



At the Helm

McAllister Towing Awarded Industry Leader Safety Award

Signal Administration, Inc., managers of Signal Mutual, are proud to award the 2007/08 Industry Leader Safety Award, Marine Services Division, to McAllister Towing. McAllister came out on top against more than thirty Signal Member companies, many of which also have superior safety programs. The McAllister-Signal relationship dates back to 1993.

Each year Signal Mutual, providing coverage under the U. S. Longshore and Harbor Workers' Compensation Act, recognizes members for outstanding performance in safety and loss prevention. The Industry Leader Safety Award is given to companies in these categories: stevedoring, shipbuilding/ship repair, marine construction, and marine services. Selection criteria include:

- ☆ No traumatic fatalities (other than from natural causes) during the last year
- ☆ Reduction in claim frequency in each of the last three years
- ☆ Reporting man hours and payrolls on a timely basis

Signal Assistant Vice President Scott Eppleman of Houston, TX presented the award to the Insurance Department of McAllister in a ceremony at McAllister's headquarters in New York City. Upon receiving the award Buckley McAllister said "We greatly value this award and our relationship with Signal Mutual. We proudly accept the Industry Leader Safety Award on behalf of our hard working crews and shoreside personnel. The award validates McAllister's commitment to its safety policy". McAllister's policy on safety is: Safety First. McAllister is a family run company committed to the safety and wellbeing of its people. Every employee is expected to maintain safety in the workplace. Before undertaking any job, our first priority is to make sure the work can be done safely, for everyone."

(Pictured from L to R)
 Risk Manager Laura Moore,
 Vice President Buckley McAllister,
 Signal VP Scott Eppleman, Joel Acevedo
 and Marge Taddeo.



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What's Great About the Tugboat Business?

By Bob Mattsson

When I started in this business (right about the time dinosaurs became extinct) it was very difficult if not impossible to get a job on the tugs. First there was the "Catch-22" situation, no job unless you had a union card, no union card unless you had a job. Even family members had a tough time getting in. But if you were adamant and persevered there was always a crack you could squeeze through. Many good captains and docking pilots started by 'hamming'; guys would go out on a tug with a family member or friend of the family and work for a week or two on board for nothing but their meals and whatever skills they could glean from the deckhand and mate. You had to hope the deckhand was willing to teach you and also what he taught was the right thing. And you got to do all of the deckhand's rotten jobs, like cleaning the heads, mopping the companionways, washing the pilot house windows and bringing the captain his coffee. And paint, paint, paint! But in return you were taught how to splice, how to throw a line (and not call it a rope), how to flip it off a bitt and how to anticipate what the captains next move would be. All valuable information if you planned to stay in the business. They even let you steer and land a light tug once in awhile. Most deckhands and crews could figure out real quick if you were cut out for tug boating. If you didn't work hard, they would shun you or seem uninterested but by taking the work seriously and giving it your all and they'd hold you close, rib you and disclose the inside scoop. This went for everyone, whether you were an obscure relative of the oiler or your last name was McAllister (and there were plenty of McAllisters going through). You put in all this work and time with no guarantee of getting hired.

No one was treated special either, as I found out during my oiler days. My father Arne was the outside machinist foreman and assistant superintendent of Tug & Barge Dry Docks, where I got my start. I did every dirty job there was in the yard but always was taken to task for standing on the bulkhead or pier watching the tugs maneuver because that is



where I really I longed to be. My main job was outside machinist helper and then finally outside machinist first class. I was also a crane operator, laborer, electrician, carpenters helper, iron workers helper, deckhand on the yard workboat and storekeeper. But my heart wasn't in it, I wanted to be on the tugs. I begged my father and the port engineer at the time, Red Edmunds, but to no avail. Then came the small crack I was longing for, an oiler on the THERESA McALLISTER, a wooden hulled direct drive diesel, called in sick and there was no one available to replace him that afternoon. The crew would not operate without an oiler.



I was pressed into service because I was at the right place at the right time. That only lasted a week but at least I was an unofficial oiler. So as relief jobs came up I got them and one day the union came on board the MARGARET McALLISTER where I was filling in and forced me to join. Boy was I happy, now I was an official oiler and had seniority, the lowest, but still, seniority.

