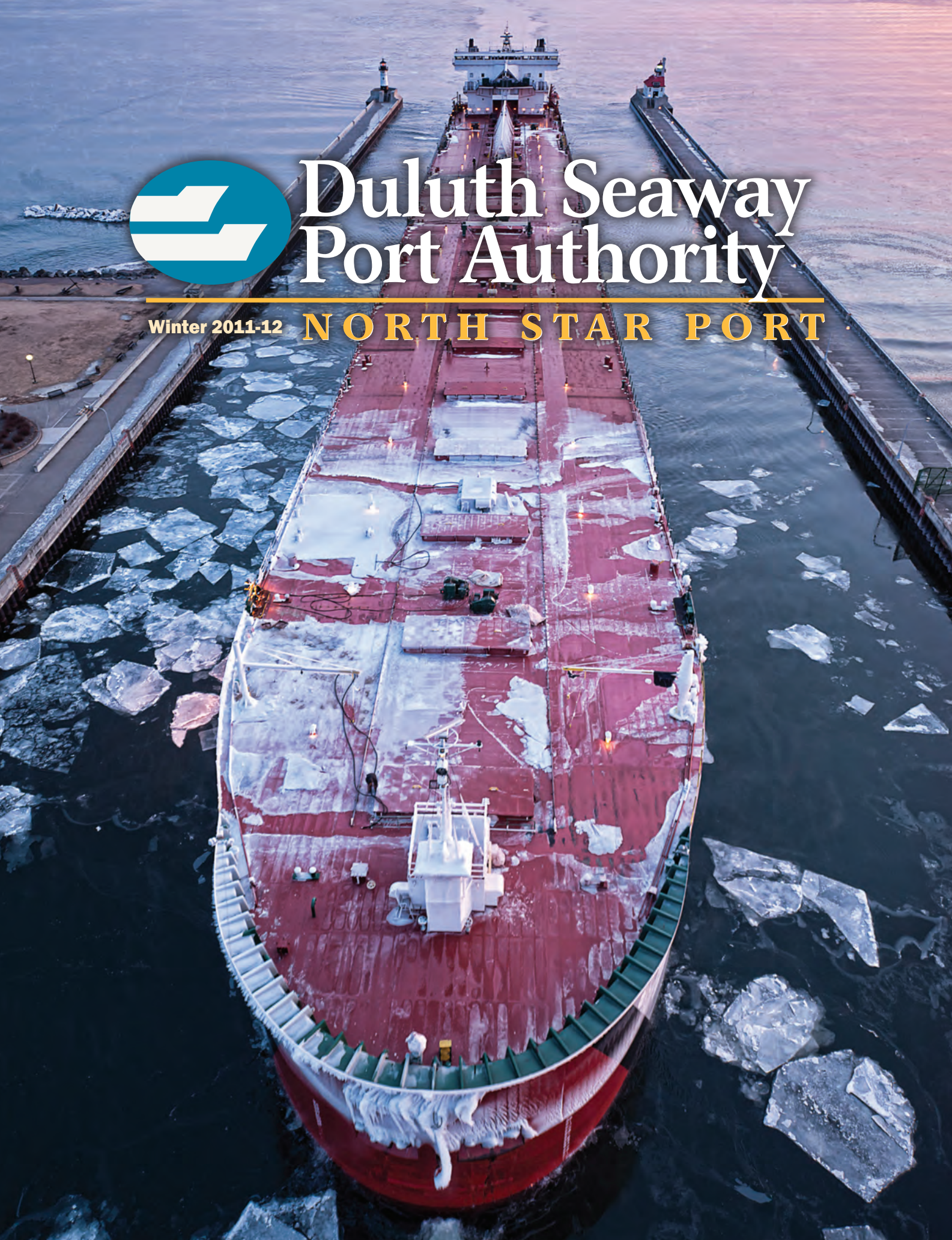




Duluth Seaway Port Authority

Winter 2011-12

NORTH STAR PORT



Reflections on 2011 and the year ahead

We're happy to report that our most recent navigation season has ended on a positive note, with plenty of activity in the Great Lakes maritime industry.

As we look ahead, there are encouraging signs that the U.S. economy



The Harbor Line
Adolph Ojard
Port Director



is recovering, perhaps even revving up. Forecasts call for modest job growth, increases in consumer spending, and strong global markets for iron ore and steel. We see so many positive signs that we've begun again to use once-familiar words and phrases in everyday conversation: significant, strong, volatile, rebounding, spiking, explosive growth, on track, accelerating.

Significant

Twin Ports Economic Impact

Following a flurry of activity focused on the release of data from the first-ever, bi-national economic impact study of the entire Great Lakes St. Lawrence Seaway, our local economic impact numbers for the Port of Duluth-Superior were released in November (Martin Associates, 2011).

To no one's surprise, the impact of the maritime shipping industry on our local/regional economy is hugely significant. Cargo shipments in and out of the Port support:

- **11,500 jobs**
- **\$545 million in wages**
- **\$156 million in taxes**
- **\$1.5 billion in business revenues**

Nearly 40 million tons of iron ore, coal, limestone, salt, cement, grain, steel, wind turbines and heavy machinery move through this Port each year, helping to keep businesses running in adjoining states and along the U.S.-Canada border.

Employment figures reported in this local study reflect not only those direct impact jobs related to moving marine cargo on the waterfront such as longshoremen, terminal employees, vessel operators, railroad workers, truckers and the like; the figures also reflect the indirect employment impacts of individuals spending their earnings in grocery stores, restaurants and shopping centers as well as marine-related companies purchasing goods and services from equipment supply companies, contractors and professional service providers.

This study used the same methodology for 32 Great Lakes ports (16 U.S. and 16 Canadian) and provides a baseline for comparative analysis and future study.

Strong

Iron Ore Shipments

Our biggest economic driver remains the iron ore mining industry of northeastern Minnesota. Throughout the Great Lakes more than 37,000 jobs are tied to the shipment of iron ore. The recently completed 2011 navigation season showed double-digit increases in iron ore shipments, and 2012 could be even stronger as Minnesota's taconite plants continue to run at full capacity and both domestic and international consumption remain strong. (A potential European recession and a slowdown in Asian manufacturing could, however, step on even the best of business plans.)

Volatility

Grain Exports

The key words in today's grain markets are: drought, floods, climate change, government programs, currency fluctuations, population growth, local pricing and quality. In 2010, the Port of Duluth-Superior and Midwestern farmers profited from disasters in other parts of the world—floods in Australia, droughts and wildfires in Ukraine. With cold, wet growing conditions in 2011, U.S. farmers themselves suffered low yields and poorer quality, which resulted in the second worst grain export tonnage year through this Port in the last 50 years. Grain is a true world commodity, trading on razor thin margins subject to multiple inputs ... you tell me what the next few years will bring.

Rebounding

Coal Shipments

Transloading raw materials in Quebec for export started with iron ore from Minnesota destined for China and Europe. That process quickly expanded to low-sulfur western coal moving through Midwest Energy in the Twin Ports and then via Quebec City to Spain and Rotterdam. Midwest Energy has orders on the books for 1.5 million tons for each of the next three years and hopes to expand that to 4 million by 2014.

