50 CENTS



*Ginger Johnson—expression is her job . . . p. 16.*



Ginger Johnson of Juneau shows a basic of her job — expression. She has been a public information officer with the state for approaching eight years. Harry Gamble photos.

# Expression is her job with the state

By BOB SPEED  
Log staff writer

Ginger Johnson gave herself the choice of trying out for the Olympics or going to Alaska. Alaska won and since May 1970 she has worked as an information officer for the state at Juneau.

She hardly had stepped off the state ferry at Juneau in 1969 when she thought to herself, "This is it."

She went to work as information officer for the Division of Marine Transportation and unofficially for the entire public works department. Now her job is information officer for the state department of transportation, newly established this year and combining the public works and highway departments.

She was born in Oklahoma and moved to New Mexico with her family when she was 12, but she "wasn't that fond of the desert" and prefers living near the water. She keeps herself physically fit — she was running 15 miles a day when she first came to Alaska — but, "I'm not really an outdoors person," she said.

She studied journalism as a major and drama and physical education as minors at the University of New Mexico 1964-67. She did not graduate, but during the time worked as advertising agent for the Daly Drug stores in Albuquerque and wrote speeches for its civic-minded owner whose name the chain of stores bore. She worked public relations for New Mexico's Cox Oil Co. 1967-69.

To the 32-year-old blonde, "going outdoors is walking to my car. I don't ski. I like to go fishing, but I'm always too busy doing something else."

disparaged as "running flack" for bureaucrats. She said she's "in the middle, between the public and the press, the employees and the management." And she loves it, even though she is under daily pressure, dealing with those groups, all expressing their own sometimes conflicting interests. Her secret sounds simple, but is hard for many information officers to follow: she said she tries to find solutions to problems and track down answers to whatever questions or rumors arise.

"I'm a strong believer in service," she said when in Ketchikan last month for the official christening of the new state ferry Aurora. "And not many people give service anymore." She takes the attitude that everyone deserves courtesy, and said she feels hurt when she sees people acting uncourteously to another.

### Job still interesting

"I've always said that I would quit the first day my job wasn't interesting." "So far, it honestly hasn't happened," she said about her lengthy tenure with state transportation systems, particularly the marine highway system, known by many for its repair-ridden flagship Columbia and which underwent a strike this summer.

Being in the middle often isn't easy, she admitted, especially when she's dealing with the press, which is a large part of her job. The first problem there is getting the press in contact with her bosses, especially since reporters tend to call when something goes wrong, and it's usually not to offer sympathy.

It's contrasts such as these, perhaps, give her a reputation as a considerate and helpful in a job that could drive some people to distraction.

### Bright taste shows in office

Turnover is common in many governments jobs, and public relations jobs are no exceptions, but Ginger Johnson is.

Color is alive and everywhere in her office. Its decor to her taste indicates that in her years of state service she has gained some influence in the department.

A job as an information officer is not often an easy position to hold down, because of constant riptides of conflicting interests in which the "PR man" is often

Cont. on next page



Ginger Johnson, third from left, attends a recent meeting at Ketchikan with local officials and her bosses, ferry system Director William Hudson, fourth

from left, and state transportation department Commissioner Don Harris, at far end of table. Bob Speed photo.

"They hate to talk with the press," she said about her many bosses. But she has a good track record for persuading the commissioner, division directors and others to pick up the phone to answer questions.

## 'As far as personal rights are concerned, Alaska is heads above every other state.'

They have a not altogether unfounded fear of being misquoted, and she sometimes finds herself holding her breath after persuading an official to talk to a reporter directly, and sometimes tiptoeing around the office after a reporter proves her wrong. She recognizes that there are inequalities of the sexes regarding job discrimination, but said she finds a few major faults among the men with whom she works. She said she does notice that she is sometimes excluded from meetings from which she believes she would benefit, and is treated she believes with some deference from her male co-workers, simply because she's a woman. However, she shrugs those situations off for the most part.

12-62

She once tried to get a group of women together to work out to keep fit, making use of her training in physical education, but became discouraged.

"I found that most women aren't interested in taking care of their bodies and keeping fit," she said. It didn't stop her own exercise regimen, though.

She's also interested in art and has a "fairly nice" collection of Alaskan art including originals by well-known Alaskan artists, she said. On the side, she has an interest in her own hair-styling business in downtown Juneau, which she owns but does not manage.

She also finds time to read, mostly non-fiction. She is fascinated with history, and that includes some historical novels.

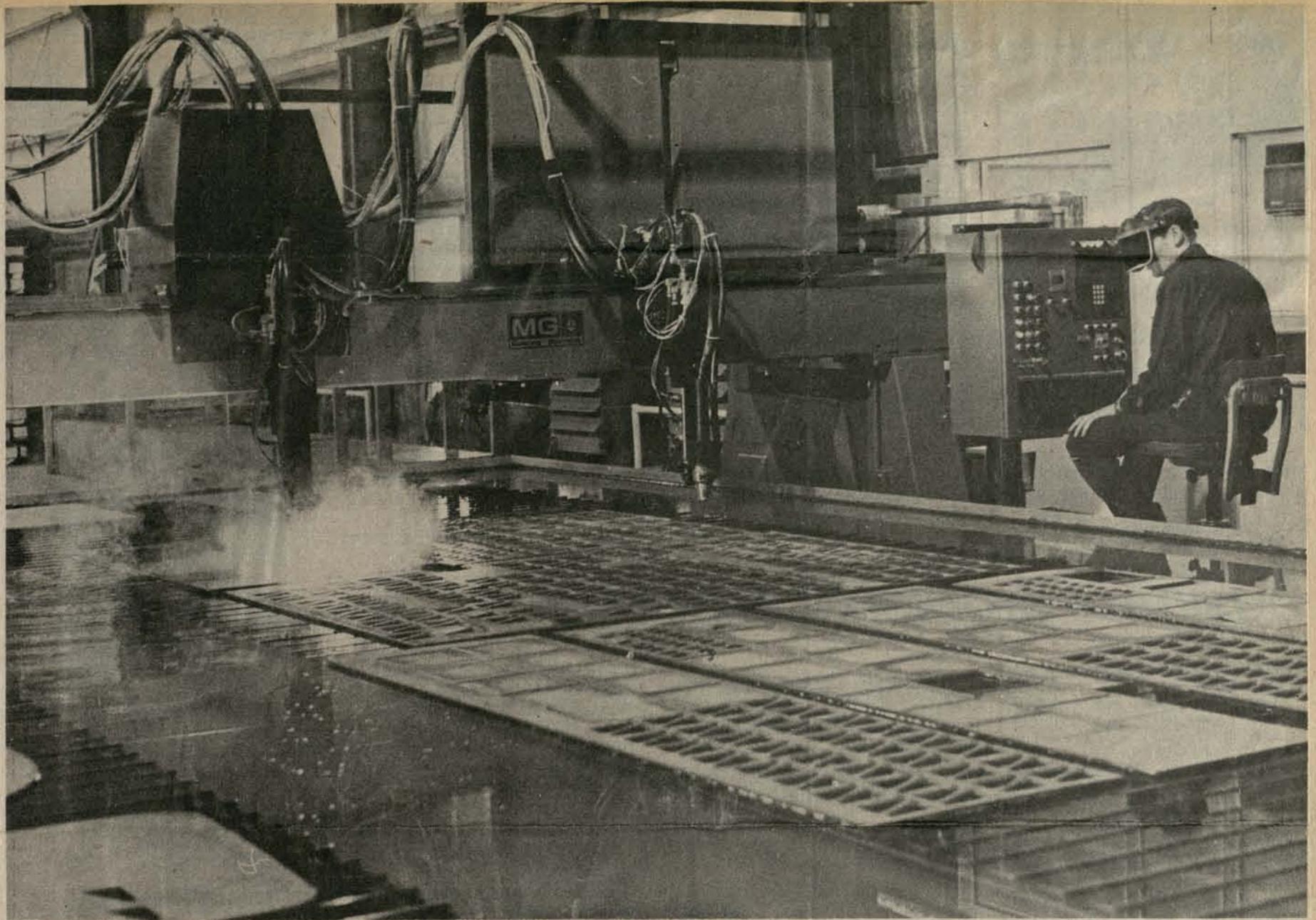
"When I was in college, I hated history," she said. "Now I love it." But her prime interest remains her job.

"I'm most interested in my work" she admitted. "If I'm off for more than a week, I start worrying." At that, she considers herself fortunate.

"So many people work and hate their job — and working is such a big part of their lives. I really find that sad. I'm lucky to be the 'IO' (information officer) for the whole transportation department, simply because there's so many things I get to learn about.

Part of her enthusiasm for her job and attention to courtesy seems directly attributable to her personal goals.

"I have goals for myself about being a better person," she said.



Computerized burning of aluminum plates is about to begin at Peterson Builders Inc. Top photo shows Leland Nelson as the machine does a prac-

tice run for the photographer. Related pictures on page 2.

## Computerized shipbuilding arrives

Computerized shipbuilding has arrived in Sturgeon Bay.

Peterson Builders Inc. is starting production on the first of nine 190-ft. high speed naval gunboats using a computerized burning machine in its new Warehouse 6 on the west side.

A tape-fed computer feeds instructions to the burning machine which then cuts or burns the aluminum plate to the exact specifications of the blueprints.

The computer and machine alone cost PBI \$150,000 and enables the firm to cut aluminum plates from 3-16ths of an inch to two and a half inches in thickness.

Leland Nelson is in charge of the operation with Glen Anderson assisting and after several months of indoctrination were ready to move into actual production later this week.

The computerized and automated setup will eliminate the old system wherein patterns were made, traced onto aluminum plates and then cut out with circular saws.

Now a vacuum lift will place aluminum sheets as big as 10 x 30 feet into a huge tank underlaid with water with the two nitrogen-electric arc torches burning or cutting the patterns according to instructions fed by the computer.

Will this be a case of a computer putting men out of work? Not according to PBI Supt. Ed Propsom who said it will not only allow more diversification among present personnel but will make PBI a lot more competitive in bidding for future contracts and more work.

The computerized unit was purchased

from a Wisconsin firm, MG Cutting Systems of Menomonee Falls. Blueprints are sent to Cali & Associates of New Orleans where they are made into tapes which programs the computer for transmitting orders to the burning machine.

Propsom said the tape system is being

used for the time being but that eventually PBI may replace local tape storage in favor of a terminal hookup with New Orleans.

Propsom said approximately one million pounds of aluminum will be processed in fulfilling the nine-boat navy contract.

### Festival Ferry

The Alaska ferry system is arranging its schedule so Southeastern Alaska residents, especially in smaller communities, can travel more conveniently to the Little Norway Festival May 19-21 in Petersburg.

Three ferry vessels will be utilized to accommodate the special festival traffic.

The M/V LeConte will leave Auke Bay near Juneau at 1:30 a.m. Thursday, and will also pick up passengers in Hoonah, Tenakee, Angoon, Sitka and Kake, arriving in Petersburg at 9:10 a.m. Friday. After the festival, it will leave Petersburg at 7:15 p.m. Sunday, May 21 and make stops at those same towns in the return trip to Juneau.

Festival-goers and other Southeast ports will be served by two main line ferries on their regular runs. People in the Ketchikan and Wrangell areas can board the M/V Taku on its north bound run on either May 16 or May 19, with the vessel to arrive in Petersburg at midnight on both days. Then, on departing Petersburg, passengers can take the M/V Columbia northbound on Sunday evening, May 21, or the M/V Taku southbound, early the next morning, Monday.



## Marine

# Did Pols Louse Up on Ferries

The State legislature has loused up ferryboat bidding with a convoluted process that forces the State Transportation Commission to come up with a contentious decision, no matter what it does. That's Seattle naval architect Phil Spaulding's evaluation of the system that led to the state's picking Marine Power & Equipment yesterday to build six new boats for Washington State Ferries.

But despite the way the decision was arrived at, Spaulding thinks the state still is likely to get six good ferries out of it.

SPAULDING is perhaps the most experienced ferryboat designer in the U.S. He designed Alaska's state ferries. Also many ferries for runs in California and other parts of the world, including British Columbia. His firm, Nickum and Spaulding Associates, has designed many Washington ferries, including the class these new boats are based on.

This week Spaulding charged that the state had become "the laughing stock of the shipbuilding industry" in its method of finding a builder for these six boats.

Certainly, the last legislature ordered an innovative system last year. Normally the state would have the ships designed, then call for bids. On this job, the state laid out general guidelines, then invited shipyards to submit proposals within those guidelines. Reportedly this system was proposed by

Don  
PAGE

Marine Writer



the Tacoma Boat Co. Which since then has amassed such a huge Coast Guard cutter contract that it couldn't bid on the ferries.

SPAULDING COMPLAINS that the new system was legislated by "politicians who don't have any experience in dealing with shipyards." As a result, he says, instead of just matching dollars and cents in the bidding, the State Transportation Commission has had to make a judgement call on some very technical issues.

Spaulding credits his fellow naval architect, L. R. Glisten, with doing "an outstanding job" as the state's consultant. But Spaulding questions the 34-point evaluation formula laid down by the state. There are many questions that can't be projected precisely, he thinks, like just how much force will be needed to push the hulls through the water, how much fuel and lube oil will the engines actually take in the 25-year life cycle the consultant considered.

THIS SYSTEM of having yards submit their own designs adds to the cost. "It meant the shipyard

would have to spend at least \$150,000 up front to submit a proposal," Spaulding tells us. "That's why there were only two bidders. Many yards wouldn't touch such a procedure with a 10-foot pole."

Equitable Shipyards of New Orleans was the yard that lost out in this week's decision. Equitable's officers are talking about suing. Spaulding doesn't know if the New Orleans yard stands much chance of upsetting the decision, but he thinks it might present good arguments to get its design costs paid by the state.

ON THE OTHER HAND, Spaulding doesn't downgrade Marine Power's proposal. He knows and respects Peter Woeck, Marine Power's president.

The controllable-pitch propellers in Marine Power's proposal are more efficient than the Z-drive propulsion proposed by Equitable, Spaulding thinks. "I don't worry about the controllable-pitch propellers," he says. "They've proved out in experience on the Alaska ferries since 1963. They've also been an outstanding success on some British Columbia ferries."

Problems of controllable-pitch propellers on Coast Guard icebreakers and the Alaska ferry Columbia are the fault of the particular brand of propeller selected, he says. "Controllable-pitch propellers are very efficient and thoroughly reliable if properly maintained."

## Busted Ferry

As we slip through this pleasant May toward summertime, it's our painful chore to inform you, June has been canceled. June and a good piece of July, too, for the Alaska State ferry Matanuska and hundreds of folk who'd pinned vacation hopes on riding the 600-passenger boat north in the next few weeks.

The Matanuska is late getting out of the Portland shipyard where she's lain since last autumn, being jumboized to provide more berths. The big blue boat had been due out in time to make her first voyage north from here June 6. Now 49th Staters are hoping she'll be completed in time to start service July 18.

MATANUSKA STATEROOMS and their 184 berths had been reserved solid. So Alaska State Ferries has had to send bad news to a lot of people. The ferry Columbia is booked solid, too, on her Friday

## Marine

sailings from here, so reservations couldn't be shifted to her. To help take up the slack, Alaska Ferries has scheduled the Matanuska's sister, Malaspina, on one roundtrip out of here June 3 and a one-way trip north June 10.

Everybody else the system has had to advise to make their way north to board at Prince Rupert. Or to switch to more expensive airliners or cruise ships. Or to change their vacation plans.

Sad! But shipbuilding plans, like housebuilding plans, don't always run on schedule.

THE CONTRACT PRICE on jumboizing the Matanuska runs \$15.5 million. Phil Spaulding, the marine architect on the ferries, recalls that a similar job on the Malaspina six years ago cost \$6.5 million. And full price of the boats when they came out of the old Puget Sound Bridge & Drydock yard in 1963 was only \$4 million apiece.

THE ALASKA FERRY Matanuska isn't under water, but she might as well be, for all the good she's done tourists this summer — or the Southeast Alaska business folk who'd looked forward to those tourists. The Matanuska went into a Portland shipyard last autumn for a stretch job, to lengthen her 56 feet and add more staterooms. She was due out in time to start service out of Seattle June 12, and the ferry system reserved her 184 berths.

But the Matanuska wasn't ready on time. Alaska Ferries had to cancel reservations through to July 18. Now it's canceled more reservations to August 15, and August 15 is a hope, not a guarantee. That's close to 2,000 tourists who've had their travel reservations blown.

THE FERRY COLUMBIA is left as the only Alaska boat out of Seattle. She should be in early this afternoon, to sail from Pier 48 tomorrow night at 8. The Columbia is licensed for 1,000 passengers. But Alaska Ferries has set a limit of 650 for this long run from Seattle to Ketchikan. That includes 384 stateroom passengers and 266 walk-ons to queue up for the dining room and public washrooms and showers or to lay out their sleeping bags for wall-to-wall bodies in the recliner chair lounge.

In this pinch, as Jean Lunzer reports on today's P-I Travel Page, the Columbia has even had to turn back some walk-ons. It's a long hot summer for the people who run this bargain travel package to the 49th State.

A warm welcome to Capt. and Mrs. "Red" Lockert of Alaska, who have moved into their new home at Bridgehaven to live permanently.

PAGE TEN— Southeast Alaska Empire, Juneau, Alaska, Friday, May 26, 1978

# Ketchikan Ferry Facility Advocated By Sen. Croft

KETCHIKAN (AP) — Democratic Sen. Chaney Croft of Anchorage promised Thursday to move the state ferry system's winter maintenance facilities to Ketchikan if elected governor.

Croft also pledged to "do all I can" to win Senate approval of House-passed legislation to appropriate \$1 million to expand port facilities in Ketchikan, a mandatory first step to initiation of a winter maintenance center.

Meanwhile in Juneau, an aide to Gov. Jay Hammond said the

governor will decide "within the next week or so" whether to support the Ketchikan port expansion appropriation.

Speaking to a campaign audience, Croft said moving ferry maintenance work to Ketchikan from Seattle could mean up to 250 jobs and millions of dollars in payrolls from an expanded marine repair industry.

Croft said the state currently pays \$3.5 million a year in salaries to workers in Seattle to perform winter maintenance on the

state's ferries.

He also criticized the Hammond administration for engaging in repeated studies of the issue without reaching a decision.

"All we have are studies," Croft said. "We have no commitment from the state even though such a move is clearly in Alaska's best interests."

Croft said that in addition to "the obvious advantage of paying Alaskans for work performed in Alaska, a strong marine maintenance industry in

Ketchikan might be able to service boats from the private sector, the Coast Guard and our promising bottom fish industry."

Croft also used the speech to take a shot at Hammond's chief Republican rival, former Gov. Walter Hickel, in an allusion to Hickel's recent comment that Alaska will never run out of oil and gas and his earlier decision to resign as governor of Alaska to join the cabinet of former President Nixon.

THE ALASKA FERRY Malaspina isn't sailing on a delayed voyage out of Seattle this week after all. Mechanical problems after layup were worse than the ferry system had thought, and this week's Malaspina voyage has been scrubbed. Her next run will be one way, Seattle to Prince Rupert and Southeast Alaska, departing Saturday.