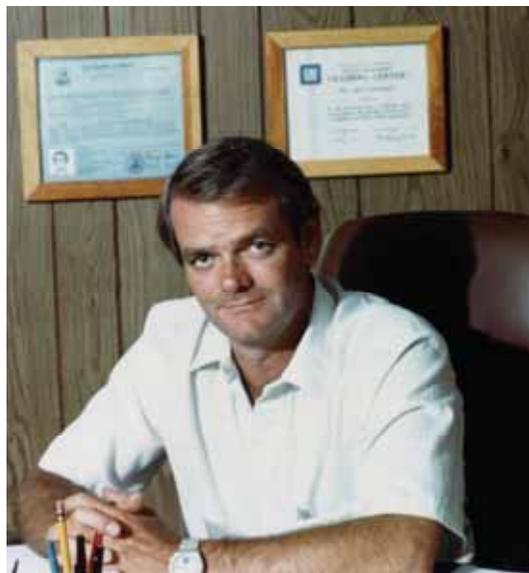


Well, that's ancient history, but the point is, that I really wanted to be on tugs and when I finally got on I loved it. The U.S. Navy puts submariners through strict psychological testing before they can become part of the crew. Tug boat companies cannot do that. However, being able to get along with and sometimes put up with other crew members in close quarters for a long period is extremely important, if not a prerequisite. The paper work is a little harder today, but it is worth it if you are committed. In my day a school check, criminal record check, seaman's papers and three years got you the right to sit for a license. I had to study for steam questions also even though I was sitting for diesel. Most of the questions were essay with just a few multiple (very tricky) choices. Nowadays most of the new crew members are coming out of maritime schools with a mates and/or engineers license. This is a good thing but the old principals are still valid. You must be able to get along with other members of the crew in confined spaces for 7, 14 or 30 days on end. You also must love what you are doing. It is an exciting job that gives you the independence a hard working, dedicated individual needs. You also get the time off that shore jobs do not offer. All this and you get to meet some very special people, some who will be friends for life.

I left McAllister after 27 years because they were no longer going to operate a shipyard (I was General Manager of Tug & Barge Dry Docks at the time) and this is what I wanted to be doing. So I left to run the Circle Line shipyard and ended up senior V.P. of Operations at Circle Line in Manhattan.

A.J. McAllister, Tony McAllister, Brian McAllister, Don Hankin and Tess Rogers all tried to talk me out of it, but I thought it was the best thing for me at the time. In retrospect I may have been better off staying, as McAllister takes very, very good care of their long term employees. Not that I did so bad, with my training at McAllister I retired as V.P. of Operations and Executive V.P. of K-Sea Transportation. I went with that company in 1989 when they were still Eklof Marine.

I worked on the tugs as oiler and engineer (youngest licensed engineer in the harbor for awhile) for 15 years and never regretted a day. Sometimes after I came ashore I wished I was back on the tugs where the autonomy was taken for granted and the politics and pressure of corporate life were unknown. That said, if I had to do it all over again, I wouldn't change a thing!