Spiking

Wind Turbine Imports

With the wind energy production tax credit (PTC) expiring at this year's end and no certainty of an extension, we are starting to see a flurry of wind-related shipping inquiries and cargo

(See Reflections, Page 8)

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AAPA celebrating 100th

The American Association of Port Authorities (AAPA) is celebrating its 100th anniversary.

The AAPA represents deep draft public port authorities throughout the United States, Canada, Latin America and the Caribbean. The Duluth Seaway Port Authority is an AAPA member, and its executive director, Adolph Ojard, will chair AAPA's U.S. delegation this year. For more information:

www.aapa-ports.org
www.seaportsdeliverprosperity.org



Inside your
NORTH STAR PORT

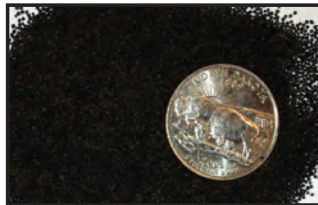
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5 A man of many boats
Duluth's Bob Hom, who never met a boat he didn't like, has lived his life on the waterfront



6 Christmas Tree Ship
With the Mac temporarily sidelined, Duluth's USCG cutter Alder served special duty



8 Innovative cargo
In December the Port received bags of beads designed for use in drilling oil wells

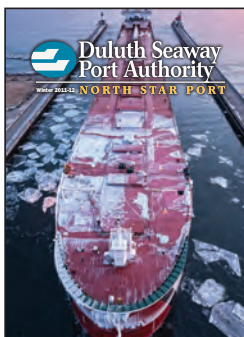


9+ 2011: It's a wrap
This view of the 1,000-foot Edwin H. Gott brings our season review to a fitting end



18 By any name, venerable
How a Navy oiler launched in 1942 became a sister ship to a Great Lakes 1,000-footer

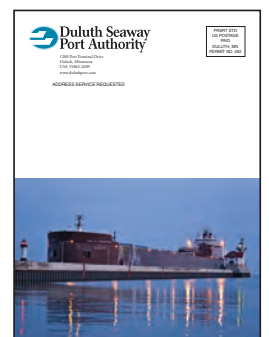
On the covers



Robert Welton

On the front:
The last laker in, the Edwin H. Gott, arrived just after dawn on Jan. 18 for winter layup at the Port Terminal.

On the back:
With a virtually ice-free Duluth Entry, the Paul R. Tregurtha glided into the Twin Ports on Dec. 18 to load coal at MERC.



Robert Welton

Giant rail car bids farewell to Duluth

When the 36-axle Schnabel (“sh-NAH’-bul”) car moved out of Duluth on Jan. 4, the Twin Ports bid farewell to a piece of history. A giant piece.

The unique rail car – the largest in the world – had been headquartered in Duluth on the Port Authority’s Clure Public Marine Terminal for 25 years. Chartered periodically to make heavy-haul moves to Canada and the U.S., the Schnabel car always came home to Lake Superior Warehousing Co. in Duluth for storage.

With it came William Bingman, known affectionately as the “Schnabelmeister,” the crew chief who’s been with this railcar since it was first put into service three decades ago.

The car, built in 1980 in what was then West Germany, has a hauling capacity of nearly 1.8 million pounds. Empty it is 232 feet long, with a maximum loaded length of 350 feet. To redistribute weight and better position equipment to fit through tunnels, under bridges and around curves, the car is equipped with hydraulics that can shift the load up to 44 inches vertically or up to 24 inches either side of center.

Today, the specialty railcar is

owned by Westinghouse Electric Company.

After leaving Duluth, the car went to Chicago then on to New Castle, Pa., where it is undergoing structural

modifications to re-enter service this spring and start delivering steam generators and reactor vessels to nuclear plants being built in South Carolina and Georgia.

Thanks, Duluth!

While stationed here, the Schnabel car was deployed on several occasions in delivering huge cargoes. The move in 1987 was a record-breaker. That’s when the Port handled a shipment of five huge reactor vessels from Japan headed to Regina, Saskatchewan. Four were over 80 feet long, each weighing 750 tons; a fifth was 50 feet long and weighed 450 tons. The size precluded making the move directly to the Canadian West Coast and over the Canadian Rockies.

For over four years, logistics experts worked to put together a water/rail route that became a classic example of ingenuity. The crane lifts were the largest and heaviest ever completed on the Great Lakes. They were also the largest shipments ever handled by the Burlington Northern and Canadian Pacific Railways. The Schnabel car weighed 1,250 tons fully loaded; the full unit loaded measured longer than a football field.

The car was loaded twice more in Duluth in 1990 and again in 2005.

The Port of Duluth is selected for heavy lift cargo for a number of reasons, among them geographic proximity, dock strength and rail and highway access.

Schnabelmeister Bingman couldn’t say enough good things about the Twin Ports on his last trip: “My message to shippers is simple. If you want your freight handled properly and efficiently ... bring it through Duluth!”



‘Schnabelmeister’ William Bingman says goodbye with a sign and a smile.

DSPA

The Schnabel car, here moving a cargo in December 2005, comes complete with 36 axles.

A man of many boats

By Ken Newhams

When Bob Hom was eight years old, he removed the working parts of a cabinet radio, patched the holes with roofing tar and launched his first boat into the Duluth harbor from his backyard on Park Point. The boat lasted three days before the veneer peeled off and the craft disintegrated.

Hom is still building and launching boats, but now for his grandchildren, the offspring of his daughters Keely and Amy.

Keely delivered her first child, a son named Rory, last November. In return, Bob delivered a “cradle boat” for Rory. Amy is pregnant now with her first child, who will probably get an heirloom (previously used) cradle boat. “Each grandchild does not need their own cradle boat, but by age three, they certainly need their own row boat,” says Grandfather Bob.

Hom’s career might have been devoted to building boats, but in 1976 he met a receptionist at the Duluth Entertainment Convention Center. The DECC was hosting a KISS rock concert and the administration asked Peggy the receptionist if she knew anybody who could help set up the concert hall. “Why not ask Bob?” she responded, thus launching a 33-year career at the DECC for Bob and



Peggy Hom

Bob Hom rows, rows, rows his boat with daughters Amy (aft) and Keely (fore) when they were 8 and 10.

further cementing the relationship between Bob and Peggy. A year later, they were the first couple married on a Vista Fleet boat.

Hom’s first job with the DECC was unloading equipment from the KISS trucks, and he was soon promoted to the stage crew. Before long, he was second in command at the growing entertainment complex on the Duluth harbor, not far from where he launched that first boat years earlier.

The DECC has benefited from Bob’s maritime background. The DECC operates the *William A. Irvin*, retired from the Great Lakes Fleet, as a tourist attraction. The dock at the back of the DECC hosts a wide variety of vessels, including most visiting Coast Guard ships, research vessels such as the *Kiyi* and the *Lake*

Guardian and cruise ships such as the *Columbus*. In recent years, most of the touring Tall Ships® have moored at “Bob’s dock” at the DECC.

