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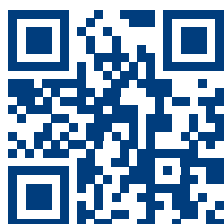
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CONTENTS



PacArctic Logistics LLC operates a 230-ton crane at the Port of Olympia in Puget Sound as well as a 250-ton Kobelco crane leased from Alaska Crane Ltd. at Port MacKenzie in the Matanuska-Susitna Borough. Both cranes are capable of lifting heavy project cargo. PacArctic recently launched scheduled barge service between the two ports. Courtesy of PacArctic Logistics LLC

OVERVIEW

6 Changing the landscape

FEATURES

7 Businesses respond to uptick in economy

Alaska-Washington trade companies hail recent surge in oil, gas activity; looks to tax reform legislation for future opportunities

9 Mining gets notice as important industry

Greens Creek Mine, others increasingly recognize need to recruit and train local workers, especially in remote areas of Alaska

13 Big mine projects can bring big benefits

Donlin, Pebble court locals to fill worker ranks; high-wage mine jobs could save economies of Yukon-Kuskokwim, Bristol Bay regions

15 Calista Reports growth, record payout

Alaska Native regional corporation adds environmental services subsidiary; celebrates new tug and barge vessel at Brice Marine

18 Saltchuck expands its links to AK

Seattle-based business owns companies across the state's transportation spectrum and more; acquires major trucking firm in May

20 Logistics firm touts its port-ability

Bold venture seeks to transport cargo for large, complex projects using spacious facilities at Point MacKenzie and Olympia, Wash.

22 Company excels with freight services

Seattle-based Pacific Alaska Freightways focuses exclusively on meeting shipping needs of Alaska clients across business spectrum



24 Truckers score major wins in Juneau
Alaska Legislature approves bills aiding oil and gas sector, roads, veterans and small businesses; curbing federal over-reach

27 Lynden inks agreement to buy Northland
Purchase requires regulatory approval; family of companies focus on expanding, improving services and energy efficiency projects

29 Vendors gear up to meet customer demands
Kenworth Alaska, Seekins Ford offer a variety of trucks designed in response to ever-changing industrial, regulatory environment

31 Fabricator marks 30 years in business
Arctic Wire Rope and Supply succeeds with customized Alaska-made and-tested products that set it apart in demanding environment

33 Operator seeks growth in Alaska shipyard
Seattle-based Vigor Industrial purchases Alaska Ship & Drydock in bid to capture new business in state's resource-rich economy

35 Bowhead connects with new partners
Seattle-based shipper teams with Crowley, sister firms to expand services to oilfield clients and other North Slope customers

37 Firm hits pay-dirt by digging deeper
Anchorage-based Opti Staffing Group specializes in effective job recruiting, staffing services in Washington, Oregon and Chicago

38 Contractor brings Nu Flow to Alaska
Specialist rehabilitates failing piping systems with cost-effective, no-dig solutions using epoxy coatings and structural liners

39 Seattle readies exciting arts season
City's theaters, ballet promise diverse lineup, from intriguing world premieres to entertaining musicals and time-honored classics

40 Ad Index



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INTRODUCTION

Alaska-Washington Connection 2013: Changing the landscape

Whew, on the move! That's the best way to describe Alaska-Washington Connection companies in 2013. Every which way one looks, these unique businesses can be observed making the enduring commercial relationship between Alaska and Washington work for them and the economy.

We, at the Alaska-Washington Connection, take great pride in bringing you the 2013 edition of the magazine. This year we offer a glimpse of the dynamic environment that enables companies such as Alaska Air Cargo, Udelhoven, Pacific Northwest Equipment Inc., Dyno Nobel and Futaris to continue to thrive in the Alaska marketplace. We showcase more than a dozen companies that are seeking and finding opportunities to support the major industries that underpin the

state's economy. We also examine some of the challenges and triumphs facing Alaska-Washington businesses and new ventures such as the proposed Pebble and Donlin mines.

Whether it's innovative Alaska-Washington partnerships like PacArctic Logistics LLC, growing family-owned businesses like Saltchuk Resources Inc., Lynden Inc., Pacific Alaska Freightways, N C Machinery and Kenworth Alaska, or inspired entrepreneurs like Nu Flow Alaska, Arctic Wire Rope and Supply Inc. and Sophie Station Hotel owner Fountainhead Development Inc. of Fairbanks, organizations that populate the Alaska-Washington trade are reshaping the business landscape of the Last Frontier.

— Rose Ragsdale



Businesses respond to uptick in economy

Alaska-Washington trade companies hail recent surge in oil, gas activity; look to tax reform legislation for future opportunities

By Rose Ragsdale

Alaska-Washington Connection

Tremors felt in the Alaska economy reverberate strongly in the state of Washington, especially among enterprises that earn their livelihood serving the business and consumer needs of the Last Frontier.

Any shaking during the past year, however, likely resulted from the added hustle of Alaska-Washington companies trying to capture the wave of new opportunities coming their way.

After several years in the doldrums, Alaska's economic activity picked up across the major industries in 2012. The state also gained population, up 9,162 residents to a new total of 732,298 individuals.

Alaska's payroll job count also jumped in 2012 by 5,300, up 1.6 percent from the previous year. Sectors that added jobs include health care (+4.8 percent), professional and business services (4.8 percent), and oil and gas extraction (+4.6 percent). The biggest surprise came from construction, which reported a 4.4 percent increase after declining for six consecutive years. Economists attribute the increase in construction jobs to the state's hefty \$3.4 billion capital budget, another \$454 million in voter-approved bond packages, continued investment in older oil fields, and an uptick in residential housing construction.

The Anchorage Economic Development Corp. recently forecast as many as 14,362 jobs could be generated during peak construction, stemming from \$24.6 billion of private sector investments in 18 resource extraction projects proposed for development in Alaska in the next decade.

In 2013, alone, construction spending in Alaska will jump 8 percent to \$8.4 billion, with oil and gas activity accounting for 43 percent of the activity, while public projects will grab a 33 percent share and other private projects will comprise the remaining 24 percent, according to estimates by The Associated General Contractors.

Spending on transportation infrastructure also is projected to climb substantially in 2013 to about \$1.3 billion, with investment in highway construction topping \$824 million and \$479 million on airports, harbors and ports.

The Alaska Department of Labor and Workforce Development expects 4,200 new jobs to be created in 2013, resulting in 1.2 percent employment growth in the state.

During the 12 months that ended in April, the state's oil and gas industry added 800 new jobs, climbing to 14,100 positions; while minerals mining employment grew by 100 new jobs during the same period to 3,000 positions.

Transportation, warehousing and utilities added 600 jobs to total 21,100 positions; while construction added 1,100 jobs to reach 15,600. Education and health services gained 1,700 jobs, while professional and business services remained flat at 27,900 positions and information services lost ground with telecommunications shedding 200 jobs to total 3,900 positions.

Most of the state's other employment sectors shed jobs, including manufacturing which lost 1,900 positions to total 10,600.

Alaska-Washington companies, many of whom serve customers in the oil and gas, mining and construction sectors, have greeted these recent upticks in activity with considerable enthusiasm.

Busy Cook Inlet

Though the rate of oil production in Alaska continues to decline, oil and gas activity has picked up in Cook Inlet, on the North Slope and in the Beaufort and Chukchi seas.

Economists note that average earnings in the oil industry exceeded \$122,000 in 2011, more than 2 1/2 times the average for all Alaska industries (\$48,852 in 2011). Though it accounted for only 4 percent of Alaska's jobs in 2012, the oil and gas industry paid \$1.7 billion, or 10 percent, of the state's wage and salary payroll.

Capital expenditures in Cook Inlet rose to nearly \$500 million in 2012, and estimates for 2013 will top \$600 million in potential new spending, according to observers who say this surge reflects "a renaissance in investment and activity."

The uptick is being driven by both very favorable market

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conditions for crude oil and natural gas in the Railbelt region and extremely favorable tax policies by state lawmakers, according to AEDC.

“The last four years have been really busy in Cook Inlet, but everyday gets busier,” said Michael “Skeeter” Creighton, sales and business development representative for Kenai, Alaska-based MagTec Alaska, LLC. “Our mechanics are real busy keeping our equipment up and running.”

MagTec Alaska rents, leases, and sells a variety of equipment for long- or short-term projects, including light plants, portable camps, portable bathrooms and offices, rig mats, crew trucks and dirt-hauling equipment. The company specializes in 750,000 Btu - 1.5 million Btu flameless heaters and a Tier III generator line that ranges from 25-550 kilowatts.

Creighton said numerous oil and gas companies and their contractors working in the Cook Inlet Basin have called on MagTec in recent months for equipment and services. In addition, local construction companies also have sought the vendor’s services.

Its 20-employee office in Kenai, has five mechanics and four shop helpers as well as administrative and sales staffs. The company also operates a camp and service center in Deadhorse.

Creighton said another indicator of increased oil and gas activity in the area is ASRC Energy Services undertaking the upgrading and reopening of the Rig Tenders Dock in Nikiski, a project expected to be completed later this year.

Along with other improvements, the \$9.4 million upgrade and expansion is ensuring the structural integrity of the dock which was built in the late 1960s; installing a new seawall that will add another 450 lineal feet of working face to the dock; and building new diesel storage and potable water facilities on the 31-acre property that will supply operators in Cook Inlet.

“Modernizing Rig Tenders Dock will provide us the opportunity to supply the services that are increasingly in demand in Cook Inlet. It’s an investment not only in the future of AES, but the future of Alaska’s oil and gas industry,” said ASRC Energy Services President and CEO Jeff Kinneveauk in announcing the project last summer.

North Slope opportunities

On the North Slope, projects such as ExxonMobil’s construction of drill pads in Point Thomson field, are producing significant opportunities for Alaska-Washington companies.

Bowhead Transport Inc.’s joint venture with Crowley Marine Services Inc., for example, recently won a three-year contract to provide services such as shuttling freight between Prudhoe West Dock and Point Thomson for ExxonMobil.

Point Thomson is expected to provide about 10,000 barrels per day of gas condensate to the trans-Alaska oil pipeline.

Bruce Bridwell, general manager of Taiga Ventures, said his company provided temporary structures for oil and gas exploration companies at Milne Point as well as routine logistics procurement and delivery services to small and large projects throughout interior and remote Alaska.

The firm and its sister company, Pac West Drilling Supply, had a particularly busy year responding to the needs of Alaska’s large operating mines and some advanced mining exploration projects.

“We began the 2013 season providing a 75-man seismic exploration camp from January to May at Stevens Village on the Yukon River. That camp jumpstarted the whole year, and we are busy now with camps at Wainwright and Lonely Point on the arctic coasts, geology camps at Pogo Mine, portable fuel systems at several locations, and logistics support for MAN Alaska near Tangle Lakes,” said Bridwell. “We have a few other possibilities for this summer and are awaiting notice from clients. These include opportunities in Cook Inlet and Southeast Alaska.” Taiga Ventures also recently purchased a 6,000-square-foot warehouse in Anchorage for use with Taiga Logistics and PacWest retail opportunities in Southcentral Alaska.

“We plan to grow our presence in Anchorage, and compete for camps, logistics support and drilling sales in the state’s biggest market,” Bridwell added.

Favorable review

Gov. Sean Parnell signed oil tax reform legislation, Senate Bill 21, the “More Alaska Production Act,” into law May 23. Critics say the measure is a giveaway to the oil companies that will lead to large budget deficits for the state.

Parnell, however, defends the legislation, saying it “could very well move Alaska forward and spur new investment and production.”

Observers note that Exxon Mobil, ConocoPhillips Alaska and BP Exploration (Alaska) all made significant changes to their oil exploration plans immediately following passage of the new tax rules.

Many Alaska-Washington companies greeted the tax reform legislation with renewed optimism about the future.

“The Legislature did a good job this year of correcting a bunch of things that weren’t going so well,” said Jim Sherieble, general manager of Kenworth Alaska and immediate past-president of Alaska Trucking Association. “A lot of bills passed the Legislature that is starting to take effect, particularly SB 21. We’re already seeing orders for next winter,” Sherieble said in June. ♦



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Mining gets notice as important industry

Greens Creek Mine, others increasingly recognize need to recruit and train local workers, especially in remote areas of Alaska

By Rose Ragsdale

Alaska-Washington Connection

On May 10, Alaskans celebrated their first-ever “Alaska Mining Day.”

The observance, to be held annually, reflects not only a growing awareness of the mining industry’s impact on the state’s economy, but also its importance as a source of stable, high-wage jobs.

The impact of mining in Alaska is legendary, dating from the Gold Rush years of the late 19th century. Historically, mining employment peaked in 1916 peaked at nearly 8,600. In recent years, mining employment has hovered around 1,500 jobs until 2005, before beginning a strong growth streak that pushed industry jobs past the 4,800 mark in July 2012,

according to state labor and mining industry statistics.

Employment in the sector in 2012 was dominated by Alaska’s seven producing mines – the Red Dog zinc-lead mine near Kotzebue, Fort Knox gold mine near Fairbanks, Sumitomo Pogo gold mine near Delta, Usibelli coal mine near Healy, Greens Creek silver-zinc-gold-lead and Kensington gold mines near Juneau and Nixon Fork gold mine near McGrath. Together, these operations employed about 2,600 people.

A number of mine projects, some advanced and some in early stages of exploration, provided the remaining jobs tallied for the industry, while some 4,700 workers employed by a host of mining support companies further bolstered the

sector’s impact on the Alaska economy.

Adjusted for inflation, average mining industry wages in the early 2000s rose above \$80,000 a year – well above the state average – and continued to climb to \$98,000 by 2011, according to the Alaska Department of Labor and Workforce Development.

Given the remote locations of many mines in Alaska, average high wages and year-round jobs makes the sector one of the most important and stable employers in more than 120 communities, including rural villages located in the state’s poorest and most disadvantaged regions.

Add to this, the role mining plays as the biggest taxpayer in many of these communities. In addition to \$650 million in direct and indirect payroll in 2012, the



Green Creek Mine, located on Admiralty Island near Juneau, is one the world’s fifth-largest silver producer. Discovered in 1975 and producing since 1989 through 1993 and continuously from 1997, Greens Creek also mines marketable quantities of zinc, gold and lead. Operated by Hecla Mining Co., the 400-employee mine is the largest for-profit employer, in terms of payroll, in Southeast Alaska. Courtesy of Hecla Mining Co.

mining industry shelled out \$137 million in state government revenue in rents, royalties, fees and taxes, \$126 million to Alaska Native corporations and \$21 million in local government revenue in property taxes and payments in lieu of taxes.