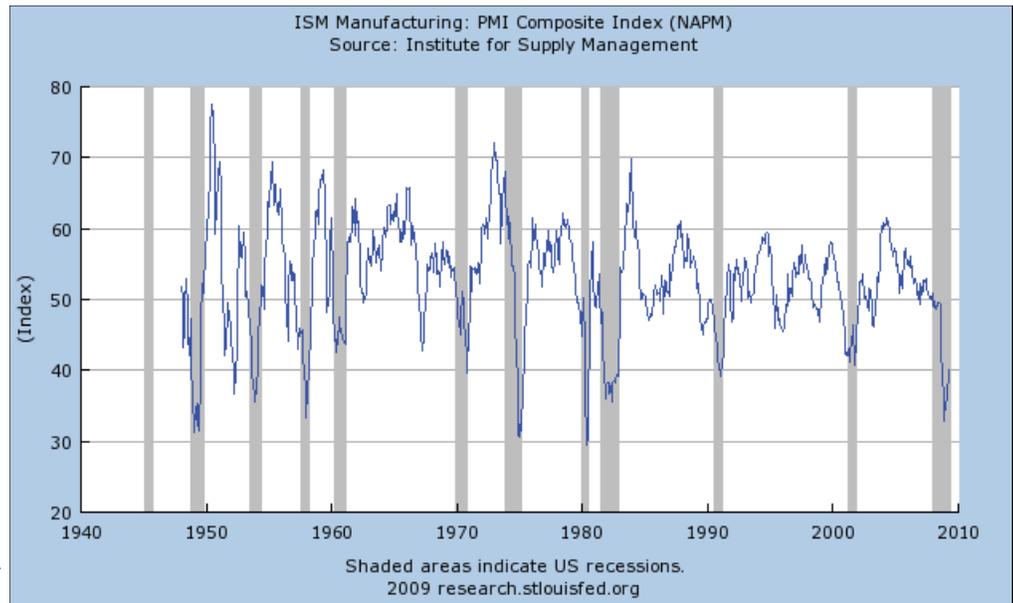
The Economy and the Maritime Industry

By Eric M. McAllister

In the United States, consumers have taken a break from spending. As consumers pay down debts and save more, the result is fewer homes sell, fewer cars sell and fewer products sell. It is generally accepted that consumers are the most powerful force in the economy, making up 70% of all economic activity. Other forces in the economy include government spending, investment, as well as exports and imports. Since

businesses are cutting back as well, the government's role is potentially more important. Much debate revolves around how the government can stimulate the economy while Americans save. Some believe the government should increase its purchases, others say the government should cut spending and taxes, allowing Americans to have more to spend. For McAllister, we are

steering a course between tightening our belts and preparing to take advantage of opportunities that may present themselves during this business cycle.



The graph above, provided by the St. Louis branch of the Federal Reserve, indicates that significant declines in economic activity have been recorded at ten other times in the past 60 years. In other downturns, different aspects of commerce have been seriously affected, such as oil drilling, defense contracting and computer manufacturing. In the present, real estate, banking, auto manufacturers and retailers all have been hard hit. Also, it appears that this recession is complicated by the severity of the conditions, such as high unemployment, and the similar difficulties being faced in other developed countries. Finally, despite indications that the worst effects of this downturn may have been felt, the conditions are still abysmal, and it is difficult to predict when a full recovery, or return to a growth economy will occur.

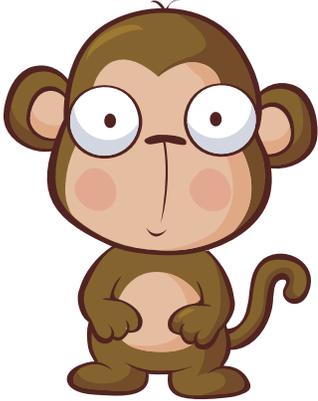


For our industry, the economic recession has meant reduced US exports and imports and the resulting reduced numbers of ships actively employed in US trades. Needless to say, the Company is forward thinking, and see this as a temporary, although difficult time, which will eventually pass. It will take a couple of years, and a lot of hard work from many people to get us through this. For the Company's sake, we should strive to do our part by keeping our tugs and ports running smoothly in the service of the global supply chain, which should resume stronger and healthier in the not too distant future.

"THE LUCKY BAG"

By Wayne Stiles

In the days of sail, war ships needed to keep an ample supply of cannon balls near each gun. But how to keep them from rolling about the deck? The best solution seemed to be to stack 30 cannon balls as a square based pyramid with 16 of the cannon balls forming the base. The next problem was how to prevent the bottom layer from sliding and collapsing the stack. So, a metal plate with 16 indentations for each of the base canon balls was placed next to the canon. This metal plate was called a Monkey for no particular reason. Now, it couldn't be made of iron because it would rust, so brass was used and this plate became known as a **"Brass Monkey"**.



Brass contracts much more and faster than iron, so when the temperature dropped too fast or low, the brass indentations would shrink and the iron cannon balls would fall off the monkey. So, remember next winter when the weather is "cold enough to freeze the balls off a brass monkey" that we owe this expression to sailors long ago. And you landlubbers thought this was just a vulgar expression, didn't you?



Compliance Corner

By Buckley McAllister

There is hardly a maritime publication that goes to print without commenting on the increased regulatory pressures on our industry. Internally, McAllister is leading the way in ramping up its operations to comply with new regulatory requirements. Externally, we are engaged in the refinement of regulatory initiatives already in progress and monitor emerging regulatory issues.

