MARITIME EXCHANGE
240 Cherry Street
Philadelphia, PA 19106

ADDRESS SERVICE REQUESTED

THE BEACON

PRSRT STD
U.S. POSTAGE
PAID
WILMINGTON, DE
PERMIT NO. 1635

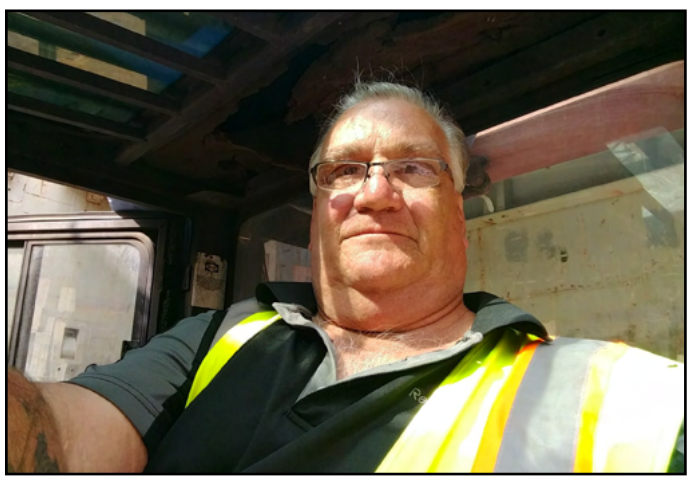
Summer 2020
Volume 30, No.3

www.maritimedelriv.com ◆ exchange@maritimedelriv.com ◆ /company/maritimedelriv ◆ @maritimedelriv

Unsung Hero 2020 too tough to call

This year's request For Unsung Hero nominations brought two especially remarkable candidates to the Exchange's attention. The member-based review committee could not choose between them — so didn't. As a result, this year we have two heroes to celebrate. We sincerely regret having to cancel the May membership event and losing the opportunity to honor these outstanding representatives of our community in person, and we hope to be able to reschedule at some point in the near future. In the meantime, you will surely be as impressed with these two individuals as we were. They epitomize the character and spirit of a true hero of our port community. Please join the Exchange in congratulating these two treasures among our colleagues!

Unsung Heroes 2020



Michael Billups on the job for Delaware River Stevedores.



Christine Lassiter transports the captain of the "Strategic Encounter."

Michael Billups: One of the hardest working guys on the Delaware River

"I thought I was getting fired."

That was Michael Billups fear when called into the office of Delaware River Stevedores President Robert Palaima. But as you'll see, Billups was in for a big surprise.

A little history

Billups started his maritime career on the Delaware River more than 40 years ago, right out of high school, in 1978. Life growing up was tough, and he left home at 17, heading straight for a job on the waterfront like his grandfather had done before him.

Billups credits his grandparents with his hard-driving work ethic. "My grandfather was old school and had me working every weekend at the shore when I was just a kid of 8 years old or so. He taught me how to work with my hands and straightened me out at a very young age,"

continued on page 10

Maritime On-Line®

Did you know the Exchange operates the information superhighway of the Delaware River maritime industry and beyond? Providing real-time vessel positions, schedules, and tools to file crew and cargo manifests, Maritime On-Line is your one-stop source for port information.

Contact the Exchange at ops@maritimedelriv.com to find out how we can help your business operate more efficiently.

Christine Lassiter: A Heroes' Hero

If seafarers are the forgotten heroes of the maritime industry, then Christine Lassiter is an uber hero.

Lassiter's title at the Seamen's Center of Wilmington is officially "office manager," but that captures only a small fraction of what she does. Sure, Lassiter orders office supplies, processes checks and payments, and makes sure the Center and its vans are operating safely and efficiently. Yet her job involves so much more.

"There are only two of us here," Lassiter said. "So I have to be a jack of all trades. If I don't know how to do something that needs doing, I have no choice but to learn very quickly."

One of her most important functions is to coordinate the nearly 50 volunteers who staff the center and transport the seafarers where they want to go. While this is the part of her job she finds most rewarding, it can also be the most difficult. "Managing schedules is extremely challenging. We cannot always cover every shift, and volunteers sometimes need to cancel with little notice." When an SCW driver shift goes unfilled, the Center is effectively at dead stick for the duration. Fortunately, these instances are few and far between.