That will leave the Columbia the only Alaska ferry working out of Seattle until the Matanuska breaks out of a Portland shipyard, hopefully July 18.

Sad news for Alaska travelers and Southeast Alaska tourist folk who'd like to be sharing their money.

YOU'LL PROCEED after a delay, we're sorry to report, if you're one of the 350 folk who were planning to ride the Alaska state ferry Malaspina north out of here tomorrow night. Miscellaneous mechanical problems after a layup will delay the Malaspina's sailing .52 hours, until midnight Monday.

The Malaspina had been pressed into service for this roundtrip to carry some of the passengers who'd had reservations on her sister, the Matanuska, now tied up in a Portland shipyard until at least July 18. With this delay, the Malaspina now will stop short at Ketchikan, where the smaller ferry LeConte will take over as many passengers as she can for the continuing run north to Wrangell, Petersburg, Juneau, Haines and Skagway.

Then the Malaspina will sail back here for departure June 10 on a one-way run north.

12-64

## TRAVELINES

# Walk-ons 'No Problem' But 127 Left on Pier

By Jean Hudson Lunzer

Friday, June 30, was a black day for the Alaska ferry Columbia. She had to leave 127 possible passengers behind. The unhappy travelers are legion, and two of them sent The Post-Intelligencer copies of their letters to Gov. Jay Hammond.

"We arrived at the ferry dock at about 4 p.m. to purchase our tickets. In previous conversations . . . we were told we needn't buy tickets before day of sailing. Since we were to be walk-on passengers without staterooms or berths there would be "no problem" in getting tickets," Toni Weyman writes.

"However, when we tried to buy our tickets we were put on a waiting list . . . we were told it would be at least 7:30 p.m. before they knew how many standby passengers could board. An hour and a half passed before they gave any further mention to stand by passengers.

"It was then an hour after scheduled departure. Only the first eight or nine passengers were admitted on the boat. My friend and I were 20th on the list."

In her letter Catharine Malm says the same "bad information" about being able to board without advance ticketing "was given to out of town travel agents who then passed it on to people who traveled as much as 3,000 miles to travel to Alaska via ferry."

"My friend and I were fortunate to have a place to stay in the Seattle area, but others were not so lucky and may never brave the ferry system again."

Weyman says she sees "no reason why the Alaska Marine Highway System couldn't just inform those who call that it might be best to purchase tickets in advance . . . when ferry travel to Alaska is at its peak."

It's after the fact, of course, but terminal manager Milton Griffiths says advance reservations, even for foot passengers, ARE possible and at certain times advisable. He's as distressed as anyone over the number of passengers who were left on the pier that particular Friday.

"But, it was an exception, something which happens only two or three times a season," Griffiths said. "This can happen, but it rarely does. But if it does, we guarantee space on the next trip."

Although the general information which callers are given through 623-1970 is that walk-on

passengers are taken on a first-come, first-served basis, persons who have tight schedules have a way out.

"They should write to our Juneau office requesting confirmed passenger space. They will be given an 'itinerary number' which will be honored at the Seattle terminal," Griffiths assured.

However, whatever, some clarification and consistency is in order for one of the West's most exciting transportation systems.

## Bellingham Ferry Site Tour

Gov. Jay Hammond of Alaska is scheduled to visit Bellingham today to inspect the proposed site of an Alaska ferry terminal, which now is located in



HAMMOND

Seattle. Bellingham officials claim that the Alaska ferry system could save \$1 million per year if the terminal were moved there from Seattle. Scott Foster, Hammond's press secretary, said yesterday that the governor would make no decision in the matter until next January and is awaiting the results of a study being conducted by the Department of Transportation. The governor will look

at alternatives, Foster said, and would then present the facts to the Legislature. Hammond will tour the Port of Bellingham's north terminal, the proposed site of the ferry terminal.

## To sail Monday

# Alaska ferry Malaspina delayed for repairs

Alaska Marine Highway in Seattle today was notifying 350 reservation passengers that sailing of the ferry Malaspina has been postponed from 8 p.m. tomorrow to Monday night because of mechanical problems.

The Malaspina was to make two special sailings to fill in for the Matanuska, which has been delayed in refit at a Portland shipyard.

The Malaspina is expected to depart at midnight Monday for Ketchikan where the 150-passenger LeConte will take passengers to

Wrangell, Petersburg, Sitka, Juneau, Haines and Skagway.

The Malaspina will return here, then sail north on a one-way trip June 10.

The weekly schedule of the flagship Columbia out of Seattle has not been affected by the other changes.

Milt Griffith, terminal manager here, said the Malaspina's problems include a malfunction in the variable-pitch propeller system.

## Senate Passes Auke Bay Ferry Facility

An amendment providing \$500,000 for a ferry maintenance and operations facility at Auke Bay was passed unanimously on reconsideration in the Senate Monday.

Sen. Bill Ray, D-Juneau, successfully included the \$500,000 for the Auke Bay facility expansion into a \$1 million appropriation for Ketchikan.

Ray's amendment, which failed Sunday but passed unanimously on reconsideration, provides funding for a maintenance and operations facility at Auke Bay. The facility would be used for emergency and

winter lay-up servicing of the smaller ferries, specifically the LeConte, Ray said.

"Why should we spend penalty time and crew time?" Ray said of servicing which is done in Washington in most cases. "Why not let the crew do it in their hometown? It can all be done in Alaska and can give Alaskans jobs."

"Sooner or later we're going to have some type of facility even if just for emergencies," Ray said. "In the long run it will pay for itself and save money for the state."

His amendment originally failed

because of a misunderstanding with primary sponsor Rep. Terry Gardiner, D-Ketchikan, Ray said. Once that was straightened out the measure breezed through, he added.

An additional \$2.2 million in federal funding has been approved for enlarging and modernizing the Auke Bay ferry facility, Ray added.

The bill as approved by the House provides \$1 million for purchase of a site suitable for the maintenance of ferries in Ketchikan.

## Matanuska Probe Asked

By Empire Staff

Sen. Bill Ray today will ask the Legislative Budget and Audit Committee to investigate delays in returning the ferry Matanuska to service, he said.

"There's been so many fingers pointed," Ray said. "Whoever is responsible should be pointed out."

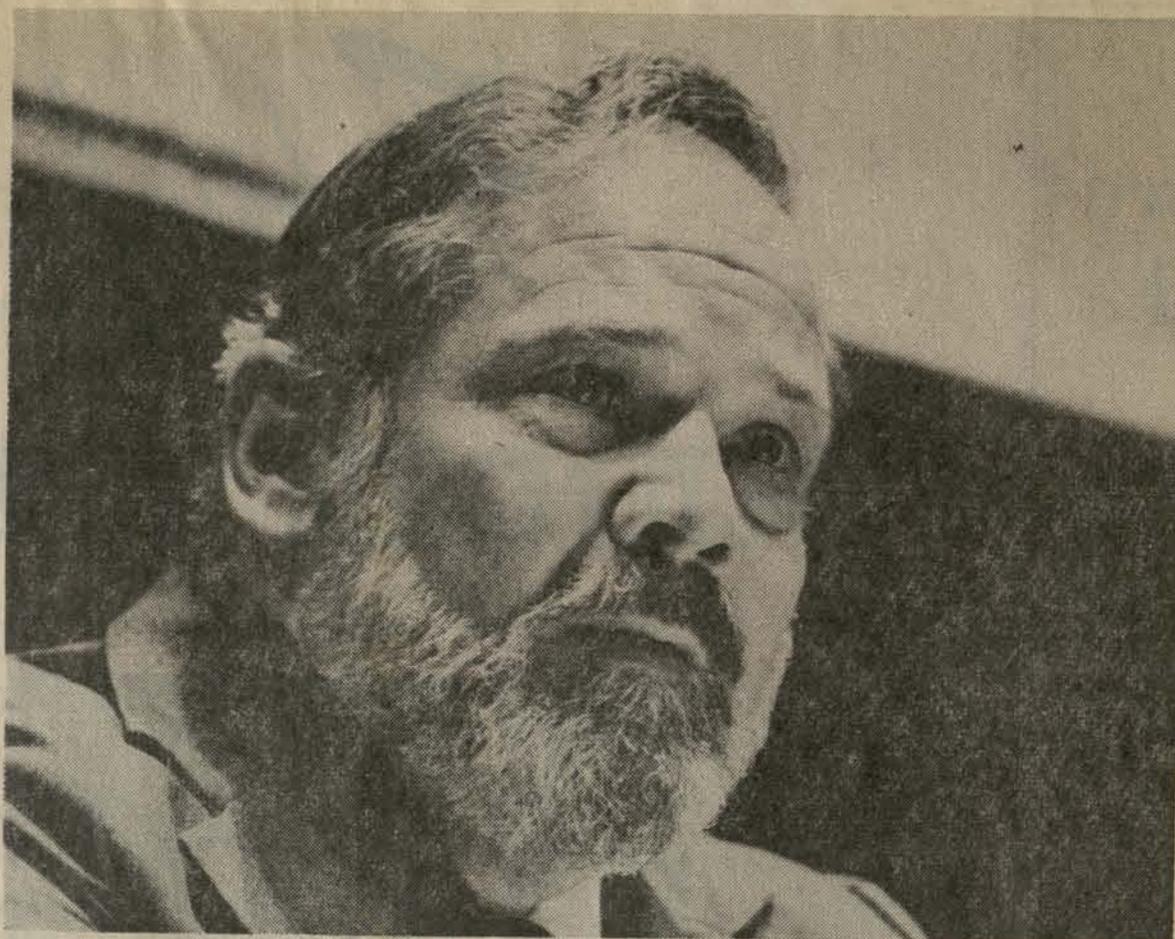
The Matanuska, laid up in a Portland, Ore., shipyard for stretching, was to have made its first run from Seattle in May. After several delays the Alaska Marine Highway officials now say the vessel will be back on line by mid-August.

Shipyard officials have said the state is responsible for the costly delay while the state has criticized the shipyard for failing to complete the work on time.

"If it's the administration, the people responsible for it should be fired," Ray said.

THE ALASKA FERRIES flagship Columbia, meanwhile, is standing up faithfully on her weekly voyages north from here. Florence Frye, our P-I head librarian, is just back from a Columbia round-trip. "Magnificent," she reports. A full, full ship northbound, but plenty of space room coming back south. Even some chair space in the solarium, where deck passengers lay out their sleeping bags.

# Alaska Ferry Terminal Site Still Open



— P-I Photo by Tom Brownell

GOV. HAMMOND: "I have seen no evidence yet. . ."

By Eric Nalder

While Bellingham civic leaders wooed him yesterday, Alaska Gov. Jay S. Hammond dispelled rumors that he has decided to move the Alaska ferry system's Seattle terminal to Bellingham.

"I have seen no evidence yet that the terminal should be moved to Bellingham," said Hammond, following a speech in Seattle and shortly before a chartered airplane whisked him off to Bellingham for a tour of that port's proposed terminal.

Bellingham Mayor Kenneth Hertz and business leaders picked up Hammond at Seattle-Tacoma International Airport in an airplane chartered by the "Alaska Ferry, Bellingham Terminal Task Force."

They conducted a tour of their proposed terminal and a reception for the governor, who said it was his first visit to Bellingham. But he made no promises.

For more than a decade, Bellingham leaders have told Alaskans that it's more sensible to run the ferry to Bellingham, which is

six to eight hours steaming time closer to Alaska than Seattle.

The 17-member task force committee, which includes the mayor, two county commissioners, an editor and businessmen, intensified its efforts during the past three years, sending delegations to Alaska and brochures extolling the virtues of a terminal in Bellingham.

Ex-Alaska Gov. Walter Hickel, who is running against Hammond this year, said in Seattle Wednesday that he wouldn't move the terminal to Bellingham because that would not be feasible.

Hammond said he hasn't made up his mind. A news report this week stating that he had decided to move the terminal was erroneous, he said.

"It won't really be up to me," he said. The citizens of Alaska, the Alaska state Legislature and the U.S. Department of Transportation will have a say, he said.

A study is currently under way in Alaska regarding the ferry system and the pieces of the study which he has seen show him nothing

that would argue for a move to Bellingham, Hammond said.

But, as costs of running the entire ferry system in southeast Alaska have soared, the Alaskan government is facing a fiscal crunch, he said. He noted a recent U.S. Supreme Court decision will reduce state revenues from oil in the future.

He said it is possible the route to Washington state will be eliminated altogether.

Port of Seattle officials are as anxious to keep the terminal here as Bellingham leaders are to wrest it away.

"This is the only passenger link, on water, to Seattle. We highly value the Alaska trade in the Seattle area, and we have a great stake in it," said Paul Chilcote, senior research analyst for the port.

Moving the terminal to Bellingham would discourage passenger travel and cut ferry system revenues so sharply that the savings in the shorter distance would be lost, said Chilcote. Passengers headed for Seattle don't want to be let off 79 miles north of their destination,

he said.

Freight haulers would also be discouraged because they would have to truck their goods from Bellingham to Seattle, he said.

The five-year lease on the Alaskan ferry system's terminal at Pier 48 in Seattle expires in January and has earned the port about \$80,000 yearly, said port officials.

Officials in both cities said politics has clouded the tug-of-war over the terminal.

"If it were done as a matter of economics, and logic, there's no question but that the ferry terminal would be here, in Bellingham," said Roy Gillespie, director of the Whatcom County Development Council. "The whole damn thing is geographic, we are just so much closer to Alaska," he said.

But although his group has spent thousands to woo Alaskans, he said, "We do not want any shin kicking contests with Seattle. For every dollar we can spend, they can spend \$500."

He said the governor's visit to Bellingham cost them much less than most of their efforts.

## Aurora Scrapes Marker

By The Associated Press

For the second time in three months, an Alaska state ferry has collided with a channel marker in the Wrangell Narrows, but this time the Department of Transportation failed to disclose the mishap.

The latest incident involving the MV Aurora was disclosed Friday.

Marine Transportation Director William Hudson said that the Aurora suffered a 60-foot long hull crease when it rammed the channel marker about 12:30 a.m. Thursday on a southbound trip to Prince Rupert.

Hudson said the crease above the waterline ranged in depth from scratched paint to seven-eighths of an inch, but did not puncture the hull.

Hudson said the ferry system failed to make

a public disclosure of the accident because he was out of town and the official left in charge of operations "dropped the ball."

On March 29, the Malaspina slammed into another marker in the narrows, receiving an 11-foot gash below waterline.

Hudson said the Coast Guard allowed the Aurora to continue to Prince Rupert, but would conduct a detailed inspection when the vessel returned to Ketchikan.

Hudson said he did not know how many passengers were aboard the Aurora at the time, but said there were no injuries.

Hudson said this morning the Coast Guard inspected the vessel over the weekend.

As to why the vessel grazed the channel marker Hudson said, "We don't know that." He added, however, that at this point it would appear to have been a "master's error."

**ANOTHER FERRYBOAT**, dwarfing the hydrofoil Princess and just as impressive in her way, sits at Pier 48 this week, getting set to start hauling passengers north to Alaska. The Alaska State ferry Matanuska is here at last from a Portland shipyard — 56 feet longer than when she went out of service last fall but nine weeks later than she should be.

The Matanuska is being stocked and outfitted here to go into service Aug. 15, a week from Tuesday. That will give Alaska Ferries two boats a week out of Seattle for the first time this summer.

Good news for people waiting to ride her north. But belated news for passengers who held reservations on her first nine, canceled, voyages.

# Second Ferry Involved In Channel Marker Scrape?

By CRAIG MEDRED  
Empire Staff Reporter

An Alaska state ferry which last week scraped a channel marker in the Wrangell Narrows may have done so in an attempt to avoid a possible collision with another state ferry, informed sources have told the Empire.

The run-in with the channel marker left the ferry Aurora with an 80-foot long crease in its side, but did not puncture its hull.

It also marked the second time in three months that a state ferry has collided with a channel marker in the narrows between Petersburg and Wrangell. The Malaspina in March rammied into a channel marker, leaving an 11-foot gash in its hull below the waterline.

The Alaska Marine Highway System blamed the March accident on an unidentified craft which forced the Malaspina out of the regular shipping lane, a story the Coast Guard has disputed.

The latest accident is apparently unarguably attributable to another vessel, though, informed sources have told the Empire. They say the Aurora was apparently maneuvering to avoid the ferry Taku when the Aurora hit the channel marker.

Bill Hudson, the director of the Alaska Marine Highway System, said this morning he "won't know if there's a direct relation" between the ferries meeting and the collision with the channel marker until he has completed an investigation now underway.

The Coast Guard is also conducting an investigation.

Hudson said he was to meet with the skippers and licensed personnel from the two vessels today, adding that he should know by tomorrow who is to blame.

"It's possible it (the ships passing) may have had a bearing," Hudson said. He added, though, that the captain of the Taku has told him that the Taku's being in the vicinity of the Aurora had nothing to do with its colliding with the navigational aid.

Hudson said the situation may have been complicated by the Coast Guard narrowing the channel through the Wrangell Narrows when it replaced some navigational aids earlier this year.

"I don't believe that's an excuse, however," he said.

A Coast Guard investigator in Ketchikan refused to either confirm or deny that the Taku forced the Aurora into the marker, but he did say the two vessels were involved in a "meeting situation" when the accident occurred.

The fact that the Taku was even in the vicinity of the Aurora when the accident happened had gone unmentioned by the Marine Highway System.

Hudson said this morning that nothing was said "because we're not certain it had any bearing."

All he knew about the incident, he said, is the "scuttle butt that the two vessels had met."

The Aurora's collision with the channel marker was revealed last week by the Ketchikan Daily News. Hudson told that paper that the ferry system would normally have disclosed the accident, but failed to do so because he was "out of town" and the official in charge "dropped the ball."

According to the Coast Guard investigator, the Aurora was southbound for Ketchikan and the Taku was northbound for Petersburg when the accident occurred in the narrows.

The crease in the Aurora, which is above the waterline, reportedly varies from a scratch to an almost inch-deep gash.

The vessel's hull, however, was not opened in the accident, and the Coast Guard has approved the Aurora's continued operation in Alaska waters.

Repairs to the vessel, according to Hudson, will be made in the fall. He has described the damage as "cosmetic" and not "structural."

Hudson told the Daily News last week that he is "concerned" that two of the ferry system's nine vessels have hit channel markers in the narrows. He added, though, that he considers the safety records of the ferries to be a "superior one."

According to Hudson, the skill of the pilots of the ferries is superior to that of any other group, including the Coast Guard.

The Coast Guard is currently in the process of trying to suspend the license of the skipper of the Malaspina because of the March accident. The Coast Guard blames that accident on pilot error, but Hudson says the captain of the Malaspina is not to blame for that accident.

In referring to that accident this morning, however, Hudson did say he believes the skipper of the Malaspina "underestimated current behind" in the narrows on the date of the accident.

The Coast Guard has pointed to that as one of several errors made by the Malaspina's captain.

As to the latest incident, Hudson has said "master's error" may have been to blame.

If it was, that will be disclosed shortly, he added.