In December 2008, McAllister successfully completed its first annual verification audit by the American Bureau of Shipping for meeting or exceeding the ISM Code and ISO 9002 standards. McAllister was first certified in 2007 and conducts these audits annually.

On March 27, 2009, McAllister completed its American Waterways Operators (AWO) Responsible Carrier Program (RCP) recertification. Every three years, McAllister must renew this certification, demonstrating that it meets or exceeds the safety standards set by the AWO for membership in its organization. The last recertification involved a third party audit of McAllister's personnel, tugs, manuals, and recordkeeping in New York, Virginia, Jacksonville and Port Everglades. It also involved numerous internal audits by Health, Safety and Security Managers Michael Courtaway and Allen Aden.

Numerous individual tugs and other offices have been further audited in connection with these processes or by various customers. These audits have consistently had good results and have given rise to opportunities for improvement to our Quality and Safety Management System.

Many thanks to all of the personnel who have worked on these audits and on implementation of our quality, safety management, environmental protection and security plans. The increased attention to procedures and paperwork in all of our ports is really paying off. This winter, McAllister won the 2007-2008 Industry Leader Safety Award from the Signal Mutual Indemnity Association.

For the first three days of April, Vice President of Northeast Operations, Captain Brian Fournier and Vice President and General Counsel Buckley McAllister represented the company at the American Waterways Operators Spring Convention in Washington, DC.

One of the bigger and potentially more problematic regulatory regimes to recently emerge is the new U.S. Environmental Protection Agency National Pollutant Discharge Elimination System.



This new regime will regulate all types of vessel discharges including gray water and ballast. Detailed information on “The Vessel General Permit for Discharge Incidental to the Normal Operation of Vessels” is available at: www.epa.gov/npdes/pubs/vessel_vgp_permit.pdf.

To assist companies in achieving compliance with these new regulations, the AWO have issued “Recommended Practices for Discharges from Towing Vessels and Barges: www.americanwaterways.com/index/AWO%20BMP%20Manual.pdf.

The AWO is working with the EPA to rationalize the new permit related requirements and to get more uniformity in the various additional state and Native American tribal nation requirements that were incorporated into the permit.

The other big regulatory issue facing the industry is the inception of the towing vessel inspection regime. At this time, the Coast Guard is expected to publish a formal Notice of Final Rulemaking of the regulations, ultimately to be codified at 46 CFR Subchapter M.

We believe that McAllister’s Quality and Safety Management System meet or exceed the requirements that will be an integral part of these new regulations. John Schrinner, Vice President of Compliance, is redrafting McAllister’s manuals to facilitate the process and improve implementation.

Further, we have taken an active role in the bridging strategy implemented by the Coast Guard and AWO to help better prepare both the agency’s inspectors and towing companies for the actual implementation and enforcement of the regulations. This is a great way to establish a positive relationship with the Coast Guard in advance of the implementation of the new regulations. Your continued work will assure continued improvement of this program.

Other AWO priorities include elimination of a second visit to a TWIC Enrollment Center to pick up a TWIC card, allocation of resources to assist with implementation of the TWIC and medical evaluation guidelines, and development of achievable standards for AIS and electronic charting systems.



Green Saves Green!

By Captain Michael Reagoso
VP & GM - McAllister Towing of Baltimore

It wasn't too long ago that I thought that being 'Green' was an expensive proposition. While some environmental initiatives are costly, I was pleasantly surprised at how many voluntary initiatives towards environmental stewardship actually SAVE money!

A few examples:

- As fuel prices rose McAllister became more alert as to fuel consumption and put great emphasis on the conservation of fuel. This effort saves the company money and reduces our contribution to criteria pollutants (like nitrogen oxides and particulate matter) as well as to greenhouse gas emissions in the ports where we operate.
- Many of our ports now have vendors remove and recycle slop oil at no cost or even pay us instead of McAllister paying to dispose of it. Again cost savings, reduced waste, and conservation of resources.
- Recycling of paper, plastic, cardboard, and other materials at our offices, piers and onboard our tugs have helped to reduce our garbage disposal costs and are reducing the amount of waste we are contributing to our local landfills.
- Our new building program of twin screw tractor tugs, while arguably a large cost, are not only necessary for our company's future competitiveness but also are far more friendly to the environment through increased fuel efficiency and fewer emissions than that of our older equipment.