On the other hand, Lassiter remains in awe of the SCW volunteers and says working with them is the best part of her job. "They are such amazing people, with a wealth of life and work experiences — some have maritime backgrounds, they've owned businesses, and they've held high-profile jobs in the military, law, journalism, government, and many other fields. Most of our volunteers are retired and can do anything they want with their time, and they choose to spend it helping seafarers." Lassiter noted that many volunteers also help their churches and other nonprofits as well. "Our volunteers set the model for what I try to live up to," Lassiter said.

"I have yet to find a limit on what Christine will do for volunteers," said SCW Executive Director Joan Lyons. "Last December, she learned that one of our volunteers was very ill. After speaking with his wife for a few moments, she determined they needed help and was in

continued on page 9

Interview with

David K. Cuff

President
Pilots' Association for the Bay and River Delaware



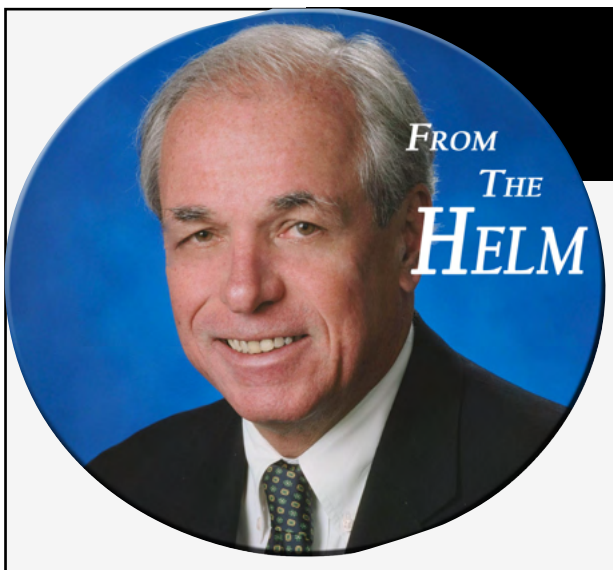
Capt. David K. Cuff took the reins as President of the Pilots' Association on May 7, 2020. Elected by his partners to succeed Capt. Jonathan Kemmerley, he will lead the association through one of the most exciting times in recent port history — the completion of the 45-foot channel deepening project. Capt. Cuff is a third- generation mariner on the Delaware River. His father, Capt. John Cuff, now retired, was a pilot with the Pilots' Association for 42 years. His grandfather was a docking pilot for McAllister tugs. David graduated from New York Maritime College in 2003 and became a state licensed pilot in 2007.

The Beacon *recently caught up with him to get his insights on operations at Delaware River ports.*

Q: While its mission is the safe navigation of ships moving through the Delaware River and Bay, the Pilots' Association has been a staunch supporter of the project to deepen the main ship channel to 45 feet. As we head into the last phase of work, what message do you have for mariners, port businesses, and customers during this final transition?

A: After nearly thirty years of hard work from everyone in the port community, we are nearly at the finish line. This deepening project represents the best of all our port partners working together, including the Army Corp of Engineers, PhilaPort, USCG, Maritime Exchange, terminal operators all along the river, and local and federal political support. The completion of this project is something we have all been waiting on for many years, and I could not be more excited to be a part of this expansion. As we

continued on page 15



It could be a lot worse . . .

At the risk of stating the obvious, COVID-19 has affected every aspect of our lives, both personally and professionally. Over the past four months, businesses shuttered, schools closed, over 40 million people lost their jobs, and many others are working remotely. What was once unimaginable has actually happened: states are all but closing their borders to fellow citizens who travel from other states.

Concern about the economy collapsing is second only to the anxiety people feel about when public health officials will finally contain this virus. Wearing facemasks, maintaining physical distance, sanitizing our homes and workspaces, and the myriad other steps people must take to protect their health have become the norm of everyday living.

While the maritime industry has been affected by the onslaught of this pandemic, it has not suffered nearly as much as the airline, tourism and hospitality, and retail industries. Rebounding back to "normal" business levels will not be as steep a climb for our industry as it will be for others — regardless of whether our recovery looks like a V or takes a W shape.

Based on ship counts, we can see that Delaware River business has slowed, but not dramatically. Overall, the number of vessels arriving to conduct cargo operations in the region is down roughly 10%. Import cargos impacted include breakbulk fruit, crude oil, and vehicles, and export petroleum has been especially hard hit. On the other hand, ships hauling wet gases out of Marcus Hook are actually up by 44%. Several other port operators in the region report volume increases in certain cargos, despite the decrease in ship calls.

