AT THE HELM





James P. McAllister IV christened the vessel with the words "a tug may be born in a shipyard, but when it's christened it gets its soul." James IV was joined in breaking the bottle of champagne by James D. McAllister of Vermont (son of Daniel, grandson of Donal G. McAllister of Brooklyn), "Jimbo" McAlister (grandson of James and Mary Louise McAlister of Charleston), James Reilly McAllister II (Grandson of William Hunt McAlister of Charleston), and James Reilly McAllister III.

Christening the CAPT. JIM McALLISTER

On Friday, October 11, 2019, James P. McAllister IV christened the CAPT. JIM McALLISTER. At 100 feet long, 40 feet wide, and over 80 metric tons bollard pull, the CAPT. JIM is the most powerful ship assist tug to ever work in Charleston.

Pastor Gregory West of Saint Mary of the Annunciation Parish, the son of a tug captain, presided over the ceremony. Hon. Larry Grooms, South Carolina State Senator and Hon. John Tecklenburg, Mayor of Charleston, expressed thanks that such a great tug would be assisting maritime commerce in the Port of Charleston. Many local members of the McAllister and McAlister families attended the event, turning it into a family reunion. The tug will be in great demand with the opening of the 280-acre Hugh K. Leatherman Terminal, which is expected to boost port capacity by fifty percent in 2021.

Born in 1869, Captain Jim McAllister was the son of the founder of McAllister Towing. He was a "duallie", licensed as both a Master Mariner and a Chief Engineer. He oversaw an incredible range of projects, so deeply involved in the sealift of World War I troops and munitions that he was named to the U.S. Board of Embarkation. As an engineer, he helped develop use of the petroleum tank barge in New York harbor. As a salvage master, he raised vessels for customers like the U.S. Navy. As a promoter, he lowered Harry Houdini to the bottom of New York harbor in a safe. Capt. Jim also helped the Company navigate the Great Depression. At a time when one out of every three Americans was out of work, he declared "We either sink or swim together. We are all family now".

The CAPT. JIM is the fourth 6,700HP Jensen design tug in McAllister's fleet. Marty Costa, Fleet Engineer, and Jamie Thibodaux, Assistant Port Engineer, oversaw the construction by the D'Isernia family at Eastern Shipbuilding. Capt. Jackie Benton assisted with delivery of the vessel, one of the first newbuild tugs to receive a Subchapter M COI upon construction.

By the first quarter of 2020, McAllister will have 35 tractor tugs, including the four most powerful tractor tugs on the East Coast. With these additions to the fleet, Capt. Jim McAllister would be proud to know that the organization he helped build will be providing unsurpassed service to the maritime industry for generations to come.



The RESOLUTE, one of the first of the McAllister fleet to begin ship-assist in the LI Sound

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Christening of the AVA M. McALLISTER

Contributor: Jake Johnson





Ava McAllister performing the breaking of the bottle with her father Andrew McAllister

McAllister Towing recently celebrated the christening of the AVA M. McALLISTER, on July 11, 2019 at South Street Seaport's Pier 16. The historic port is one of the original homes of McAllister Towing, and was an especially fitting place to bring the tug into the McAllister fleet. The ceremony opened with the FDNY Pipe Band leading guests in a ceremonial march down the pier. McAllister's President, Buckley McAllister, gave a speech highlighting the challenges that arose in finishing the tug. Though it is a sister tug to the ROSEMARY McALLISTER and CAPT. BRIAN McALLISTER, both of which were completed in 2018, the AVA M. McALLISTER took four years to complete. The tug originally began construction at Horizon Shipbuilding in Alabama, and was completed by Eastern Shipbuilding in Panama City, Florida.

The shipyard took a direct hit from Hurricane Michael in October 2018 which did not affect the completion of the tug. McAllister owes many thanks to Patrick D'Isernia and family along with the staff at Eastern Shipbuilding for their hard work on the final completion of the tug. McAllister also gives a special thanks to our Engineering Manager, Marty Costa and Assistant Port Engineer, Jamie Thibodeaux.