Major talent hunt

As a group, Alaska's advanced mine projects have the potential to create an additional 3,800 mine jobs, along with an even larger number of construction and support positions over the next 10 years.

These worker-hungry projects range across the state, from the Upper Kobuk Mineral Project (gold, silver, copper and zinc) in the North to the Niblack (copper, gold, silver and zinc) and Bokan Mountain (rare earth elements) projects in the far Southeast. They offer the potential to create thousands of new mining jobs in Alaska in the next 10-20 years.

Human resources experts find this trend both daunting and challenging because it offers a dual opportunity to develop a skilled local labor force for each new mine, while stabilizing and strengthening nearby rural communities, many of which are currently experiencing significant economic stress and resi-

dent out-migration to urban areas.

Major mine projects in western Alaska, the Interior and Southeast are already planning for the day when they could open their doors to anywhere from a couple hundred to a thousand workers. These developments include Donlin Gold, which envisions welcoming at least 1,400 employees and contractors to permanent jobs for 27 years at its remote location in the Yukon-Kuskokwim region and the Pebble copper-gold-molybdenum project in the Bristol Bay region of Southwest Alaska, which could hire 915 mine employees, along with 2,000 support industry.

Local focus at Greens Creek

Alaska's current producing mines, faced with the attrition of an aging work force and a need for additional workers as they expand, are recruiting and training new workers. The mining industry worldwide is facing a similar manpower shortage, so most of Alaska's mines are opting to look for their new hires locally.

"Miners can be a transient work force. We've worked hard to temper that over the years, to recruit and train locally and regionally. That's the bigger issue we are addressing as opposed to an aging work

force," said Mike Satre, community and government relations manager for Greens Creek mine.

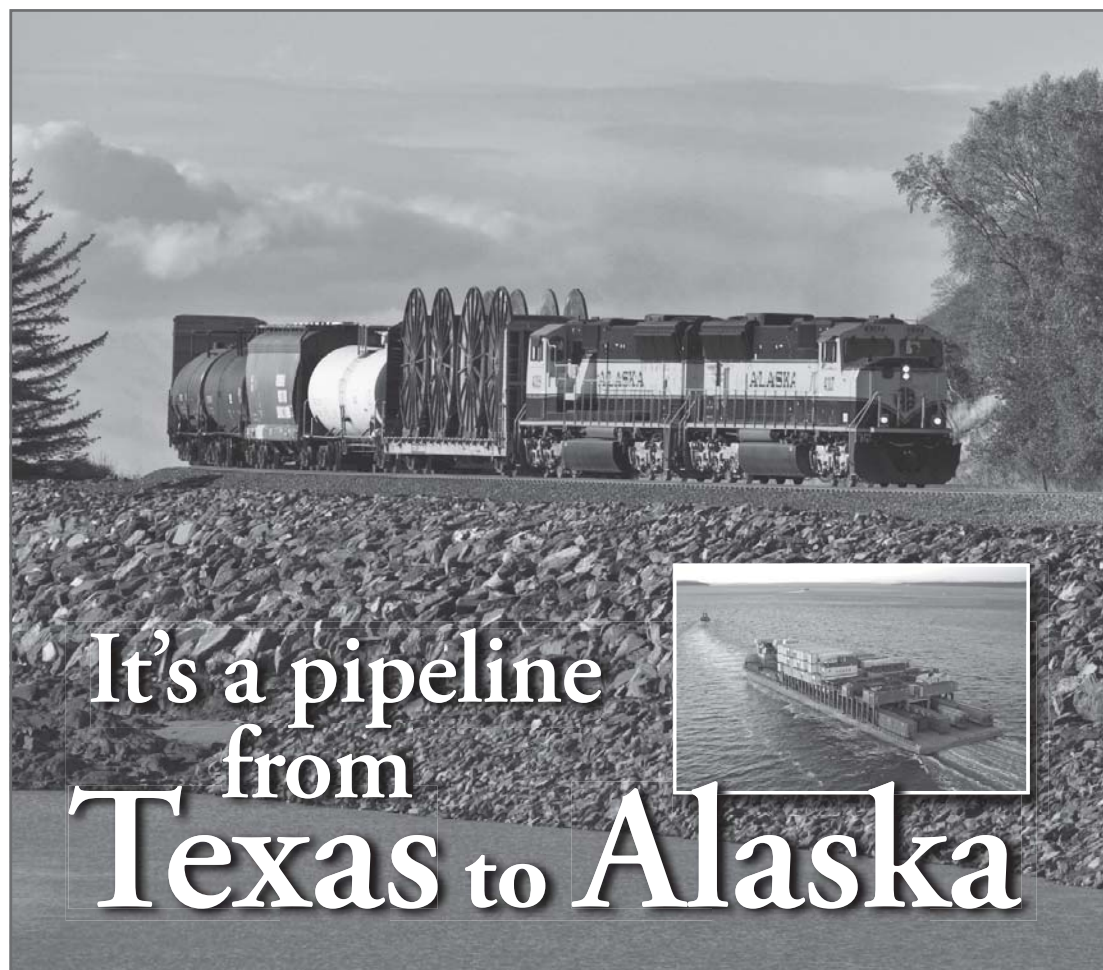
Greens Creek, located 16 miles south of Juneau on Admiralty Island, is the fifth-largest silver producer in the world and one of Alaska's oldest current mineral producers, with an initial startup in 1989 and several years of shutdown before a restart in 1997. The mine's work force has grown during nearly 20 years of operation to 400 people, plus various contractors for specialized functions.

Greens Creek has mounted major recruitment and training programs in recent years that reflect a focus on both near- and long-term work force needs.

In addition to offering university scholarships in geology and mine engineering and internships, the mine's owner Hecla Mining Co. has invested in recruitment programs at in-state universities and some technical universities in the Lower 48.

About six or seven years ago, Greens Creek's management "realized the obvious," said Satre, "that work force development is a long-term commitment."

"Now, we have a couple of different pathways to train people and to continue to train them once they are on board," he



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said.

Working with the University of Alaska Southeast, Greens Creek started a “new miner” five- to six-week class at UAS, accepting individuals who might have some equipment or labor force experience but no mining experience. The course is designed to familiarize participants with basic safety, tool use, and communication practices, and is offered when the mine has openings for entry-level workers.

“Then we realized we had to continue training them, and we had to formalize this progression. So we actually created an internal mining training school for entry-level people. We took experienced employees and provided one-on-one mining training where (new hires) could get the expertise to move up to next level,” Satre said.

One success story he cited is that of a former janitor who landed a promotion to entry-level core technician. When his supervisors observed his outstanding work ethic, Satre said he was again promoted to entry-level underground miner.

“Now, he’s one of the mine’s most experienced underground miners, making an incredible wage,” he said. “We find that local people are much more committed to staying here than someone we offer a bonus to come in (from) the cut-throat (global) market.”

Far-reaching program

Thinking long-term, Green Creek also initiated a five-step “Pathway to Mining Careers” program at UAS in 2011 for high school students, and funded the three-year venture with \$300,000. The program, which is offered at night, gives students the opportunity to take an “Introduction to Mining” course for college credits.

“If kids want to continue, they can take the entry-level miners course in the summer. Once they complete that, they can go to the mine and do job shadowing with a focus on diesel mechanics. From there, we offer summer internships and encourage them to enter the two-year UAS career education program,” Satre said. He said that program expects its first graduates next year.

Students from other areas of Alaska also joined in through UAS’ distance learning education program to complete the course.

For example, Donlin LLC, a 50-50 venture between Barrick Gold Corp. and Novagold Resources Inc. has young

“Miners can be a transient work force. We’ve worked hard to temper that over the years, to recruit and train locally and regionally. That’s the bigger issue we are addressing as opposed to an aging work force.”

Mike Satre, community and government relations manager, Greens Creek mine

interns who are participating in the Greens Creek-sponsored program.

“Other mining companies across the state are benefitting from the program, but we knew we had to address the need, and we knew that was going to happen,” Satre said.

The Pathways program’s impact is impressive. In year 1, 20 students participated, of which 11 continued on to attend the mine’s internal “Hecla Mine Academy,” while five received scholarships to pursue two-year diesel mechanics degrees at UAS. In year 2, 63 students entered the program; 12 enrolled in the mine’s internal academy and 14 won scholarships to pursue various degrees.

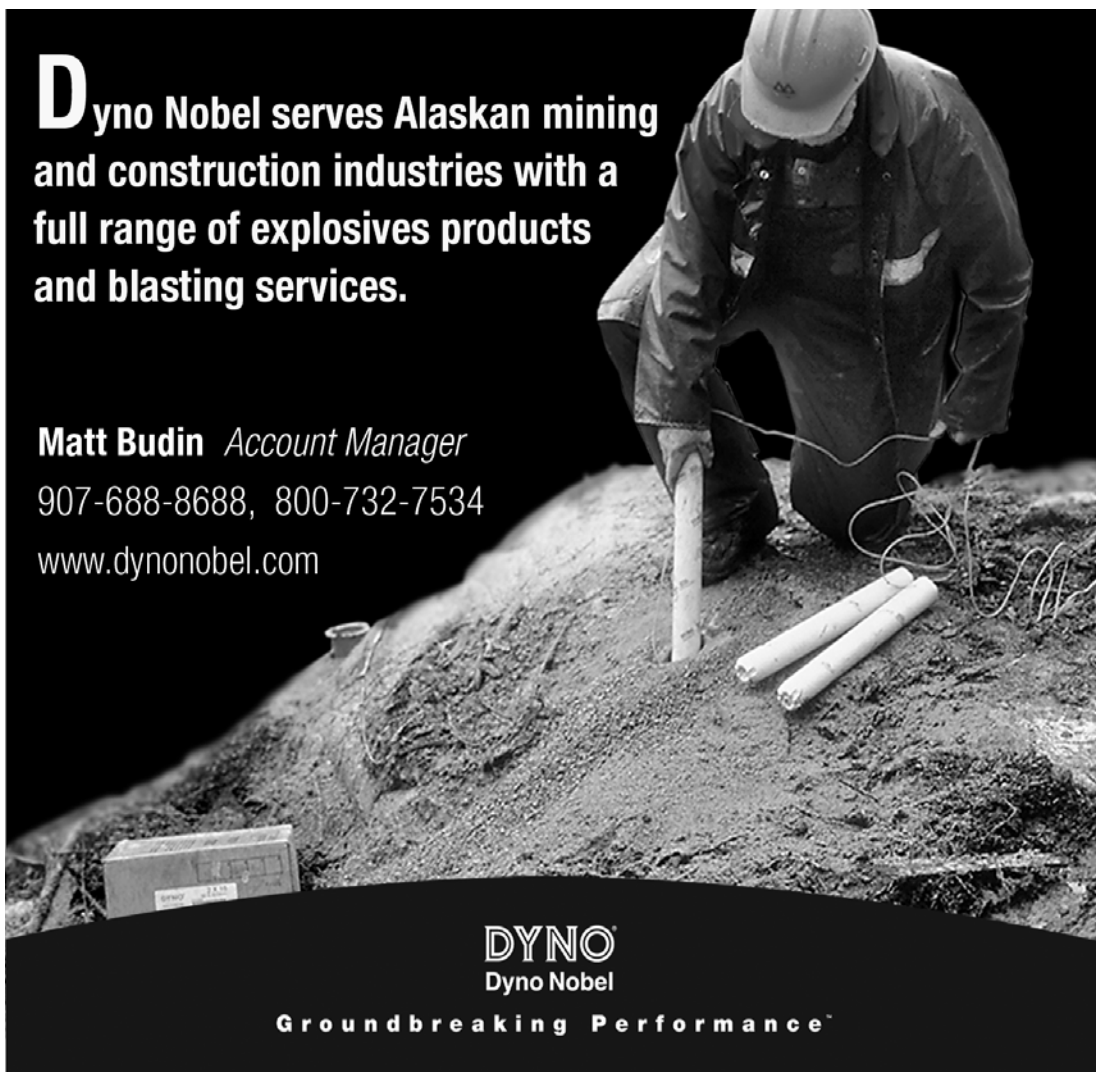
“Next year, the university is targeting

100 students, and Greens Creek is already “discussing re-upping funding for the program next fiscal year,” Satre added.

Support for mining development

Mindful of the economic and employment opportunities offered by successful mine projects, the State of Alaska is taking a variety of steps to encourage mining, including developing new infrastructure to support the industry. For example, Alaska officials spent about \$10 million studying a proposed access road to the Ambler mining district in the northwestern Interior and committed a further US\$8.5 million in the state’s 2013 fiscal budget to support permitting activities for the new thoroughfare. NovaCopper Inc. is working to develop the Upper Kobuk mineral project, which encompasses both the Bornite and Arctic deposits.

Other current mine projects that could create potential production jobs include the Livengood gold north of Fairbanks (500); the Chuitna coal west of Cook Inlet (300-350); Wishbone Hill coal northeast of Anchorage (75-125) and Niblack (200) and Bokan (190) in Southeast Alaska. ♦



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Janine Balluta of Iliamna began working for the Pebble Limited Partnership in 2010 as a geology technician helping to log core samples at the Pebble Project. Courtesy of Pebble Limited Partnership



The Donlin Gold Project near Crooked Creek, Alaska has emerged as a leader in training local residents for mining industry careers.



Educators participating in the Teacher Industry Externships Program offered by Alaska industries through the Alaska Process Industry Careers Consortium examine core samples during a visit to the Pebble Project. Courtesy of Pebble Limited Partnership

Big mine projects can bring big benefits

Donlin, Pebble court locals to fill worker ranks; high-wage mine jobs could save economies of Yukon-Kuskokwim, Bristol Bay regions

By Rose Ragsdale
Alaska-Washington Connection

The giant mine projects at Donlin Gold and Pebble could potentially invigorate the economies of two of the poorest regions of Alaska, especially if they follow in the footsteps of the huge Red Dog zinc-lead mine that has brought 20 years and counting of high-wage, stable employment to Northwest Alaska.

Red Dog is one of the largest producers of zinc concentrate in the world and the largest taxpayer in the Northwest Arctic Borough. In 2012, the mine, located about 25 miles north of Kotzebue, employed 604 workers, including 137 contractors, of which 57 percent were local residents. Red Dog's employees earned average wages exceeding \$109,000 in 2012, and studies show they are the most stable workers in the

"From the beginning, this project, for me, is about not only stabilizing the economy out there, but also allowing the people who have had to move away from the Bristol Bay region to move back home."

- John Shively, president, The Pebble Limited Partnership.

region.