The DECC held a retirement party for Hom last year. When the party was over, Bob boarded the *Zenith City*, the 34-foot boat he built in 2006, and sailed off into retirement. First on the agenda for Bob and Peggy was a cruise on the schooner *American Eagle* out of Rockland, Maine.

Now back from that, Hom continues working as a deckhand and sometime engineer on the tugs operated in the harbor by Heritage Marine as well as overlooking his growing fleet of cradle and small rowboats.



Ken Newhams


Bob Hom built the *Zenith City* and sailed her into retirement.



Ken Newhams

Peggy and Bob Hom, aboard the USCG cutter *Alder*.

Ken Newhams is the founder of *Duluth Shipping News*. Visit www.duluthshippingnews.com.



The Coast Guard Cutter *Alder* is escorted by a boat from the Chicago Fire Department as the cutter prepares to moor at Chicago's Navy Pier on Dec. 2, 2011. *Alder's* crew was acting as Chicago's "Christmas Ship," delivering more than 1,000 trees from northern Michigan to be distributed by charity groups to Chicago-area families.

Alder delivers a special cargo for Christmas

A grand tradition that dates back to the late 1800s was honored once again in 2011 when the Duluth-based U.S. Coast Guard cutter *Alder* delivered a load of Christmas trees to underprivileged families in Chicago.

For years, brothers August and Herman Schuenemann — sons of German immigrants to Chicago — had sailed to northern Michigan to pick up 300 to 400 tons of freshly cut evergreens. The brothers then sailed their Yuletide cargo to Chicago, where thousands waited in eager anticipation. Many trees were sold on the spot as customers boarded the "Christmas Tree Ship," which would dock on the Chicago River at the Clark Street Bridge. The Schuenemanns also graciously donated many trees to poor children of the city.

August perished in 1898, when his ship, bearing Christmas trees, went down in a November storm. All aboard were lost. Brother Herman, who had stayed behind that year to watch over his wife and their newborn twins, was determined to carry on the tradition. He did so until 1912, when he, too, died along with his entire crew when his three-masted schooner *Rousse Simmons* was battered by another storm and also driven to the bottom of the lake. The brothers' survivors, however — widows and daughters — honored the work of the gallant captains for over two more decades before times changed and the Christmas Tree Ship was relegated to the past.

But not forever in the past. In 2003, some Windy City charities and the city's marine community teamed up with the Coast Guard to revive the tradition, and the cutter *Mackinaw* became the new Christmas Tree Ship (now the Chicago Christmas Ship).

Beginning that year, more than 1,000 trees have been distributed annually to families that might not otherwise have had the means to purchase one.

The *Mac* continued in that role until 2011, when she was dispatched to Superior's Fraser Shipyards for repairs to a bowthruster seal. With that, in stepped the *Alder*, which performed seasonal buoy retrieval duties in addition to picking up and delivering Christmas trees to Chicago. The Coast Guard motto *Semper Paratus* (Always Prepared) comes to mind.

The *Alder* delivered her trees on Dec. 2, and a treasured holiday tradition was honored for another year.

After tying up in Chicago, *Alder's* commanding officer, Capt. Mary Ellen Durley, delivered a short speech. In an email to this magazine, she said, "Hopefully my words will help you understand how honored and privileged the crew and I felt to do this humanitarian mission." Some passages from that speech:

"We know there is no better way to serve others than to see the bright smiles and happy faces of children, knowing that they will have a Christmas tree in their home to cele-

brate this joyous season! The crew and I feel privileged to carry on the tradition of delivering trees to the city of Chicago for the holiday season, just like Capt. Herman Schuenamann of the *Rouse Simmons* and other vessels did in the 1900s.

“With the outstanding logistics coordination of Capt. George Lisner, *Alder* sailed with 49 crew from our homeport of Duluth and loaded the trees in Sault Sainte Marie, Mich. ...

“The crew packed and wrapped the trees you will take home today with great care, making sure they were protected ... during transit. ... The trees on *Alder’s* deck will go to families, possibly some who have never had a tree before and will have a tree this year, planting the seed for a new family tradition.

“Years from now, the sight and scent of a Christmas tree will evoke the warm memories for those kids who will have received their first tree in 2011.”

In her email, Durley explained, “We loaded the trees in Sault Sainte Marie, and we had approximately 800 trees aboard. The rest of the [1,000] trees were shipped in a semi-truck to meet us at the pier in Chicago.”

There, Durley met some recipients at the event stage. “I helped hand out three trees with the aid of my crew to a little girl with her family and another little boy and his family. Both children’s eyes lit up, and [they] said, ‘Thank you for delivering my tree.’ The families were very appreciative and shook our hands and took pictures with us.”

Recommended reading: *The Historic Christmas Tree Ship / A True Story of Faith, Hope and Love*; by Rochelle Pennington; © 2004. Some information in this story was drawn from the book.



Former *Sundew* skipper plays key role in drama

On Jan. 15, the socked-in western village of Nome, Alaska, received desperately needed, life-saving supplies of fuel oil and gasoline.

The successful mission, reminiscent of the famed serum run of 1925, paired an unlikely couple of vessels — a U.S. Coast Guard cutter, the *Healy*, with a Russian tanker, the *Renda*. The story of the vessels’ battle through miles of two-to three-foot ice was dramatic enough in its own right. Making it even more fascinating for folks thousands of miles away in Duluth-Superior was the fact that the heroic tale featured a woman who at one time was one of their own.

The commanding officer of the *Healy* is none other than Capt. Beverly A. Havlik, a former skipper of the USCG Cutter *Sundew*. Havlik took command of the *Sundew* in June 2000 and served in that capacity for about three years.

Alaska’s lieutenant governor, Mead Treadwell, was among the high-ranking public officials and Coast Guard personnel who greeted the crew of the *Healy* in Nome upon their arrival. “Like the 1925 Serum Run, this voyage captured the attention of the world,” Treadwell said.

While still aboard the *Healy* and plugging away to break a path for the *Renda* and her cargo, Havlik spoke on the air with National Public Radio. During that conversation, Havlik said, “The ice is a pretty dynamic force. It moves constantly. There’s always forces from the outside against the ice edge. Plates will move and then press against *Renda*. We have the horsepower to power through and come back and make a relief path alongside the ship and release the pressure. So we get back into the track that we’ve just made, and they could follow along behind us again.”

The fuel was pumped to shore in a few days and then the *Healy* was tasked with taking the *Renda* south to open water. With that complete, the cutter could head home to Seattle, which the crew hadn’t seen for more than eight months.

Innovative cargo comes to Duluth

Thousands of bags of tiny ceramic beads represented the latest innovative cargo at the Port of Duluth's Clure Public Marine Terminal in December.

The beads are definitely not the kind you'd use to decorate your moosehide mukluks. Instead, the beads are designed to serve as a proppant for fracking in the oil patch of North Dakota.



Tiny beads could play a big role in oil drilling.

uses water, a proppant and chemicals.