While the above voluntary initiatives are great practices in environmental stewardship, there are many existing and emerging regulations that we must comply with. For instance, not discharging oily water and properly treating sewage are the norm and concurrent with regulations. Failure to do so can be very costly to the company, and possibly to our employees if a negligent act occurs. So while sound environmental practices can save money, irresponsible practices can cost us dearly. From a slightly different perspective, many of our customers are embracing a strong environmental ethic. Understanding and supporting customer philosophy is an important part of our business model.

The previously mentioned items represent just a glimpse into some of the initiatives McAllister is undertaking on a voluntary basis, or are required to comply with already. In each port or region we serve there may be unique and differing regulations. For instance, I have become very involved in environmental matters in the Port of Baltimore. There is a lot of political, regulatory and environmental scrutiny on the Chesapeake Bay in order to preserve the Bay. We chose to be proactive on these matters as a way to shape the circumstances that affect our maritime industry.



This past year the Baltimore Port Alliance Environmental Committee, of which I am chairman, conducted a significant outreach program highlighting the many environmentally proactive measures that Baltimore's Port community has put in place. Our audience is State and federal regulators, Maryland's local, State, and federal elected officials, environmental organizations, the communities neighboring the Port - and - of course - our peers in the industry. An example of the results of this outreach took place on June 4th in Baltimore where the EPA's Region 3 and the Environmental Committee presented a Compliance Assistance Workshop to help the maritime community better understand and comply with existing and emerging regulations. McAllister was well represented there with members of our operations from the ports of Philadelphia, Baltimore and Norfolk in attendance.

In general, what all of us advocate is a framework of national regulatory standards that do not place any one company, port, or region at a disadvantage. In other words, a level playing field that allows us to compete fairly is in everyone's interest. However, the EPA has set forth a Sustainable Seaports Initiative that encourages voluntary efforts, like some that are mentioned above, and this is an area where we would encourage regional differences. As an example, running at a reduced speed to jobs, or cold ironing our tugs, may work well in Baltimore but not in New York and would certainly not work for most towing vessels.

As background, the EPA has focused on emissions from stationary sources (heavy industry and power plants) area sources (dry cleaners and bakeries) and mobile sources (automobiles and trucks) and has made progress in reducing emissions from these sectors through regulations; the ports are now becoming a major focus of EPA for both regulatory and voluntary strategies. This attention coupled with the Obama administration's general acceleration of environmental efforts is even more reason to practice diligent compliance with environmental regulations as well as proactive voluntary measures for the environment. This new public policy framework will also present opportunities for trying to shape forthcoming regulations where McAllister can successfully balance environmental stewardship while ensuring sustainability and longevity for another 140 years.



Information Technology and Information Communication Systems at McAllister By Andrew McAllister

Over the next couple of months you will be seeing an upgrade and/or change to many things that have to do with your computer and/or your office phone. I would like everyone to understand three very important points about investing in technology at McAllister Towing and The Bridgeport & Port Jefferson Steamboat Company:

1. We make investment decisions 12 months prior to going live;
2. All investments have either a direct dollar savings, improve productivity or increase safety; and
3. We want to be fully prepared to capitalize on the uptick in the business cycle in the coming year.

Here is a list of the improvements that have gone live this year or are going live over the next couple of months:

Company:

- ⇒ **New Phone System:** The CISCO IP phone system is live at 17 Battery and Staten Island. The rest of the Company's facilities will be receiving this new system over the coming months. This system brings us savings on multiple fronts. Calls amongst MT&T office personnel will be free, initializing conference calls without going through a third party will generate savings and we will greatly increase productivity by controlling our own routing and communications network.
- ⇒ **Remote Support through BOMGAR (help.mcallistertowing.com):** This is a new online support tool that every computer at McAllister and the Ferry should have. You can go to this site if you are logged into our network or more importantly if you are not (company laptops) during 08:30 to 17:00 EST. There you can chat with either Katrina or Joe about any issues with the PC. They can also remotely take over the PC and resolve the problem if needed. Save help.mcallistertowing.com to your favorites.
- ⇒ **Piloting CITRIX:** As part of our desire to give more useful information to the ports, we are piloting CITRIX to improve our ability to share data from some of our larger software and database applications. This will greatly enhance the speed of AXAPTA (accounting software with AP, AR and PO data), and other software that runs better in our server room versus your desktop.
- ⇒ **SharePoint:** During the first quarter we went live with a complete rollout of SharePoint. This portal to McAllister information, documents and data will be growing throughout the years. It is designed to be one stop shopping for communication and project management from port to port.