Work force development leader

The Donlin gold mine project, located on Calista Corp. land in a remote area near Crooked Creek, Alaska, is expected to employ 3,000 workers during construction and up to 1,400 operations workers, including contractors, for more than 27 years. The workers will staff the mine and mill, a natural gas pipeline to

the mine and two river ports to aid in transporting mine supplies and equipment.

Though still years away from pouring first gold, Donlin LLC, a 50-50 venture between Barrick Gold Corp. and Novagold Resources Inc., is already working toward developing a viable local work force.

Residents of the Yukon-Kuskokwim region number 25,220, of whom about 90 percent are Alaska Native Yu'pik and Calista shareholders, and live in 48 permanent communities and eight seasonal villages.

Already a year into a three-year permitting process expected to be followed by mine construction and production, Donlin has emerged as a leader in local-hire work force development in Alaska mining.

"Donlin has shown that commitment



Pebble Limited Partnership, which hopes to develop the massive Pebble copper-gold-molybdenum deposit in Southwest Alaska, has funded about \$350,000 in scholarships for training young Alaskans in fields that could lead to professional and technical careers in mining. Courtesy of Pebble Limited Partnership



Twenty-two teachers have participated in the Teacher Industry Externships Program at the Pebble Project, including two educators from the Lake and Peninsula Borough where the Pebble deposit is located. Courtesy of Pebble Limited Partnership



To help meet the challenge of improving Alaska students' competency in science, technology, engineering and math, Pebble Limited Partnership hosts visits by Alaska educators to the Pebble project. Courtesy of Pebble Limited Partnership

already with 90 percent shareholder hire," said Meg Day, the company's human resources manager.

Working closely with Calista, Donlin management is not only recruiting and training local workers but also hiring and training local residents as on-site supervisors. The company offers two weeks on - two weeks off work schedules that appeal to rural Alaskans who enjoy subsistence lifestyles. As a result, Donlin has enjoyed near-zero turnover at its mine camp.

Today, the company is busy identifying and assessing the skills of the region's labor force, preparing training programs and encouraging young residents to pursue college degrees in mine-related fields such as science, math and engineering. Initiatives include contributing funds to the Calista Heritage Foundation for college scholarships, offering internships and job shadowing opportunities to high school students and encouraging younger students to stay in school.

"Between us and Calista, we're establishing a good snapshot of skills in the region," Day said. Donlin is also focused on delivering the message in the region's schools that the mine will be an employer that provides attractive career opportunities close to home, she added.

Invaluable jobs at Pebble

The 2,900 direct and indirect jobs that the Pebble copper-gold molybdenum mine could bring to the Bristol Bay region of Southwest Alaska could save the area's economy, according to mine proponents.

Though the region currently boasts a \$1.5 billion commercial fishing industry, less and less of the fishery's value reaches the local economy.

A University of Alaska Anchorage study showed that 59 percent of drift net permits for the lucrative salmon fishery are held by people who live outside Alaska; primarily in Washington and California, and 75-80 percent of workers hired to fill the fishery's five- to six-week low-paying, seasonal jobs come from outside Alaska.

Combine that with the region's exceedingly high cost-of-living, it is little wonder that Bristol Bay's 37 or so communities are plagued with chronic out-migration and substantial poverty.

"From the beginning, this project, for me, is about not only stabilizing the economy out there, but also allowing the people who have had to move away from the Bristol Bay region to move back home," said John Shively, president of The Pebble Limited Partnership.

In addition to 915 operating jobs, Pebble, a 50-50 joint venture of Northern Dynasty Minerals Ltd. and Anglo American plc, could bring another 2,000 indirect jobs to the area, along with critical infrastructure such as an 85-mile railroad from the western shore of Cook Inlet to the mine site. This artery could make goods, including fuel, available to local villages at lower costs.

But what are the chances that Pebble will be able to hire mine workers locally?

"If you look at Red Dog, 50-60 percent of its employees are Nana shareholders. So it's clear to me that Alaska Native people can be trained for these jobs," Shively said.

But of the 7,000 people who live in the Bristol Bay region, 4,000 comprise a prospective work force for the mine, said Pebble human resources manager Josie Hickel.

"We have a goal of maximizing our local work force, but getting a local work force at the mine will be a big challenge," Hickel said in an interview.

With drilling programs and environmental studies moving forward on the project, Pebble currently employs 182 people - 45 percent of whom live in the region - as drillers, driller helpers, bear guards, geo techs, core sawyers, administrative and support people and transportation staff.

When the mine begins production, a full camp will require a full complement of support workers, skilled tradesmen, miners and scientists.

Like Donlin, Pebble is working toward meeting its local hire goals with internships, teacher education programs, scholarships for vocational training in welding, electrician and culinary skills and \$350,000, so far, in college scholarships for students studying mining-related fields and in health and education to help sustain communities in the region. ♦

Calista reports growth, record payout

Alaska Native regional corporation adds environmental services subsidiary; celebrates new tug and barge vessel at Brice Marine



Chemical and environmental engineer Traci Bradford, General Manager Rosetta Alcantra, and hydrologist Natalie Hanson head the team of Calista Corp.'s newest subsidiary, E3-Environmental LLC. Courtesy of Calista Corp.

By Rose Ragsdale

Alaska-Washington Connection

Calista Corp., the second-largest of the 13 Alaska Native regional corporations, grew substantially during the past year, providing new sources of revenue as well as opportunities and

employment for its 12,000 shareholders.

The regional corporation for the 46 incorporated communities of the Yukon-Kuskokwim Region in western Alaska paid its shareholders and descendants record dividends of \$4.3 million in April, bringing to more than \$22.3 million dividends and elders benefits distributed since 1994. In addition, Calista has provided more than \$3.2 million in scholarships to students from the region.

The performance reflects an especially productive year in 2012 when Calista's total annual revenue hit a new record at \$404 million, up 34.5 percent from the previous record of \$300.49 million in 2011.

New environmental venture

Calista oversees 17 subsidiaries that provide a range of services, including heavy equipment sales, information technology, telecommunications and marketing services, construction and facilities management.

In December, the corporation reported the formation of E3 Environmental LLC, a company established to meet energy, engineering and environmental needs and serve clients through-

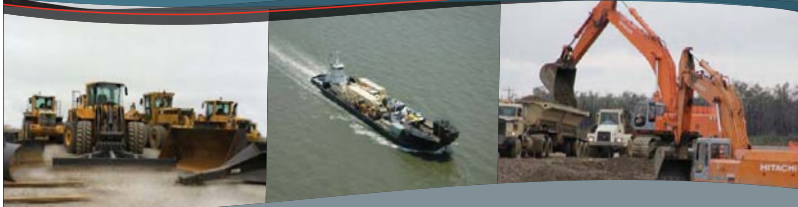


Father Michael Oleksa blesses Brice Marine's new tug, Alulaq, which means "to steer" in the Yup'ik language, at the christening of the vessel and the barge, Drift River, in Anchorage June 26 as Brice Marine President Alba Brice, Calista Corp. Vice President June McAtee (left) and other guests look on. Courtesy of Calista Corp/Thom Leonard

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Calista Corp. Vice President June McAtee christens the new barge, Drift River, before the crew and numerous guests in Anchorage June 26. Courtesy of Calista Corp/Thom Leonard

out Alaska and beyond.

“E3 Environmental is an exciting opportunity for Calista to further diversify its portfolio and build a homegrown business, which also can add value to our region,” said Calista Chief Operating Officer and E3 Environmental President Christine Klein. “The Alaska environmental consulting company also will provide needed professional options for our region and for the state.”

Klein said the firm’s key services include project planning and regulatory analysis, environmental permitting and impact assessments, stakeholder engagement, agency coordination and consultation, and regulatory compliance management and audits.

E3 Environmental’s newest team members are Rosetta Alcantra, general manager, Traci Bradford, a chemical and environmental engineer with more than 15 years of experience in project management, site assessments, sampling, environmental analyses and site remediation and Natalie Hanson, a lifelong Alaskan raised in Bethel and hydrologist who will provide support as an environmental scientist for the company.

Meanwhile, Calista’s longtime subsidiaries report significant business activity and growth. In September Redstone Defense System, a joint venture between Calista subsidiary Yulista Aviation, Inc. and Science and Engineering Services, Inc. won a \$4.5 billion competitive federal contract to develop rapid-response hardware for the U.S. Department of Defense. The JV, Yulista Management Services, has spent 10 years in partnership with SES working on the Prototype Integration Facility. The new contract, PIF II, is a three-year base contract with an option of two additional years.

New vessel for Brice

Brice Marine, one of the Brice Companies that Calista acquired in 2010, recently christened the “Alulaq-Drift River,” a new articulated tug and barge that is designed to maximize speed, fuel efficiency and safety for both crew and cargo. The two vessels are connected with large hydraulic rams instead of a tow wire.

Brice Marine gives the Brice Companies the opportunity to pursue coastwise and shallow-river barging support work in Alaska. An area in which Brice foresees increased demand in the future is support services for mining, environmental restoration and oil/gas resource exploration and development.

With 82 percent of Alaska communities in the state’s off-the-road system, according to the Alaska Department of Transportation and Public Facilities, the shallow draft capabilities of the Alulaq-Drift River is expected to significantly increase business opportunities for the company. Alulaq means “to steer,” in the Yup’ik language. ♦



These Saltchuk companies are proud to strengthen the transportation network between Alaska and Washington

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Saltchuk expands its links to AK

Seattle-based business owns companies across the state's transportation spectrum and more; acquires major trucking firm in May

By Rose Ragsdale

Alaska-Washington Connection

If one single company embodies the diverse and enduring connection between Alaska and Washington, it is Saltchuk Resources Inc.

An intermodal transportation company with almost 6,300 employees, Saltchuk owns more than 20 companies that operate as independent businesses with customers in all 50 states and Puerto Rico.

The family-owned business controls major assets organized in five lines of business – shipping and logistics, air cargo, marine resources, trucking and petroleum distribution and marketing. Among Saltchuk's holding companies are Princeton, N.J.-based Tote Inc., which oversees Totem Ocean Trailer Express Inc., Anchorage-based Northern Aviation Services (which oversees Northern Air Cargo and three other independently managed companies), Seattle-based Foss Marine Holdings, which oversees Foss Maritime Co. and Cook Inlet Tug & Barge Co., and North Star Petroleum of Ballard, Wash., which oversees Delta Western Inc. and Inlet Petroleum Co. The company's recent acquisition, Carlile Transportation Systems, an Anchorage-based trucking firm, brings a fifth line of business in Alaska to Saltchuk.

A new generation of leadership

Saltchuk got its start 31 years ago when Seattle lawyer and businessman Michael Garvey co-founded the company. In 2009, Garvey's three daughters, Denise Tabbutt, Michele Seaver and Nicole Engle, became majority owners of the company.

Today, Saltchuk, which means "saltwater" in the Pacific Northwest trade jargon used by Native Americans and early settlers, is still lean at the top, overseeing a growing transportation empire from a 26-employee office in Seattle.

"Saltchuk is often referred to as asset intensive because we utilize expensive equipment throughout our companies. But our most valuable asset is not a tugboat, an airplane or a ship; it is the people who work throughout the family of Saltchuk companies," the sisters wrote in a brochure about the company.

Like their father, the Garvey sisters say they remain committed to providing stable and financially sound ownership to Saltchuk's operating companies, including providing the capital for reinvestment and growth, and passing the company in even better shape to their children. That commitment is reflected in the company's policy of re-investing 90 percent of its profits in the business.

"Our family's strategy allows for significant re-investing in existing operations and acquisitions on top of that," said Saltchuk Chairman Mark Tabbutt in a recent interview.

Carlile "a great fit"

The strategy enabled Saltchuk to purchase Carlile, one of the largest trucking and logistics companies in Alaska, on May 31 for an undisclosed sum.

"We've known them and done business with them for 20 years, and we personally knew the owners," Tabbutt said of

Northern Air Cargo, Alaska's largest all-cargo airline since 1956, is one of the Saltchuk family of companies serving the state's transportation needs. Courtesy of Northern Air Cargo



Carlile. "They touched several parts of our organization. They are a large customer on the ship side at Tote. They provide fuel transportation for our fuel group, and they are a customer of Northern Air Cargo. As you go around our companies, Carlile has a lot of connections."

Carlile CEO and co-founder Harry McDonald said, "I really feel this is a match made in heaven. Saltchuk is family owned, as we are, and we share like values."

Tabbutt said the biggest motivator for Saltchuk to pursue Carlile was "the thought that our cultures aligned and would make a great fit."

"We approached them in December and we've been working on (the transaction) for six months," he added.

Saltchuk President Tim Engle said Carlile's strong safety culture was one of the driving factors in Saltchuk's interest. "There is a lot of similarity between Carlile and our other operations – we have people often exposed to harsh environments and working around and relying on heavy machinery. Getting everyone home safe to their families is our No. 1 priority," Engle added.

With 700 employees, Carlile will remain a standalone company with headquarters in Anchorage. It will become a part of Tote Logistics, and significantly increase Saltchuk's presence in

cargo consolidation, warehousing, trucking and other logistics in North America.

Re-investing in Alaska

Saltchuk also recently decided to convert Tote ships sailing between the Port of Tacoma and Anchorage to dual fuel-burning engines so they can be powered with liquefied natural gas.

“Our intent will be to burn LNG all of the time, and essentially eliminate the emission of greenhouse gases in powering our vessels,” Tabbutt explained.

The vessels, which transport a third of all container cargo shipped to Alaska, will retain their diesel-burning capabilities in case they are called upon, as they have been in the past by the

Saltchuk got its start 31 years ago when Seattle lawyer and businessman Michael Garvey co-founded the company. In 2009, Garvey's three daughters, Denise Tabbutt, Michele Seaver and Nicole Engle, became majority owners of the company.

Saltchuk also has contracted with General Dynamics to build two new LNG ships for the company's Florida-Puerto Rico trade.

“And we've committed to build three ocean 'Arctic-class' tug boats to operate off Prudhoe Bay, working for the oil industry,” Tabbutt said.

the military, to sail to the Persian Gulf where a LNG supply might not be available.

“But if that vessel is operating in the Alaska trade lanes, it will be clean-burning all of the time because we have access to a supply of LNG fuel in the Pacific Northwest,” Tabbutt said.

The vessels, which are being built in Foss Maritime's Rainier, Ore., shipyard, will be used primarily for towing barges with oil field modules, rig topsides and project cargoes. The company plans to take delivery of the first of the new tugs later this year.

An enduring commitment

The investment reflects Saltchuk's ongoing commitment to Alaska.

“We tell people 'we're all in' in Alaska. We're very supportive of resource development in the State of Alaska, and we're supportive of the governor's recent successful effort to attract more investment for oil exploration in the state,” Tabbutt said.