"I never have or never will try to cover up," Hudson said.

## AURORA BACK

The state ferry Aurora went back on its scheduled run at 7:30 p.m. Friday, ferry system director Bill Hudson told the Daily News Friday night. The ship went back in service after inspection for possible damage from striking a marker in Wrangell Narrows Thursday.

The incident necessitated the ferry being taken out of service for inspection so it missed its Friday morning trip from Ketchikan to Hollis. But the ship missed only that trip, Hudson said.

The Columbia had mechanical difficulties and will arrive in Ketchikan at 7 p.m. Sunday. Persons may call the ferry office after 6 p.m. Sunday for confirmation of arrival time.

## KETCHIKAN

### WELDING WORKS

Ketchikan Welding Works welders did emergency repair work on the state ferry Aurora, Thursday and Friday morning. The Aurora struck a marker in Wrangell Narrows Thursday morning, causing a gash in the hull. The emergency repair permitted the Aurora to continue on its run, but additional work will be required.

## Dropped Ball

Recent events involving the state Marine Highway System bring to light several problems, the most obvious being two collisions with channel markers in the Wrangell Narrows.

But another problem which may in the long run be more serious is the manner in which the marine highway officials released information following the mishaps. Instead of saying what happened, where it happened, what the apparent circumstances were and that they and the Coast Guard were investigating the matter further, the information came trickling from ferry officials. For example, during the most recent occurrence with the state ferry Aurora, it was not until the Ketchikan Daily News heard about the ferry hitting the channel marker that any word whatsoever was released. Then, after almost a week, sources say another ferry, the Taku, may have been involved either directly or indirectly in the incident. Until confronted with those allegations, ferry officials never mentioned the other ferry.

Marine Highway Chief Bill Hudson attributed the initial lack of information to someone "dropping the ball" while he was out of town. That ball, however, apparently has never been picked up.

What happens in cases such as this when information can only be gathered on a piecemeal basis is news story after story must be written adding and elaborating on the circumstances surrounding a single incident. Otherwise the public would get only sketchy reports of what really happened.

If the Marine Highway officials were to come forth with whatever non-confidential information they had, the story could be written and over with.

What Marine Highway officials need to do is pick up that ball and let the public know who's running where with their tax money.

## Auke Bay Dock Sunk In Skirmish Over Ferries

By Empire Staff

Sen. Bill Ray's attempt to bring home a half million dollars for the Auke Bay ferry dock improvements was shot down Sunday.

House members on a preliminary vote failed to approve a measure which would have provided \$1 million for purchase of a site for a ferry maintenance center in Ketchikan because of an amendment by the Juneau Democrat. The negative vote forced the bill into a second free conference committee.

That panel dropped the \$500,000 for the Auke Bay dock, insuring passage of the bill in both houses.

The Senate last week denied Ray's request to tack on the money for Juneau but reversed its decision when bill sponsor Rep. Terry Gardiner, D-Ketchikan, gave the okay.

The vote, however, led to a disagreement between Ray and Gardiner when Gardiner learned Ray's proposal was for a "ferry maintenance and operations facility" rather than an agreed upon "dock." Gardiner

charged the wording of the Senate version could lead to competition between Ketchikan and the capital city for maintenance of Marine Highway vessels.

A letter of intent accompanied the legislation stating the Auke Bay facility should not duplicate the Ketchikan one.

That, however, did not satisfy House members who approved the measure only after Juneau's appropriation was dropped.

"I voted for the \$1 million for the Ketchikan maintenance center," Rep. Tim Kelly, R-Anchorage, said. "I'm very disappointed Ketchikan let this (Ray's amendment) jump on the bill. I'm going to have to vote against it with my apologies to the people of Ketchikan."

"I think it's a tragic mistake," House Minority Leader Rep. Rick Urion, R-Anchorage, added.

Urion and Kelly remained opposed to the amendment despite a memorandum from Sen. Bob Ziegler, D-Ketchikan, urging them to approve the bill.

The memo which was sent to 13 minority party members asked them to adopt the amendment despite their feelings about Ray.

"Although I know, or at least I am informed, that the House is totally disenchanted with Senator Ray, for whatever reasons, I would like to urge you to support" the bill including the \$500,000 for Juneau, the memo says.

"Even though Ray is a direct beneficiary, the Ketchikan delegation, including myself, really need the appropriation to take home," the memo says. "In spite of the fact you might choke up a bit, I would appreciate your support, as would Reps. Freeman and Gardiner."

Of those receiving Ziegler's note only four—Reps. Larry Carpenter, Fairbanks; Ernie Haugen, Petersburg; Mike Beirne, Anchorage; and Leo Rhode, Homer—approved the measure as amended by Ray.

This bill provides for one facility in Ketchikan, Sen. John Butrovich,

## Early Columbia Drydock

JUNEAU — (AP) — The Alaska state ferry Columbia will be sent into drydock more than a month ahead of schedule this fall, officials announced yesterday.

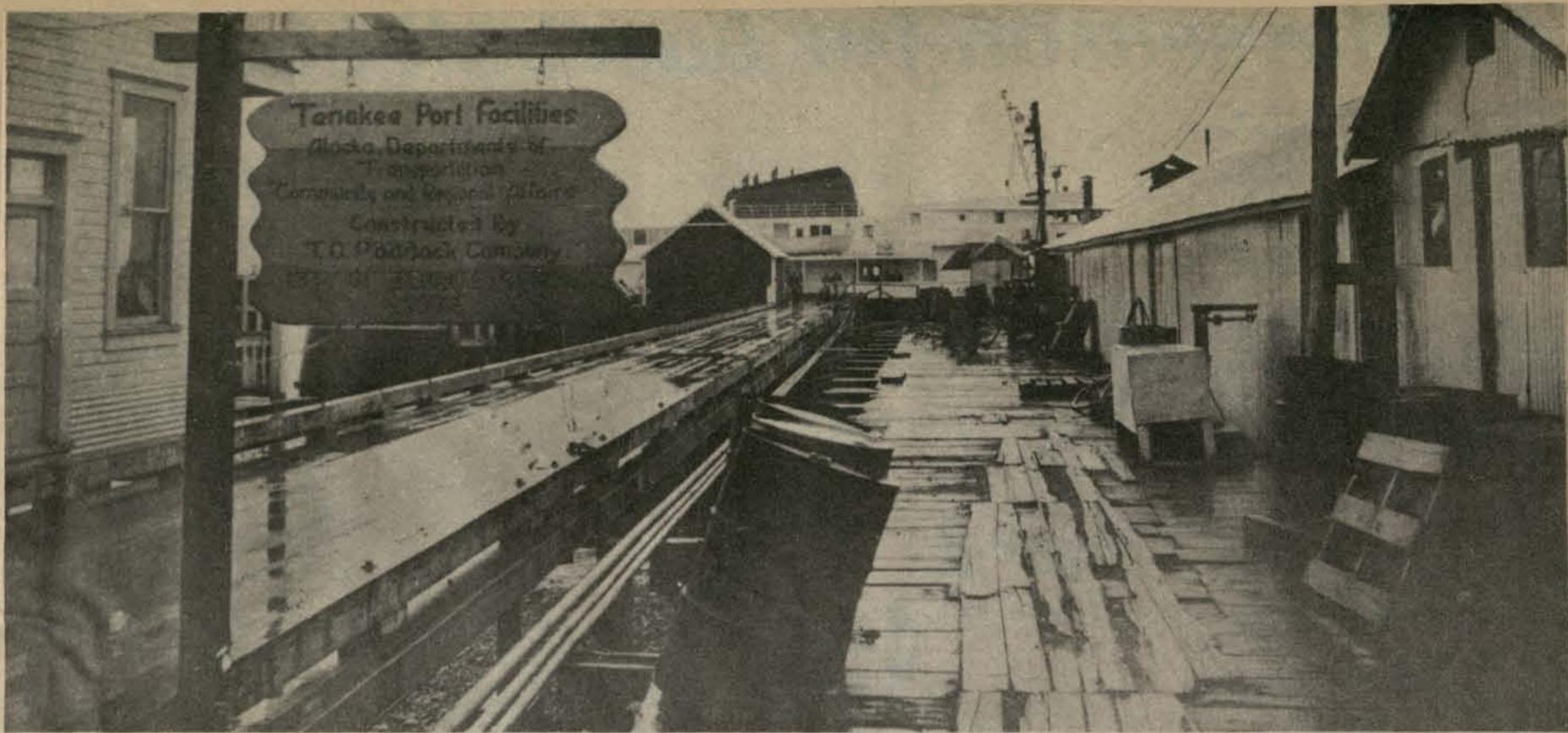
Marine Transportation Director William Hudson said the Columbia will leave service on its run from Seattle to Skagway on Sept. 22 instead of Nov. 2 as originally scheduled.

Hudson said the drydock timetable was changed because metal flaking has been detected in lubricating oil from the vessel's starboard engine.

Prompt attention, he said, could prevent a possible engine failure.

Hudson said the schedule of the Malaspina will be changed to handle the Columbia's regular Friday sailing from Seattle.

In addition, he said the Taku will be used to handle all traffic out of Prince Rupert, B.C. while the Malaspina takes over the Columbia's Seattle sailings.



The state ferry Aurora is an unusual sight at the end of this boardwalk at Tenakee Springs. The ship, filling in

on the small-town northern Southeast run for its sister ship LeConte, made the first state ferry trip to the

town.

# Ferry service comes to Tenakee

Story & photos  
By JON MATTHEWS  
Log staff writer

A hand reached out across the crowded rail of the flag-decked ferry Aurora and met the waiting grasp of a welcomer braving the edge of the dock.

It was, in no uncertain terms, the start of a new era.

The day — April 30 — marked the beginning of state ferry service for the tiny Chichagof Island community of Tenakee Springs. Nearly 200 persons crowded on the MV Aurora at Juneau for the day-long round trip.

The atmosphere was party-like, but the ferry to others marked just another connection between the rest of the world and the town, up to now an isolated shelter of individualism.

"I suppose it had to come sometime," said one town resident to some ferry-borne visitors.

Passengers strained their eyes on the starboard side of the Aurora long before a point was rounded and

the long, thin line of the town came into view. Crew members tied together decorative flags for the ship and balloons were handed out to those waiting on deck in the light sprinkle.

"Governmentitis" was thoroughly set aside for the day, and pointing hands jumped from the crowd as the town, its dock and a big "welcome" sign were spotted.

Tenakee residents gathered as the ferry drew closer, and after the usual tossing of lines and easing adjustments by men on the bridge, the walk-way was secured.

Tenakee Postmaster Dermott O'Toole looked on as Alaska's first lady, Bella Hammond, cut the traditional ribbon and stepped on the dock.

The visitors streamed off the blue and white ferry with obvious delight at entering a unique world of no hurry.

A long gravel path serves as the main "road" of

Tenakee, and is dotted with colorful and anything-but-alike homes. The path develops into a nature trail at one end of town.

Cupcakes and other baked delights were served to the newcomers, as well as the fresh country music of the Tenakee band, "Ace Boat Building Company."

The hot springs the town is famous for were put on open-house status for the first part of the five-hour stopover, and later some visitors got to try the hot mineral water experience. All reports said "wonderful."

The town bar was, to say the least, packed. Many had time to notice some of the little things that make the community what it is — picturesque wells, hummingbirds flirting with a brightly-painted window feeder, and above all, the feeling that everybody had time to stop and chat about this or that.



Tenakee Springs residents have a welcome sign out as the first state ferry to ever visit the town arrives April 30. The state's first lady, Bella Hammond, cut a ribbon at the end of the walk

ramp after the vessel Aurora docked and was greeted by many Tenakee residents, among them Dermott O'Toole, postmaster.



Baked goods made by Tenakee Springs residents await the first ferry visitors to the small town on

Chichagof Island.

But the sun began to head down and tell-tale signs began to sprout about who could stay and who had to return. At first there was some checking of watches, and then, as the ferry whistle blew, a mass exodus of happy passengers.

The musical boat building company played on the dock as the ferry severed its connection to Tenakee and headed back across the glassy inland waters.

Tenakee Springs is a town long-established in Southeast. Regular mail service to the village began in 1903.



## Matanuska

The state ferry Matanuska, which is undergoing a 56-foot stretch job at the Willamette Iron and Steel Co. shipyard, won't be back plying the Inside Passage for another month and a half, according to the state Department of Transportation.

Work on the ship has been delayed time after time with excuses ranging from delivery delays for the material to "time-consuming" tasks involved in the stretch job.

But the bottom line to the work—or lack of it—being performed on the Matanuska is the state's loss of revenue from passengers and vehicles booked on her this summer while spending \$15 million for the delayed stretch job. This boils down to a double loss for the state.

State Transportation Commissioner Don Harris has said that the excuses offered by the contractor are not acceptable. Good for him. With the end of the peak season for the Marine Highway system nearing and the Matanuska still in dry dock, Commissioner Harris should tell the contractor to finish the work in a timely manner or find someone else who can.

It is hard to explain why the job which was supposed to be finished a month ago has been delayed so much. It is even harder to explain to the people who have had their vacations and travel plans destroyed why the delay has occurred.

## Welcome Back

Our beloved state ferry Matanuska came back on line this week after what seemed like an endless series of delays and foul-ups. While in the Portland, Ore., shipyard that performed the 56-foot "stretch" job on her, hundreds of visitors to Alaska as well as Alaska residents were deprived of her services during the busy summer months. Add that loss, much of which has no dollar value when the psychological problems of planning a trip around no ferry is taken into account, to the \$15 million pricetag, and the state has paid a pretty penny for a ship that at least did its job before the work.

The Matanuska, however, is a better ship because of the 10 months of work, and though much of the losses won't be regained, the state hopefully has a solid, reliable ship that will offer many more years of service to Alaska.

In some cases, the saying "better late than never" applies. We hope this is one of those cases. Welcome back, Mat.



## Matanuska Returns

The state ferry Matanuska, after several controversial delays, returns to service today after almost 10 months in drydock for lengthening and remodeling.

The vessel, which originally was to go back on line in May, was to sail from Seattle at 6 p.m. today with scheduled stops at regular ports-of-call enroute to Skagway.

The Matanuska had been in drydock at Willamette Iron and Steel Co., in Portland, Ore., since November for addition of 56 feet to her middle.

The \$15-million remodeling job adds space for 250 more passengers and 25 more vehicles. Facilities include staterooms for 256 passengers and a solarium so passengers can view scenery despite inclement weather. The cocktail lounge and dining and public areas also were remodeled.

Because of the busy tourist season, Alaskans will not have a chance to board the vessel for inspections during stops along the route, Bill Hudson, director of the Marine Highway system, said. Open house layover along the ferry's route will be scheduled later in the year, he said.

The Matanuska is one of nine vessels in the state fleet.

## Matanuska will still run despite cut in its budget

A \$600,000 cut in the ferry Matanuska's operating budget does not mean the ferry will be laid up beyond August 15, the date it has been promised to be back in service.

Ferry officials today also said northbound ferries which have been operating at near-full

capacities, are beginning to take all those who want to travel north.

Gov. Jay Hammond recently cut out \$600,000 of the budget of the Matanuska. That money was to be used to operate the ferry Matanuska during July and part of August, said Ginger Johnson,

ferry system public information officer.

The ship is still expected to be back in operation August 15, she added. The Matanuska has been undergoing a stretch since last October and was expected to be back in service in May.

Cont. on page 4

## Matanuska...

Cont. from page 1

Ferry system traffic manager Doug Burton today said that all cars were loaded in Prince Rupert from a Thursday trip and all persons were able to board in Seattle and Prince Rupert, B.C., during recent trips, he added.

"I think we're passed the heavy north bound" traffic period of the summer season, he said, adding that southbound loads soon will begin increasing.

He said that last week the ferry Columbia left seven cars and 120 persons in Seattle. This week the Columbia will leave with 656 persons, about 50 under capacity, he said.

## 2 Ferries Scheduled As Matanuska Subs

JUNEAU — (AP) — Alaska Marine Highway officials have rescheduled two ferries to fill in for the MV Matanuska which has been sidelined in Seattle with mechanical problems.

The Columbia was taken out of winter maintenance drydock Friday and put back in service for one round-trip run from Seattle to Haines, and the Malaspina was scheduled to fill in for the Matanuska on tomorrow's sailing from Seattle.

Ferry chief Bill Hudson said he hoped the Matanuska would be repaired and back in service before additional reschedulings were necessary.

The ferry was disabled last Monday when a cooling line ruptured and short-circuited a generator.

12-69

# Hudson names 4 ferries

## for possible maintenance here

By JON MATTHEWS  
Daily News Staff Writer

The state ferries Taku, LeConte and Aurora could spend two months each in Ketchikan this winter, says the director of the state ferry system.

In addition, the vessel Chilkat, smallest state ferry, will be maintained completely, including drydocking, someplace in Alaska.

But director Bill Hudson said the decision on what ferries would be maintained where

hasn't been finalized. However, he said \$1 million in ferry maintenance work could be removed from Seattle and done in the state.

Hudson also said no specific decision had been made on what, if anything was going to be done with \$1 million appropriated by the legislature to buy a permanent ferry maintenance site in Ketchikan. Hudson said he didn't see the Sunny Point Cannery — cited by Borough officials as a potential site — as "anything but a liability."

Hudson, however, said part of the \$1 million might be used to buy land to expand the present ferry terminal site. Another \$150,000 has been earmarked for improvements at the terminal, he said.

Gov. Jay Hammond apparently hasn't yet decided whether he will approve or veto the \$1 million approved by the legislature to buy a ferry maintenance site here. Backers of the proposal say the state funds could be tied to another approximate \$1 million for a total

of nearly \$2 million to buy a site.

But Hudson, in an interview with the Daily News Thursday, seemed most interested in expansion of the current ferry terminal location. Hudson was to have met with Gateway Borough Planning Director Ira Winograd on the ferry maintenance issue Thursday, but Winograd couldn't be reached for comment on any progress made.

The ferry system director said he was looking "more to the south than to the north" for which direction to expand the present terminal facilities.

Hudson said ferry officials will be checking with local merchants to see what maintenance supplies and services are available in Ketchikan.

Hudson said specific vessels were being assigned to specific engineers, and that the system was in fact gearing up for some in-state maintenance this coming winter. On March 30, Hudson said as many as five vessels could be worked on in Ketchikan, but no specific promises have apparently ever been made.

Meanwhile, Hudson said it will be "nip and tuck" as to whether

the ferry Matanuska will be ready for its already greatly delayed sailing date of July 18. The ferry has been receiving an overhaul and stretch job in Puget Sound, and originally was supposed to be ready to sail in May.

Officials have been saying that the ferry would be ready on July 18, but Hudson's comment was the first indication that the vessel may not make even that date.

Hudson said once on line, the Matanuska is scheduled to become the "workhorse" of the ferry fleet next winter.

Hudson said he's also looking

into moving Prince Rupert customs facilities from that Canadian location to Ketchikan. New expenses for keeping the customs in Prince Rupert could lead to the move. Northbound ferries departing from Prince Rupert would go through customs here, instead of the old system where Canadian boarding passengers go through customs in Prince Rupert before going aboard ship, Hudson said.