Fracking's pressurized fluids fracture the shale and free the oil and natural gas. The *proppant* holds fissures open to allow the petroleum to flow more freely out of the deposit.

The first proppants used in fracking in North Dakota were grains of natural sand, much of it from pits in Wisconsin and Minnesota.

But now come the tiny ceramic beads — extremely hard and uniform in size and looking much like poppy

seeds — as what might be the next generation of proppant materials in North Dakota's Bakken Deposit.

Without fracking, the vast Bakken Deposit that lies under much of North Dakota, Montana and Saskatchewan would not be fueling the current oil and gas boom that has created thousands of jobs and nudged the U.S. a step closer to energy independence.

The beads that arrived in Duluth on Dec. 4 were shipped from Ust-Luga, a Russian port on the Baltic Sea, aboard the *Moezelborg*, a Wagenborg vessel.



The cargo of ceramic beads arrived in Port on Dec. 4 on board the *Moezelborg*.

Robert Weiton

Reflections, from Page 2

bookings as the wind developers are targeting December 2012 to complete current and proposed projects to take full advantage of the PTCs.

Explosive North Dakota Oil

New technologies have turned the trend of dwindling oil and gas production into an economic boom. In July 2011, the Bakken Deposit (see story above) yielded 424,000 barrels a day versus Prudhoe Bay's 453,000 in Alaska. This accelerating growth has spilled over into our Port as new opportunities are developing to service the oil and gas industry. Additionally, the surge in natural gas supplies

is moving the maritime industry to evaluate the use of Liquefied Natural Gas (LNG) as a potential low cost, low emission fuel source for ships. In February, the Great Lakes Maritime Research Institute will sponsor a two-day seminar in Cleveland to explore issues surrounding the development of LNG propulsion throughout the Great Lakes-Seaway system.

On Track Great Lakes Recapitalization

In the past few years we have seen the repowering of four U.S.-flag Great Lakes ships; additional repowering and ship renewals are in the works for this winter's layup. Lakes-wide, more than \$75 million will be spent on

56 lakers during winter layup. When the fleet returns to service this spring, it will welcome a new, 740-foot self-unloading barge capable of carrying 38,000 tons of cargo. Also joining the fleet will be an integrated tug/barge unit that previously worked the Gulf.

In 2011 our Canadian partners christened the *MV Algoma Mariner*, the first new-build in 25 years, and announced the construction of an additional 10 ships to be commissioned for Great Lakes service. More announcements are in the works. These are long-term investments in the future of the maritime industry and the Great Lakes regional economic revival.

Keep watching the markets. Our maritime stock may be rising in 2012.

Duluth-Superior — 2011 at a glance

Duluth News Tribune / Steve Kuchera



Lynn Wegner

The *Erieborg* (L) was the Port's last outbound oceangoing vessel, departing on Dec. 19 beneath Duluth's Aerial Lift Bridge. The *Mesabi Miner* arrived on Jan. 17 for winter layup at the Superior Midwest Energy Terminal.

And the last shall be first

Notable 2011 passages

First Laker out	3/17/12	<i>James R. Barker</i>
First Laker in	3/26/11	<i>Paul R. Tregurtha</i>
First Grain out	4/07/11	<i>CSL Mapleglen</i>
First Salties in	4/11/11	<i>Federal Leda</i>
Last Salties in	12/18/11	<i>Erieborg</i>
Last Salties out	12/19/11	<i>Erieborg</i>
Last Laker out	1/16/12	<i>Canadian Transport</i>
Last Laker in	1/18/12	<i>Edwin H. Gott</i>

Put 'em to bed

Eight lakers in Port for winter layup/maintenance

VESSEL	ARRIVAL	CARRIER	BERTHING LOCATION
<i>John J. Boland</i>	1/5/12	American Steamship Co.	Fraser Shipyards
<i>American Spirit</i>	1/7/12	American Steamship Co.	Garfield Dock C
<i>American Century</i>	1/10/12	American Steamship Co.	Elevator M (<i>Superior</i>)
<i>Walter J. McCarthy</i>	1/12/12	American Steamship Co.	Enbridge Dock (<i>Superior</i>)
<i>Roger Blough</i>	1/14/12	Key Lakes/Great Lakes Fleet	Port Terminal Berth 4
<i>John G. Munson</i>	1/16/12	Key Lakes/Great Lakes Fleet	Fraser Shipyards
<i>Mesabi Miner</i>	1/17/12	Interlake Steamship Co.	Midwest Energy
<i>Edwin H. Gott</i>	1/18/12	Key Lakes/Great Lakes Fleet	Port Terminal Berth 1

Note: Also in Port are the *American Victory* and *Edward L. Ryerson*; they did not sail in 2011 and remain in layup at Fraser Shipyards.



The *John J. Boland* arrived on Jan. 5 and moved into Fraser Shipyards for maintenance.

Robert Welton



The *Great Republic* takes on a late-season cargo of iron ore pellets at Duluth's CN/DMIR dock.

Odd winter puts a wrap on

To say that this has been an unusual winter in the Twin Ports is an understatement of epic proportions.

Temps 15 degrees above normal; a record high of 47 degrees on Jan. 10; no snow on the ground to speak of, and nearly ice-free conditions in the harbor and across Lake Superior.

A meteorologist noted that more snow had fallen in Midland, Tex., than in Duluth-Superior. As of mid-winter we had received just 12 inches of snow compared to averages this time of year closer to four feet.

True, Arctic air masses did force temps to the deep-freeze for a couple of weeks at the end of January, but nothing hampered the end of the 2011 shipping season — a season extended

three days by the U.S. Army Corps of Engineers, keeping the Poe Lock at Sault Ste. Marie open through Jan. 18.

The extension, milder weather and minimal ice cover helped U.S. and Canadian lakers catch up on cargo movements that had been delayed by gale-force winds on the Lakes toward the end of the season. “The extension was not about moving additional cargo,” noted Adolph Ojard, Port Authority executive director, “but about making sure that orders already on the books could be fulfilled.”

Overall tonnage totals for the Port of Duluth-Superior were a bit below average.

Grain shipments were down over 40 percent from the grain surge in 2010, reflecting a shift in world grain prices as Russia lifted its export ban and favorable growing conditions in Australia and Canada added to abundant global supplies. Likewise, a difficult growing season in Minnesota and North Dakota took its toll on wheat farmers — a 180-degree pivot from the previous year.

Similarly, **coal shipments declined**, topping just over 14 million tons for the 2011 shipping season. That was about 20 percent behind both the previous season and the five-year average. The decline was triggered in large part by Canada’s transition



Robert Welton

an up-and-down season

from coal-burning power plants to natural gas and renewables. However, Midwest Energy Resources Company sought new outlets for its excess capacity, entering the world coal market with over 1.5 million tons in exports to customers in Europe. Additional orders are on the books for each of the next three years.

Limestone, salt, cement and general cargo tonnages all stayed on track.