Tug Division:

- ⇒ **Upgrade of Rose Point Coastal Explorer:** We are launching the upgraded version of Coastal Explorer with new laptops. Coastal Explorer has been viewed as a major improvement to other charting software and after piloting the newest version, we believe that crews will be even happier with the updates. We are also sending out upgraded laptops to continue to improve the productivity of the pilot house communication and navigation.
- ⇒ **Piloting replacement to MCD:** We are currently piloting a replacement to our proprietary dispatching and invoicing system, MCD, in Jacksonville and Port Everglades. Our goal is to dramatically improve our ability to report on as well as monitor, in real-time tug revenue as well as some operational costs savings.
- ⇒ **New Payroll System - Time Solutions:** In order to help reduce errors and give final responsibility to the ports we are spacing out a new payroll system to support our new payroll policy. We are designing the application to make it easier, faster and more accurate than processing payroll today.

Ferry Division

- ⇒ **Upgrade of Ticketing System:** We have upgraded our reservation system to greatly enhance the speed of the system, improve navigation (both improvements should dramatically reduce call length), as well as increase our flexibility to offer different ticket packages.
- ⇒ **New Website:** We made the strategic decision to improve our communication to our customers on the number one touch point for the ferry. We believe it is very important to communicate certain key elements about the benefits of the ferry and our current site did not give us any flexibility. The new website will be going in live in early August.

Benefiting from Your Benefits

We want to take this time to advise you of the many programs available from CIGNA under our medical plan: At any time you can log on to www.myCIGNA.com, take the health assessment, enroll in any of the following programs or just reorder your prescriptions. In addition, CIGNA provides assistance for any of your concerns with a nurse available 24 hours a day, just by calling 1-800-244-6244. Listed below are just a few of the programs available from CIGNA:



Lifestyle Management Programs:

- ⇒ CIGNA Healthy Steps to Weight Loss
- ⇒ CIGNA Quit Today

The Cigna Healthy Steps to Weight Loss program helps you manage your weight using a non-diet approach. It assists you in building confidence, becoming more active, eating healthier and changing habits. Some of the program's features are listed below:

Telephone Program:

- Personal healthy living plan.
- Individual telephone coaching.
 - Dedicated wellness coach.
- Convenient evening and weekend coaching hours.
 - Workbook and tool kit.
- Support line available 7 days a week, 24 hours a day.

Online Program:

- Personal health assessment and healthy living plan.
- A 12 week self-paced program.
- Weekly educational emails with key learning themes and tips.
- Interactive tools and resources.
 - Secure, convenient support.

The CIGNA Quit Today program helps you develop a personal quit plan to become and remain tobacco free.

Telephone Program:

- Confidential, individual telephone coaching.
 - A dedicated wellness coach.
- Convenient evening and weekend coaching hours.
 - Tobacco cessations workbook and tool kit.
 - Free over-the-counter nicotine replacement therapy (patch or gum)**
- Support line available 7 days a week, 24 hours a day

Online Program:

- A structured program that offers you the flexibility to work independently in a way that is most convenient for you.
 - A personal quit plan.
- An 8-week self-paced program.
- Weekly educational emails with key learning themes and tips.
- Secure confidential support

In addition to the above programs, CIGNA offers 8 week online coaching programs that provide information, skills and motivation to help you achieve your wellness goals. These programs are offered in the following topics: Nutrition Management, Physical Activity/Fitness, Sleep Improvement and Stress Reduction.

To sign up for any of these programs via telephone, please call 1-866-417-7848 or to enroll online visit and register at www.myCIGNA.com. We are sure you will be surprised at how much better you feel.

If you need further assistance or have additional questions, please contact Nancy Errichiello at the 17 Battery office.



“SPOTLIGHT ON”
McAllister Towing of Narragansett Bay, LLC
d/b/a “Providence Steamboat Company”

In continuing our “Spotlight On” section, we are proud to share with you our Providence, RI operation. We hope you enjoy becoming a little more familiar with this port and the exceptional individuals who work there.