He noted that Saltchuk is expected to grow 15 percent this year with the Carlile acquisition and in Alaska as much as 25 percent.

In the Alaska-Washington trade, the company employs roughly 1,200 people in Alaska and another 300 workers in Washington across its operating companies.

Tabbutt said significant developments in transportation in recent years have brought to Anchorage and other more populated areas of Alaska the same access to goods and services that are available in the Seattle area.

“That is due to the very substantial investment that has been made in the transportation sector, specifically the Alaska-Washington trade,” he added.

And the benefits of that relationship flow both ways. Adds Tabbutt: “In all our public policy meetings, with Sen. Patty Murray, D-Washington, and others, we remind people all the time of how important Alaska is to Washington, to employment here in the region.” ♦

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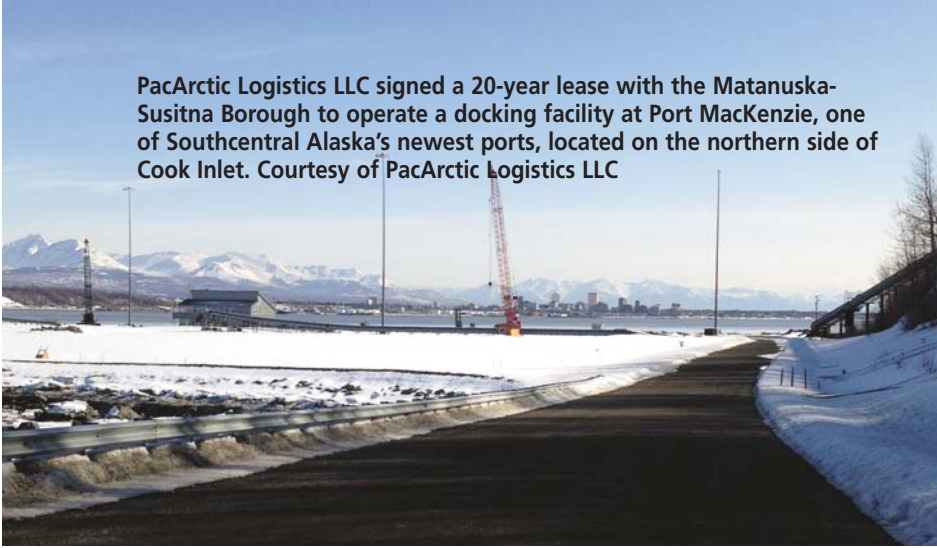
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PacArctic Logistics LLC signed a 20-year lease with the Matanuska-Susitna Borough to operate a docking facility at Port MacKenzie, one of Southcentral Alaska's newest ports, located on the northern side of Cook Inlet. Courtesy of PacArctic Logistics LLC



Port of Olympia, located at the southern end of Puget Sound, is a first-class, deep-water port from which PacArctic Logistics LLC offers scheduled barge service to Port MacKenzie in Southcentral Alaska. Courtesy of PacArctic Logistics LLC

Logistics firm touts its port-ability

Bold venture seeks to transport cargo for large, complex projects using spacious facilities at Point MacKenzie and Olympia, Wash.

By Rose Ragsdale

Alaska-Washington Connection

PacArctic Logistics LLC is an early entrant in the race to capitalize on transportation and logistics opportunities offered by Port MacKenzie, one of Alaska's newest ports.

PacArctic, affiliated with Koniag, Inc. for the past two years, is a project logistics company with origins in Washington State. It specializes in handling complex transportation projects to and from Alaska through the port facilities at Point MacKenzie, which is located across Cook Inlet about two miles by water from Anchorage. Koniag is the Alaska Native regional corporation for Kodiak Island.

"Shipping to and from Alaska has changed radically since the pipeline days of driving heavy cargo up the Al-Can Highway. With fast shipping and our modern facilities at Port of Olympia and Port Mackenzie, PacArctic offers you easy direct shipping to and from Alaska," promises PacArctic on its website.

A running start

PacArctic signed a 20-year lease with the Matanuska-Susitna Borough for 7.5 acres at Port MacKenzie in October 2011. Since then, the company has completed several special projects, and this summer, it launched common carrier services between the Alaska port and the Port of Olympia, Wash.

"I have worked in specialized shipping and transportation my entire career, and I've watched Port Mackenzie for 10 years now," said King Hufford III, former owner and now president of PacArctic. "I was curious and interested in the potential out there. I thought it made a lot of sense for me with the potential here."

PacArctic specializes in project-forwarding work on major infrastructure projects, which involves handling large shipments of freight to or from Southcentral Alaska and the Interior.

In recent years PacArctic has been instrumental in transporting sought-after timber from the Kodiak village of Ouzinkie to Point MacKenzie, where an eager business owner had plans to use the logs for large beams and playground mulch, Hufford said.

The company also oversaw the docking and discharge of nearly 500 short tons of six-inch power transmission line that was installed by Cruz Construction in Cook Inlet last summer between Cook Inlet Region Inc.'s wind farm on Fire Island and Anchorage.

Koniag President and CEO Will Anderson said the unique services that PacArctic provides will benefit a broad range of customers.

A lean operation with as few as four employees, Pac Arctic has received assistance with its administrative needs from Koniag through an operating agreement.

Hufford, who has more than 25 years of experience in transportation and logistics services, said the company's focus on project cargo and Port MacKenzie is a good match. In addition to its nearly eight acres of laydown area, PacArctic has access to an additional 16 acres of space.

"We did a lot of due diligence and we liked the location, and the immense amount of room. There's a lot of area to do laydown. It's got good proximity: right on the water, and if need be, we can go north," Hufford said in an interview.

The port's proximity to the Mat-Su valley, Fairbanks and the North Slope are

also big pluses.

The Port of Olympia, located at the southern end of Puget Sound, is a deep-water port that is home to a large fleet of merchant ships and an industrial complex designed to handle seaborne container cargo. It has dock-side rail lines and is also adjacent to Interstate 5, providing easy access to America's highway system.

PacArctic's operation is conveniently located near the main docks, which it says enables cost-effective trans-loading, laydown, storage and other activities associated with large projects.

Scheduled shipping

With a 400-foot barge on long-term lease, the company inaugurated monthly common carrier services in June between the two ports. Monthly trips, featuring estimated nine-day transit times, were scheduled to continue throughout the summer season until October.

PacArctic operates a 230-ton crane that is capable of lifting heavy project cargo at the Port MacKenzie dock, which is capable of handling barges and large project vessels.

"Our facility offers trans-loading, laydown, storage and other activities associated with a large project," Hufford said.

The company also partnered with trucking companies to provide deliveries of the construction materials, steel and lumber, cranes, tanks that it aims to transport for others

Mat-Su officials predict that PacArctic will attract a variety of business because logistics can be very difficult for individual companies to handle without expert help.

PacArctic Logistics LLC President King Hufford III, who has more than 25 years of experience in transportation and logistics services, said the timing is right for Port Mackenzie to flourish as a bulk cargo destination in Alaska. Courtesy of PacArctic Logistics LLC



Potential projects could be the Knik Arm Crossing, new mines, new oil platforms, sealift modules and the

Susitna hydroelectric dam, among others.

“We’re very interested in mining, and we’re currently

shipping materials related to mining in both directions,” Hufford said. “Between bulk and project cargos, that’s where we want to keep our niche. It would make sense for us to provide services to big mine projects.

Other future opportunities include a quarry project with very large granodiorite formations on Kodiak Island that is being developed by Koniag as armor stone to be used for jetty projects and shore protection.

“It’s very difficult to come by the very large stones (50 tons or so), and we’ve already talked to ports along West Coast that are interested in purchasing them,” Hufford said.

As an ocean common carrier and freight forwarder, PacArctic also can undertake other projects out of the Port of Olympia, especially big capital projects, even to Hawaii and Guam, he said.

Further, the company is

banking on its services being in even higher demand when Alaska Railroad Corp. and the Mat-Su Borough complete a planned 32-mile rail extension that will connect Port MacKenzie with the mainline of the Alaska Railroad near Houston. The borough has acquired \$146 million in state legislative appropriations, so far, for the \$272 million project, which is expected to be completed by 2016.

“The new rail extension runs right across the back side of our leased property, and we have plans to put in our own rail elevations and railhead,” Hufford said.

“We just think the timing is good. Most of predictions we’re seeing indicate more exploration on the North Slope and gas line activities. We think the economy is going to stabilize much sooner than it will in the Lower 48,” he added. ♦

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Pacific Alaska Freightways invested in its equipment fleet in 2012 by purchasing 15 new tractors and 100 containers and flats. Courtesy of Pacific Alaska Freightways

Company excels with freight services

Seattle-based Pacific Alaska Freightways focuses exclusively on meeting shipping needs of Alaska clients across business spectrum

By Rose Ragsdale
Alaska-Washington Connection

Pacific Alaska Freightways has provided freight transportation services to businesses and consumers in Anchorage, Fairbanks, Kenai, Kodiak and Southeast Alaska for than a half-century.

Rex and Dorothy Sears began Pacific Alaska in a small office in the Coleman Building in Seattle in 1961. Initially a consolidation business known as Pacific Alaska Forwarders, the company served many of the wholesale

and electrical suppliers in Alaska, utilizing break bulk barge and shipping companies. In 2007, the company changed its name to Pacific Alaska Freightways to better reflect its expanded array of services.

Pacific Alaska is owned by J.Alain Smith and the Smith Family. The company provides award-winning shipping services to customers across the business spectrum in Alaska, including national retailers, commercial fishing companies, construction companies and oil and gas industry sup-

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A Pacific Alaska Freightways tractor and container travels a roadway with the Tacoma Narrows Bridge and Olympia Mountains in the background. The provider of freight transportation services to Alaska businesses and consumers reported 11 percent growth in 2012. Courtesy of Pacific Alaska Freightways



pliers. The company also continues to be a leader in providing shipping services to the state's electrical and plumbing wholesale distributors.

The Seattle-based company owns and staffs terminals in Washington and Alaska, including locations in Alaska's major fishing communities. Pacific Alaska also operates a fleet of trucks and trailers in both states, employing a state-of-the-art computer system that provides customers with real-time tracking, rating and tracing capabilities, along with computerized loading and manifesting, which assures clear and concise documentation.

In 2012, Pacific Alaska merged with Southern Alaska Forwarding of Kodiak, a move aimed at creating opportunities for both organizations. As a result, the company now offers direct service to Kodiak.

New developments within the past year include an expansion of computer services to create greater shipment visibility. The transportation company also invested in its equipment fleet by purchasing 15 new tractors and 100 containers and flats.

These and other initiatives resulted in 11 percent growth in Pacific Alaska's overall business in 2012.

Of particular interest to Pacific Alaska in recent months have been developments in Alaska's oil and gas and commercial fishing industries.

"As oil and gas develops in Alaska, the trickle-down effect touches all business which, in turn, creates more shipping as the economy grows and vice versa," said Smith in a recent interview.

"Unstable fisheries management by the State of Alaska has

affected both commercial and sport fisherman/tourists. Lost tourist and fisheries dollars are hurting the economy tremendously and will into the near future unless drastic changes occur soon," he predicted.

Yet Pacific Alaska remains committed to Alaska.

In the future, "we envision growth through acquisition and expanded services in both Alaska and the Lower 48 and providing more services to existing customers," Smith added. ♦

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Truckers score major wins in Juneau

Alaska Legislature approves bills aiding oil and gas sector, roads, veterans and small businesses; curbing federal over-reach

By Rose Ragsdale
Alaska-Washington Connection

For the Alaska Trucking Association Inc., 2013 is shaping up to be a very good year.

The organization has nearly 200 members and is growing. This diverse group of trucking and intermodal companies supplies Alaska businesses and consumers with vital transportation for their goods and materials. In addition to traditional trucking firms, ATA membership includes ocean and air carriers such as the Lynden family of companies, TOTE, Horizon Lines and Federal Express, most of whom have their own trucking fleets, as well as freight forwarders, logistics companies and trucking equipment vendors.

Many of ATA's members are based in Washington State or have parent and/or sister companies with headquarters or offices in the Puget Sound area.

"We continue to value our Washington connections. Some are over the highway and some are ships," but Washington is an important business partner. We value that connection, and we hope they value us," said ATA Executive Director Aves Thompson.

A recent example is the connection established when Saltchuk Resources acquired Carlile Transportations Systems Inc. in June.

"These are both good strong companies, and we are looking forward to work with Saltchuk to help tell our story," observed Thompson.

Transportation advocate

Typically a low-profile organization, ATA works in the background to advance the interests of its members. This year the association stepped up to champion an impressive roster of proposals before the Alaska Legislature, the Alaska congressional delegation and

state and federal agencies in hopes of scoring some big wins for its members and Alaska, in general.

"Of our 10 priorities in legislative session, eight were successful," said Thompson. "We're very pleased about the passage of Senate Bill 21, the oil tax reform bill. Although there was some opposition, we feel it was matter of education."

The trucking association successfully sought to redefine intrastate commercial vehicles, thereby removing an unnecessary level of regulation for smaller trucks used in commerce.

"Our No 2 priority was HB15, which changed the definition for intrastate commercial vehicles from 10,000 pounds to 14,000 lbs, which makes it easier for small trucks used in commerce," Thompson said.

The smaller vehicles are typically used by small businesses with a local trade area such as handyman or lawn-mowing services.

Alaska lawmakers further favored House Bill 46, which waived CDL skills testing requirements for certain veterans; appropriated \$7 million in the capital budget for improvements to the Dalton Highway and several projects on the National Highway System along with funding to expand resource development through the state's "Road to Resources" program.

"HB46 waived the requirements for testing veterans with experience driving heavy vehicles. This was a big win for veterans, giving them the opportunity to smooth out transition between military and civilian life and a big win for industry because we are having trouble finding drivers," Thompson said.

Obtaining funds for road improvements and development in the FY2014 capital budget represents another big win for the truckers.

The Legislature also passed House Bill 4, which promotes the development of an in-state gas line from Prudhoe Bay.

The \$7 million for Dalton Highway improvements and maintenance will be especially important in light of the

plans to begin trucking liquefied natural gas from Prudhoe Bay to Fairbanks, Thompson said.

"The number and frequency of trucks is going to have an impact on the Dalton Highway," he said. "The state is going to have to step up and make a commitment to keeping up the highway, not just the maintenance but also keeping crews available to keep (Anaktuvuk) Pass open and make other repairs as needed."

Only two measures failed to make the cut: A plan to establish a transportation fund; and a proposal to invest in the Knik Arm crossing.