Hudson also said Ketchikan could become the southern terminus for some ferries, with a shuttle ferry running between

Prince Rupert and the First City.

Excessive vibration, which continues to plague the ferry system flagship Columbia, has led the state to seek the help of a company for a study on the problem, Hudson said. Utilizing a model test basin, the company may be able to determine if the ship's propellers could be modified to ease the problem.

The state is still involved in settlement work with the builders of the Columbia over problems that have arisen with the ship, but the issue hasn't yet led to the courts, Hudson said.

# No Charge For Matanuska Delay

By DANA JONES  
Empire Staff Reporter

The state will not charge a Portland, Ore., shipyard for costly delays in stretching of the ferry Matanuska, a spokesman for the Department of Transportation said Wednesday.

Commissioner of Transportation Donald Harris has agreed responsibility for more than three months of delays rests with the state as well as the shipyard, Don Statter, director of the Division of Harbor Design and Construction, said.

Harris and Statter met with Willamette Iron and Steel Co., Inc., manager Bill Wild recently, in an attempt to avert a lawsuit against the state by the shipyard, Statter said.

## MATANUSKA DUE BACK IN SERVICE AFTER SURGERY

PORTLAND — The Alaska State ferry Matanuska has been jumboized with a 56-foot midsection, all new staterooms, new dining room and cafeteria, elevators, deckhouse, solarium, engine overhaul, new funnel and mast in major "surgery" performed here by Willamette Iron & Steel Co.

She is due back in service between Seattle and Skagway this month after having been out since last October. Cost of the overhaul was said to be about \$15 million.

The facelift added 120 new smaller rooms for 256 passengers, bringing the total passenger capacity up to 746. The crew remains at 10 officers and 47 men and women.

The state agreed not to charge the Portland firm \$45,000 for the most recent 29-day delay while the shipyard will drop a threat of litigation, Statter said.

The Matanuska, which was to have returned to service between Seattle and Skagway in early May, will make its first run from Washington Aug. 15, Marine Highway Director Bill Hudson said Wednesday. Delays forced the system to cancel fully booked runs during its busiest months and have meant the loss of revenue generated by large numbers of summer travelers, Hudson has said.

Shipyard officials claim losses of more than \$1 million on the job which they say was delayed in part because state specifications for materials to be used on the ship did not meet Coast Guard regulations.

"The contractor is saying 'this wasn't my fault,'" Statter said. "He's saying, 'If you're going to charge me, I'll have to go to litigation.'"

To avoid that, the state has agreed to approve a no-cost change in the time the vessel stretching was to be completed, Statter said. Such a change will eliminate the state's right to liquidate losses and to deduct approximately \$45,000 from payment to the company, Statter added.

"The state essentially has acknowledged that the contractor's position has some merit," Statter said. "At least a number of the changes were not the fault of the contractor. All parties have had to acknowledge acceptance of the blame; it's a sharing of the blame."

The decision is a shift in the state's position of several months ago. In April Hudson denied changes in materials which failed to meet Coast Guard standards would be reason for late completion of the job.

"I don't know of anything in the specs that

would be justifiable delay in delivery of the vessel," he said then. "There have been many, many requests for substitutions and changes in this contract to date; most are routine."

At that time, Hudson said the ferry would return to service by July 18.

In accepting the shipyard's position, the state is not placing the responsibility on anyone, Statter said.

"It's the type of thing you can't really lay blame anywhere," he said. However, failure of materials to meet Coast Guard regulations can be traced to Nickum-Spaulding, the Seattle naval architect hired to draw up the specifications for the stretching, he claimed.

"The state relied on their judgment," Statter said. "It appears the designer erred in the selection of some materials," he charged.

Statter did not know if the state would take legal action against the firm.

"The naval architects have not acknowledged the errors are theirs," he added.

The state's approval of the final 29-day delay was just one in a series of agreements to push the completion date back. It brings the total overtime on the job to 79 days, Statter said.

Of that time the U.S. Highway Administration has approved 29 days, local head Gene Hanna said today. He anticipates the remaining time will be approved, he said.

However, if it is not, the state will not receive federal matching funds for that portion of the stretching job, Hanna said.

"The state's portion of the contract would be increased," he said. "If they don't deduct it then we will deduct it over here if we don't agree with them."

Federal money pays 95 percent of the cost of the project, Hanna said.

Thus the state could bear the \$45,000 cost of

the delay, he said.

Shipyard manager Wild believes the state has treated his firm fairly, he said.

"We thought it was a two-way street," he said. "We took a terrific loss and we're not going to receive compensation for that but we believe this is a fair and equitable extension."

"There's been a lot of problems coming down the line," he added. "We just think we're trying to help the state as well as ourselves. It's really no fault of the state."

Harris was out of town and could not be reached for comment.

12-70



ENTREPRENEUR: David Kutz and the ship on shirt.

# Helena Star Tried On —And It Fits to a T The Pot Ship Finds a Home on a Shirt

By George Foster

Here is today's multiple choice question on recent current events. Who or what is Helena Star?

1. An award-winning Montana evening newspaper.
2. A popular songstress of rock, recently divorced.
3. A dirty old freighter sitting down on Lake Union, its cargo of marijuana seized and burned.

If you have any question about the answer, David Kutz has a T-shirt that spells it all out. It sells for about \$6 and even has a print of the ill-fated Dutch motorvessel with a flag hanging over its stern bearing the leaf of the intoxicating weed.

The Coast Guard's capture of the Helena Star April 17 off the Washington coast and the subsequent disposal of its 37 tons of marijuana in a pulp mill burner inspired Kutz, 29. It was Seattle folklore.

When Kutz isn't working as a chief purser aboard the Alaska State Ferries' MV Malespina, he's moonlighting as a merchant in custom-designed T-shirts and hats, or working on his small farm at Kingston.

"I talked to some of my friends about the T-shirt idea and they thought it was great," the young entrepreneur said.

He told how he "climbed over a lot of old dead ships" at the south end of Lake Union so he could get a broadside photograph of the Helena Star.

"I then brought the pictures to a staff artist (Tom Lee) at Edmonds Athletic Supply who do all my (shirt) printing," said Kutz. He added:

"He drew up the sketch of the ship, did the lettering and printed it up."

Within the past few weeks, he said, he has sold several hundred shirts through local retailers. He also sells printed T-shirts to personnel aboard Coast Guard and National Oceanic & Atmospheric Administration vessels stationed here.

He has been with the Alaska ferry system for the past 10 years, beginning as a steward. His father's and his uncles' jobs are all on vessels that travel Alaskan waters.

Kutz said of the Helena Star's misfortune:

"It's kind of a funny deal. I think they should make a movie out of it . . . I wish they would make a movie so I could sell my shirts."

**State of Alaska Department of Transportation and Public Facilities Notice of Intent to Negotiate for Consultant Services**

IN ACCORDANCE WITH ALASKA STATUTES 44.44.030, THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, DIVISION OF HARBOR DESIGN AND CONSTRUCTION INVITES NAVAL ARCHITECT-MARINE ENGINEER FIRMS TO SUBMIT A STATEMENT OF INTEREST AND QUALIFICATION TO PROVIDE CONSULTING SERVICES.

SERVICES TO BE PROVIDED ARE PREPARATION OF PLANS, SPECIFICATIONS AND ESTIMATE FOR A TWO PHASE FEDERALLY AIDED CONSTRUCTION PROJECT TO UPGRADE AND REFURBISH THE STATE FERRY M/V TAKU. DESIGN CRITERIA WILL BE BASED ON EXISTING STATE FERRIES AND GENERAL GUIDELINES ESTABLISHED BY THE STATE OF ALASKA. WORK ON PHASE I DESIGN WILL BEGIN IMMEDIATELY.

SELECTION OF THE CONSULTANT WILL BE BASED ON COMPANY AND INDIVIDUAL EXPERIENCE, MANPOWER AND PHYSICAL PLANT RESOURCE, GEOGRAPHICAL PROXIMITY, PREVIOUS PERFORMANCE AND OTHER CRITERIA AS MAY BE ESTABLISHED BY RELEVANT STATE OF ALASKA POLICY, PROCEDURE AND STATUTE. PROPOSALS WILL BE REVIEWED BY THE SELECTION COMMITTEE AT 9:00 AM, OCTOBER 10, 1978.

ADDRESS PROPOSALS AND INQUIRIES TO: DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, HARBOR DESIGN AND CONSTRUCTION, POUCH Z, JUNEAU, ALASKA 99811, ATTN: PROJECT MANAGER. PHONE (907) 586-2195.

DON STATTER, DIRECTOR  
DIVISION OF HARBOR DESIGN AND CONSTRUCTION, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

## Union, ferry aides meet on dispute

Representatives of the Alaska State Ferry System and three unions met today to try to work out problems over per diem pay that tied up a ship in Seattle Friday.

The ferry Matanuska, originally scheduled to sail Friday evening, finally left Seattle early yesterday morning.

A union official said marine engineers refused to go aboard the ferry after they were declined per diem pay.

More than 200 passengers were stranded when the engineers failed to report.

Marine engineers receive \$50 a day the first month they are on the run between Seattle and Southeastern Alaska and \$35 a day after that. They also are supposed to get meal money.

Members of the Masters, Mates & Pilots and the Inlandboatmen's Union of the Pacific also are employed on the ferry system.

A week ago, marine engineers filed a suit in United States District Court in Seattle. The suit contends an Alaska state law that forces ferry employes to start and end their work shifts in Alaska rather than their port of choice — often Seattle — is unconstitutional.

That dispute had nothing to do with Friday's disagreement.

# Transport officials expected to get roasted—and did

By DUNCAN FRAZIER  
Daily News Staff Writer  
State transportation officials

said they "expected to be roasted" on their swing through Ketchikan to present a draft transportation plan for Southeast Alaska, and they were. About 35 citizens showed up at

## Women win suit against ferries

KDN 9-28-78

By LAURA ZAHN  
Daily News Staff Writer  
Two Ketchikan women are coming to the end of a three-year court battle with the state ferry system, and the Supreme Court has declared them the winners. Fredericka Marksheffel, 25, and Berneda McLean, both of Ketchikan, charged the Alaska Division of Marine Transportation with sex discrimination in employment procedures. They charged that men who applied for work at a later date were hired first.

The superior court ruled in favor of the ferry system, but the state supreme court overturned that decision earlier this month. The case now goes back to superior court for a summary judgment in favor of the women and for settlement.

This is the only sex discrimination suit against the ferry system that has gotten into court, according to Alaska Marine Highways Commissioner Don Harris.

The women asked for immediate employment with the ferry system, seniority status dating from the dates they sought employment and back pay in the suit. Ms. McLean also asked for wages equivalent to what the male employees were being paid.

How much that would amount to "I can't say," said Ms. Marksheffel. "That depends on the negotiations when we go to Juneau," she said.

She and Ms. McLean have never met, she said, though they have talked on the phone.

Harris said there can be no appeal because the supreme courts ruling is final.

A superior court date should be set this week, Ms. Marksheffel told the Daily News. The court will convene in Juneau, she said.

Ms. Marksheffel applied for jobs in the steward's department, as an ordinary seaman and as a

wiper in May, 1975.

She went to the Coast Guard to get a Merchant Mariner's Document (a "Z card"), where she was told that after "steward's department" the words "food handler" would be put in parentheses because she was female and only the food handler (matron) positions were open to women.

She asked why her Z card had to be different than a man's, and she told the Coast Guard worker that she thought it was illegal to limit her.

"He said I was probably right and he put down what they usually put on a male Z card," she said.

"The ferry system completely ignored what I had on the Z card and the application," she said. "Any woman that goes in there had to be put on the list for matron's position."

The Coast Guard worker "showed me a two-page waiting list for matron's jobs," she said, "and I was told it would be at least a year and a half before I'd get hired."

"The Human Rights Commission contacted me, I didn't have to contact them," she said. She filed suit with them "but they took too long. I went for other jobs."

Ferry system officials admitted in court their hiring system is discriminatory, but that it was still within the law because of "reasonable demands" of the position required distinction on the basis of sex.

Utility men were required to haul bundles of laundry over 100 pounds, according to the affidavit of James Stansbury, director of hiring for the steward's department.

"Even assuming that plaintiffs could not carry a 100-pound bundle of laundry, a reasonable alternative is readily seen," the

written supreme court ruling said. "There is no reason given by the ferry system that the laundry could not be placed in bundles of less than 100 pounds."

Ms. Marksheffel became the first female utility person on the southcentral run in August, 1975, when the ferry system contacted her to work on the ferry Bartlett.

She had no trouble with the bundles of laundry, she said.

"There were always plenty of sacks so I didn't have to stuff them so full I couldn't lift them," she said.

She worked for a month before the Barlett went into dry dock, and has not worked for the ferry system since, she said. Ms. McLean has worked for the system longer, she said, but was not available for comment.

Ms. Marksheffel said she had "no problems. The guys were very receptive," she said about working as the only woman on the crew.

Her sleeping arrangements were somewhat uncomfortable, however. She had to share a room with a man.

"I had three roommates because of the turnover. I had trouble with only one; the other two were very decent," she said. "But it was an odd situation. They were more uncomfortable than I was because I did my best not to impose myself."

While the sleeping quarters issue was something not directly involved in the court suit, it has caused a great deal of turmoil within the system, according to the supreme court ruling statement.

Filling vacancies and the location of the berths have to be considered when assigning roommates, the ferry system contends, and that mixing the sexes has been "highly disruptive to operation." The whole point of doing so in the first place was to "make employment of

more women possible on the ferries," a ferry system affidavit said.

The court suggested there might have been "reasonable alternatives to requiring men and women to share the same sleeping quarters...A little creative imagination on the part of the ferry system, which may necessitate some shifting of crew members among the different vessels...certainly would solve the 'great problem' the ferry system contends it faces and which it created by its own actions."

The mixing of sexes began "when they found out they had to start hiring us," Ms. Marksheffel said. "If they couldn't foresee the change coming in 1973 (when the state equal rights amendment was passed), then that was their problem."

The ferries "were not originally built" to accommodate both sexes, said Commissioner Don Harris. The managers weren't "to any degree" thinking about making modifications since the ruling in 1973, "evidently," he said. Some changes have been made, and "we did that on the Matanuska" when the 50-foot long mid-section was added recently, he said.

"Neither the berthing problems nor the other matters we have discussed are of sufficient import to justify sex discrimination in employment that was practiced by the ferry system at the time the women sought employment," the court statement said.

"The position of a utility person or waiter in the steward's department was not such as to reasonably demand that only males be hired. There was no urgent or overriding necessity that there be a distinction in such employment on the basis of sex," the court ruled.

Ketchikan High School Tuesday night to hear the presentation by Andy Hughes, state project manager for the Department of Transportation and Public Facilities.

Hughes was on the last leg of a 19-city tour presenting a bulky transportation proposal for the region. Hughes' mission was to obtain public comment on the plan.

"We think this plan represents the best compromise to improve transportation service to this region," Hughes said. "This may or may not be the plan we eventually recommend to the governor. It depends on all the comments we receive."

After a lengthy description of the proposed plan and a question-and-answer session, the audience divided into several work groups. In each group, members were asked to list their own recommendations and likes and dislikes about the draft plan.

Once the lists were compiled, each member voted on which recommendations he felt were most important.

While the draft transportation plan considers all facets of travel in the region, of most concern to the audience was the status of the ferry system serving Southeast.

Transportation officials have devised a nine-point list of alternatives that can be applied

to ferry service in Southeast.

Among those alternatives were the lessening of dependence on ferries by construction of highways, notably the Lynn Canal Highway and the Stikine River Highway, movement of ferry terminals to shorten round-trip distance and the addition of more ferries to the existing schedule.

Some participants felt the Stikine Highway, which would enter Petersburg from British Columbia, would channel much traffic past southern Southeast, "making us the backwater of Southeast," according to one man.

Hughes said his department

hoped such a mid-region highway would handle much of the present ferry traffic that has no destination in the southern portion anyway.

There was strong sentiment among the audience that the ferry system be designed to satisfy the transportation needs of Southeast residents first, with tourist and cargo needs taking a back seat.

Hughes and the audience shared many of the same concerns regarding Southeast ferry service. Both wanted increased frequency of service and capacity at the lowest possible cost.

Concern was expressed that the cost of developing the proposed highways in Southeast would greatly exceed the cost of additional ferries in the system.

Hughes said the highways would offer more available ferry space to Southeast residents.

"We want to get some of the through-passengers off the marine highway and onto the new roads so we can better serve Southeast citizens," Hughes said.

## Ferry's Sailing Delayed

By Empire Staff

The state ferry Matanuska's debut after lengthening was short-lived as the vessel failed to sail from Seattle Tuesday night because of mechanical problems.

The sailing was canceled because of short-circuiting in a generator caused by water spraying from a broken coolant line, Marine Highway officials said.

The incident which resulted in an electrical fire occurred south of Ketchikan Monday delaying the ship's arrival in Seattle five hours.

The Matanuska was to have sailed from the port at 6 p.m. However, repair of the generator requires its removal, William Hudson, director of the Marine Highway System, said.

He is hopeful the ship will be back in service for its next scheduled run from Seattle Tuesday, he said.

Northbound passengers booked on the

Matanuska were being transferred to Friday's sailing of the Malaspina, Marine Highway officials said.

Of approximately 50 vehicles booked on the Matanuska there will be space for about half of them on the Malaspina, Doug Burton of the Marine Highway System said.

Others will drive to Prince Rupert, B.C., to catch the Taku and some will drive to the Interior rather than taking the ferries, Burton said.

Although most passengers scheduled for the Matanuska will find space on the Malaspina, about 50 who had reserved staterooms will not have those accommodations, Burton added.

Even more southbound passengers will be affected by the canceled sailing, he said. Because of heavier bookings on the southbound sailing a small percentage will find slots on the Malaspina.

"Maybe 30 or 40 vehicles will have to drive and some people may have to fly if they're with tours and have hotel reservations to keep," Burton said.

The Matanuska had been scheduled to sail south from Haines Saturday morning. Southbound passengers will be transferred to the Malaspina's Monday sailing and others may wish to catch earlier ferries to Prince Rupert, B.C., and drive from there, Burton said.

The Matanuska returned to service approximately one month ago after several controversial delays which kept it in drydock for 10 months for stretching and remodeling.

The ship was laid up in drydock at Willamette Iron and Steel Co. in Portland, Ore., from November until August for addition of 56 feet to its middle.

The \$15 million remodeling job added space for 250 more passengers and 25 more vehicles.

12-72

# Harris ready to recommend move of Seattle terminus

If the Stikine and Lynn Canal highways become reality, road traffic would use the ferry system only from Petersburg to Juneau, eliminating its use of the Prince Rupert-Petersburg and Juneau-Skagway legs of the marine highway.

Movement of the southern ferry terminus from Seattle brought about mixed debate.

The clear majority of participants favored keeping Seattle as the terminus, although some favored moving it to Prince Rupert or Hyder.

Hughes said each ferry run to Seattle eliminates the possibility of one round-trip through Southeast for that ferry. Moving the terminal to Prince Rupert or Hyder, he said, would thus increase service along the rest of the system.