Buckley's speech also pointed out the impressive power of the AVA M. McALLISTER, and highlighted the collaboration design between Jensen Maritime Consultants and McAllister engineers. The AVA is a Z-drive tractor tug, boasting 6,700 horsepower. With a bollard pull rating of 83.35 metric tons, Buckley stressed that the AVA's main clients will be the new containerships arriving at the East Coast ports. Although newer ships, like the PANAMAX, are more massive than before the raising of the Bayonne Bridge in 2017, Buckley was confident that the AVA is prepared to handle this growth. In a true highlight of the speech, he likened the advancements in shipping to the iconic scene in Jaws when the captain says, "We're gonna need a bigger boat" and assured that the AVA M. is exactly the kind of bigger boat the Company needs.

The ceremony continued with a speech by Reverend David Rider, who officially christened the boat, followed by Ava McAllister, daughter of Vice President Andrew McAllister, customarily smashing a bottle of champagne over the side of the boat. Although the tug had a difficult journey towards its completion, the bottle broke effortlessly, spelling good luck for its future voyages. The evening concluded with a lovely reception at the Melville Gallery.

We wish the AVA M. McALLSITER well on her upcoming journeys. The AVA is one in a series of four tugs intended to meet the growing need for more powerful tugs. The CAPT. BRIAN, ROSEMARY, AVA, and the CAPT. JIM McALLISTER will fit in well in an industry becoming increasingly technologically advanced. All of these tugs are ready to lead the fleet forward into this new era.

Gateway Towing Partners with McAllister Towing of Connecticut

Contributor: Jake Johnson



PHOTO COURTESY GEORGE MALTBY

On June 1st of 2019, McAllister Towing of Connecticut, LLC, a new subsidiary to McAllister Towing, partnered with New Haven-based company Gateway Towing to take over the ship-assist work in their Connecticut and Long Island Sound terminals. McAllister tugboats have begun operations in New Haven, Bridgeport, North Port, Port Jefferson, and Riverhead terminals. Gateway Towing has been a large part of shipping operations in the Long Island Sound since its founding in 1985 and its New Haven port is currently the only privately-owned bulk terminal in Connecticut.

Gateway's fleet is comprised of four ocean-going tugs as well as two harbor tugs: the CONNECTICUT (2,000 HP), built in 1959, and the OUTRAGEOUS (2,400 HP), built in 1981. These two vessels were the primary tugs used in Gateway's ports throughout Connecticut and Long Island. Gateway will now focus on coastal transport, while McAllister tugboats take over ship-assist docking and undocking. The RESOLUTE (3,000 HP) and the SHANNON McALLISTER (3,200 HP) were the first of the McAllister fleet to begin ship-assist in the Long Island Sound. These tugs' maneuverability and minimal drafts make them well-suited for work in shallower waters. Other McAllister tugs have and will also continue to assist in McAllister Towing of Connecticut's operations.

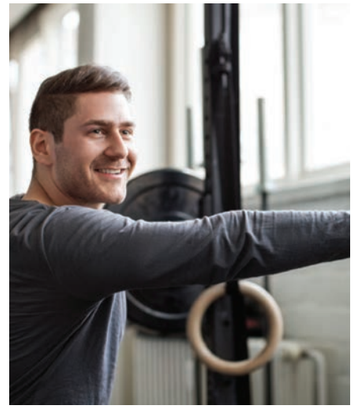
Gateway's tugboats will take on a supplementary role in ship-assist operations, helping McAllister tugs when needed. Operations manager of Bridgeport, Justin Ballotte told At the Helm, "We are excited to be able to expand into Connecticut and the Long Island Sound. We look forward to furthering our relationship with Gateway and for new opportunities to build our existing presence in Bridgeport." McAllister Towing is proud to be working with a company as prominent as Gateway in the Long Island Sound. We hope this partnership and others like it continue into the future.



Break a Sweat Without Breaking the Bank™

Save big on a gym membership brought to you by the Active & Fit Direct program. Cigna is offering McAllister Towing employees the option to choose from 10,000+ participating fitness centers nationwide for $25 a month (plus a $25 enrollment fee and applicable taxes) through this unique discount program. Always consult your doctor prior to beginning a new exercise program.