Though its failure to pass is disappointing, the transportation fund bill is still alive in committee, Thompson said.

"The federal government doesn't have as many resources as in past, and we believe we need to start using Alaska revenues to do infrastructure development," he said. He noted that Alaska DOTPF takes in about \$70 million annually, but it costs only about \$30 million to run the department and the balance goes into the state's general fund.

House Bill 23 would have amended the Knik Arm Bridge and Toll Authority's enabling statute to provide funding for a successful procurement for the Knik Arm Crossing project to facilitate it being open for traffic in 2015.

Proponents argue that the Knik Arm Crossing will be a significant addition to Alaska's infrastructure that will further facilitate the movement of goods and people in the state. The measure also stalled in committee.

Government relations

Thompson said ATA continues to have a good relationship with the Alaska Department of Transportation and Public Facilities, Gov. Sean Parnell and DOTPF Commissioner Patrick J. Kemp, P.E., and he thanked both houses of the Legislature for their help and support of legislation beneficial to the transportation sector, and singled out



AVES THOMPSON

Rep. Wes Keller, R-Wasilla, for additional praise.

“They seem to understand how vital trucking is to the state. We move a lot of freight,” he said

Alaska’s lawmakers also endorsed several resolutions to defend Alaska’s transportation industry against federal over-reach with regulations.

“We keep facing this federal over-reach in terms of regulation. Trucking is one of the nation’s most regulated industries and the regulations keep changing. If you don’t have stable regulations, it makes it very hard to plan for the future,” Thompson explained.

He said the new federal MAP (Moving Ahead for Progress in the 21st Century Act) bill, for example, will require trucking companies to meet 29 new rulemakings in one year, he said.

“We recognize that we need to be regulated, but give us a chance to adjust to the regulations before you start changing them,” he said.

Among other challenges facing the trucking association is the effect of recent changes made to radio bandwidths by the Federal Communications Commission.

FCC “narrowbanding” rules went into effect Jan. 1 requiring all UHF/VHF radio users to operate with 12.5 kHz, or narrowband radios, as opposed to traditional 25 kHz, wideband frequency radios.

Longstanding FCC regulations require companies using two-way radios to operate only on assigned frequencies. In Alaska, these regulations have largely been ignored by trucking companies for decades because there are relatively few radio users. But the FCC is now enforcing the rules, which could significantly hinder the ability of Alaska’s truckers to communicate with each other and their customers in emergency or hazardous situations.

Thompson said the ATA was working to gain FCC approval for its members to talk with each other over approved radio frequencies.

The association sought FCC exemptions that would allow for two open frequency bands — an “alert” band and a “chat” band — to be used by any two-way radio users in Alaska, including public safety organizations. Thompson was awaiting a ruling on the exemptions in June but did not expect any difficulties in obtaining them. ♦



At the ATA truck driving championship, drivers must get a specific wheel as close as possible to the duck without running it over. Courtesy of Alaska Trucking Association



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A VIGOR INDUSTRIAL COMPANY 

Lynden inks agreement to buy Northland

Purchase requires regulatory approval; family of companies focus on expanding, improving services and energy efficiency projects

By Rose Ragsdale
Alaska-Washington Connection

The Lynden family of freight transportation companies that primarily serves Alaska and the Pacific Northwest has been on the move in the first half of 2013 and the latter six months of 2012.

Lynden reported in April that it entered into a purchase agreement to buy tug and barge carrier Northland Services, Inc.

Northland's major shareholder, Endeavour Capital, is a western U.S. private investment firm with a philosophy that centers on the principle of stewardship. In nine years, Endeavour, Northland's other shareholders and management transformed the company via significant investment and expertise into a leader in marine transportation in the Alaska and

"We are excited about the ability to provide integrated statewide Alaska service, higher service frequency, and greater combined capabilities for our customers. Where there is service overlap, we will organize to provide a higher level of service." - Jim Jansen, chairman, Lynden

Hawaiian markets, Lynden said.

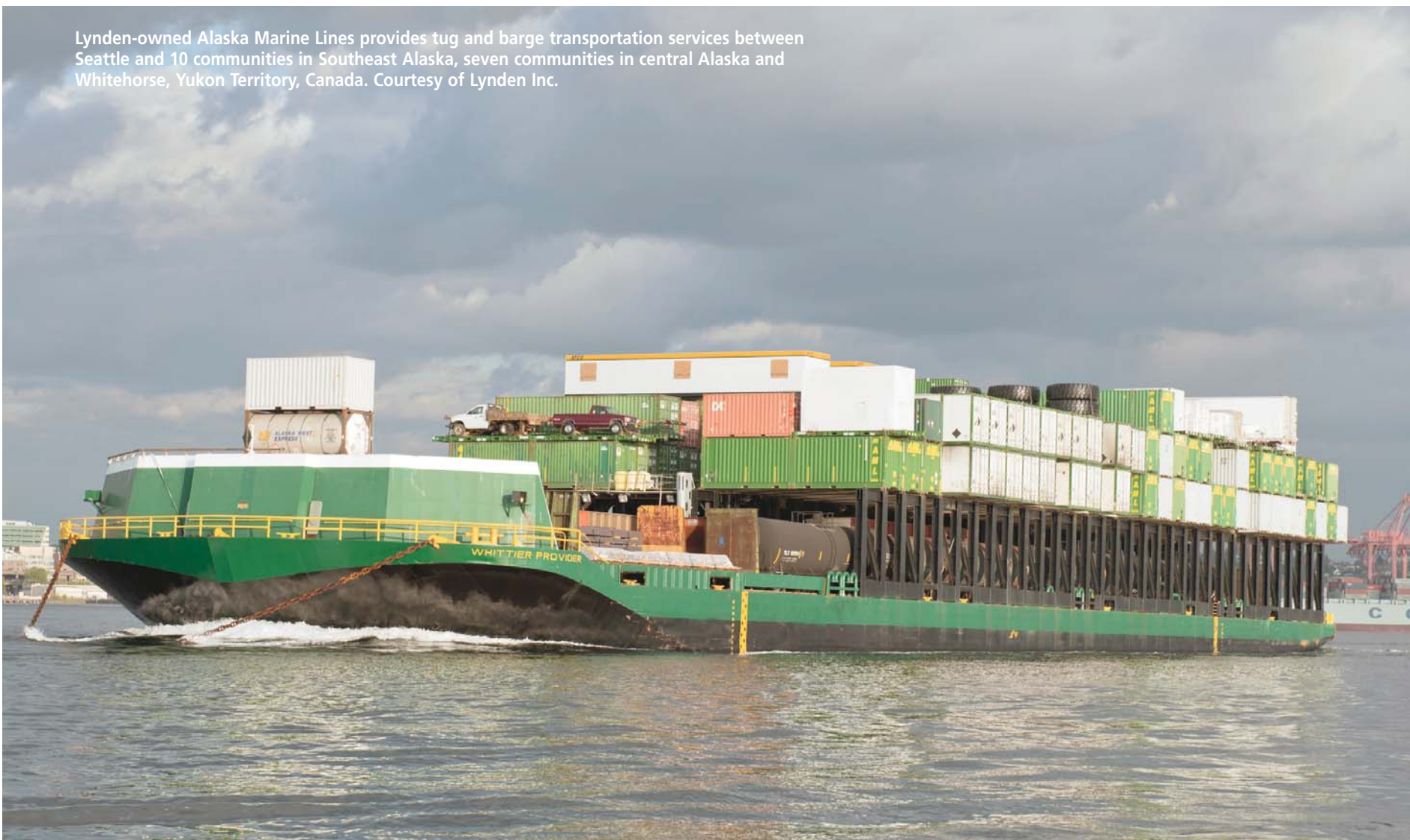
Northland, which provides services between Seattle, Southeast and western Alaska and Hawaii, will operate independently within the Lynden organization under the direction of its current management team.

Lynden's Alaska Marine Lines also provides tug and barge transportation services between Seattle, Southeast Alaska and central Alaska.

"Northland has a great reputation, and adds western Alaska and Hawaii to Lynden's service, enabling us to provide more service capabilities to our customers," Lynden Chairman Jim Jansen said in a statement announcing the deal. "We are excited about the ability to provide integrated statewide Alaska service, higher service frequency, and greater combined capabilities for our customers. Where there is service overlap, we will organize to provide a higher level of service. In certain communities where Alaska Marine Lines and Northland are the two primary freight carriers, other barge lines have plans to compete with us."

Northland President and CEO Larry Stauffer said, "We have seen significant growth in our business over the past decade, and bringing two great companies and teams together will help improve and expand service in the com-

Lynden-owned Alaska Marine Lines provides tug and barge transportation services between Seattle and 10 communities in Southeast Alaska, seven communities in central Alaska and Whitehorse, Yukon Territory, Canada. Courtesy of Lynden Inc.



In Fairbanks, Lynden Transport has completed a warehouse expansion and several energy-efficiency upgrades, including a new heating system with digital thermostats. Courtesy of Lynden Inc.



munities we serve.”

Lynden said the proposed sale will require a lengthy, complex process to complete and is subject to regulatory review and other terms that, if completed, would likely result in closing in late 2013.

Focus on improvements

The Lynden organization has won numerous prestigious awards for excellence in service and safety, including several in 2012. But this does not impede the companies’ drive to do better.

For example, Lynden International, a full-service freight forwarding and logistics company, launched a newly designed website at www.lynden.com/lint in June. The expanded and enhanced site was created by Lynden’s marketing team to update and improve content and make navigation easier for new and current customers.

A year ago, the company expanded its 50+ office domestic network by opening a new location in San Francisco to serve northern California. Lynden International provides services to more than 6,000 U.S. cities.

Ongoing improvements in energy efficiency also are paying off. Among them:

Alaska Hovercraft in Bethel replaced High Pressure Sodium lights with high-efficiency fluorescents at the airport and shop and saw an immediate 26 percent reduction in electricity use and a recouping of the cost of both upgrades in less than two months, according to General Manager Kevin Carter.

Lynden’s Anchorage’s South Air Park facility uses heat recovery to warm some spaces, while cooling others. A split duct in the information technology computer room reroutes warm air into the basement below the offices and warm air from the second-floor offices is rerouted to the cross dock.

In Fairbanks, Lynden Transport recently completed a warehouse expansion and upgrades that included installing a dock door “curtain” to reduce heat loss in the winter months, plus new dock plates and insulation to keep a tight seal around the doors. “But the biggest change was a new heating system which allowed us to manage our heat with digital thermostats. We can now set temperatures for specific times of day and days of the week,” said Manager Greg Busher. The changes have resulted in a 20 percent reduction in natural gas use from 2011 to 2012. The Fairbanks upgrades were identified as potential ideas in an energy audit for the company done in 2011. ♦

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Vendors gear up to meet customer demands

Kenworth Alaska, Seekins Ford offer a variety of trucks designed in response to ever-changing industrial, regulatory environment

By Rose Ragsdale
Alaska-Washington Alaska

Kenworth Alaska and Seekins Ford, two of the leading truck vendors operating in the Alaska-Washington trade, are meeting the demands of an ever-changing environment.

Across the heavy construction industry, Ford Super Duty trucks lead the way, said Ralph Seekins, president and owner of Seekins Ford in Fairbanks.

“For example, in the oil and gas industry, 50 percent of the heavy duty truck demand is for the Ford Super Duty. Follow that with 52 percent of the forestry industry, 68 percent of the emergency response vehicles, 54 percent of the heavy construction industry, and you begin to see why Ford owns the work force,” Seekins said.

“And, today, Ford is producing vehicles



Kenworth manufacturer, Paccar, now makes its own tractor engine, the 500-horsepower MX13, that is getting strong performance reviews in Alaska, especially in the Arctic. Courtesy of Kenworth Alaska.



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tested tough in Alaska that meet the tough operating conditions needed by folks who depend on their trucks to do the job. More than any other manufacturer, Ford looks at the demand and designs their trucks to do the job," he explained. "In my more than 45 years in the automobile business, I've never seen vehicles better equipped to meet the job requirements with a minimum of down time.

In Alaska, Seekins Ford Lincoln is a premier retailer of the Ford family of vehicles, including the Super Duty trucks equipped for the sub-Arctic environment.

Kenworth, a leader in customer satisfaction among vendors of heavy duty trucks, is also building its customer base in Alaska.

"Our parts inventory is the largest it has ever been at about \$2.2 million between the two stores in Anchorage and Fairbanks, and truck sales picking up," said Jim Scherieble, general manager of Kenworth Alaska.

Responding to customer demand

The company recently sold two trucks that run on liquefied natural gas to Fairbanks Natural Gas Co., a supplier that currently transports LNG from Wasilla to Fairbanks.

Scherieble said the buyer operates LNG filling stations in both communities, which makes it convenient for trucks hauling LNG to also run on the clean-burning fuel.

The LNG-powered vehicles may be part of the vanguard of entire fleets of LNG-fueled trucks on Alaska's highways as more opportunities for using the economical, clean-burning fuel arise.

The Alaska Legislature recently authorized an investment of \$362 million to develop a LNG processing plant at Prudhoe Bay



Liquefied natural gas-powered vehicles like this one sold by Kenworth Alaska may soon become a common sight on Alaska's highways as more opportunities for using the economical, clean-burning fuel in transportation arise. Courtesy of Kenworth Alaska.

that will supply fuel to be trucked to Fairbanks in custom-built tankers during the seven- to 12 years it will take to build an LNG pipeline along the route.

Once the pipeline is completed, the LNG tanker will then be used to transport the fuel to outlying communities in the Interior and western Alaska.

The Washington Connection

For Kenworth Alaska, which is owned by the Cymbaluk family, the advent of LNG in trucking is a trend that is also bringing changes to its sister company. Kenworth Northwest recently built a new 26,000-foot store in Lakewood, Wash., which brings to 10 its dealerships, including the two Alaska stores.

"A lot of LNG/CNG filling stations are going up in the Lower 48. Our Lakewood store put in a LNG/CNG stall, which requires special ventilation," observed Scherieble.

The Lakewood outlet, located about 25 miles south of Kenworth's Sea-Tac dealership, is also addressing another need.

"I-5 is so congested now that people do not even want to drive 25 miles to reach our Sea-Tac store, so this location is much more convenient for them," Scherieble said.

Other recent changes include extensive remodels of the Kenworth dealerships in Yakima and Aberdeen, Wash.

New gliders, engines

Kenworth also has undergone changes at the factory level.

The company introduced a glider program in August 2012 to meet the needs of fleets and owner operators who want to make old trucks "new" again. Kenworth glider kits come in T660, T800 (split fender configuration) and W900L models, with all sleeper sizes available. The gliders are designed to be mated with customer-supplied EPA 2004 engines and matching transmissions, and they can be spec'd from Kenworth to best meet the fleet or driver application.