Recommendations gathered by Hughes Tuesday night will be added to other comments he has received during his 19-city tour and then used as a guide for revision of the draft proposal.

He said all public comments will be compiled by the end of October, and the revised plan should be issued in November.

Submission of the final plan to the director of transportation and the Governor is expected by Dec. 31, Hughes said.

By **DICK BAYNE**  
Daily News Staff Writer

Alaska transportation boss Don Harris is ready to recommend moving the southern terminus of the state ferry system from Seattle.

But he doesn't know yet where he wants to put the new terminus.

Harris was in Ketchikan Wednesday to address the annual convention of the state's three trucking organizations. The Daily News interviewed him Wednesday afternoon.

"I'm prepared to recommend to the governor that we make a change in the southern terminus," Harris said.

However, he said he wasn't prepared to say which alternate site he'd favor until studying a recently-published transportation study for southeastern Alaska.

The long-awaited report was done following years of discussion of moving the southern terminus from Seattle to Bellingham, Wash., which would shave about 60 nautical miles from the ferry run.

But the ferry itself supports Prince Rupert, B.C., as the best answer to holding down costs, and yet maintaining or even increasing ferry service capacity and frequency to southeast Alaska cities and towns.

Alternatives named by Harris also were discussed in the study.

"We (the ferry system) parallel 600 miles of B.C. road system," Harris said, referring to the ferry route to Seattle. "It certainly would increase our capacity if we were to move to Prince Rupert, or to someplace further north, as opposed to Seattle."

More frequent ferries and greater capacity would be offered by the Prince Rupert alternative, he said.

Another alternative he discussed was shuttling passengers from either Rupert or Bellingham to Ketchikan where they would make connections with other ferries.

He said there is a total ten-hour round-trip difference between Seattle and Bellingham.

Harris said a Ketchikan terminus, with a shuttle, would require that cars and passengers of all ships would have to off-load in the First City, and then get back on another ship. Maintenance facilities also would be a part of this package.

Though such a prospect would seem to have a number of inconveniences, especially to passengers, Harris said "it would

be good for Ketchikan."

Besides Bellingham, Prince Rupert, or Ketchikan as alternates to Seattle, Harris also said, "Hyder is worthy of consideration. We've got a customs problem at Prince Rupert." Hyder is a town of about 30 people on the mainland northeast of Ketchikan. Its advantage is that it is connected to the Canadian highway system.

Prince Rupert alternative would require an upgrading of facilities, the way the Canadians want them, with "us paying for them," he said.

Hyder would involve a longer water run than Prince Rupert. Also, Harris said he wasn't sure of the road system there.

But "it is a consideration."

Regarding the transportation study for Southeast Alaska, Andrew Hughes, project

manager of the study for the Department of Transportation and Public Facilities said "this is just a draft proposal from the planning staff."

He said it is based on a study report by Wilbur and Associates, a worldwide consulting firm which has its west coast office in San Francisco. The firm also has an office in Juneau. Considerable public input went into the study as well, he said.

Hughes said that of 36 public workshops, in towns and cities throughout Southeast, "There's one common thread throughout. All participants wanted to see more and better service to Alaska residents, particularly those in Southeastern."

The study itself states its main goal is to develop "a long-range plan for the improvement of the region's air, land and water

transportation facilities and services."

It concludes that the marine highway system as it presently exists will be unable to meet projected demands for transportation services.

It notes that the existing marine highway system already is at capacity on links south of Ketchikan. Also, it notes, the operating and maintenance costs for the system continue to increase, and a way must be found to limit these costs while, at the same time, meeting the projected increases in water transportation needs in southeast Alaska.

In putting the study into perspective, Hughes said "the basic proposal," for the immediate future, "at least in the summer," is to make Prince Rupert the southern terminus because "the capacity problem exists in the summer."

Also, due to the costs of maintaining a facility in Seattle, he said, "we would recommend that the Prince Rupert be used summer and winter."

Hughes said "every trip that we provide to Seattle costs us at least one trip through the Southeast region per week."

The contract for use of Pier 48

in Seattle expires in January, 1979.

A next, and intermediate step, Hughes said that comes out of the study, is a recommendation for an additional mainline vessel, which would come into service in 1985.

Then, for the longterm, Hughes said, the emphasis would be holding down costs, and "taking the crunch off the Ketchikan — Prince Rupert link, with a recommendation for a Stikine highway link," when a Stikine River Road is completed.

Regarding that alternative, Hughes said, "It would provide improved access for all communities of the region, including Ketchikan. It would give Ketchikan two connections out, within close proximity."

"In other words," he said, "it would increase the availability of Ketchikan to the interior highway system. And if, say, the ferries were booked to Prince Rupert, persons could go north and then south via the Stikine. It's not that many more miles to go, versus Prince Rupert."

Harris said the various studies, including the most recent one, and the public hearings to garner

people input from the various communities, has cost about \$300,000 over the past couple of years.

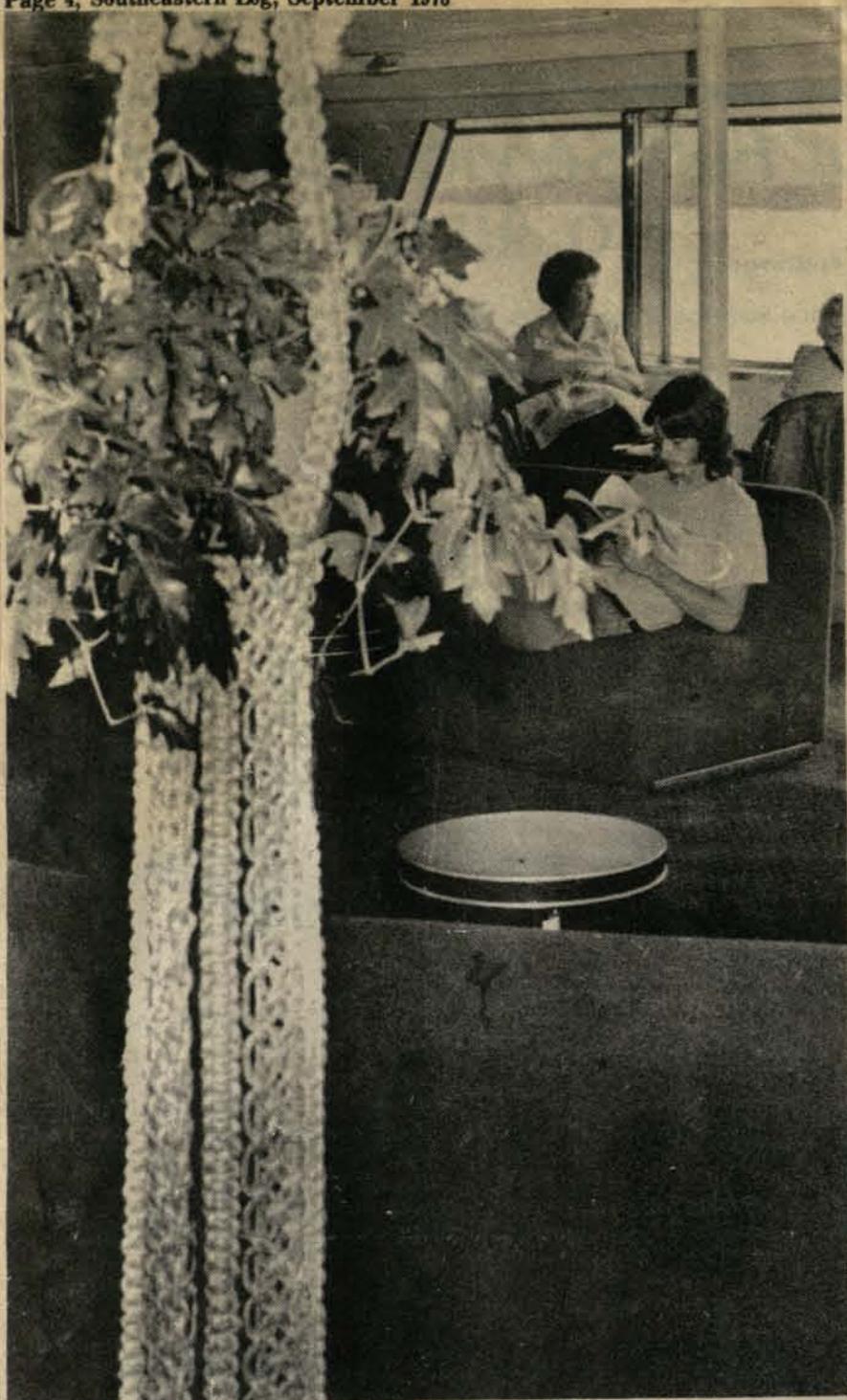
"A big share of that money is federal funds," he said. He didn't think it was a lot of money to spend on getting a perspective on alternatives, and how people in general feel.

"I think the kinds and sums of money we are spending on transportation in the state will be returned to the state manifold if we do a better job. If we come up with the right priorities the money will be well-spent."

Harris said the most recent hearings are about the third series of public meetings, "where we've gone to nearly every community in Southeast."

"Most people are in favor of keeping the facilities in Seattle," he said. "I can't say why, except that Seattle is the place where Southeast Alaska people do their business."

"Some of the commercial people, the merchants in Southeast, which have established lines of supply in Seattle, they don't want to truck from those points to Bellingham or to Prince Rupert to ship by ferry."



One of several planters and macrame holders decorate the forward main lounge of the Matanuska.



# Meet the new Matanuska

Story & photos  
By LOG STAFF

The state ferry Matanuska went back to work with no fanfare in late August after completion of about \$15 million in lengthening and associated remodeling.

The completion was about two months later than expected, and the ship missed most of the tourist season traffic it had been expected to carry. In a March 30, 1978, state Marine Highway System agenda, the ship's lengthening had been expected completed by July 1. It started in November 1977.

The ferry docked Aug. 17, at Ketchikan, its first Alaskan stop, on its first run north after lengthening. The vessel arrived late at the Frist City and stayed about six hours while repairs were made because of an oil leak in the control box for the pitch propeller.

The nature of the problem was explained by the state Department of Transportation

information officer, Ginger Johnson.

The 56-foot longer vessel is impressive because of the apparent economy sought in the remodeling, many Alaskans aboard at Ketchikan commented. While comfortable, no excessively expensive interior decorating is evident. Joe Upton's photographs decorate wall space in one main, cross-ship passageway and plants hang from the ceiling in the forward lounge, but these are the only really accessory decorations.

The ferry is now 408 feet long, was formerly 352 feet, can carry 750 compared to formerly 500 passengers, and has 256 berths compared to 100 before. It has two elevators, one more than the Columbia, and is the first vessel modified in the state's mainline fleet so it meets Coast Guard and Environmental Pollution Agency wastewater standards for contained sewage systems.



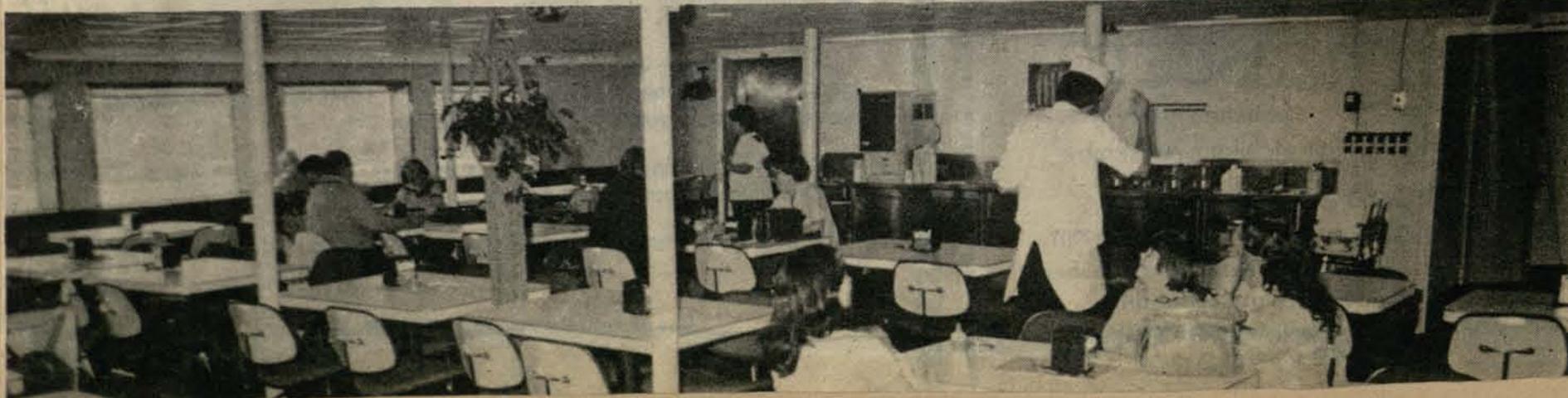
Amidship in the new Matanuska are panels of photographs from Alaska Northwest Publishing Company's

"Alaska Blues: A Fisherman's Journal" by Joe Upton.



A passenger relaxes in a lounge with reclining chairs in the Matanuska, on its first stop at Ketchikan Aug. 17, on its first trip to Southeast since it was lengthened from 352 to 408 feet. Below is

the eating area aboard the vessel. Passengers pick up prepared food from refrigerated cabinets or cafeteria prepared foods in a long hall adjacent to the dining area.





A passenger does pushups to keep active during the first voyage north of the Matanuska since the ship was

lengthened. In the lengthening, the vessel gained this solarium. Solariums previously had been on just the

Columbia and Malaspina of ferry system's, four large, mainline ferries.

## Harris says state \$40 million short of needed hiway funds

By DUNCAN FRAZIER  
Daily News Staff Writer

Alaska's commissioner of transportation and public facilities says the state's annual expenditure of at least \$110 million for state highway improvement is still about \$40 million a year short of what the state needs.

Commissioner Donald Harris made the remark Wednesday before the annual convention of three Alaskan trucking associations being held this week in Ketchikan.

Harris outlined a portion of the state's five-year road plan for the truckers, but he emphasized that accurate projections for Alaskan road plans can be made for about only two years in the future because of the shrinking dollar.

"The state will be spending from \$110-120 million a year over the next five years for capital construction and recon-

struction," Harris told the truckers.

"That's about \$40 million a year short of what is required to put our existing roads in first-class condition and at the same time add lane miles to handle increasing traffic loads," he said.

He said regional transportation studies are being made across Alaska to determine how highway funds will be divided.

All improvements in state air, marine and highway transportation services come from Alaskan highway monies.

Harris said he doesn't see any construction on major new routes taking place very soon, "unless there are more demands such as we had at Prudhoe Bay."

A road from Prospect Creek, which is southeast of Bettles, to the Seward Peninsula is the first route to be extended under the current state highway proposal.

But that route could be endangered by pending Alaska

lands legislation such as HR 39, Harris said.

He also said he saw "no significant expansion of the marine highway system" in the near future.

"Our current vessels are adequate for the demand," Harris said. "In fact, it's uneconomic for the state to continue running the system during the off-season because the ferries are filled to only 30 percent of their capacity."

Harris also said about \$30 million a year over the next two years will be spent to build additional airfields and airport facilities.

Many of the truckers appeared interested in the status of the North Slope Haul Road, which is scheduled to receive its first state-controlled maintenance this winter.

Harris said he is waiting for the final land use plan for the North

Slope corridor, slated to be released sometime in October by the Bureau of Land Management.

Once that plan is released, he said, the state will be able to see more fully how the corridor could be set up to handle road traffic.

The state is now setting up a string of maintenance camps along the road, Harris said. Any excess fuel capabilities at those sites may be leased to the trucking industry, he said.

Present plans for use of the haul road will limit traffic to permit-authorized vehicles only.

Harris said the state will move some unneeded maintenance equipment from road departments across the state to help equip the new maintenance sites.

He also said "two or three" Alaska State Troopers will be based along the road, and Harris' department will station three persons at the Yukon River

bridge checkpoint.

A planned information system along the haul road will include both citizens' band and single band radio capabilities.

Harris said two maintenance camps will be in operation along the road this winter. Eventually, five camps will be set up by the state.

Some of the camp facilities will be purchased from Alyeska Pipeline Service Co.

Camps are planned at Happy Valley and Chandalar, both of which will be open this winter, at Prospect Creek and a site called "79-1" just north of the Yukon River.

Selection of a maintenance site somewhere in the North Slope Borough is still being negotiated.

Harris said most traffic expected to use the road will come from oil-related industry, while a portion also will come from mineral exploration.

## No recommendation from Gov. on moving Seattle ferry terminal

Gov. Jay Hammond told the Daily News Wednesday he has not recommended moving the state ferry system southern terminal from Seattle.

A study by Wilbur Smith and Associates, released by the state

last week, suggested alternatives for future operation of the ferry system. One alternative was to move the southern terminus of the system to Prince Rupert.

Commissioner of Transportation Don Harris told the Daily News he was prepared to move the southern terminus from Seattle. But Hammond told Ketchikan community leaders Wednesday that he was not making any recommendation until after public hearings and without approval of the legislature.

Hammond said the study by Wilbur Smith and Associates entitled "A Preliminary Transportation Plan for Southeastern

Alaska," did not reflect a state position. It was commissioned on the recommendation of the Southeastern Conference. The conference is composed of representatives of the communities in southeast Alaska.

Hammond said the study also presented an alternate that the Prince Rupert service be dropped and all service be out of Seattle.

Public hearings throughout southeast Alaska have been proposed on the study, the governor said.

## Draft study suggests Rupert ferry terminus

*Wrangell Sentinel 10-4-78*

# Plan suggests ferries end Seattle run in '79

Use of Prince Rupert as the southern terminus for all four mainline ferries is one of the principal projects proposed in a preliminary transportation plan for Southeast developed by the Southeastern Alaska Transportation Study.

The draft plan recommends that ferry service between Seattle and Southeast cease in 1979 "to eliminate short-term capacity problems."

The preliminary plan also recommends as a long-range project for 1986-96 construction of a Stikine-Iskut River road to the Canadian interior, ending in Petersburg.

Stikine road development, as explained in the study team's proposal, would be accompanied by "restructuring of the ferry system using Petersburg as the focus of services. Three mainline ships would operate between Petersburg and Skagway and one mainline vessel would travel between Petersburg and Ketchikan."

A road connection between a Stikine road, Petersburg and Wrangell was listed as an alternate by the study team, but is not included in the preliminary plan.

An Aaron Creek-Iskut River road between Wrangell and the Canadian interior al-

so was listed as an option by the study team, which noted "this option provides considerably less service to the region at a higher cost than the Stikine-Iskut River road connection to Petersburg." The Aaron Creek road option is not included in the preliminary plan.

The preliminary plan, and other aspects of the 90-page report, still are subject to public review and comment.

A series of public workshops has been scheduled throughout Southeast this month, including a session in Wrangell at 7:30 p.m. Monday, Oct. 16, at council chambers, city hall.

Those who attended workshops last year on the plan, and others on the study mailing list, were to have received copies of the draft plan last week.

Copies also may be obtained by writing Andrew Hughes, Department of Transportation and Public Facilities, Transportation Planning Division, Southeastern Region, P.O. Box 3-1000, Juneau, 99811, or by calling 789-0841.