This is a discount program perk for being a Cigna member and is separate from your plan benefits or insurance coverage. Employees should be aware that you are responsible for all charges as this program is not being offered through Cigna. All questions should be directed to Active & Fit Direct by calling (800) 870-3470. Program features and availability are subject to change while terms and conditions apply. All Cigna products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company or its affiliates.



Joining is easy.

1. Visit www.act.fit/cigna1
2. Search for your preferred fitness center.
3. Click Enroll Now, pay your initial fees and simply download a guest pass (where available).

Or call (800) 870-3470 and press 3 for assistance.

Cigna.

The Active & Fit Direct program is provided by American Specialty Health Fitness, Inc. (ASH Fitness), a subsidiary of American Specialty Health Incorporated (ASH). ASH and its subsidiaries are solely responsible for this program and are not affiliated with Cigna.



Not Goodbye, Simply Farewell Nancy Errichiello

It is with mixed emotions as the Human Resources department announces the retirement of one of our beloved employees, Nancy Errichiello. Nancy retired in May 2019. Nancy has been with McAllister for nearly thirty-two years and has always been an invaluable member to the Human Resources department and McAllister Towing. Nancy began her journey with us in 1987 as a Secretary to Alexander "James" Forbes, Corporate Controller. After two years Nancy began to take on more benefits related responsibilities and embarked on her Human Resources journey.

In 1991, Nancy became Employee Benefits Administrator and worked under Jean Brown until her retirement in January of 2001. That year, Nancy began working for Buckley McAllister and her role with the Company continued to grow and evolve over the years. In January 2013, Nancy began reporting to Alessandra Tebaldi, Vice President and General Counsel. Under Alessandra's guidance, and Nancy's passion and drive, Nancy was promoted to Employee Benefits Manager in 2015, a role that Nancy was incredibly proud to hold. Nancy had become a well-loved and appreciated member of our Human Resources team.

During her time as an Employee Benefits Manager, Nancy had a passion for learning and education. Nancy was always eager to attend benefits seminars, best practices training and even earned her Society for Human Resource Management (SHRM) Certification.

Nancy has been the one person we could always rely on to answer all benefits questions. Her contributions to our benefit programs include her ability to strategize and implement the rollout of new programs in an efficient, accurate, and timely manner—her contributions laid the foundation for the excellent Employee Benefits Programs we have today.

We could rely on Nancy not only for her benefit expertise but also for her willingness to listen or talk about the day. Nancy was a wealth of knowledge that encompassed 30+ years of McAllister information. She was a real problem solver and always had an open-door policy. Some of our fondest memories of Nancy was her unofficial title, of which she wore proudly, "Office Mother." We like to believe this stemmed from Nancy being extremely family oriented.

SEVERAL EMPLOYEES HAD WONDERFUL MEMORIES TO SHARE:

"Nancy was always generous. I was hired the day after the Company Christmas party in 2003 (I didn't become an employee officially until after Martin Luther King Jr. Day 2004). I had only been working with the Company about a week, and Nancy got me a Christmas present. It was a perfect gesture to make me feel welcomed and considered, and I have never forgotten that."

—Jacqueline Warner, HR Administrative Assistant, reported directly and worked with Nancy for fifteen years, optimizes Nancy's "office mother" title by remembering her first impression.

—One family in particular who had the pleasure of working with Nancy was Joseph and Kay Buckheister. Joseph remembers Nancy's expertise and knowledge when it came to his son's healthcare saying:

"As most of you know, we have a special needs son, Kevin, who has required a lot of attention. If we ever needed anything or had a question in reference to Kevin and Cigna, all we had to do was call Nancy. She "took the ball" and ran with it. She would get back to us promptly. Companies need more people like her!" She will be sadly missed by not only my family but many others. McAllister was blessed to have someone like her work for them throughout the years!"