"These are ideal for Prudhoe Bay and western Alaska where businesses may have trouble with the urea engines. These trucks will have pre-2006 engines," said Scherieble. "I have customers on the North Slope who have ordered three gliders already."

Further, Kenworth's manufacturer, Paccar, is now making its own engine, the 500-horsepower MX13, that Scherieble said is performing very well in Alaska, especially up in the Arctic. ♦

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Serving Alaska Since 1983

Fabricator marks 30 years in business

Arctic Wire Rope and Supply succeeds with customized Alaska-made and-tested products that set it apart in demanding environment

By Rose Ragsdale
Alaska-Washington Connection

Arctic Wire Rope and Supply Inc., an unusual vendor operating in the Alaska-Washington trade, is celebrating its 30th anniversary this year.

The on-site fabricator and tester of harnesses, braces and slings for the harsh and demanding Alaska industrial environment got its start when company co-founder and President Eric McCallum decided to go into business.

“Yes, it was 1983. I got fired, and I had to come up with a job. Sometimes opportunity shows itself in odd ways,” recalled McCallum, in a recent interview.

Three decades later, McCallum is still sleuthing for opportunities.

Drawing on McCallum experience selling industrial equipment, the small firm initially focused on fabricating wire slings

“It’s also a matter of balance – taking care of our core business, while looking for ways to diversify. We’re trying to be as diversified as possible, while staying in our core competency.” — Eric McCallum, president and co-founder, Arctic Wire Rope and Supply Inc.

and lifts that allow large loads to be lifted by a crane, it has expanded its product line as technology advanced over the years to include all sorts of heavy lifts, primarily lifting slings made from a variety of materials.

Today, the 14-employee Anchorage-based business is Alaska’s largest rigging facility, specializing in custom wire rope and nylon and chain sling fabrication. The

firm’s products include a variety of tow ropes, nets, chain slings, nylon/polyester slings, rigging hardware, up to two-inch stud-link anchor chains and one-inch- to 12-inch-wide tow & jerk straps.

The secret to Alaska Wire Rope’s success, according to McCallum, is its ability to maximize the advantages that come with satisfying the needs of its industrial customers for fabricated or customized products that meet all of safety requirements.

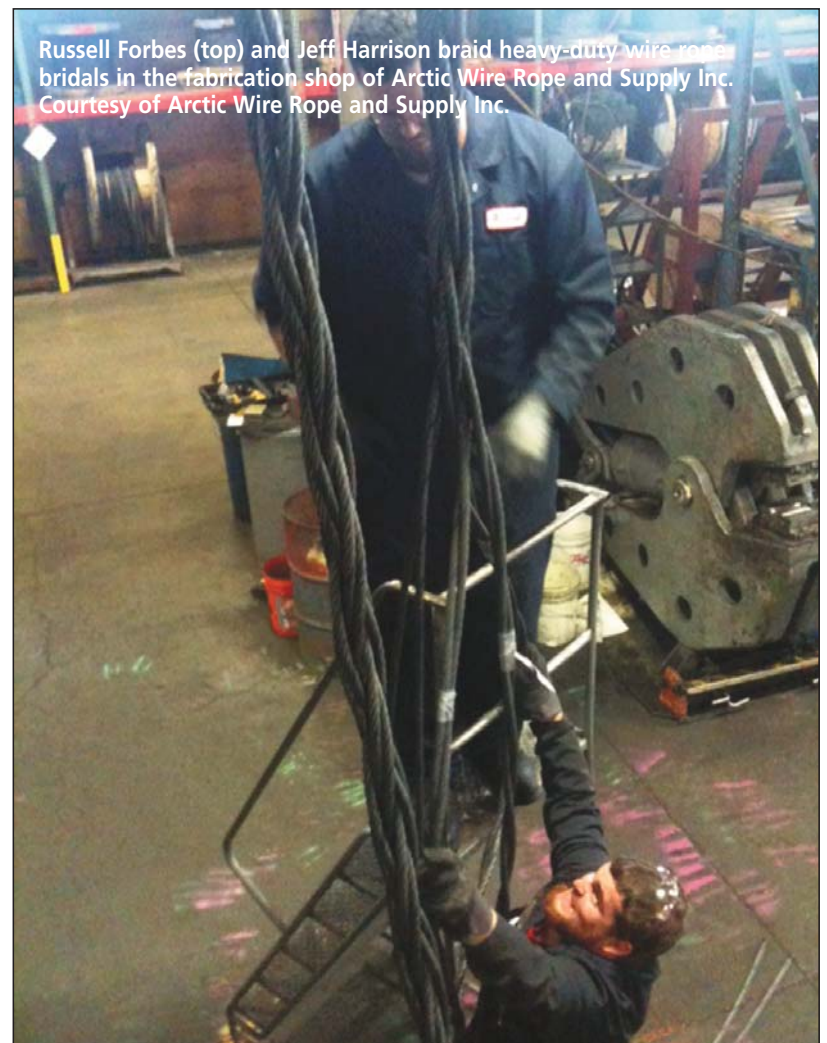
Focus on diversification

Alaska Wire Rope has “pretty much recovered” from the economic downturn in 2008 and 2009, said McCallum.

“We’re like a lot of businesses in Alaska, where oil and gas is our primary base. We’ve been trying to expand into commercial fishing, and we’re a bit



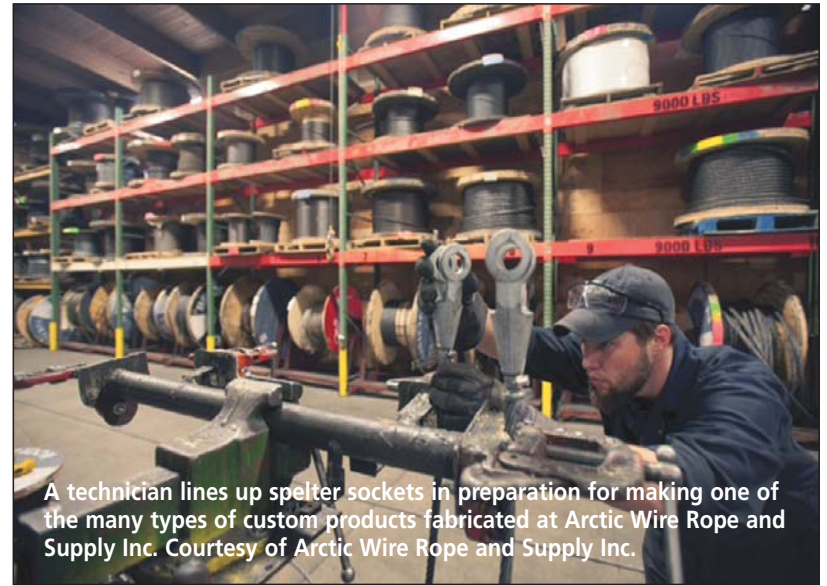
Russell Forbes and Jeff Harrison display the 2-inch-diameter two-way wire rope bridals they fabricated at Arctic Wire Rope and Supply Inc. in Anchorage. Courtesy of Arctic Wire Rope and Supply Inc.



Russell Forbes (top) and Jeff Harrison braid heavy-duty wire rope bridals in the fabrication shop of Arctic Wire Rope and Supply Inc. Courtesy of Arctic Wire Rope and Supply Inc.



A worker sews two-ply nylon slings in the workshop at Arctic Wire Rope and Supply Inc. in Anchorage. Courtesy of Arctic Wire Rope and Supply Inc.



A technician lines up spelter sockets in preparation for making one of the many types of custom products fabricated at Arctic Wire Rope and Supply Inc. Courtesy of Arctic Wire Rope and Supply Inc.

dependent on how things are going in those industries,” he said.

McCallum said the mining sector appears to offer potential opportunities for future growth, but with a number of the state’s mine projects facing obstacles to development such as challenges from environmental groups, “it’s often about timing.”

“It’s also a matter of balance – taking care of our core business, while looking for ways to diversify. We’re trying to be as diversified as possible, while staying in our core competency,” he explained.

Another promising growth area is in import-substitution opportunities – things that can be created and sold in Alaska as opposed to being brought in from Outside.


“A lot of our lower 48 competitors have gone to imports from China, while our customers rely on the quality found in U.S.-made products,” McCallum said. “We’re hoping to capture a bit more of this value-added business.”

Arctic Wire Rope has succeeded at diversifying is marine applications.

“We make all sizes of rope for ships, up to three-inch diameter mooring lines for the big ships,” McCallum said.

“Did you know that many of the ships coming to Anchorage rent mooring lines because the tides are so strong in Cook Inlet? They pick up the mooring lines in Homer and then drop them off again when they leave the Inlet,” he observed.

Added McCallum: “There are all sorts of little opportunities out there.” ♦



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After



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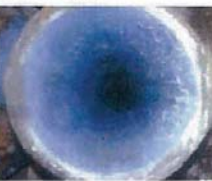
- Fire suppression sprinkler systems
- Natural gas and petroleum product lines
- Electrical conduit
- Collection, Hold and Transfer (CHT) systems in maritime vessels
- Water Mains

Structural Liners

Before

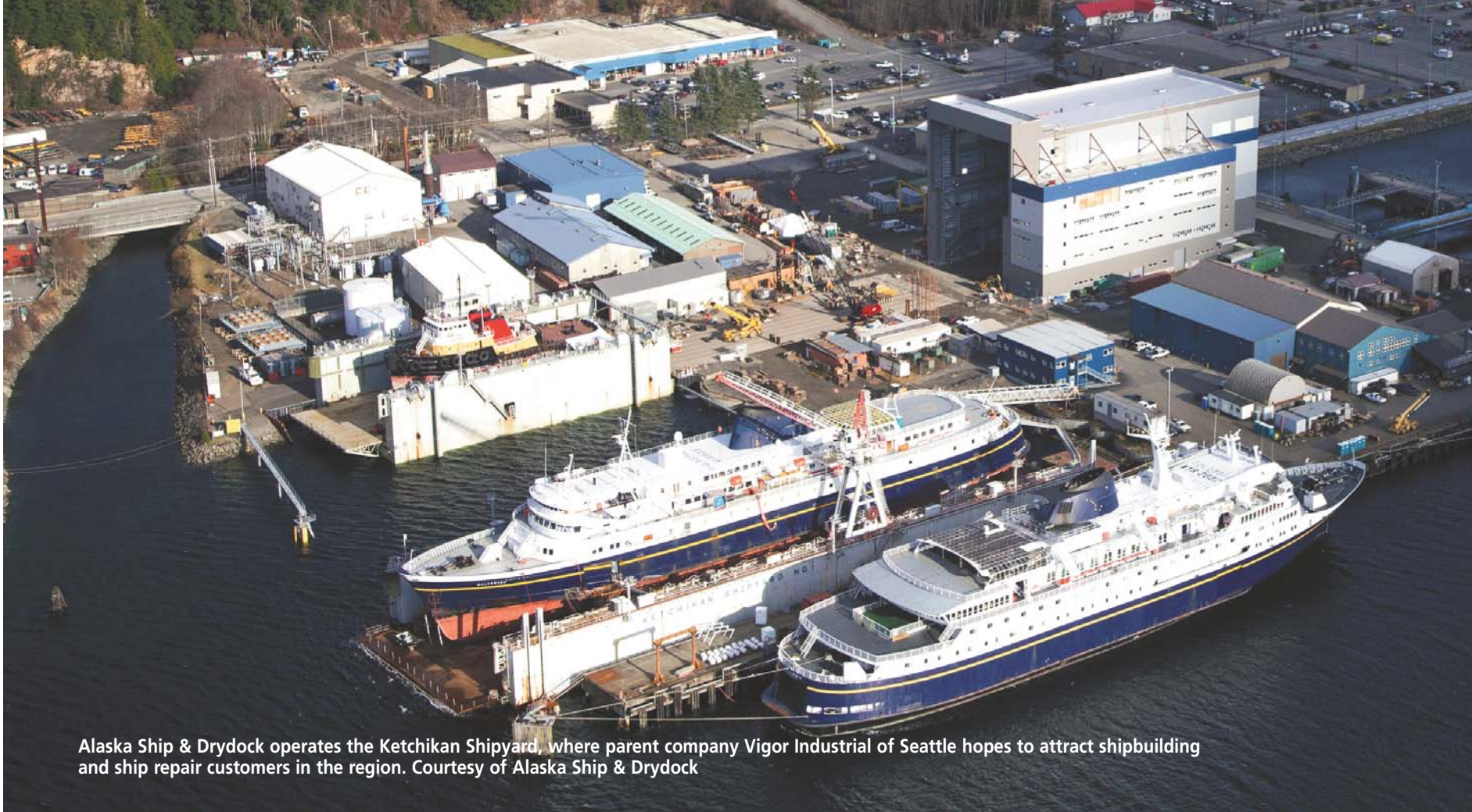


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Alaska Ship & Drydock operates the Ketchikan Shipyard, where parent company Vigor Industrial of Seattle hopes to attract shipbuilding and ship repair customers in the region. Courtesy of Alaska Ship & Drydock

Operator seeks growth in Alaska shipyard

Seattle-based Vigor Industrial purchases Alaska Ship & Drydock in bid to capture new business in state's resource-rich economy

By Rose Ragsdale

For Alaska-Washington Connection

Alaska Ship & Drydock, operator of Ketchikan Shipyard, is ready to make the most of new ties to Puget Sound and Portland, Ore.

Purchased in 2012 by Vigor Industrial of Seattle, the shipbuilding and repair company has set sail in a new era of growth opportunities in Alaska.

Ketchikan Shipyard, which is jointly owned by the City of Ketchikan, the Gateway Borough of Ketchikan and the Alaska Industrial Development and Export Authority, is operated by Alaska Ship & Drydock under long-term private/public partnership agreements.

The shipyard, located in Alaska's southernmost port, employs 140-160 workers and boasts 10,000-ton and 2,500-ton dry-docks, 1,400 feet of deep-water pier space, land-level berths, a 61,774-square-foot covered fabrication area, a 70,000-square-foot assembly hall, three mobile 25- to 150-ton cranes and extensive shops on a 16.5-acre waterfront parcel.

"Thanks to a robust public-private partnership with the Alaska Industrial Development and Export Authority, Ketchikan Shipyard has arguably the most modern shipbuilding and repair facilities on the West Coast," said Alaska Ship & Drydock



ADAM BECK

President Adam Beck. "The State of Alaska and AIDEA truly understand the importance of maritime infrastructure both to the competitiveness of the shipbuilding industry and regional economic development.