Iron ore rocketed to the top of the charts this shipping season, providing a bright spot in this otherwise less-than-average year. Buoyed by a 17 percent increase in iron ore ship-

ments, the Twin Ports ended the 2011 season at just over 37 million short tons of cargo — off 7 percent from 2010.

Mark Erickson, CN port manager/Duluth ore docks, said in the Nov.-Dec. 2011 *Duluthian* magazine, “Right now, things are looking really good for the mining industry. And that positively affects our business. At our ore docks in Duluth and Two Harbors, we hired 35 more people within the last two years. Tonnages are also up at both our facilities compared to 2010.”

He added, “We’re at our maximum capacity now and are planning how to meet future demand.”

The Port’s Ojard said, “All in all,

we had a good year. And, while it’s too early to speculate on grain, the outlook for 2012 is just as strong if not slightly better. We expect to see more general cargo, with 10 shipments of wind components and other heavy lift units already on the books. Iron ore shipments mirror both demand in the steel industry and pellet production on Minnesota’s Iron Range. Absent any major changes in the world economy, the plants will continue to run at maximum capacity. With other mining-related facilities projecting increases in production, the 2012 shipping season should be steady and strong.”

A fond look at the season's close

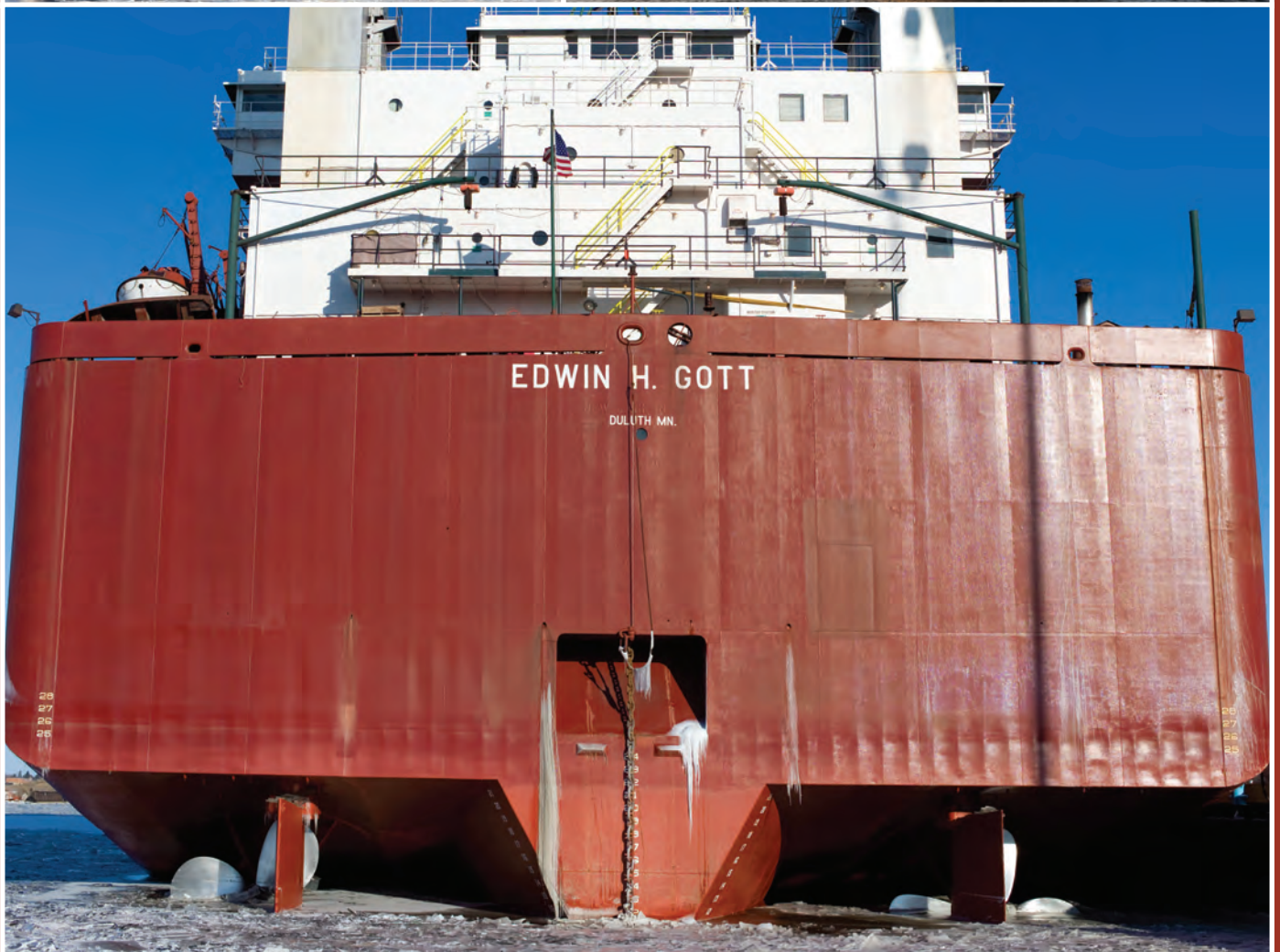


Photo credits, top row from left: Dennis O'Hara, Carole Lent, Diane Hilden; 2nd row from left: Travis Chadwick, Robert Welton; bottom: Ken Kollodge

And that's the end

Dahlberg joins Board

Chris Dahlberg has been appointed by the St. Louis County Board to a six-year term on the Duluth Seaway Port Authority Board of Commissioners, effective Jan. 3, 2012. Dahlberg, who was elected to the St. Louis County Board in 2008, served as a member of the Duluth City Council from 1992 to 1994. President of the Dahlberg Law Office, P.A., he is a graduate of the University of Minnesota Law School, with degrees in public policy from the University's Humphrey Institute, political science from the University of Minnesota Duluth and in Mandarin from the Defense Language Institute in Monterey, Calif.



Chris Dahlberg

Dahlberg has been a member of the U.S. Army Reserves for 23-plus years. He currently holds the rank of major and is with the Brigade Judge Advocate attached to the 330th Medical Brigade, Fort Sheridan, Ill. He served in Baghdad in Operation Iraqi Freedom in 2004-05. Dahlberg is also active with several Duluth civic and business organizations.



DSPA

Federal Leda – 2011's early bird.

First Ship Contest – make your predictions

Put on your prognosticator's hat and predict when the first ocean-going vessel, or "saltie," of 2012 will arrive in the Twin Ports. Each spring, Visit Duluth and the Duluth Seaway Port Authority co-sponsor a popular First Ship Contest. Prizes include a Duluth Getaway with great accommodations, delicious meals and tickets to local attractions. Check out www.visitduluth.com for contest rules.

The first saltie of 2011, *Federal Leda*, passed under the Duluth Aerial Lift Bridge on April 11 at 07:10:11.

Around the Port

2012 Port calendar captures unique perspective

Few people get to experience the thrill of viewing Duluth's Aerial Lift Bridge from atop a 1,000-footer, but that is where Patrick Lapinski captured the image featured on the 2012 Duluth Seaway Port Authority calendar. Lapinski shot the winning photo from outside the pilot house of the *Indiana Harbor* as she passed beneath the

iconic bridge on August 11 of last year.