Those unable to attend the Oct. 16 Wrangell workshop may send written comments on the preliminary plan directly to Hughes.

Wrangell participants at last year's public workshops, conducted to gather public opinion on Southeast transportation needs and priorities, rated an Aaron Creek-Iskut River road from Wrangell to the interior as a top priority project.

The Aaron Creek Road committee of the Wrangell chamber of commerce was scheduled to meet Friday, Sept. 29, to discuss the preliminary plan for Southeast, and organize its response to

several of the study team's proposals.

The chamber Aaron Creek road committee also was expected to consider organizing community support for the Aaron Creek road option prior to the Oct. 16 workshop.

The Southeastern Alaska Transportation Study, originally suggested by the Southeastern Conference, is funded in part by the state legislature.

The purpose of the study is to develop a continuing transportation planning process for the region, a comprehensive long-range transportation plan, and suggestions for short-range improvements.

Funds for the project also have been provided by the Federal Aviation Admini-

stration and Federal Highway Administration.

The study is being conducted by the state Department of Transportation and Public Facilities, in conjunction with Wilbur Smith and Associates, a private consulting firm with western regional offices in San Francisco.

Planning team recommendations and public comment will be submitted to the governor prior to his decision on a transportation plan for Southeast.

## Burton, Harris resign

JUNEAU (AP) — Two members of Gov. Jay Hammond's cabinet, Richard L. Burton and Donald Harris, have resigned effective Jan. 2, according to Hammond aide Jessie Dodson.

Burton is commissioner of public safety and Harris is commissioner of transportation and public facilities.

A veteran of 24 years in police work in Alaska, Burton joined the Alaska State Troopers in 1959 and became commissioner of the Department of Public Safety in 1974.

Harris is a former member of the state Legislature. He headed the old Department of Public Works before it merged with the Department of Highways in the creation of the Department of Transportation and Public Facilities. KDN

12-75

going away luncheon  
9/22/78

YANCEY  
The PRIDEFUL RESTAURATEUR  
DERRINGER'S  
CHICKS - ROCK!  
MERCHANTS WEAR

Good Luck When  
EX  
OK JSM  
Best of Best

# Ferry strike strands 200 here

by LEE MORIWAKI  
Times staff reporter

More than 200 stranded passengers were awaiting word late yesterday on when the ferry Matanuska, idled by a labor dispute, would leave from Seattle to Southeast Alaska.

Passengers were forced either to camp outside the Pier 48 Alaska Ferry Terminal or hunt for the few hotel or motel rooms still available this weekend in Seattle.

Mystery surrounded the labor dispute, which began Friday evening when the ship's engineers abruptly walked off the job.

Union spokesmen could not be reached for comment, but Doug Norem, acting terminal manager here, said the engineers walked off in a disagreement with the State of Alaska over daily living expenses.

Norem said 200 passengers and 60 vehicles, as well as cargo vans, were booked to go to Alaska aboard the Matanuska.

"It was kind of a mess last night," he said.

"Some of them (passengers) were camped out here in the yard. A number tried to find hotels. I sure hope they found them."

Gene and Candy Wheeler, and their 7-month-old baby, Katie, finally found a "tiny room" in the Olympic Hotel after driving around for an hour and a half, Mrs. Wheeler said.

"It was terrible," she said. She and her husband are moving to Juneau from Salem, Ore. Wheeler works for the United States Forest Service.

Robert Turpin wound up camping in a motel parking lot "somewhere" along Highway 99, he said. That was particularly hard, said Turpin, a coast guardsman moving from Miami to Kodiak, because he is bringing along his wife and two little children.

Joe and Gayle Cox camped out in the terminal yard last night.

"Everything was full because of the King Tut Exposition. They locked the (ferry terminal) building and we could not use the bathroom or get coffee," said Mrs. Cox. She and her husband are with the Air Force and are moving from Melrose, Mass., outside Boston, to Anchorage. They are due October 31.

Nonstriking crew members aboard the Matanuska said they were in the dark about what was happening.

Superior Court Judge Thomas Stewart in Juneau late Friday issued a temporary restraining order against the striking engineer's union, the Marine Engineers Beneficial Association.

The strike appeared to be system-wide, but no pickets were posted.

# Freight, grocery, motel men view ferry move

By DICK BAYNE  
Daily News Staff Writer

A change in the southern terminal of the Alaska Marine Highway System would affect hauling food and general freight and could affect the visitor industry in Ketchikan, according to Southeast businessmen.

Consideration of a move of the southern terminus from Seattle to either Bellingham, Wash., or Prince Rupert, B.C., may come to a head in the next session of the legislature following three years of study and hearings.

Moving the terminus was a major alternative suggested in the state study of transportation in Southeast Alaska. The state will hold a public hearing on the study Tuesday night in the city council chambers.

Last week the Daily News checked with spokesman in the travel industry and with managers of the ports of Seattle

and Bellingham. But other industries are affected as well.

Bud Hansen, Southeast manager for Lynden Transport Inc., one of Southeast's manager freight handlers, said his firm now ships twice a week out of Seattle and twice a week through Prince Rupert and the costs are comparable.

Also, he said, winter weather has not caused problems with moving trucks to Prince Rupert.

"I believe that only one truck in the last two years has missed the ferry at Prince Rupert due to mechanical problems or mother nature. In one case a slide slowed a truck two hours, long enough to miss the ferry. But that's a very unusual situation."

"Winter weather is no problem. They (the Canadians) keep the road up very well, and have improved it greatly over the last few years. They've cut off some of the mileage. And as far as Lynden Transport is con-

cerned, they've made a vast improvement in the Prince Rupert operation."

While costs are comparable out of Seattle now, Hansen said "it's a push and Seattle could end up costing more if ferry rates continue to increase. It could get out of balance."

He said that new Teamster Union contracts, and higher fuel costs could also change the costs involved in the overland run to Prince Rupert.

Bill Palmer, manager of Sea-Mart Super, said most the store's refrigerated products are shipped via the Alaska Marine highway from Seattle.

He said "a move from Seattle to some other more northern port would be disastrous for fresh products. We know we'll get the freshest products for consumers out of Seattle."

Palmer considers Seattle, not Bellingham, to be "the hub of

commerce and transportation in the Pacific Northwest." "How would anyone feel if placed 90 miles short of their destination," he asks.

"If ocean transport is the cheapest way to move passengers and freight, then the 90 additional miles, overland, while saving fuel for the ferries, will end up overall being more costly go the public," Palmer said.

Palmer said a move to Prince Rupert would give these points more emphasis, because of the greater distance involved.

Also, he said, because of the problems involved in shipping and traveling overland so far, "I don't believe the Prince Rupert port can generate enough traffic to utilize the larger ships of our ferry fleet and keep them full all the time, such as the Columbia, Malispina and Matanuska."

The possibility that Ketchikan

could become the southern terminus of the ferry system was looked upon as a good thing for Ketchikan by Roger Walters, spokesman for the Hilltop Motel and restaurant.

This possibility is one of the alternates considered in a Southeast Alaska transportation study. The idea includes a shuttle system between Ketchikan and Prince Rupert. All cars and passengers would be put off in Ketchikan and picked up by other ships for northern ports.

Walters said that with everyone getting off in Ketchikan, it would have a beneficial effect on the economy of the city., "It would be a good idea, better than Prince Rupert," he said. "They might as well spend their money here, as someplace else."

He said the stopovers would "definitely take up the winter slack," as far as hotel use. "In summer we have a lot of traffic coming from everywhere."

# leaders disagree on terminal move

KDAI 10-13-78

Businessmen and political leaders disagree on the effect of suggestions to move the southern terminus of the state ferry system to Bellingham, Wash., or to Prince Rupert B.C.

Talks with local and

Washington state government leaders, and officials in the freight and travel industries revealed differing view points about the plans.

Two weeks ago, Alaska transportation Commissioner Don Harris told the Daily News he was prepared to recommend to Gov. Jay Hammond that the ferry system move its facilities out of Seattle.

And a recently-published transportation study for Southeastern Alaska appears to lean heavily in favor of moving to Prince Rupert while a move to Bellingham has been under study

since 1975.

The state is holding a series of hearings this month on the results of the transportation study. Ketchikan's hearing is Monday night.

Travel agent and borough assemblyman Len Laurance said to move to Bellingham or Prince Rupert would increase costs to travelers and would make freight handling more expensive.

Ketchikan grocer Bill Palmer, of Sea Mart Super, said a move to a more northern port would be "disastrous" for fresh produce shipments to Ketchikan.

However, Bud Hansen, Southeast manager for Lynden Transport Inc., said costs by ferry from Seattle and by truck through Prince Rupert are comparable.

The port managers of Seattle and Bellingham disagree on the effect to Alaska of a move to Prince Rupert. Richard Ford, executive director of the port of Seattle, said a move to Bellingham would reduce traffic but a move to Rupert "has some merit" for Alaska.

But Tom Glenn, manager of the Port of Bellingham, touted the benefits of moving the terminus to

Bellingham, but warned that a move to Rupert would disrupt passenger and freight traffic because of uncertain road conditions.

Meanwhile, Roger Walters, who manages the Hill Top Lounge and whose family operates the Hill Top Motel across from the Ketchikan ferry terminal, said a move to Rupert could boost Ketchikan's visitor business.

"I see any move to any terminal other than Seattle as being very expensive for Ketchikan," said Laurance, borough assemblyman and president of

Leisure Corporation, and of Alaska World Travel

"The state has always talked about economies for the ferry system," Laurance said, "but they've never talked about a cut in fares. They've talked about fares being prorated due to a reduction in miles."

"For passengers, any savings in a move to Bellingham, would be more than eaten up by surface fares," Laurance said.

As for freight, the increase would be higher, "because most freight shipped on the ferries originates in Seattle." He said that getting the same freight 90

miles north to Bellingham will require a truck-tractor, and driver, and the cost of the round-trip.

"Thus, the cost of everything from groceries to other items that now move on the ferries would be increased substantially," Laurance said.

Laurance said the same arguments apply to Prince Rupert, "but they are considerably more amplified, because the highway mileage for trucking and driving is 1100 miles from Seattle."

Ford, of the Port of Seattle, said a move "would be a serious loss because the system rounds out a total transportation service between Seattle and Southeast."

"We have the air service here," he said, "and then Foss Alaska (barge line), with the ferry service being the third. These three services to Alaska would no longer be brought together at one point," he said.

"We've tried to point out that an awful lot of people are going to be inconvenienced," Ford said, by a move to Bellingham. "That's not the connecting point of people and freight," he said. "And most of the freight originates here, in Seattle. The wholesalers are here."

If you have to move the freight, not just down to the waterfront, he said, but to Bellingham, it means deadheading drivers and trucks.

"The ferries could as easily raise their rates, and it would probably be just as cheap for the guy shipping out of Seattle," he said. "That is the practical effect" of such a move.

Ford said a move from Seattle would have a heavy impact on foot passengers, due to inconvenience, and that is the one area where the ferry system can increase its revenues, he said.

As for the possibility of a move to Prince Rupert, Ford said, "I think that is a different argument. It's a different policy

consideration."

"I am not an Alaskan, so I'm not going to make a judgment on that," Ford said. "Prince Rupert has some merit looking at it from an Alaska's point-of-view."

"You can make the argument that the only purpose of the Alaska state ferries is to provide a means of connecting various communities in Alaska that don't have a highway."

"And the fact is, via Prince Rupert, you do have a highway connection to anywhere in the United States.

However, he said, "I don't advocate that, because obviously we would like to keep the ferries in Seattle."

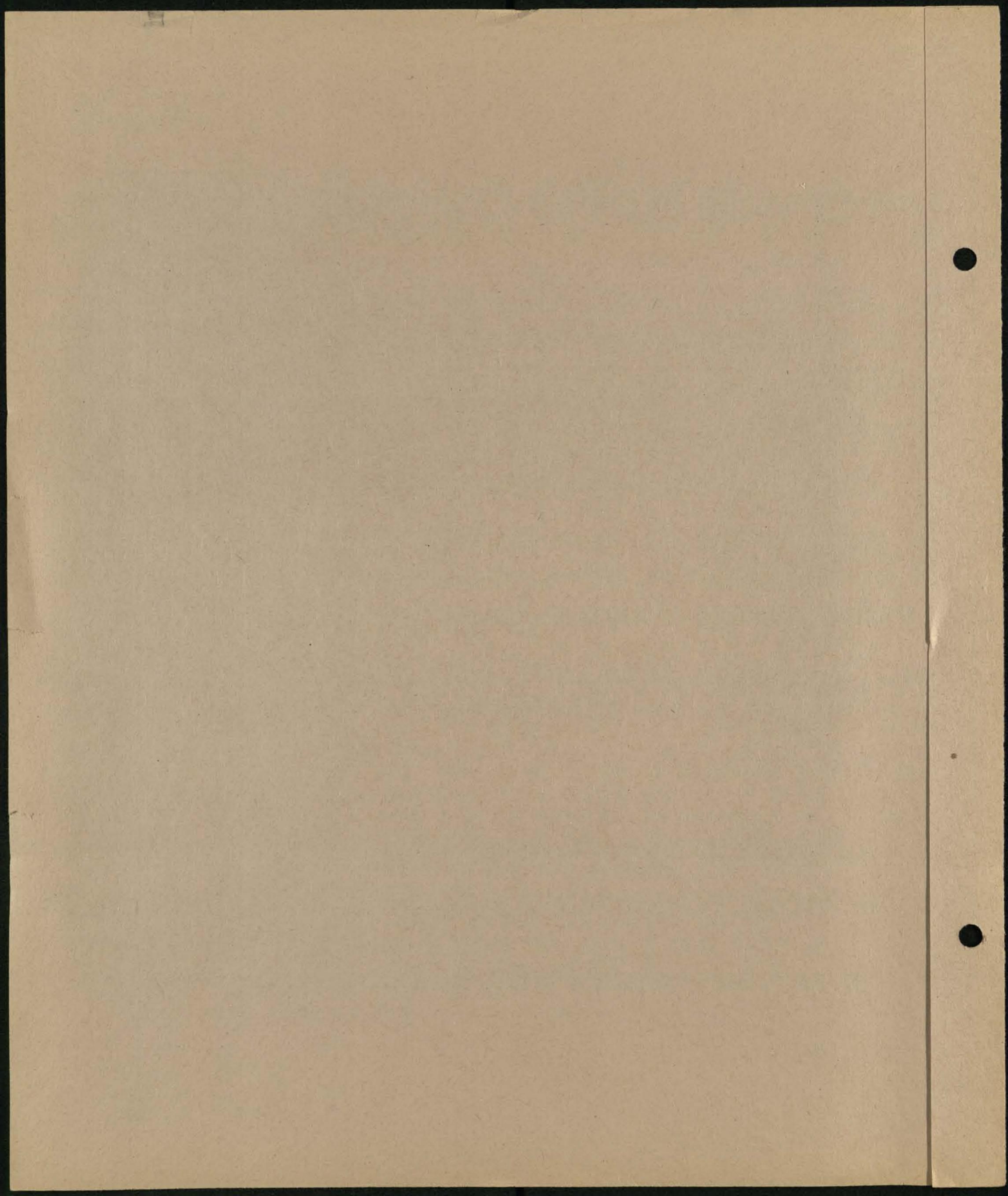
Tom Glenn, manager of the Port of Bellingham, said "the Puget Sound run is the only one in the entire Alaska ferry system that pays its own way. I believe that's true. I cannot believe they'd throw away that run."

"The winter run from Prince Rupert is not going to generate the traffic that the Puget Sound run will," he said, "simply because of the distance, the difficulty, and the weather."

"The road to Prince Rupert is not a guaranteed, year-round road," he said. "From Prince George to Prince Rupert it is a difficult winter road." Not only due to heavy snow, but occasional rock and mud slides can close the road, he said.

12-77





# Shine Signs

By Borghild Watney

Warm, warm New Year's greetings to my readers amidst this cold, low-temperature weather. May the New Year bless us with serenity, courage and wisdom. Also, with one of life's most beautiful treasures—love.

A delightful time was enjoyed by the "Trim Class" members at their Christmas potluck party Dec. 14 at the lovely home of Kenneth and Jean McMillen on Oak Bay Road. After a delicious luncheon, the members exchanged gifts beside a beautiful noble fir approximately 12 feet high in all its grandeur which graced the living room and gave one of sentimental yuletide spirit of old.

Mrs. Agnes Alderman of Paradise Bay has returned from a wonderful Christmas visit with her sister and brother-in-law, Mr. and Mrs. Henry P. Schwartz of Seattle and her daughter and son-in-law, Mr. and Mrs. Ed Burton and two granddaughters, Debbie and Jennie, who came from Loveland, Col. Agnes spent Christmas Eve with her two nephews and wives, Mr. and Mrs. Henry F. Schwartz and Mr. and Mrs. Robert J. Schwartz of Seattle.

Mrs. Marion Taylor of Bridgehaven has returned from a holiday season visit with her sister and brother-in-law, Mr. and Mrs. Wayne Ranta of Seattle. She also spent some time with her other sister and brother-in-law, Mr. and Mrs. Ellery Martin and with her nephew and his wife, Dr. and Mrs. Eric Ranta and their little one-year-old daughter, Erin, all of Seattle.

Mr. and Mrs. Lee Meadows and family of Seattle enjoyed Christmas holidays at their Bridgehaven residence.

Christmas visitors at Capt. and Mrs. H. Lockert's residence at Bridgehaven were his sister, Mrs. Connie Littlejohn of Alderwood Manor and a friend, Bettie Taht of Maui, Hawaii. They also enjoyed visits from Capt. and Mrs. Gary Kramer with their two grandchildren, "Guy" and "Poo," of Foulweather Bluff and Mr. and Mrs. John Lockert of Kingston. John serves as Chief Engineer on the ferries under Capt. Lockert.

Mrs. Rose McAdams of Auburn, visited at her South Point residence on Sunday, together with friends from Maple Valley. This was her first visit over in some time and she was quite surprised to observe the change at South Point. Mrs. McAdams requested that your reporter remember her to Neil Stark and Mrs. Evelyn Tengelin. She also inquired of Mrs. Marion Taylor of Bridgehaven and inquired if I knew Captain and Mrs. H. J. Lockert of this area. She felt very restricted without her automobile, but said she would be returning to the area again very soon.

# Alaska Election Circus

By Will Lawson

Alaskans had six candidates for governor in the August primary election. They still have five to choose from in tomorrow's general election.

Voters in the 49th state eliminated two Democrats and two Republicans from the governor's race in August.

But one Republican, former governor Wally Hickel, has climbed back onto tomorrow's ballot in a write-in effort.

In addition, two gubernatorial hopefuls are running as independents in the general election. They weren't in the August primary because independents get on the general election ballot by petition.

However, the ballot lineup is

the simplest part of Alaska's general election.

Its more complicated aspects include:

- An endorsement of Republican Gov. Jay Hammond by the former Democratic lieutenant governor who lost office when Hammond won in 1974.