"Since 2000, investments at the yard have introduced advanced shipbuilding capacity in Alaska. These improvements include a new ship assembly and production hall with a modern module fabrication center to be commissioned later this year. The final phase of shipyard development will increase the ship repair capacity of the yard and move that activity indoors with a new ship repair hall," Beck said.



Contributing to the economic diversification and prosperity of Southeast Alaska through responsible mining.



Vigorous parent company

Vigor owns seven shipyards in the Pacific Northwest that together employ about 2,200 people and encompass 112 acres, 10 dry-docks and 17,000 feet of pier space, including its 60-acre Swan Island yard in Portland and its 27-acre Harbor Island site in Seattle, along with other facilities in Tacoma, Everett, Bremerton and Port Angeles, Wash.

In recent years, Vigor and its US Fab shipbuilding unit have emerged as an industrial powerhouse in the Pacific Northwest, serving increasingly diverse markets. In addition to vessel repair and maintenance projects for commercial and government customers, the company builds barges and large ferries and has tapped into emerging markets such as renewable energy with the fabrication of structures such as ocean wave platforms.

Vigor's core business comes from the Military Sealift Command, U.S. Navy, U.S. Coast Guard, the commercial fishing industry and the Alaska Marine Highway and the Washington State Ferry systems.

As a leading provider of marine services for oil and gas companies in Portland and Puget Sound, Vigor is well-positioned to compete for new business in Alaska.

Growing ASD's marine industrial capacity and its regional presence are key parts of Vigor's competitive strategy. The company offers a long track record of serving Arctic vessels, along with its Ketchikan facilities, an experienced local work force and longstanding relationships in Alaska.

But it is Vigor's size, strength and market reach that will allow the Ketchikan yard to weather the ups and downs of the marine market and compete in a way that it never could alone, said Beck, who also is director of regional operations for Vigor.

Land of opportunity

"Specifically, three major growth opportunities spurred Vigor to invest in Alaska: Offshore oil and gas, the northern commercial fishing fleet and the Alaska Marine Highway system," Beck said. "The fishing fleets are recapitalizing, and whether that means modernizing and expanding existing boats or building new ones, ASD and Vigor are well-positioned to service fishing companies operating in our northern waters. We're already seeing the first uptick in this type of business in the form of the longliner currently being built in Ketchikan and the refit projects taking place at Vigor's Puget Sound operations."

The company's first shipbuilding project in its new assembly and production hall in the Ketchikan yard is Alaska Longline Co.'s \$20 million-plus "Arctic Prowler," a 136-foot longliner built to fish for cod, sablefish and turbot in the Bering Sea and the Gulf of Alaska. Due for completion this summer, it is the first large fishing vessel built in Alaska to fish Alaska waters.

The shipyard holds a fleet maintenance contract for the Alaska Marine Highway System as well as maintenance contracts for vessels operated by the Inter-Island Ferry Authority and the Ketchikan Gateway Borough.

ASD also has a professional services agreement to provide the Marine Highway System with pre-construction services during the design phase of two new Alaska Class Ferry day boats.

The operator is also working to attract new business from Prince Rupert, B.C. some 100 miles farther south where the port is expanding its tug and barge fleet.

The most exciting opportunities awaiting ASD could be in the oil and gas sector.

With potentially more reserves than the Gulf of Mexico, Arctic offshore oil and gas prospects have the potential to excite explorers for many years to come.

Vigor has its eye squarely on a resurgence of energy-related activity in Alaska as vital to the entire Pacific Northwest's economy.

"Puget Sound is part of the Alaska economy," Vigor President and CEO Frank Foti has told reporters. "For every dollar spent on alternative energy, about \$1,000 is spent on oil and gas," he observed.

Vigor envisions new-build and repair opportunities resulting from increased offshore oil and gas exploration activity in Alaska. As operators such as Shell and ConocoPhillips pursue oil prospects in the Chukchi and Beaufort seas and others explore Cook Inlet and near-shore fields in the Arctic, a need for drill ships and numerous types of support vessels will arise. Such craft will include ice management vessels, anchor handlers, supply ships, shallow water landing craft, oil spill response vessels, oil tankers and oil containment barges with tugs.

The industry is expected to generate numerous right-sized projects for ASD. For example, Kenai Drilling LLC, for example, hired the company to perform maintenance and repairs on the jack-up drill rig Endeavour last fall and winter. ASD sent an "away team" of electricians and welders to Homer to prepare the rig for drilling in Cook Inlet.

AIDEA has a sizable investment in the rig, which was moved this spring to the Cosmopolitan Unit to drill an 8,000-foot well.

Alaska's resource-based economy could provide other growth opportunities such as those anticipated with development mine projects such as the proposed Bokan rare earth elements and Niblack gold mine projects in Southeast Alaska.

ASD is perfectly positioned to provide services for the extensive transportation network that mining could require, according to Beck.

"In addition to marine manufacturing, ASD/Vigor has developed heavy manufacturing capacity to provide complex assemblies and fabrications to all of Alaska's resource development sectors," he said.

Today, ASD represents about 6 percent of Vigor's total annual revenue, but the company hopes to grow significantly by taking advantage of emerging opportunities in Alaska.

"At the same time being backed by a \$500 million company will assure ASD remains one of Alaska's premier manufacturers," Beck added. ♦

Bowhead connects with new partners

Seattle-based shipper teams with Crowley, sister firms to expand services to oilfield clients and other North Slope customers

By Rose Ragsdale
Alaska-Washington Connection

Bowhead Transport Co. LLC is wholeheartedly embracing the changing business landscape in Alaska by developing new relationships such as its new joint venture with Crowley Marine Services Inc.

Seattle-based Bowhead is entering its fourth decade as provider of marine cargo transportation and the only regularly scheduled barge services to and among the seven communities on the North Slope, including Barrow and Prudhoe Bay.

Owned by Ukpeavik Iñupiat Corporation (UIC), the Alaska Native village corporation of Barrow, Bowhead was created in 1982 in response to a need for scheduled commercial village freight service to Alaska's Far North. Since its incep-

tion, the company has expanded its services and in a typical year, hauls about 6,000 to 10,000 short tons of construction materials, heavy equipment and general cargo during open-water season north from Puget Sound. And before the Chukchi and Beaufort seas ice over in the autumn, Bowhead transports another 5,000 short tons in a yearly backhaul south to the Seattle area and beyond.

Bowhead also barges lateral freight between the villages and calls at other locations on the Arctic Coast to meet the needs of government agency, military and oil and gas clients.

This year, Bowhead scheduled a tandem-tow sealift to the North Slope in June, followed by a turnaround trip south to Anchorage where its barge took on load of construction materials bound for infrastructure projects in Barrow and Kaktovik. The company also aimed to

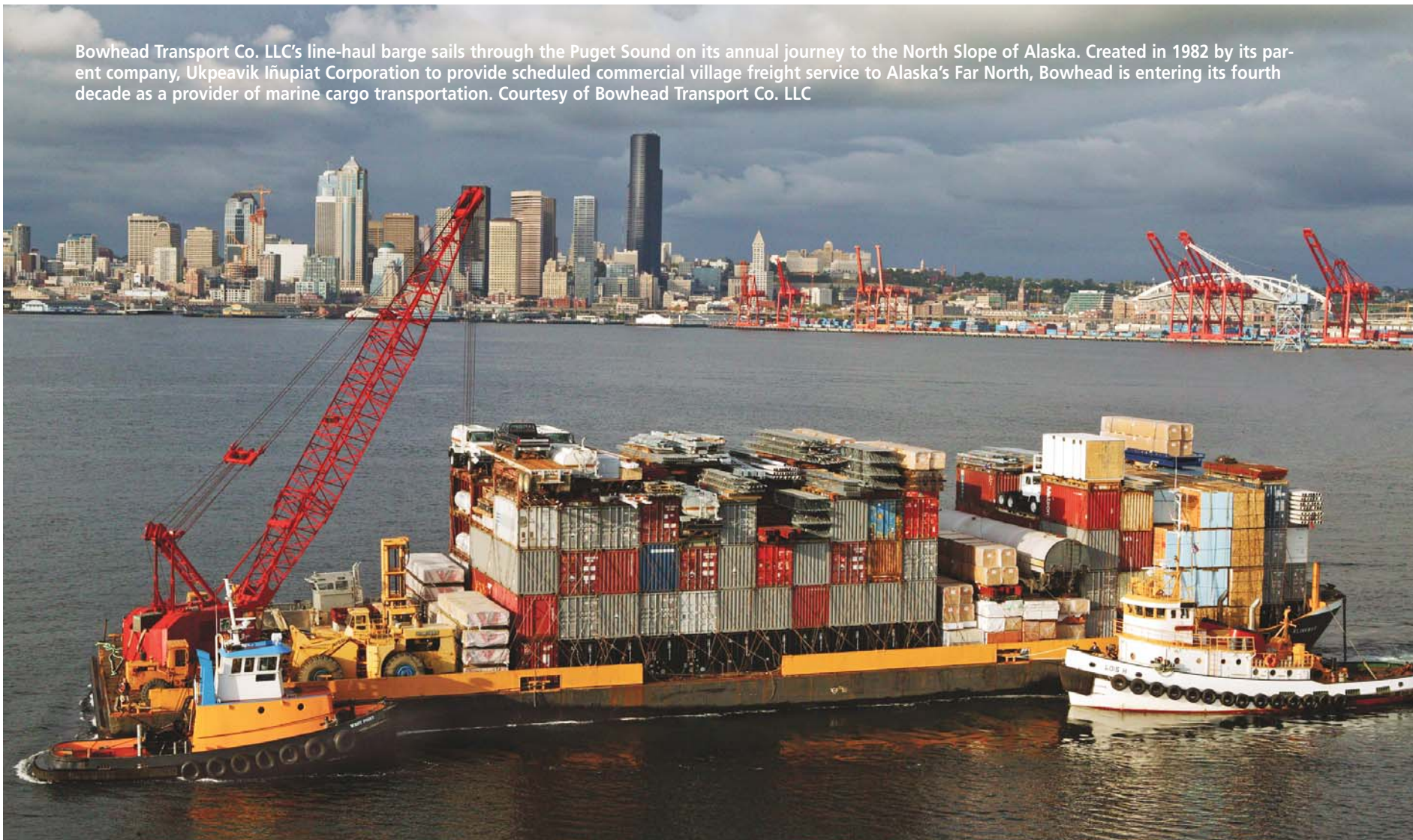
backload hazardous material, containers and other back-haul to Seattle in September.

The special cargo bound for Kaktovik included an entire barge load of foam packages in super bundles for insulating a new airport runway under construction by SKW and 70 prefabricated modules to be used mainly to construct a new hotel for Arctic Slope Regional Corp. and some housing units for UIC, said Bowhead General Manager Jim Dwight.

To support these services, Bowhead also solicited bids for construction of a 150-foot shallow draft landing craft, specifically designed for deliveries on the North Slope to complement its common carrier, project carrier and oil and gas industry services.

Dwight said the vessel will be built in a Pacific Northwest shipyard and then shipped to the North Slope. The compa-

Bowhead Transport Co. LLC's line-haul barge sails through the Puget Sound on its annual journey to the North Slope of Alaska. Created in 1982 by its parent company, Ukpeavik Iñupiat Corporation to provide scheduled commercial village freight service to Alaska's Far North, Bowhead is entering its fourth decade as a provider of marine cargo transportation. Courtesy of Bowhead Transport Co. LLC



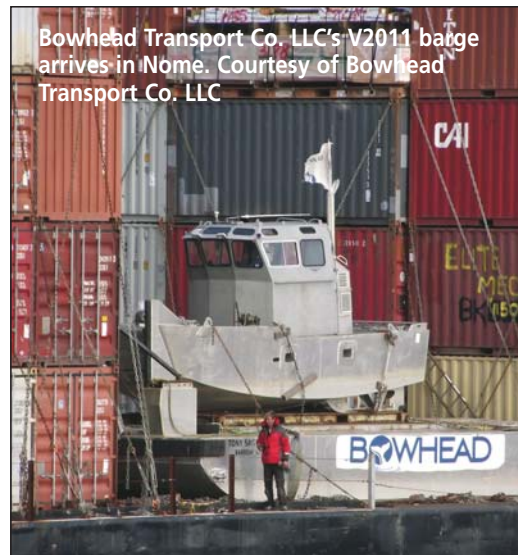
ny, meanwhile, has formed a committee to come up with an appropriate name for the new craft.

JV brings new opportunities

The Alaska-based joint venture, launched in April, operates under the name UIC Bowhead-Crowley LLC. It mainly serves Alaska's oil and gas industries by supporting their growing needs in the Arctic.

Because of the companies' strong ties to the communities in which they work, they are able to facilitate local hire and provide local expertise.

"This new partnership is really tailored to meet the needs of customers in the oil and gas; mining and minerals; and engineering, procurement and construction management industries," said Crowley Vice President Bruce Harland in announcing the JV. "Crowley has provided turnkey marine solutions in the Arctic for many years utilizing the company's diverse capabilities, assets and world-class project management skills. Our solutions team is very much looking forward to working with Bowhead to provide greater value to customers with multifaceted marine and offshore construction-



related projects."

Dwight said the joint venture enable Bowhead and Crowley to combine their respective 30 years and 60 years of experience in oil company-related marine transportation

"We decided it would be a very good fit, between our know-how, assets, logistical expertise," he said.

Dwight said the JV will provide greater efficiency, lower costs, expanded capabilities and higher value to primarily oil and gas industry customers.

Among UIC Bowhead Crowley's first

customers is ExxonMobil, which awarded the JV a three-year contract to provide services such as shuttling freight between Prudhoe West Dock and Point Thomson for ExxonMobil for pad development.

Dwight also envisions new opportunities for the JV to haul contaminated soil from military sites on the North Slope and to support remediation projects with its southbound backhaul from primarily U.S. Department of Defense-related cleanup operations all over the North Slope.

"We're looking at having the joint venture construct new-build vessels that would be owned and operated by the JV," he said.

Partners offer spill response services

Other opportunities await the JV to support services training, oil spill response, maintaining spill response equipment, pollution control and boom deployment services in cooperation with UIC Arctic Response Services LLC, another new company launched in April by Bowhead's sister company, UMIAQ.

A subsidiary of UIC Professional Services, UMIAQ partnered with OCS Ventures LLC to create UIC Arctic Response Services. UMIAQ is majority owner of the new venture. By working with OCS Ventures, the two organizations have greater reach and access to the requisite expertise, experience, and resources that effectively position the new company for future work.