Photographer and historian Lapinski has been covering the Great Lakes maritime industry for more than 30 years. He recently authored *Ships of the Great Lakes: An Inside Look at the World's Largest Inland Fleet*, published by Iconogra-



fix, Inc. He also is a regular contributor to *North Star Port*, *Lake Superior Magazine* and numerous other Great Lakes-related publications. For more on his work, visit: www.inlandmariners.com.

Of his winning calendar image, Lapinski said, "The *Indiana Harbor* was the first ship I was privileged to take a trip on, and over the years I have gotten to know many of the crew and officers that have sailed on it. This particular trip, arranged with the vessel's captain and the front office of American Steamship Co., was taken to document some of the aspects of the low-sulfur coal trade."

Lapinski grew up in the North End of Superior, which in those days was always full of ships and sailors. Later, as his interest in photography grew, he found that he was drawn to what he calls "the symmetry and balance of ships."

2012 cruise news — *Yorktown* is coming

Attention, cruise lovers! Travel Dynamics International is offering two cruises this summer between Duluth and Detroit aboard the luxury liner *Yorktown*. The 257-foot vessel boasts a large sun deck, spacious lounge, large picture windows, a cuisine of American regional culinary specialties and 69 exterior cabins. The “Great Lakes Grand Discovery — The Best of the Inland Seas” cruise itinerary will transport passengers through Lake Superior, Lake Michigan and Lake Huron to experience the Apostle Islands, Keweenaw Peninsula, Pictured Rocks National Lakeshore, Whitefish Point, Mackinac Island, Manitoulin Island, the Soo Locks and much more. Cruise dates are July 21-August 1 (Detroit to Duluth) and August 1-11 (Duluth to Detroit).

Visit www.traveldynamics.com.

Gales of November benefits LSMMA

Gales of November, an annual event in Duluth that celebrates all things maritime, helped raise funds for the Lake Superior Marine Museum Association. The silent auction at Gales raised over \$5,000 to support the Lake Superior Maritime Visitor Center. Gales featured tours, topical breakout sessions, a mini trade show, a silent auction and a “Cruise of a Lifetime” raffle for a trip this summer aboard the *Edwin H. Gott*. This year’s Gales will be on Nov. 2-3.

Kron leaves board after 20 years of service

An extraordinary term of service ended on Dec. 31, when Duluth Seaway Port Authority President Bill Kron’s time on the board came to a close after 20 years.

Kron’s tenure, which made him the longest-serving commissioner ever, dated back to 1992, when he was first appointed to the Port Authority by the St. Louis County Board. Though he left the county board in 2008 (after a notable 32 years of service), Kron retained his seat on the Port Authority board. At the Dec. 15 board meeting, Kron was recognized for two decades of service to the maritime community — the last 10 as board president.



Bill Kron

DSFA

Twin Ports Ministry rolls on with new vans

Shuttling visiting mariners from their ships to appointments, stores and services at the Seafarers Center in Duluth just got easier for staff members and volunteers with the Twin Ports Ministry to Seafarers. The organization received funding to purchase two passenger vans, replacing vehicles that were old and unreliable.

The Duluth Seaway Port Authority and other local organizations submitted letters of support that helped the Ministry secure a grant from the International Transport Workers’ Federation (ITF) Seafarers’ Trust. The ITF funding combined with



Generous financial support made the Seafarers Center van go.

Seafarers Ministry

local contributions enabled the purchase of a 2009 15-passenger van, a second van and additional equipment that makes wireless Internet available on vessels docked at various terminals.

The Ministry to Seafarers and its Seafarers Center welcome mariners to the Twin Ports and provide them with hospitality, refreshments, recreation, clothing, emergency housing and access to communications.

The Twin Ports Ministry to Seafarers will host its *Blessing of the Port* at 4:30 p.m. on March 22 at the Lake Superior Maritime Visitor Center in Duluth’s Canal Park.

Study explores natural gas as Great Lakes fuel

Could steam-propelled vessels convert to natural gas as their primary fuel? The Great Lakes Maritime Research Institute (GLMRI) will study that question and other issues related to maritime transportation through an agreement with the U.S. Department of Transportation, Maritime Administration (MARAD).

One study will analyze issues associated with steamship conversion to natural gas. Another will explore the liquefied natural gas (LNG) supply chain needed to support the fleet's fuel demand. No commercial vessels powered by natural gas now operate on the Great Lakes, but Norway has operated natural gas-powered ferries for more than a decade. Quebec's passenger-ferry service STQ has announced the construction of three new dual-fuel (diesel/LNG) ferries for Gulf of St. Lawrence service.

GLMRI is also working with the Lake Michigan Carferry Service and engineering experts to use the SS *Badger* as a demonstration project. The *Badger* is the last coal-fired steamship operating in the U.S. It sails daily between Manitowoc, Wis., and Ludington, Mich., from mid-May through mid-October. The EPA has given its operators until the end of the 2012 sailing season to stop discharging coal ash into Lake Michigan. A successful conversion to natural gas could make the *Badger* one of the cleanest, greenest vessels operating on the Great Lakes.

Kudos to Lake Superior Magazine

Congratulations to *Lake Superior Magazine*, a Duluth-based regional publication that celebrates the beauty of



this region and the maritime heritage of the Twin Ports and Duluth's Great Lake. The magazine won 15 awards at the Minnesota Magazine and

Publishing Association's annual awards program in November, including a Gold for Overall Excellence.

Bentleyville brightens working waterfront



Paul Scinocca

Duluth's Aerial Lift Bridge and visiting vessels, like the Canadian-flag *Algosteel* and two others at anchor — the *Lake Ontario* (left) and the *Zelada Desgagnes* — provided a brilliant backdrop on Dec. 9 to the 2011 Bentleyville "Tour of Lights." Billed as the Midwest's largest holiday light display, Bentleyville illuminates Duluth's Bayfront Park each year with nearly 3 million holiday lights and elaborate displays that include a 128-foot steel tree. The free attraction draws thousands of visitors to the downtown waterfront district. Bentleyville is funded through individual donations and corporate sponsorships.



Sarah and Justin Steinbach

Vista Fleet has new owners

One of Duluth's most popular waterfront attractions has been sold to a local couple with ties to the hospitality industry. Justin and

Sarah Steinbach purchased the Vista Fleet in December 2011, taking over operations from Duluth-based ZMC Hotels. Justin Steinbach had been general manager of the Edgewater Resort and Waterpark, and Sarah Steinbach had been the Vista Fleet's assistant general manager and director of sales. The couple plans to continue operating the fleet's *Vista Star* and *Vista Queen* excursion boats from the fleet's current location behind the Duluth Entertainment Convention Center and increase the number of cruises.