Port Engineer - Rob Roy

Who are the key personnel in Providence?

| <u>Name & Position</u> | <u>Date of Hire</u> |
|--|---------------------|
| Captain Gary Oliveira - General Manager | 11/01/1989 |
| Rob MacGregor - Port Engineer | 05/04/1981 |
| Mike Allen - Assistant Port Engineer | 05/21/2004 |
| Lise Raczewski - Office Manager | 02/07/2005 |
| Diane Sarver - Staff Accountant | 10/02/2006 |
| John Plummer - Chief Dispatcher | 01/01/1983 |
| Captain Doug Cory - (46 years of service) | 01/02/1963 |
| Captain Roger Francis Jr. - (2 nd generation) | 10/01/1999 |
| Captain Nathan Oliveira - (2 nd generation) | 03/12/2003 |

How many employees work in Providence?

We have a total of 23 employees: 12 crew members, 5 on the pier and 6 in the office.

Diane & Lise at the office



How long has the company been a part of McAllister?

Providence Steamboat has been a part of Narragansett Bay since 1881. In April of 2007, the company became a part of the McAllister Towing family.



Captain Doug Cory on tug RESOLUTE

How many tugs are in Providence?

We currently operate six tugs: the 5,000 hp twin screw tractor RAINBOW, the twin screws PUMA, RELIANCE, RESOLUTE, and ELIZABETH

McALLISTER and the single screw ROGER WILLIAMS. Our tugs cover 20 nautical miles of daily operations including frequent jobs at Cape Cod Canal and occasional offshore towing.



The tug RELIANCE gets a makeover and proudly displays her new McAllister colors.



Any interesting facts about the Port of Providence and its personnel?

With operations established in 1881, Providence Steamboat is one of the oldest tugboat operations in New England. Providence Steamboat provides a full range of ship assist services on Narragansett Bay. In Massachusetts this includes the Ports of Fall River and Somerset. In Rhode Island this includes Providence, Tiverton, Melville, Newport, Jamestown Anchorage, Quonset and Davisville. In addition to assisting tankers, tugs and barges in the petroleum trade, the company also works bulk cargos at the Providence Municipal dock, coal at local utility plants, serves the Navy in Newport, and assists car ships calling in the Port of Davisville and Bunkering operations servicing Narragansett Bay.

What's the best attribute of the port?

Providence Steamboat is located in one of the best bays on the East Coast. Narragansett Bay provides some of the best boating and sailing anywhere. The New York Yacht Club's annual regatta is always a big success and features some of the best 12-meter racing anywhere in the country. In fact, Newport Harbor was home to the America's Cup and its races from 1930 until 1983.

Have there been any unusual or memorable jobs that occurred in Providence?

On October 9th of 1995, the destroyer USS FITZGERALD, a top of the line war machine, cruised into Narragansett Bay and was guided by our tug the ROGER WILLIAMS. The tug also assisted in docking her at Codington Cove located in Newport. This was a big event for the area and was well televised due to all of the Government officials that were involved with this major undertaking.



On August 27th of 2006 the PUMA and the RESOLUTE, along with tugs and barges from McAllister Towing of Charleston, transported a 400 x 200 foot bridge section twelve miles up the Providence River from Quonset Point to the Providence River crossing in the heart of Providence, RI. Weighing 5.5 million pounds, the new bridge was installed for the Providence River crossing for Interstate 195.

In April of 2008 the ALEXANDERGRACHT, a 388 ft. Netherlands-flagged vessel, was headed up the Bay carrying yachts and scrap metal when, at about 12:50 p.m., she ran aground in the East Passage of Narragansett Bay. Our tugs the RAINBOW and RELIANCE were on the scene within 30 minutes and successfully refloated the ship and then towed her to safe anchorage.