- The endorsement of Democratic nominee Chancy Croft by a leading and powerful Republican state senator, John Sackett. He is angry over a GOP platform opposing construction of local schools in villages and, instead, favoring large regional schools in rural Alaska.

- The endorsement of independent Tom Kelly by a former Republican speaker of the House, Tom Fink, who has strongly supported

Hickel but apparently was unaware Hickel would make the write-in bid.

- And the public disavowal by Hickel's chosen running mate of that spot on Hickel's write-in ballot.

Otherwise, tomorrow was shaping up as a routine election day in Alaska.

After the August primary, it was nearly a month before Alaska voters knew the outcome. Their votes were counted and recounted and then contested in a lawsuit that went all the way to the state Supreme Court.

Things haven't been much less confusing since.

Election snafus seemed still to be tracking the candidates as the

Back Page, Column 1

# A Three-ring Alaska Election

From Page A-1

campaign drew to a close.

Kelly, for example, was caught playing both sides last week in the controversy over moving the state capital. Kelly's campaign ads on the issue inadvertently ended up in the wrong regional newspapers — and consequently in the hands of the wrong voters.

A Kelly ad sent to the Southeast Alaska Empire newspaper in Juneau, the present capital city where the move is opposed, boosted the capital move. This ad was intended for a newspaper in the Matanuska Valley, where construction of a new capital city is planned, and supported.

The second Kelly ad was misdirected in reverse — with equally embarrassing results.

Alaskans voted in 1974 to move the capital. But this time they are voting on the actual money — a \$966 million bond issue — to do that. So candidates still are stuck with the troublesome campaign issue.

Croft and Hammond say they would comply with the legally dictated capital move, but they are urging defeat of the proposed bond issue.

Hickel's handling of the issue has been similar to Kelly's — but without any embarrassing contradictions in the cold print of wayward newspaper ads.

Independent Don Wright says he would move the capital within a year.

In his write-in effort, Hickel's choice of an unenthusiastic running mate probably seemed logical at the time he made it.

State law requires that governor - lieutenant governor candidates run as a ticket in the general election. So Hickel chose Terry Miller, a highly popular young Republican who swept the GOP primary this year following prominent leadership in the Alaska Leg-

islature.

Miller, however, disdained the honor since he is the GOP's No. 2 standard bearer, officially paired with Hammond in tomorrow's balloting. He also is a political power on his own.

Miller's sights are on the Alaska governorship, probably the next time around. He may not consider the Hickel bandwagon particularly promising for hitching one's political star to. Hickel was fired by then-President Nixon as interior secretary. And, in attempting to retain the Alaska governorship, Hickel has lost two primary elections since then.

Hickel became similarly cross-threaded with Tom Fink, his former strong supporter who now has endorsed Kelly.

When a Hickel write-in was first launched — at that time by campaign supporters — Hickel disavowed the effort. Fink then endorsed Kelly. Then Hickel decided to go for the write-in.

Fink polled 17,000 votes in the August primary election, a bloc that could play a key role in tomorrow's general election.

The other major endorsements in the governor's race also have possible potency.

Sackett, the Republican state senator who is backing Croft, is influential with fellow natives and prominent in politics. He is chairman of the powerful Senate Finance Committee.

Sackett is one of Croft's campaign co-chairmen and has contributed \$1,000 to the cause.

H. A. "Red" Boucher, the former Democratic lieutenant governor who is endorsing Republican Hammond, still has a following in the state. Boucher once yearned for the governor's seat himself.

However, since his political career temporarily came to a halt in 1974, Boucher has experienced a "born again" Christian conversion.

In addition to supporting Hammond within the state, Boucher highly praised the Republican governor during an appearance on the national "Praise the Lord" television show.

Croft reportedly has sought, with no success, the support of former governor William A. Egan, the Democrat beaten by Hammond in 1974.

All Egan would grant was his silence where the governor's race was concerned. Egan is concentrating instead on supporting Pat Rodney, a young Democratic candidate for U. S. congressman from Alaska.

Egan's coolness toward Croft stems from the 1974 campaign, when Croft's wife Toni worked in Hammond's campaign and Hammond was sometimes a guest in the Crofts' home during campaign trips to Anchorage.

Democratic insiders say the rift could have been healed if Croft had attempted to patch it up with Egan. Croft, they say, only sought Egan's support with no mention of amends for the past.

All complexities considered, however, Hickel's write-in effort is still the key question in the Alaska election.

Hickel's re-entry, an election watcher speculated, could split Republican support enough to give Croft the edge. Or, he said, it could arouse a "sympathy" vote for Hammond and assure him of victory.

Before Hickel began his write-in campaign, according to one election guesser, the race appeared even up for Hammond and Croft with whichever won probably taking 40 percent, the loser 38 percent, and the independents combined 22 percent.

"But now," he said, "who knows?"

—Wednesday, July 25, 1979

# Shine Signs . . .

By Borghild Watney

Warm, sunny days; star-studded nights; yachts and sailboats in the harbor; flowers in profusion; vegetables ripening in the gardens; haying time, picnics, swimming, ripe red strawberries, homemade ice cream, vine-ripened tomatoes . . . isn't summer just wonderful!

Captain and Mrs. H.J. Lockert of Bridgehaven have had as their guests this July, Mrs. Lockert's sister and brother-in-law, Commander and Mrs. John W. Goodpasture. The Commander and Mrs. Goodpasture are joining the other sister, Mrs. Connie Littlejohn of Lynnwood to go on to Canada before returning to their home in Oklahoma City, Okla. Captain and Mrs. Lockert are then leaving for a combined business and pleasure trip to Alaska.

Mr. and Mrs. Lee Meadows and family of Seattle visited at their Bridgehaven residence over the weekend.

Mr. and Mrs. Bill Dederer of Seattle have been vacationing at their Bridgehaven residence. Mrs. Dederer's sister and brother-in-law from Utah spent a week visiting them and they so enjoy the beauty of this area.

Mr. and Mrs. Louis Kadlecek of Rosenberg, Texas, have been visiting with their son and daughter-in-law, Mr. and Mrs. Bill Kadlecek and family of Port Townsend. They thoroughly enjoy visiting this area and also renewing friendships with their many acquaintances.

Sorry to learn that Mrs. Robert (Sharon) Garten has been called to California to be with her oldest brother who was seriously injured in an auto accident in which his wife was killed. "Get well wishes" are sent to Sharon's brother.

Heard on the radio that the first Trident Missile was successfully launched from the U.S. Submarine Francis Scott Key in the Atlantic Ocean. Harold Tengelin, son of Mrs. Evelyn Tengelin, serves aboard this submarine.

The "old-fashioned basket social and lawn dance" held at the Robert Couture residence July 14 was a tremendous success! The ladies brought colorful, decorated baskets containing many "goodies" and the gentlemen were most generous with their money! The hostess, Mrs. Robert (Myrtle) Couture had baked ten delicious pies, for which she is so famous, and presented them to be auctioned off. This event netted a total of \$149 for the benefit of the Shine Cemetery and the Shine Community Club. Colorful lights were strung around the lawn together with colorful paper lanterns, which decorations were done by Mrs. Jim (Carol) Hubbard and Mrs. Robert (Myrtle) Couture and as the evening darkened, it became most festive! Speaking of the "good old times," it truly was revived that evening and more social functions along the same lines are planned for the near future, so neighbors and friends, please plan on attending.

The "Annual Shine Picnic" will be held Aug. 11, at the old Perry Hill place as announced by Mrs. Robert (Myrtle) Couture and Albert Couture, co-chairmen. This picnic starts at 12 noon and everyone must provide their own picnic lunch as no cooking facilities are available. A donation of \$1 will be appreciated from each family. Invitations have been placed in each mailbox and have been mailed to former residents of Shine. The invitation includes all residents from the Bridge at Shine to South Point and Bridgehaven. This promises to be another exciting picnic, so please friends, mark your calendar and plan to join the fun!

Your reporter together with many others is eagerly looking forward to the grand opening of Reed's new grocery store at Hadlock. On Saturday, your reporter, with the permission of the manager, took a sneak preview of the interior. The exterior is most striking with all glass and stone. The interior is vast, most pleasant, cheerful colors, large easy reading signs indicate: "Fresh Meat," "Fish," "Delicatessen," "Bakery," and the "Wine Cellar." Everything is sparkling new! Even went back to the large meat freezer and carefully opened the large door to peek in. The manager told me that they would start stocking Aug. 6 and the opening would be soon thereafter. This will be a wonderful addition to the Hadlock area, which is now mushrooming with new services!

## Alaskan Favors Keeping Ferry Terminal in Seattle

JUNEAU, Alaska — (AP) — Alaska's transportation commissioner recommends that the state's southern ferry terminal remain in Seattle.

Administration officials had been considering moving the terminal to Bellingham, Wash., in an attempt to cut operating costs of the nation's largest marine passenger fleet.

But Commissioner Robert Ward yesterday said such a move would bring more expenses than savings. Ward made the recommendation in a report to Alaska Gov. Jay Hammond.

Accompanying Ward's statements was an 85-page study detailing the Seattle-Bellingham controversy, which has sparked Alaska lobbying campaigns by officials from both areas.

"They made the right decision," said Jube Howe of the Port of Seattle. "What else can we say?"

"We wish Alaska the very best," said Tom Glenn, general manager of the Port of Bellingham. Bellingham businesspersons were hoping that Alaska would move the terminal to

that city, he said. More people would travel through the community and Bellingham would have gained the business of Alaskans and of the ferry terminal.

"They're disappointed," he said about the business community. "But they (the Alaskans) are not doing this for Bellingham or Seattle. They're doing it for Alaska and we wish them the best of luck."

The report says moving the terminal to Bellingham would cost at least \$183,000 each year above and beyond any savings.

"This would result from reduced passenger and vehicle fares, adjusted for the shorter distance from Belling-

ham to Alaska," Ward said.

In addition to the financing findings, Ward said sentiment expressed at public hearings in Alaska favored keeping the terminal in Seattle.

Also, he said moving to Bellingham wouldn't save enough sailing time so that ferries could make more trips between Alaska and the Lower 48.

The current terminal is at Seattle's "Pier 48."

Ward said installation of new fuel facilities at the pier could reduce vessel time in Seattle. The ferries now have to be fueled away from Pier 48, which requires additional time spent on the Seattle end of their runs.

State budget proposals for the coming fiscal year have provided for the southern terminal to remain in Seattle. Only if a move to Bellingham was recommended would a budget change be required, transportation officials said.

The Alaska ferry system includes nine vessels. The largest and fleet "flagship" is the 418-foot "Columbia."

*'We wish  
Alaska the  
very best'*

## Ferry Crunch In Slow Start

JUNEAU — (AP) — The annual summer crunch of passengers and cars on the Alaska ferry system appears to be getting off to a slower start than usual.

And marine highway division officials say part of the reason may be car drivers' nervousness about gasoline supplies. But they say they have no plans to cut back the number of summer sailings of the nation's largest fleet of passenger ships.

"You can tell some are a little worried about gasoline by the kind of questions they've been asking," said Doug Burton, traffic manager for the ferry system.

"We have an indication of that from the cancellations that come in," he said yesterday.

"They want to know whether or not they could be affected by every-other-day gasoline sales . . . and if lack off gasoline forces them to cancel, whether they can get their money refunded or reservations at a later date," Burton said.

The ferry Matanuska left Seattle Tuesday with room for 20 more vehicles and carrying only 40 percent of its passenger capacity, Burton said.

# Alaska Ferry Use Cost Rises

ANCHORAGE — (AP) — The cost of using the Alaska Marine Highway System has gone up.

Doug Burton, the division's traffic manager, said passenger rates have been hiked an average of 6 percent over last year's prices.

The cost for a passenger to travel from Seattle to Skagway by ferry has gone up 6 percent to \$109 from \$103 last summer.

A standard automobile on the same trip will cost 6.5 percent more, or \$374. The price for bigger vehicles has jumped up 7 percent.

Burton said lower operating costs and the introduction of fast-food services allowed the marine highway system to keep the price hike below the cost of living increase.

The ferry system's full summer schedule begins May

18, he said.

The Columbia and the Matanuska will sail weekly out of Seattle.

The Malaspina and the Taku will travel round trip out of Prince Rupert to Skagway and other major Southeast ports twice a week.

The smaller Aurora will leave Prince Rupert once a week and dock at Ketchikan, Hollis, Wrangell, Petersburg and Juneau.

The LeConte will travel between Skagway, Juneau, Hoonah, Pelican, Tenakee, Angoon, Sitka, Kake and Petersburg.

The Tustemena will sail between Seward, Kodiak and Homer with weekend trips to the Columbia Glacier.

The Bartlett will go between Valdez, Whittier and alternately to Cordova.

Feb 26 - 1979

## Passenger Ferry Nearly Ready

By Will Lawson

Work was nearing completion yesterday on facilities for passenger-only ferry service that was to begin operating this morning to replace the sunken Hood Canal Bridge.

"We'll be ready to handle passengers," said Newell Hunter, ferry system marketing manager.

Since the Hood Canal Bridge was sunk by a storm Feb. 13, ferry routes to the Olympic Peninsula have been heavily loaded, especially on weekends.

Construction crews were working "round the clock" to complete facilities for the added ferry connection, from South Point to Lofall, in the area where the Hood Canal Bridge sank, Hunter said.

At the South Point end, he said, work was complete and "we're ready to go there with no problem at

all."

On the Lofall end, remaining work on the passenger ramp and some piling would be completed before morning, he said.

The first ferry was scheduled to leave Lofall at 5:20 a.m. today, with subsequent departures at 6:30, 7:30, 8:30, 9:30, 10:30 and 11:30 a.m. and 2:45, 3:45, 4:45, 5:45, 6:45, 7:45 and 8:45 p.m.

Departures from South Point, on the other side of the canal, will be one-half hour later in each case.

Bus service is to be provided from the Lofall side of the canal to Bangor, Keyport, Winslow and Bremerton.

The ferry run reactivates one that was discontinued when the Hood Canal Bridge was opened 17 years ago.

An auto ferry run is planned for the South Point-Lofall run in June or July.



# MARINE DIGEST

54758  
LOCKERT, CAPT. H.J.  
ROUTE 1, BOX 379  
CHINACUM, WA  
98325  
DEC 80



**ALASKA FERRY MV MATANUSKA  
STRETCHED BY WILLAMETTE IRON & STEEL CO.  
(SEE COVER STORY PAGE 11)**

25 cents per copy

\$8 per year

**MORE CONTAINER SPACE**

SAN FRANCISCO - Hoegh Container Lines has announced it will substantially increase the eastbound container capacity late next month on all of its vessels.

This will enable the line to meet the higher demand for container space, as well as provide room for forest products and parcel cargoes, according to Norton, Lilly & Co., agent for HCL, the Pacific/Europe service of Hoegh Lines. HCL's agent in Western Canada is Westward Shipping Ltd., Vancouver, BC.

**DRYDOCKING IS DUE**

SEATTLE — Totem Ocean Trailer Express has announced that its trailership Westward Venture will be in drydock for the first two weeks of January and that there will be only one sailing to Alaska during the weeks of Jan 1 and Jan. 8.

Twice-weekly service will resume the week of Jan. 15. The company's other trailership is the Great Land.

**FERRY IS LENGTHENED WITH 56-FOOT MIDSECTION (COVER STORY)**



The MV Matanuska "grew" last summer from 352 feet in length overall to 408 feet at the hands of Willamette Iron & Steel Co., Portland.

SEATTLE — When the Alaska Marine Highway ferry MV Matanuska "came apart" last summer, it was for a very good reason. The vessel was being stretched at a Portland shipyard, and she had to be cut in two to permit addition of a midsection.

The 15-year-old vessel was jumboized in a \$15 million project at Swan Island by Willamette Iron & Steel according to specifications of a design prepared by Nickum & Spaulding Associates, Inc., Seattle, but that is not all that was done.

In a complete refurbishing, ship-



# NYK LINE

NIPPON YUSEN KAISHA



## FULL CONTAINER SERVICE

**SHIPMENTS TO : YOKOHAMA-TOKYO-KOBE-OSAKA-NAGOYA**

	SEATTLE TACOMA	VANCOUVER B.C.	LONGVIEW PORTLAND
Alaska Maru .....	Dec 26	Dec 28	Dec 30
Hotaka Maru .....	Jan 2	Jan 5	.....
Lions Gate Bridge .....	Jan 5	Jan 7	Jan 9

**SEATTLE**  
720 3rd Ave.  
223-2456

**MATSON AGENCIES INC., GENERAL AGENTS**  
100 Mission St., San Francisco, California

**PORTLAND**  
812 S.W. Washington  
228-4386

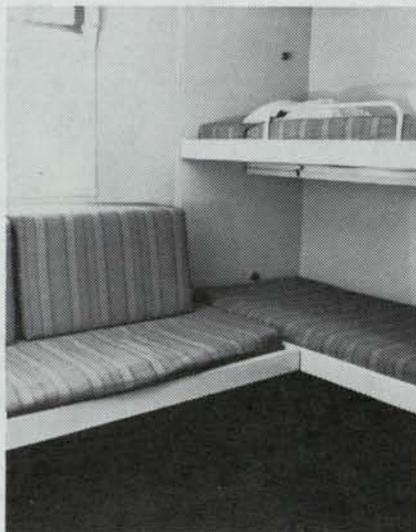
**VANCOUVER, B.C.**  
Greer Shipping Ltd.  
Marine Bldg.  
683-9311

builders added aluminum deckhouses, masts, and funnel. A solarium was built to allow passengers to take advantage of the many spectacular views on the Alaska Marine Highway.

The interior of the ship from the main car deck up was stripped, and new lounges, elevators, designer-decorated staterooms, cafeteria and foyers were completed. In work less visible to passengers, mechanical changes included addition of another diesel-generator and a water distiller, and more tanks for sewage and potable water were added.

There were also new piping, fan rooms, ducts, pumps, heaters, air conditioners and a galley added as parts of the major job by Willamette.

Twenty-five more automobiles and 246 more passengers could be carried in style and comfort by the 18-knot Matanuska after the work was completed. She returned to service in mid August on the Inside



Shown is part of one of 84 two-passenger staterooms on the modernized Matanuska. Each compartment includes modularized shower and toilet facilities. (Jim Davis photo)

Passage from Seattle to Southeastern Alaska.

It must have been like a challenging "old home week" for Nickum & Spaulding in planning the stretch

job and modernization work on the Matanuska, because the Seattle firm of naval architects and marine engineers had also prepared construction plans for the vessel some years earlier.

A similarly interesting set of challenges faced Willamette Iron. Structural integrity had to be maintained in inserting the midbody, and the cutting and rebuilding had to be done without disturbing the ferry's major machinery.

The ship's lines had to retain their hydrodynamic properties and their aesthetic appeal. Appearance is an important factor for a ferry which carries great numbers of tourists, in addition to commercial and other traffic.

Strict weight control programs were followed by both Nickum & Spaulding during design and Willamette Iron during construction. Topside weight had to be kept to an absolute minimum due to stability requirements.

DIRECT EXPRESS SERVICE

**"K" LINE**

KAWASAKI KISEN KAISHA, LTD.