New managers at BNSF in Superior

After nearly five years as BNSF Railway's terminal manager and manager at the Allouez Taconite Facility, Stan Ujka has moved to BNSF's headquarters in Fort Worth and is now the manager of Planning & Development for the company's Agricultural Prod-

ucts Business Unit. Following Ujka's move, BNSF split his duties. Elmer Sadlowsky is the new BNSF terminal manager in Superior, and Joe Buel is manager of the Taconite Facility. Before taking on the duties at Allouez, Buel was a value stream manager/maintenance supervisor with Cooper Power Systems in Waukesha, Wis.

Slade joins MEP

The Minnesota Environmental Partnership (MEP) has hired Andrew Slade of Duluth as its Northeast Program Coordinator. Slade, an educator, naturalist and author, has long been active in North Shore environmental issues. He is the former executive director of Sugarloaf: The North Shore Stewardship Association and before that served as director of education at Great Lakes Aquarium.

MEP is a coalition of 80 conservation and environmental organizations working to protect and restore the state's natural resources.

Port Passings

Michael Colalillo, 86, of Duluth, Minnesota's last Medal of Honor recipient, died on Dec. 30, 2011, in Duluth. He served in the U.S. Army during World War II and was awarded the Medal of Honor by President Harry S. Truman for his heroic actions during combat. In addition, Colalillo received a Silver Star, two Bronze Stars and a French Campaign Ribbon.

After the war Colalillo returned to Duluth and was employed by Interlake Iron Works Company. He served as the Clure Public Marine Terminal warehouse foreman from 1968 until his retirement in 1987. He was originally appointed foreman by port director David Oberlin when the warehouse was operated by the Port Authority.

Colalillo was retained as foreman by two companies that managed the terminal in subsequent years beginning with Ceres, Inc., in 1969 and continuing with North Central Terminal Operators, Inc., from 1977 to 1987.

He was preceded in death by his wife, Nina. He is survived by a son and daughter, two grandsons and three great-grandchildren and two sisters.

Ingrid Wells, who broke new ground for women in the Northland in her service as president of the Seaway Port Authority, as Duluth's acting postmaster and in a variety of leadership roles in the Democratic-Farmer-Labor Party, died on Jan. 6, 2012, at the age of 99. She was appointed postmaster in

Duluth in 1963 and served in that role for nearly two years.

Wells was appointed to the Port Authority in 1976 — the first woman to serve in that role — and became president in 1979. She served on the Port Authority Board until 1990.

Named 1984 Port Cities Woman of the Year, Wells also served on Duluth's Planning Commission and had leadership roles with the Voyageurs National Park Association. That group pushed successfully for the creation of the national park along the Canadian border.

Wells is survived by three children, nine grandchildren and seven great-grandchildren.

Mac makes a pit stop for repairs at Fraser

The U.S. Coast Guard Cutter *Mackinaw* seldom visits the Twin Ports, but she spent some time here in December undergoing repairs at Fraser Shipyards in Superior.

The 240-foot cutter was towed in and out of the shipyard by tugboats from Heritage Marine. Workers at Fraser repaired an oil leak in the *Mackinaw's* bow thruster. The last time the vessel visited the shipyard was in June 2009.

The recent repair work kept the *Mac* from her traditional Christmas Tree Ship voyage to Chicago to



Bob Horn

The Coast Guard's *Mackinaw* moves into Fraser Shipyards on Dec. 7.

deliver trees for families in need. (See *Alder* stepped in and completed the traditional holiday mission. Page 6.) The U.S. Coast Guard Cutter

Mn/DOT names new planner

The Minnesota Department of Transportation District 1 named a new planning director last fall. Bryan Anderson, a principal planner for 10 years with the Arrowhead Regional Development Commission, replaced Mn/DOT veteran Denny Johnson, who retired in 2011. Anderson had

managed ARDC's transportation enhancement and safe routes to school programs, worked with the Metropolitan Planning Organization and served as executive director of North Shore Scenic Byways. The Port Authority works closely with Mn/DOT to secure permits and move high, wide and heavy cargo.

Lloyd Frey, 93, longtime superintendent and general manager of Duluth's General Mills elevator, died on Dec. 7, 2011. A lifelong Duluth resident, Lloyd retired from General Mills in 1978 after 38 years with the company. During World War II, he served as an Army combat engineer in Europe, Africa and the Middle East. He is survived by a son, his former wife, two stepsons, eight grandchildren, a great-grandson and several nieces.

Byron C. Whaley, 94, who spent his career in the Duluth-Superior coal and oil industries, died at the Minnesota Veterans Home in Silver Bay on Dec. 15. He retired as general manager of Marine Fueling, Inc., after working in man-

agerial capacities with the Northwestern-Hanna and C. Reiss Company coal docks. He was an Army Corps of Engineers officer in Europe in World War II.

Gerald Allen "Jerry" Grandmaison, 78, long-time vessel agent for S.A. McLennan, died on Nov. 19, 2011. Grandmaison's 39-year career began with handling the *Ramon de Larrinaga* — the first saltwater ship to traverse the newly opened St. Lawrence Seaway in 1959. He was a valued member and former board member of the Lake Superior Marine Museum Association, a member and past president of the Lake Superior Harbor Club and a member of the Propeller Club. Grandmaison was a graduate of the University of Minneso-

ta Duluth and a veteran of the U.S. Naval Reserve and the U.S. Army Signal Corps. He is survived by his wife, Mary, four children and 10 grandchildren.

Ronald Lee Hackensmith, 61, of Gordon, Wis., died Nov. 12, 2011, as a result of an industrial accident aboard the *St. Mary's Challenger*. He was a Merchant Mariner for 19 years and was employed by Port City Steamship Inc. aboard the vessel. Hackensmith was very proud of working aboard the boat that held the honor of being the oldest freighter trading on the Great Lakes. He was a U.S. Navy veteran who served on a tug in Pearl Harbor. He is survived by his wife, Jean, three stepchildren, 11 grandchildren and a large extended family.

Lee A. Tregurtha

A Navy oiler launched in 1942 has served with honor in the Pacific, the Atlantic and on the Great Lakes

By Jerry Sandvick

Beginning with the *Stewart Cort* in 1971, a class of large bulk carriers known as thousand-footers was launched and came into service on the Great Lakes. The last-built of these, the *Paul R. Tregurtha* of 1981, is 1,013 feet, 6 inches long and holds bragging rights as the largest laker, about 9 feet longer than any rival. Often called the Queen of the Lakes, she is better known and overshadows another vessel of the same last name. The other *Tregurtha* is physically smaller than her fleetmate, but her history is both longer and richer.