Movers & Shakers



Joseph "Joe" Zawacki - Director of Financial Reporting - 17 Battery joined the McAllister family back in October of 1978 having been recruited by the then Treasurer Mel Fincke and Controller Chuck Valunis, whom he had the pleasure of working with previously at Marine Transport Lines as the Foreign Fleet Accountant. At that time McAllister was converting their "One-Write" payroll system to an automated ADP process, and as he had experience, Joe came on board as Paymaster. "Those were interesting days as we dealt first hand with tug crew members each payday. Our office was located on the 15th floor then at 17 Battery and eventually a window was cut into the hallway wall in order to keep the more rowdy guys (and some ex-wives at times) out

of the office." In 1984, Joe moved into the Accounting department as the Fixed Asset Accountant and has moved up the ranks to Director of Financial Reporting. Some of Joe's fond and not so memories from back then are doing physical counts for the audit at the old Tug and Barge Dry Docks yard in Jersey City under the watchful eyes of Bobby Mattson, "boy that was a joy.....how many nuts and bolts can you count in one day?" and the first Christmas party he attended where Bev Reilly dressed as Santa and handed gifts out of her sack assisted by Phyllis Salerno (JP and Neill's assistant). "As a McAllister "hard timer" I've made many friends over the years; some of whom are still here and others that have passed through. I have enjoyed the good times and weathered the bad. In light of the current global economic conditions and being on the front lines with McAllister's financial reporting, I'm confident that as in the past, the McAllister crew will again pull together and there will be blue skies and smooth sailing ahead."

Lou Kuznir - Dispatcher - McAllister Towing of Philadelphia became a member of the McAllister family in July of 1980 working in the Philadelphia Marine Towing Division, which managed the Nepco Units in the Great Lakes. In addition to dispatching, Lou also handled all of the insurance claims from Philadelphia south to San Juan, Puerto Rico. Shortly after this, he was offered a position in New York where they centralized the Insurance Department. It is rumored he declined the move because he is such an avid Phillie's fan. When McAllister began the Feeder Service operations and added a truck fleet in 1986 he became the manager of the McAllister Feeder Service office in Cherry Hill, New Jersey. He was joined by a young upstart named Pat Kinnier, current Port Captain in New York, who handled sales for the new division. "At that time we were young, thin and good looking... well two out of three ain't bad for me". Shortly before the Feeder Service and Trucking Divisions were sold off, McAllister offered him his dispatching position back in the operations in Philly, which he gladly accepted. Lou has a Hazwoper and drug testing certification and enjoys his Ops work. He looks forward to the everyday challenges that are presented to him. "We're always looking to keep McAllister in the forefront of our industry with the unsurpassed service we are famous for."



Captain Terry Suggs - Docking Pilot - McAllister Towing of Charleston

Terry Suggs started out in the commercial fishing industry back when he was a freshman in high school as a summer job. He discovered he really enjoyed working on the water and that opportunity gave him a good foundation for where he was headed. At 21 years old, Terry joined the McAllister family in Charleston as a deckhand aboard the WILLIAM H. McALLISTER. As his sea time built up, Terry found himself working his way up the hawsepipe until he reached the position of captain in 1994. After a lot more ship riding, he earned his Docking Pilot's license in 2002 and assumed a full time position as Pilot in Charleston in 2008. "McAllister has a lot of good and talented people in its organization", Terry says. "I would like to thank McAllister and many of the people within the company who have always given me the opportunity to grow within the industry and advance my career."



LITTLE MAC

No one can accuse Dean Fabian, Operations Manager at McAllister Towing of Virginia, of not having a passion for tugs, especially McAllister tugs. In December of 2007, Dean began an overhaul of a boat he had recently acquired. According to Dean, "The hull was in great shape but I had to rebuild the entire top side." After six months of love and labor, with a brand new wheelhouse, deck and an appropriately painted stack, the boat slid down the ways and LITTLE MAC was Christened to the waters of Virginia.

LITTLE MAC is 25.6' long x 11' wide with a depth of 5'. She is a single drive, open wheel vessel with a 90 hp Ford Lehman diesel engine. Dean also told us that she is equipped with a S/S H Bit and 200' of 2" double braided nylon for "light" tow work and she has "a bucket and a prayer" for firefighting.

LITTLE MAC is a frequent sight on Bennett's Creek in Virginia with Captain Dean at the controls. She has also been recurring participant in Norfolk's annual Harborfest. In fact, this past year brimming with confidence and feeling all of her mammoth 90 hp she went nose to nose with the 4,000 hp Z-drive tug STEVEN McALLISTER. The results... well that depends on who you ask. If you ask Dean, he'll say "she performed admirably like every other



McAllister tug." And so with her pride in tact and her colors flying freely she sailed into the sunset with her proud Captain at the helm.



At the Helm

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

McAllister Towing's
"At the Helm"
- Volume 11

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