"For the last ten years, I have had the pleasure of working closely with Nancy. Her contributions to the Company's healthcare strategy and her daily operations of the Benefits Department, along with the heartfelt guidance she provided to multiple employees, will be sorely missed. While she will be greatly missed by all of us, I am confident that she will find the same success in retirement that she experienced during her time with us."

—Alessandra Tebaldi, who has worked with Nancy for the past ten years, remembers her hard work and dedication.

Nancy can now enjoy the fruits of her labor and relish retirement. Nancy, like all grandmothers, has a special place in her heart for her three grandchildren and her son. We are certain that Nancy will be spending lots of time doing the things she loved such as; gardening, going to the park, seeing the Rockettes, and attending Broadway shows.

Nancy has become a well-loved, respected and appreciated member of not only the Human Resource Department but to McAllister as a whole. Nancy was most definitely an integral part of our Company.

All of us here at McAllister will miss Nancy but we wish her all the best in her retirement!



Is the Panama Canal Taken for Granted?

Contributor: Bill Osmer

The main purpose of building a Canal across the Nicaragua/Panama area was, to bypass transiting around South America, thus cutting travel times, reducing freight costs and delivering cargo more effectively and efficiently to end users. A series of locks were needed to raise and lower transiting vessels to accommodate the different sea levels between the Atlantic and Pacific sides of the Canal.

The Panama Canal conceptual and engineering designs began in 1881 and were developed by the French firm Compaignie Universelle da Canal. After several years in the design stages and exhausting all available funds, the company ceased to exist in 1889. A few debate-filled years passed as discussions continued over whether the Canal should be built across Nicaragua or Panama. Ultimately, Panama prevailed and in 1904 the Panama Canal Zone was established by the Panama Government. Work immediately began on the original Panama Canal under the U.S. Administration's guidance. The Panamanians turned over control of the Canal to the United States from 1914–1979, after which the government of Panama assumed control and maintains jurisdiction today. When completed, the original Panama Canal locks were 1,050' long. 110' wide and 41.2' deep.

With larger ships being constructed, the original Canal was losing its competitive advantage and its significance as a provider of a more cost-effective logistics and supply chain alternative. Consequently, a decision was made to construct a second Canal, adjacent to parts of the original Canal, capable of handling larger existing and proposed new vessel buildings. Construction commenced on the "new" Canal in 2007 and was completed in 2016. The new lock dimensions are 1,200' long, 160.7' wide and 49.9' deep, allowing much larger vessels to transit in both directions. It's been suggested that the new Canal has been a significant game changer to international trade by re-establishing its competitive edge for shippers employing cargo routing enhancements to ultimately increase supply chain optimization.

> "Some in the maritime field, and many in the civilian world, likely take the safety and security of the Panama Canal for granted and that ships will routinely pass through the Canal without incident."

World economies are dependent on the efficiency, predictability and reliability of the free flow of commercial products. Certain factors may cause unanticipated disruptive forces to waterborne supply chains including geopolitical, religious and ethnic controversies. There are several global hot spots where interruptions in commodity flows, often a result of hostilities, have caused severe chokepoints, or bottlenecks, in world distribution networks. These areas and activities include the Straits of Hormuz, the Suez Canal, piracy off Africa, etc. As an example, the Suez Canal was closed from 1967–1975 due to hostilities between Egypt and Israel. There was no shipping activity through the Suez during this time period. The closure resulted in ships destined for the Mediterranean and Europe markets to transit around South Africa, dramatically increasing the time to deliver cargoes and significantly increasing freight rates.

Closer to home, hostile disruptions in Panama Canal activities could have profound influences on commerce and vessel schedules, including possible vessel interruptions/delays, or, worst case, a complete Canal closure. Inevitably, disruptions would be felt by customers in ports in the East coasts of North, Central and South America, Europe, etc. As the Canal also provides access for east to west transits, the West coast ports of North, Central and South America as well at Asian markets would be dramatically affected.

Some in the maritime field, and many in the civilian world, likely take the safety and security of the Panama Canal for granted and that ships will routinely pass through the Canal without incident. But in today's world of uncertainties, we would be remiss if we take for granted that Canal is not a potential target for some sort of hostile attempt, i.e. an intentional sinking of a ship anywhere in the waterway, disabling of parts or all of the lock system. We must be vigilant to make sure the security systems in place will eliminate such threats.