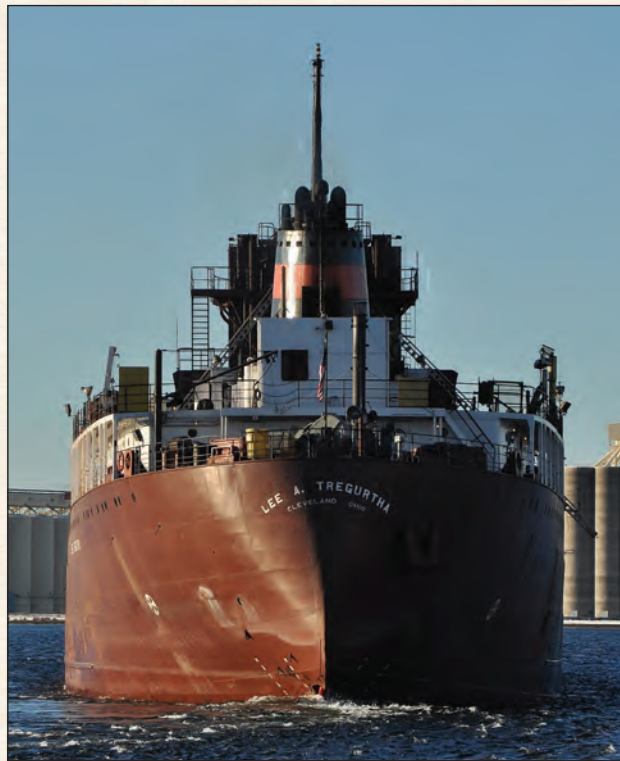
The *Lee A. Tregurtha* is owned by Lakes Shipping, a division of the Interlake Steamship Company that owns the *Paul R. Tregurtha*, and is named for Dorothy Lee Anderson Tregurtha, wife of Paul R. He is a senior executive in the shipping industry and vice chairman of the board of Interlake; she is a longtime activist in civic and charitable causes.

Her namesake vessel has been sailing for a remarkable 69 years and is a veteran of the Second World War.

Before the war, the U.S. Navy had developed "War Plan Orange," which posited a Pacific war with Japan. It was obvious, given the distances and likely size of the fleet that would have to be involved, that supplying fuel would be critical. This fact put a high priority on acquiring tankers, or "fleet oilers." At this same time, 1936, President Roosevelt sought, and Congress created, the U.S. Maritime Commission

to promote and oversee the rebuilding of America's decrepit merchant fleet. Not only would additional and newer ships result, but the boost to shipyard employment in the depths of that era's economic depression would be more than a little welcome.

By 1939 the Maritime Commission had contracted with U.S. shipyards to build several types of tankers to be



Diane Hiden

The modern-day *Lee A. Tregurtha* swings into Port on Dec. 26.

bought and operated by companies like Standard and Mobil Oil but with the proviso that the Navy would take them over in wartime. The year 1940 saw the war spread in Europe and Britain standing alone and in desperate need of help. Assistance came in March 1941 with the passage of the Lend Lease Act, which promised that America would send all aid short of war to beleaguered Britain. That aid included shipping, and after Decem-

ber 1941, when America was fully in the war, the demand for new shipping went even higher. It was both good fortune and good planning that by this time the Maritime Commission had many ship designs set, and shipyard expansion was well under way.

One of the several tanker designs was designated T3-S-A1, a vessel with a length of 501 feet, beam of 68 feet and draft of 30 feet. Its single screw was powered by twin steam turbines, giving it a speed of 15 knots. Its wartime crew was 225, and for defense it mounted a 5-inch gun, four 3-inchers and several 40 and 20 mm anti-aircraft guns.

On June 25, 1942, a T3 tanker, the *SS Samoset*, was launched at the Bethlehem Steel Shipyard in Maryland. She was legally owned by Socony Oil, but the Navy quickly assumed ownership and her name became *USS Chiwawa* (A0-68). The commissioning ceremonies were on Christmas Eve 1942. Though the ship was ready, the galley was not well provisioned. One crewman recorded that Christmas dinner "consisted of coffee, half-cooked potatoes and Spam sandwiches."

The *Chiwawa's* wartime service spanned three years, from early 1943 to 1946. She primarily hauled petroleum to Gulf, Caribbean and East Coast ports but did manage two trips in convoy to the Mediterranean and two others to Britain. Her first convoy was attacked by U-Boats and four ships were sunk. *Chiwawa* was unscathed,

and now entitled to wear a battle star. In May 1945 she went to Norfolk for an overhaul and then to the Pacific, where she supplied fuel to the U.S. fleet returning from the victory over Japan. *Chiwawa* returned to San Francisco in January 1946 and was decommissioned in May.

Ownership now briefly reverted to the Maritime Commission, which sold the *Chiwawa* to Cities Service Oil, which used the veteran tanker on Caribbean and East Coast business

lantic at 3 to 5 knots by a Dutch tug, was handed off to Great Lakes tugs at Montreal and finally pulled to Lorain, where it was welded together with the rebuilt bow and stern segments of the old T3.

The new vessel was 730 feet long with a 75-foot beam and named *Walter A. Sterling* when she started work in May 1961. Cleveland Cliffs operated the *Sterling* until 1985, making several improvements and marking one mishap during that time. In April 1983

was added to make her a more economically viable self-unloader.

The *Chiwawa/Walter A. Sterling* was destined to sail under two more names before the end of the 20th century.

In 1985 the ship was sold to Rouge Steel, a subsidiary of the Ford Motor Company, and renamed *William Clay Ford*. Four years later Ford got out of the shipping business, and the old boat's new owner was Lakes Shipping, an affiliate of Interlake Steamship



Ken Thro Collection, Lake Superior Archives, UWS

The former *Chiwawa*, now a robust 730 feet long, started to work in May 1961 as the *Walter A. Sterling*. The self-unloader was added later.

until 1960. And then the big changes came. The Cleveland Cliffs Steamship Company needed more capacity for carrying iron ore pellets and, while a new lake freighter would cost about \$9 million, the old tanker could be converted for half that. And so into dry dock she went.

From November 1960 to May 1961 she was in the hands of American Shipbuilding, mostly at the Lorain, Ohio, yard. The tanker's deckhouse was extensively rebuilt and moved forward, new crew accommodations were installed and the original oil tankage area was cut away and scrapped. Meanwhile, Schlieker Werft of Hamburg, Germany, built a 510-foot center section to carry Great Lakes bulk cargoes. This section was towed across the At-

the *Sterling* was downbound in the St. Mary's River when she hit a never identified submerged object. She took on a reported 18 feet of water forward and was deliberately beached to avoid anything worse. After temporary repairs and transfer of cargo (iron pellets) she made her way to Lorain for permanent repair.

Improvements were made in these years, including bow thrusters (1966) and stern thrusters (1982). But the most obvious modification was another lengthening and conversion to a self-unloader. Fraser Shipyards in Superior added a 96-foot center section in 1976, making the ship one of the Lakes' longest at 826 feet. A year later she went back to American Shipbuilding in Lorain, where a 250-foot boom

Company. The ship was renamed *Lee A. Tregurtha*.

The most recent modification came in January 2006, when the Bay Shipbuilding Company of Sturgeon Bay, Wis., took out the original steam turbine power plant and replaced it with two six-cylinder Bergen-Rolls Royce diesels of about 4,000 h.p. each. The ship's original power had lasted for 63 years, and much of the old *Chiwawa* carries on in 2012 as the *Lee A. Tregurtha*. The ship is a testament to much about American shipbuilding and the maritime industry, but perhaps more than anything else speaks to the work of the men and women who built ships for victory in World War II.

Jerry Sandvick is a history professor emeritus.



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