\*FAR EAST—JAPAN/PACIFIC NORTHWEST

CONTAINER VESSEL	SAILS							ARRIVES						
	Manila	Hong Kong	Kaohsiung	Kee-lung	Busan	Kelang	Singapore	Osaka/Kobe	Nagoya Shim.	Tokyo/Yoko.	Seattle	Van-couver	Port-land	U.S. Atlantic
Alaska Maru . . . . .66	Sld.	Sld.	Sld.	Sld.	Sld.	.....	.....	Sld.	Sld.	Sld.	Dec 25	Dec 27	Dec 30	Jan 2
Hotaka Maru . . . . .97	Sld.	Sld.	Sld.	Sld.	Sld.	.....	.....	Sld.	Sld.	Sld.	Dec 30	Dec 31	Jan 4	Jan 7
Lions Gate Bridge 58	Sld.	Sld.	Sld.	Sld.	Sld.	.....	.....	Sld.	Dec 23	Dec 26	Jan 4	Jan 5	Jan 8	Jan 12
Beishu Maru . . . . .97	Sld.	Sld.	Sld.	Dec 24	Sld.	.....	.....	Dec 27	Dec 28	Dec 30	Jan 8	Jan 9	Jan 12	Jan 16
Hikawa Maru . . . . .57	Dec 28	Sld.	Dec 30	Dec 24	Dec 26	.....	.....	Jan 5	.....	.....	Jan 8	Jan 17	Jan 18	Jan 21

\*Feeder Service Via Japan

PACIFIC NORTHWEST/JAPAN—FAR EAST\*

CONTAINER VESSEL	SAILS													ARRIVES	
	U.S. Atlantic	Seattle	Van-couver	Port-land	Kobe/Osaka	Nagoya Shim.	Tokyo/Yoko.	Busan	Kee-lung	Kaohsiung	Hong Kong	Manila	Singapore	Kelang	
Golden Arrow . . . . .02	Sld.	Sld.	Dec 24	Dec 27	Jan 9	Jan 11	Jan 8	Jan 16	Jan 18	Jan 27	Jan 19	Jan 30	.....	.....	
Alaska Maru . . . . .66	Sld.	Dec 26	Dec 28	Dec 30	Jan 12	Jan 14	Jan 15	Jan 21	Jan 26	Jan 27	Jan 29	Jan 30	.....	.....	
Hotaka Maru . . . . .97	Sld.	Jan 2	Jan 5	.....	Jan 17	Jan 19	Jan 20	Jan 26	Jan 30	Feb 3	Feb 2	Feb 6	.....	.....	
Lions Gate Bridge 58	Dec 26	Jan 5	Jan 7	Jan 9	Jan 21	Jan 24	Jan 25	Jan 26	Feb 9	Feb 3	Feb 12	Feb 6	.....	.....	
Beishu Maru . . . . .97	Dec 29	Jan 9	Jan 11	Jan 13	Jan 25	Jan 27	Jan 29	Jan 31	Feb 9	Feb 12	Feb 12	Feb 15	.....	.....	

\*Feeder Service Via Japan

GENERAL AGENTS IN U.S. AND CANADA

**"K" LINE-KERR CORPORATION**

(415) 764-0200

ONE MARKET PLAZA, SUITE 2400, SAN FRANCISCO 94105

Los Angeles  
3435 Wilshire Blvd.  
(213) 487-5710

Portland  
Bank of California Tower  
(503) 223-6293

Seattle  
Seattle-First National Bank Bldg.  
(206) 628-6700

Vancouver, B. C.  
Two Bentall Centre  
(604) 682-5881

This program was aided greatly through use of aluminum for the Matanuska's new deckhouses, stack and masts.

The midbody, which increased her length overall from 352 feet to 408 feet, was built in Portland by FMC's Marine and Rail Equipment Division. Thompson Metal Fabricators Inc., Vancouver, WA, built the aluminum structures.

Interior decorations were planned by San Francisco's Landor Associates. Tri-Way Industries, Seattle, provided new furniture and modules used in the passenger berths, and Modules International, also of Seattle, provided shower and toilet modules used in staterooms and deck facilities.

The Matanuska can accommodate 746 passengers, including 256 in two-, three- and four-person staterooms, leaving 490 travelers to ride as deck passengers. Before last summer's work, she could carry just 500 passengers.

There are 84 two-passenger staterooms, 24 three-passenger staterooms and four staterooms designed



The reclining lounge was rebuilt, and new reclining seats were installed on the bridge deck amidships. [Jim Davis photo]

for four passengers each.

To serve her riders, the ship now carries a crew of 59. There were only 40 crew members prior to the stretch job.

Previously, she could carry 109 automobiles. Now she can carry either 134 autos or 31 40-foot trailer vans and 60 automobiles.

A lounge equipped with Amtrak-type recliners furnished by AMI Industries of Colorado Springs is located in the house top of the new midbody. The dining room was redecorated, and a new galley and cafeteria-style serving line were installed by J&F Industries of Portland.

Topside improvements include new shower and toilet facilities on the bridge deck for use by deck passengers. The new solarium is located aft and replaced the sundeck house. The solarium is aluminum framed and paneled in Lucite. It is also infrared heated and furnished with webbed recliners.

Increased passenger loads required the expanded steward and operating crew quarters, as well as the freight and passenger elevators, water distiller, additional water and sewage holding tanks, increased refrigerated and dry stores space and other changes which were completed.

The Matanuska is one of three Malaspina-class ferries operated by the Alaska state system, which ranks



## SHOWA LINE DIRECT SERVICE

### PACIFIC NORTHWEST—JAPAN/CONTAINER VESSEL

OUTBOUND CONTAINER	Seattle	Longview	Vanc. B.C.	Portland	Kobe	Nagoya	Yoko- hama
Alaska Maru ..... Voy 66	Dec 26	.....	Dec 28	Dec 30	Jan 13	Jan 14	Jan 15*
Hotaka Maru ..... Voy 97	Jan 2	.....	Jan 5	.....	Jan 17	Jan 19	Jan 16
Lions Gate Bridge ..... Voy 58	Jan 5	.....	Jan 7	Jan 9	Jan 21	Jan 24	Jan 25*
Beishu Maru ..... Voy 97	Jan 9	.....	Jan 11	Jan 13	Jan 26	Jan 27	Jan 29
Hikawa Maru ..... Voy 57	Jan 18	.....	Jan 20	Jan 22	Feb 2	Feb 4	Feb 5*

### KOREA - TAIWAN - HONG KONG - SINGAPORE - PORT KELANG - MANILA - FEEDER SERVICE

Vessel	Taiwan	Hong Kong	Busan	Seattle	Van- couver	Port- land	Busan	Hong Kong	Taiwan
Golden Arrow ..... Voy 02	Sailed	Sailed	Sailed	Sailed	Dec 24	Dec 27	Jan 14	Jan 17	Jan 18
Alaska Maru ..... Voy 66	Sailed	Sailed	Sailed	Dec 26	Dec 28	Dec 30	Jan 17	Jan 20	Jan 21
Hotaka Maru ..... Voy 97	Sailed	Sailed	Sailed	Jan 2	Jan 5	.....	Jan 22	Jan 25	Jan 26
Lions Gate Bridge ..... Voy 58	Sailed	Sailed	Sailed	Jan 5	Jan 7	Jan 9	Jan 26	Jan 29	Jan 30
Beishu Maru ..... Voy 97	Sailed	Sailed	Sailed	Jan 9	Jan 11	Jan 13	Jan 30	Feb 2	Feb 3

**OLYMPIC STEAMSHIP CO., INC.**

Agent

SEATTLE  
1000 Second Ave.  
622-4520

PORTLAND  
Commonwealth Bldg.  
223-7236

CHICAGO  
230 N. Michigan Ave.  
Suite 1805  
641-3414

**NORTON LILLY & CO., INC.**

Agent

LOS ANGELES  
700 S. Flower  
680-0610

SAN FRANCISCO  
350 California St.  
434-0120

VANCOUVER, B.C.  
KINGSLEY NAVIGATION (1970) LTD.  
744 W. Hastings  
685-0321



The 418-foot Columbia was built in Seattle by Lockheed Shipbuilding. She is the flagship of the Alaska state fleet and was designed by Nickum & Spaulding of Seattle. (Jim Davis photo) as one of the largest U.S.-flag passenger ship fleets.

The Malaspina was stretched in 1972 by Willamette, according to

Nickum & Spaulding specifications, and the third ferry of the class is the Taku.

Named for Alaskan glaciers, all

three are single-ended, twin-rudder ships propelled by two Enterprise diesels manufactured by DeLaval Turbine, Inc. The Taku, Malaspina and Matanuska all are equipped with two controllable-pitch propellers.

The Matanuska's service power is provided by three Waukesha diesels which run General Electric and Electric Machinery generators. The third diesel generator and the ability to operate two or three generators in parallel to meet the higher power demands of increased passenger loads were added last summer at Swan Island.

In addition to the three Malaspina-class ferries, Nickum & Spaulding designed the 418-foot Columbia, system flagship, which also calls at



# Y.S. LINE

YAMASHITA SHINNIHON STEAMSHIP CO., LTD.

## DIRECT JAPAN SERVICE

### YOKOHAMA - NAGOYA - KOBE - OSAKA

	SEATTLE	VANCOUVER B.C.	PORTLAND
Alaska Maru .....	Dec 26	Dec 28	Dec 30
Hotaka Maru .....	Jan 2	Jan 5	.....
Lions Gate Bridge .....	Jan 5	Jan 7	Jan 9

SEATTLE 623-5511  
INTERNATIONAL SHIPPING CO. INC.  
NORTON BUILDING

PORTLAND 226-7681  
INTERNATIONAL SHIPPING CO.  
COMMONWEALTH BUILDING

VANCOUVER, B.C., 682-2811  
NORTH PACIFIC SHIPPING CO., LTD.  
200 GRANVILLE SQUARE

# JONES STEVEDORING

## JONES WASHINGTON STEVEDORING COMPANY

2247 East Marginal Way South  
SEATTLE (206) 623-7966  
WASHINGTON DISTRICT

## JONES OREGON STEVEDORING COMPANY

2323 N.W. Suffolk Street  
P. O. Box 10167  
PORTLAND, 97210 (503) 228-6601  
COLUMBIA RIVER and OREGON COAST

## CONTRACTING STEVEDORES

GENERAL BULK, CONTAINERS AND LOGS

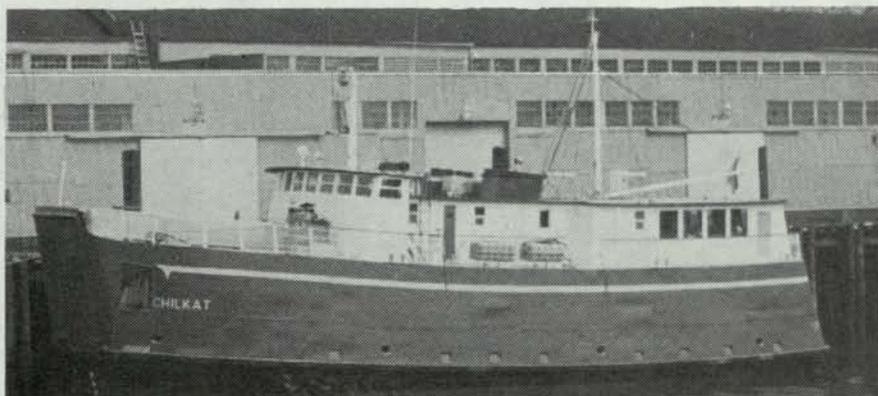


OFFICES  
ALL  
WASHINGTON  
OREGON PORTS

Seattle, and the 265-footers Le Conte and Aurora. The four larger ferries were built in Seattle by Lockheed Shipbuilding and Construction Co., and the two smaller vessels were built in Wisconsin.

Other ferries in the nine-vessel Alaska fleet are the 99-foot MV Chilkat, 260-foot Tustumena and 167-foot E.L. Bartlett.

The two general areas served by the system are the southeastern panhandle, including the Inside Passage north from Seattle, and Southwest Alaska. Headlands, is-



The MV Chilkat, at 99 feet in length, is the smallest vessel in the Alaska ferry fleet. Although pictured in Seattle, her usual run has been between Ketchikan, Metlakatla and Hollis.

# Japan Line

## DIRECT JAPAN SERVICE

### TOKYO—YOKOHAMA—NAGOYA—KOBE—OSAKA

SAILS	Seattle	Vanc. BC	Portland	Kobe	Nagoya	Yokohama	Tokyo
Golden Arrow .....02	Dec 24	Dec 27	.....	Jan 10	Jan 11	Jan 8	.....
Alaska Maru .....66	Dec 27	Dec 29	Dec 31	Jan 13	Jan 14	.....	Jan 16
Hotaka Maru .....97	Jan 2	Jan 5	.....	Jan 18	Jan 19	Jan 16	.....

SEATTLE: 2220 Pacific Building—(206) 682-2671  
 PORTLAND: 1205 Commonwealth Bldg.—(503) 227-1621

VANCOUVER, B.C.: 5th Floor  
 1199 W. Hastings St. (604) 683-7585

The Modern, Direct,  
 India Flag Service

# SGI Line

To and From U. S.  
 And Canadian  
 Pacific Coast Ports,  
 India and the Orient

### PACIFIC COAST PORTS TO

SINGAPORE, JAKARTA, BELAWAN, MALAYSIA, BOMBAY, COCHIN, MADRAS, BANGLADESH, CALCUTTA

OUTBOUND	Puget Sound	Vancouver	L.A.	S.F.	Singapore	Djakarta	Belawan	Bombay	Cochin	MADRAS	Calcutta
S.O. Manipur .....V-03	Jan 7	Jan 13	Dec 26	Dec 29	.....	.....	.....	Feb 20	Feb 27	Mar 3	Mar 10
S.O. Nagaland .....V-03	Jan 28	Feb 4	Jan 15	Jan 18	.....	.....	.....	Mar 22	Mar 29	Mar 5	Apr 12
Vishva Madhuri .....V-11	Feb 28	Mar 3	Feb 14	Feb 17	.....	.....	.....	Apr 5	.....	Apr 13	Apr 20

### CALCUTTA, BANGLADESH, PENANG, SINGAPORE, HONG KONG, KAOHSIUNG, KEELUNG Direct to PACIFIC COAST PORTS

INBOUND	Chittagong	Calcutta	Malaysia	Singapore	Hong Kong	Kaohsiung	Keelung	L.A.	S.F.	Portland	Puget Sound	Vancouver
SO Manipur .V-03	Sld.	Sld.	Sld.	Sld.	Sld.	Sld.	Sld.	Sld.	Dec 28	Jan 1	Jan 6	Jan 12
SO Nagaland V-03	Sld.	Sld.	Sld.	Sld.	Sld.	Sld.	Sld.	Dec 24	Jan 10	Jan 17	Jan 21	Jan 24
V. Madhuri .V-11	Dec 30	Dec 24	Jan 7	Jan 10	Jan 15	Jan 18	Jan 20	Feb 9	Feb 16	Feb 20	Feb 24	Mar 1

## The Shipping Corporation Of India Ltd.



### NORTON, LILLY & COMPANY, INC.

SEATTLE, 98102-632 Pioneer Bldg. (206) 623-0930  
 PORTLAND, 97201-200 Market St. (503) 224-6611  
 VANCOUVER-Westward Shipping Ltd. 1199 W. Hastings (604) 683-7585  
 MONTREAL-March Shipping Ltd. 400 Craig St. W. (514) 842-8841

NEW YORK, NY, 10006-90 West St. (212) 791-6400  
 CHICAGO, IL, 60601-230 No. Michigan Ave. (312) 641-3555  
 SAN FRANCISCO, CA, 94104-350 California St. (415) 434-0120  
 LOS ANGELES, CA, 90017-700 S. Flower (213) 680-0610

lands, and rugged, mountainous coastal terrain make highway and rail service virtually impossible along the panhandle and the northern coast of the Gulf of Alaska.

The ferries become a "marine highway," moving vehicles, people and cargo along coastal waterways and island passages.

Ports of call for Alaska ferries include Seattle, Prince Rupert, BC, Ketchikan, Wrangell, Petersburg, Sitka, Juneau, Haines, Skagway, Hoonah, Tenakee, Angoon, Kake, Metlakatla, Hollis, Seward, Homer, Kodiak, Seldovia, Cordova, Valdez, Whittier, Port Lions and Tatilek.

Passenger and vehicle traffic has risen rapidly on the Alaska ferry system, and, although modernization and stretch jobs are expensive, the Malaspina and Matanuska were lengthened because it was a relatively inexpensive way to acquire more space on vessels that are generally booked solid both northbound and southbound during the tourist season. (Cover photo by Jim Davis)

#### BRIDGE REMOVAL DELAYED

SEATTLE - The city of Pasco, WA, has requested more time to remove the 1922-vintage cable-stayed bridge at mile 328.4 of the Columbia River. A new bridge at the location opened last September, and the city's permit called for its removal within 90 days.

## TRINIDAD TANDEM TOW TAKES WORK TO FOSS YARD



The tug Craig Foss is shown arriving on Puget Sound after bringing the Lafayette and Tough Tide in a tandem tow from Trinidad.

SEATTLE — The 155-foot off-shore supply tugs Lafayette and Tough Tide are currently undergoing conversion at Foss Shipyard after being towed here from Port of Spain, Trinidad, by the tug Craig Foss.

"We're doing a complete conversion on the Lafayette and a major repair job on the Tough Tide," said Jim Cole, assistant shipyard manager.

In a \$1 million job, the Lafayette is being converted into a crab-fishing vessel for her owner, Clipperton

Inc. of Seattle, which also owns the Tough Tide. Work on the Lafayette will take about five months.

Renovation of the Tough Tide, a \$500,000 job, is to be completed by the end of January. She is being outfitted to handle refrigerated containers.

The tow from the Caribbean by the 123-foot Craig Foss was set up by Dillingham Maritime's Ocean Division. The Craig Foss left Trinidad Oct. 20 and arrived in Seattle Nov. 22.

When the Foss yard is done with

## THERE'S NEVER A DAY IN THE YEAR THERE'S NOT A SHIP HEADED FOR ALASKA!

REGULAR SAILINGS from Seattle to Alaska every week that provide volume and LTL service on Sea-Land's dependable C-4 containerships—with special attention given to LTL cargo.

REGULAR WEEKLY SAILINGS that provide complete coverage inside Alaska with service to Anchorage, Fairbanks, Kodiak, Kenai Peninsula, the Aleutian Chain and hundreds of interior points.

REGULAR WEEKLY SAILINGS that offer a wide variety of equipment including: dry cargo containers, open tops, insulated (heated), car-carriers, tanks, flatbeds and temperature-controlled.

Only Sea-Land gives you all of this... every week! Call for full information on Sea-Land's schedules and full rates and services.

CALL... PORTLAND (503) 233-6011, SEATTLE (206) 938-6200,  
ANCHORAGE (907) 277-8581, FAIRBANKS (907) 456-7775.

**SEA-LAND**<sup>®</sup>   
SEA-LAND SERVICE INC.,