Subchapter M Compliance Update

Contributor: Jake Johnson

McAllister Towing is pleased to report that we have met the required Subchapter M vessel audit deadline of July 20, 2019 set by the new inspection program. Marino Hwang, the Designated Person Ashore, highlighted a few key goals relating to the Company's safety guidelines. A major area McAllister Towing hopes to focus on in safety is in Lost Time Injury Reports (LTIR) and in the Total Recordable Injury Rate (TRIR). The Company hopes to see a 10% reduction in these two areas from its numbers in 2017. Although there has been a general downward trend in LTIR and TRIR since 2012, there has been a slight increase within the last year. McAllister looks to a few key areas to help address these safety issues.

First, McAllister is working on publishing its Quality and Safety Management System (QSMS) online. This system will help to make McAllister's safety guidelines more widely understood throughout the Company. Additionally, McAllister aims for at least 80% of incident reports to be completed on time. Year to date, only 35% of incident investigations were completed on time, delaying the process of updating safety procedures. Near miss investigations also help McAllister regulate its safety guidelines and the Company plans to use the reports in the next internal audit for accident prevention. Marino emphasized that near miss reports are essential to strengthening safety culture at the company, especially as the summer months begin and complacency sets in. In addition to internal feedback, the Company is making changes based on customer feedback. McAllister has seen a 25% increase in customer satisfaction surveys and will continue to collect them. The company is looking to adapt based on accurate responses and hopes these surveys can improve both efficiency and safety.

By July 2022, the entire McAllister tugboat fleet will have Certificates of Inspection (COI). Over ten McAllister tugs have received a COI and ten tugs have been audited or scheduled for an audit. Thus, the Company is on track to meet this goal. Additionally, McAllister is monitoring safety on a management level. Six branches of the Company are either being audited or have completed their audit for safety. Five more branches await auditing. Overall, Marino sees the audit as a very good thing for the company saying, "having a third-party come in is always a good way to review and improve in areas we may be lacking." McAllister Towing will continue to work towards future deadlines set by Subchapter M.

Employee Anniversaries

Contributor: Farah Jean

McAllister Towing acknowledges and thanks the following employees for their service and dedication. The following employee anniversaries are recognized from June-December 2019.

30 YEARS

Martin Costa, *Chairman Engineering Manager* – Staten Island

Gary Oliveira, *VP / General Manager* – Providence

20 YEARS

Jose Colon, *Captain* – Puerto Rico

Greber De Los Santos, *AB Seaman* – Puerto Rico

Anthony Dias, *Engineer* – Providence

Felix Feliciano Bacenet, *Port Captain* – Puerto Rico

Roger Francis II, *Port Captain* – Providence

Bruce Gifford, *Captain* – Providence

William Hough, *Docking Pilot* – Philadelphia

Timothy Howlett, *Engineer* – Virginia

Marino Hwang, *Designated Person* – New York

George Keane, *Engineer* – Port Jefferson

Karsten Klein, *Mate* – Staten Island

Edgard Lopez, *Engineer* – Puerto Rico

Richard Netherwood, *Dock Worker* – Bridgeport

Charles O'Brien, *Captain* – Philadelphia

10 YEARS

Theresa Croteau, *Steward* – Sound Catering

Christopher Doms, *Captain* – Philadephia

Neil Douglas, *Mechanic* – Providence

Clint Hanvey, *Engineer* – Virginia

Beatrice Klein, *Tour Guide* – Port Jefferson

Raymond Malanowski, *Port Engineer* – Jacksonville

James Pontal, *Captain* – Jacksonville

Walter Russell Jr., *Docking Pilot* – Portland

Richard Soares, *Mate* – Providence

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Just a reminder to keep your stories, photos and submissions coming.
Please send them to Faye Figuera at the 17 Battery Office.

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Faye Figuera

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ffiguera@mcallistertowing.com

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