The intent and objective of UIC Arctic Response Services is to ensure a fully integrated, proactive, and programmatic approach to work, which is customer focused, flexible, and designed to consistently deliver in a way that achieves the highest possible level of stakeholder confidence. Instilling stakeholder confidence is only achieved with a comprehensive oil spill prevention and response program that effectively meets the needs of the region's residents, federal and state regulators, and exploration and production companies.

Like all UIC companies, UIC Bowhead Crowley and UIC Arctic Response Services also bring training and employment opportunities to UIC shareholders, their descendants and spouses, and other residents throughout the region.

"We're cultivating new services in our existing market, and that's rather exciting," added Dwight. ♦

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By Rose Ragsdale
Alaska-Washington Connection

Opti Staffing Group continues to win accolades for the quality of its services from job candidates and the businesses that employ them.

Since it was founded 14 years ago by a small group of individuals seeking a better way to provide recruiting and staffing services, the Anchorage-based employment services firm has grown rapidly, expanding its network of offices to Washington State, Oregon and Chicago while continuing to grow in Alaska.

Today, Opti Staffing President Avonly Lokan and her partners Ron Hansen, vice president, operations, and Michael J. Houston vice president, marketing, oversee a network of six offices in Seattle, Tacoma, Chicago, Portland and Lake Oswego, Ore.

Serving a wide array of industries and a diverse pool of talent, Opti Staffing prides itself on developing long term employment solutions that prove satisfying and mutually beneficial for each party.

During the past year, the company has continued to grow at its existing locations, with staffing levels climbing 15 to 20 percent in each office.

Opti Staffing's corporate motto, "Our Success is Determined by Your Success," sums up its approach recruiting and staffing.

The company attributes its continued growth to its approach, which is uncommonly effective for nearly every job candidate and busy employer who walks through its doors.

The results are getting noticed. Opti Staffing was voted Best in Alaska for 2013 by readers of the Anchorage Daily News in the newspaper's annual survey. The firm was the runner-up twice in previous surveys.

Glowing praise

Another measure of the firm's extraordinary abilities is evident in the growing list of compliments that its staff receives.

"Opti Staffing Group is by far the best staffing agency that I have ever applied to in all my years of living in the Northwest. They do not test you, give you hope and then you never hear from them again, like most staffing agencies. They tormented me daily until I gave in and agreed to go to the potential employer interviews, which landed me very good positions," wrote on successful job candidate on a jobs networking website.

Among the testimonials posted on Opti Staffing's website: "My previous experiences with staffing agencies left me feeling like livestock, inspected for the sole purpose of collecting as many as possible to then leave to graze until the slaughter," wrote one job candidate ... working with Opti Staffing has been a refreshing experience, and I speak highly of your organization to every fellow job-hunter that I meet.

An Anchorage candidate wrote, "I visited Opti Staffing after leaving a stressful job. I had no idea what I wanted to do or



Opti Staffing Group President Avonly Lokan and Matt Cabana, the firm's branch manager in Anchorage, bask in the recognition the company has received for outstanding performance in 2013. Courtesy of Opti Staffing Group

where I wanted to work, so I didn't have any expectations. ... "They shed objective light on your resume and work history to find exactly what you are looking for."

Businesses also praise the company's efforts.

"We have been recently using Opti Staffing to fill accounting needs at our corporate facility. ... We are so satisfied; both individuals will be hired on as permanent staff members," enthused a Tacoma client.

Another client wrote, "My Opti Staffing skilled trades recruiter is remarkable! He is the best I have worked with and has exceeded our expectations in providing immediate response to our staffing needs. ... 99 percent of the temporary staff sent to us by OPTI has been hired on as permanent staff. OPTI is definitely one of our strong business partners!!"

The enthusiasm expressed by job candidates and employers reflects Opti's uncommon approach, said Houston.

"The reason we get so many compliments is that people feel like they were treated like a person," Houston said. "The No. 1 thing that sets us apart is we're long-term focused. We're not just putting people to work or finding warm bodies."

On candidate side, Houston said Opti places a lot of emphasis not just on job duties but also on corporate culture. Opti's staffers coax the candidates to discuss long-term career goals, what their goals mean to them and what is important to them besides the "ABCs of employment such as salary, title, location," Houston said.

Opti specializes in helping job candidates discern what they actually mean when they say, for example, that they want to grow with a company.

"What does 'growth' mean to them? Is it quickly climbing the corporate ladder, or is it more personal development? We focus on digging a little deeper, getting down to what makes someone successful and determining where they want to go in their career," Houston explained.

"Sometimes though, we tell people we are not their best option. We don't make placements to put a Band-Aid on something. We work for a truly good fit." ♦

Contractor brings Nu Flow to Alaska

Specialist rehabilitates failing piping systems with cost-effective, no-dig solutions using epoxy coatings and structural liners

By Rose Ragsdale
Alaska-Washington Connection

Nu Flow Alaska is rapidly building a following in the Last Frontier for its creative lining solutions for deteriorating small-diameter pipes inside buildings.

The Anchorage location is one of 300 licensees of Nu Flow in the United States, Canada and more than 50 countries on five continents.

Nu Flow rehabilitates several types of potable, drain and mechanical pipe systems in residential, commercial, industrial and municipal buildings by installing blown-in epoxy coating and Pull-in-Place structural liners.

“Nu Flow Alaska services all of Alaska,” said Joe Jaime, who heads the six-employee Anchorage office.

Jaime, a general contractor in Alaska for more than 20 years, purchased the license from Nu Flow in May 2012 for the rights to market the company’s products and services in Alaska.

“I was working on a sewer line replacement project at the VA Long Beach Hospital (Long Beach, Calif.) and encountered an area where we couldn’t replace the pipe. I searched the Internet and found a company that lined pipes from the inside without having to replace the pipe, which was Nu Flow. Once I saw how Nu Flow had epoxy lined the sewer line pipe, I knew there would be a need for this kind of application in Alaska.”

Nu Flow markets its patented technologies as being uniquely beneficial by preventing displacement, closure, disruption and destruction of pipe systems, while saving customers money, time and hassle on repairs.

Technology transfer

The company got its start in Toronto in 1998 when Cameron Manners, a plumbing technician working for his uncle, saw the potential in applying no-dig technologies used to repair large-diameter, exterior pipes to repairs of leaky and aging pipes inside buildings.



Nu Flow Alaska specializes in rehabilitating badly deteriorated small-diameter pipes in older buildings like this one on the left by installing blown-in epoxy coating and Pull-in-Place structural liners like the pipe shown on the right. Courtesy of Nu Flow Alaska

Manners founded Nu Flow Technologies, which today manufactures, installs and distributes cost-effective, green re-pipe alternatives and no-dig solutions, including epoxy coatings for potable water lines and structural liners for drain lines.

The manufacturing and distributing arm of Nu Flow makes all of its own epoxies, lining materials and certain specialty installation equipment, and provides Nu Flow licensees with materials designed specifically to solve inside-infrastructure problems.

Manners, now president and CEO of the fast-growing Nu Flow companies, holds two patents for creative lining solutions covering multiple processes and products, and has an additional patent pending.

In addition to its network of licensees, the 150-employee company has regional offices in Orange County, Calif., San Diego, Chicago, Florida, Maryland, Houston, Texas as well as Toronto.

In 2005 Nu Flow merged with American Pipe Lining to become Nu Flow America, the first and only company offering dual technologies for small-diameter pipe systems. In the process, the company acquired Seattle-based APL

Northwest.

Diverse clientele

In Washington State, Nu Flow has helped rehabilitate the interior of deteriorated or failing water piping systems. The company has completed more than \$10 million in projects throughout Washington for a variety of customers, including the Washington Housing Authority, public schools, the Boeing Co., high-rise office buildings and condominiums.

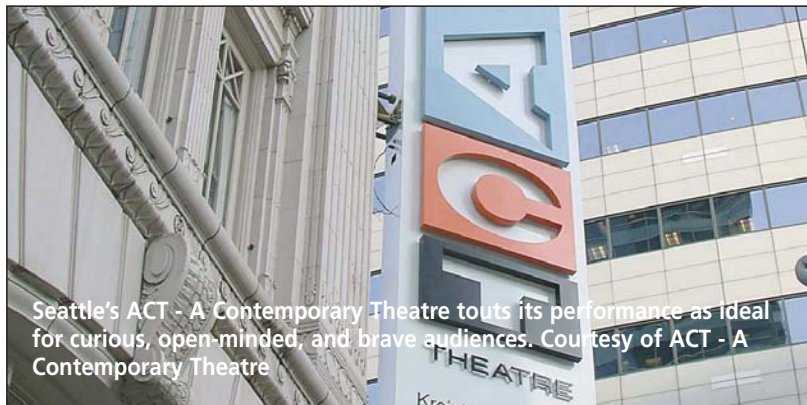
During the 15 months since Nu Flow’s innovations became available in Alaska, the company has completed projects for the U.S. Army Corps of Engineers, the University of Alaska Anchorage, the State of Alaska and Halliburton Services Prudhoe Bay, numerous condo associations and residential properties.

Nu Flow Alaska is targeting all federal and state properties, school districts, condominium associations, commercial buildings, hospitals, oil fields and mining operations.

Added Jaime “We’re working with a lot of engineering firms to help them understand the benefits of using an array of Nu Flow’s cured-in-place epoxy pipe lining solutions.” ♦

Seattle readies exciting arts season

City's theaters, ballet promise diverse lineup, from intriguing world premieres to entertaining musicals and time-honored classics



Seattle's ACT - A Contemporary Theatre touts its performance as ideal for curious, open-minded, and brave audiences. Courtesy of ACT - A Contemporary Theatre

By Rose Ragsdale

Alaska-Washington Connection

For its 2013-2014 season, Seattle's performing arts community promises a cornucopia of exciting, thoughtful and hilarious fare.

Seattle Repertory Theatre is presenting an outstanding lineup of both classical and contemporary productions, beginning with Yale Repertory Theatre's production of "The Servant of Two Masters," by Carlo Goldoni, Sept. 27 - Oct. 20, and followed by the world premiere of "Bo-Nita" by resident playwright Elizabeth Heffron, Oct. 18 - Nov. 17, and the world premiere of Sir Arthur Conan Doyle's suspenseful classic, *The Hound of the Baskervilles*, Nov. 15 - Dec. 15. The Rep will kick off the New Year with the world premiere of "A Great Wilderness," a complex and important tale by Samuel D. Hunter, Jan. 17 - Feb. 16, 2014, followed by the provocative "Venus in Fur," by David Ives, Feb. 7 - March 9, and "The Suit," based on "The Suit" by Can Themba, Mothobi Mutlootse, and Barney Simon; and music by Peter Brook, Marie-Hélène Estienne, and Franck Krawczyk, March 19 - April 6. Seattle Rep will wrap up the season with the modern American classic, "Who's Afraid of Virginia Woolf?" by Edward Albee, April 18 - May 18, and the Tony Award-winning musical, "Once" by Enda Walsh, music and lyrics by Glen Hansard and Markéta Irglová, May 27 - June 8. For more information, visit www.seattlerep.org.

Contemporary excitement

ACT - A Contemporary Theatre, touting its offerings as ideal for curious, open-minded, and brave audiences, has Sir Alan Ayckbourn, one of the most successful playwrights in modern theatre and a British national treasure, headlining its season. Ayckbourn, who has 77 full length plays to his credit, has selected an entirely local cast for the American premiere of his play, "Sugar Daddies," which will run from Oct. 4 through Nov. 3. ACT is also offering a special interview event to the public Sept. 23, between Seattle theatre luminary R. Hamilton Wright and Ayckbourn. For more information, visit www.acttheatre.org

Rip-roaring musicals

At the historic 5th Avenue Theatre, the 2013/14 season opens with a roar and a brand new musical, "Secondhand Lions," with book by Rupert Holmes and music and lyrics from Alan Zachary and Michael Weiner (Sept. 10-Oct. 6). Next up is the Broadway tour of "Anything Goes," featuring Cole Porter songs (Oct. 15-Nov. 3),

and for the holiday season, "Oliver!" based on the novel *Oliver Twist* by Charles Dickens, with music and lyrics by Lionel Bart (Nov. 29-Dec. 31). In the New Year, the 5th will present Monty Python's "Spamalot," with book and lyrics are by Eric Idle, and music by Eric Idle, John Du Prez, and Neil Innes (Jan. 30-March 2). With spring comes "A Room With a View," based on the E.M. Forster novel and music and lyrics by Jeffrey Stock, with book and additional lyrics by Marc Acito (April 8-May 4, 2014). The theater's annual collaboration with ACT will close the season with a new co-production of *Little Shop of Horrors*, with book and lyrics are by Howard Ashman and music by Alan Menken (April 12-June 29).

Festival and ballet

This summer, the Intiman Theatre is offering four plays in its popular theatre festival, with performances through Sept. 15. The featured plays are: "Trouble in Mind," by Alice Childress; *Stu for Silverton*, by Peter Duchan; "Lysistrata," by Aristophanes, and "We Won't Pay, We Won't Pay," by Dario Fo. For more information, visit www.intiman.org/plays-events/festival/.

Pacific Northwest Ballet's 2013-2014 performances will include, "AIR TWYLA," featuring PNB Artist-in-Residence Twyla Tharp, Sept. 27-Oct. 6, Kylian + Pite, Nov. 8-17, "Nutcracker," Nov. 30-Dec. 29, "The Sleeping Beauty" in Jan. 31-Feb. 9, 2014, "Pinocchio," March 16-22 "A Midsummer's Night Dream," April 11-19, "Giselle," May 30-June 8. ♦



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An aerial view of the Greens Creek Mine in Southeast Alaska. Courtesy of Hecla Mining Co.

ADVERTISERS INDEX

A

Alaska Air Cargo	44
Alaska Railroad	10
Alaska Ship & Drydock	26
Alaska Trucking Association	7
Arctic Slope Community Foundation	23
Arctic Wire & Rope Supply	30

B-F

Bowhead Transportation Co.	19
Brice Marine	16
Calista Corp.	3
Carlile	41
Cook Inlet Tug & Barge	25
Dyno Nobel Inc.	11
Futarus	43

G-M

Hecla Mining Co.	33
Kenworth Alaska	29
Lynden	2
MagTec Alaska	28

N-P

NC Machinery Inc.	42
NU Flow Alaska	32
Opti Staffing Group	8
Pac Arctic Logistics	36
Pacific Alaska Freightways	39
Pebble Partnership	12
Petroleum News	5
PNW Equipment	40

Q-Z

Saltchuck	17
Seekins Ford	21
Sophie Station Suites	3
Taiga Ventures	40
Udelhoven	22

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