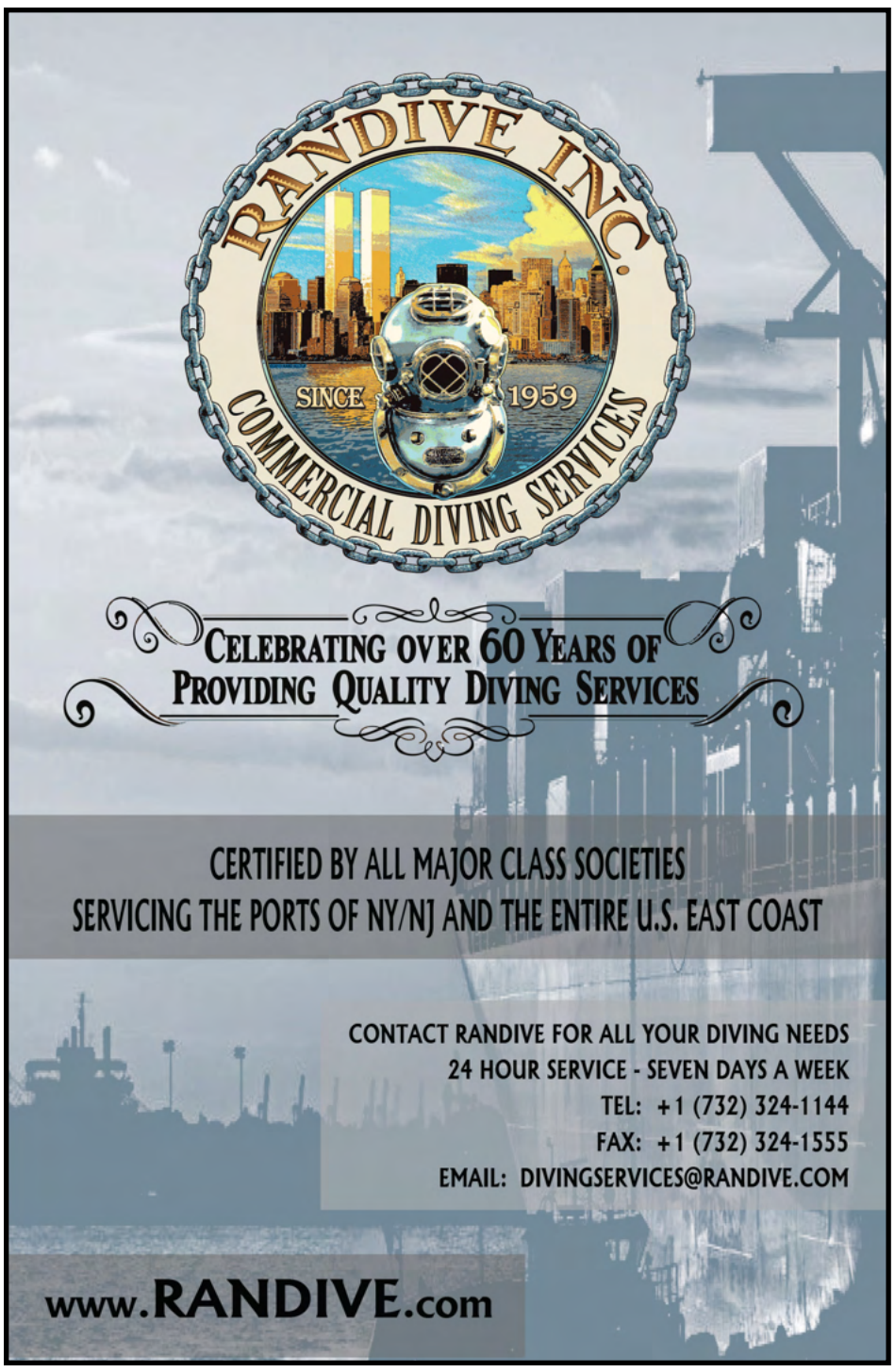
Port operators and employees have stepped up to the plate to ensure safe and healthy workplaces while sustaining efficient business operations. Port authorities, terminal operators and stevedores, pilots and tug crews, longshore labor and warehouse workers, and so many others on the front lines of the supply chain balance these requirements on a daily basis. While at times inconvenient, all understand the necessity to do so.

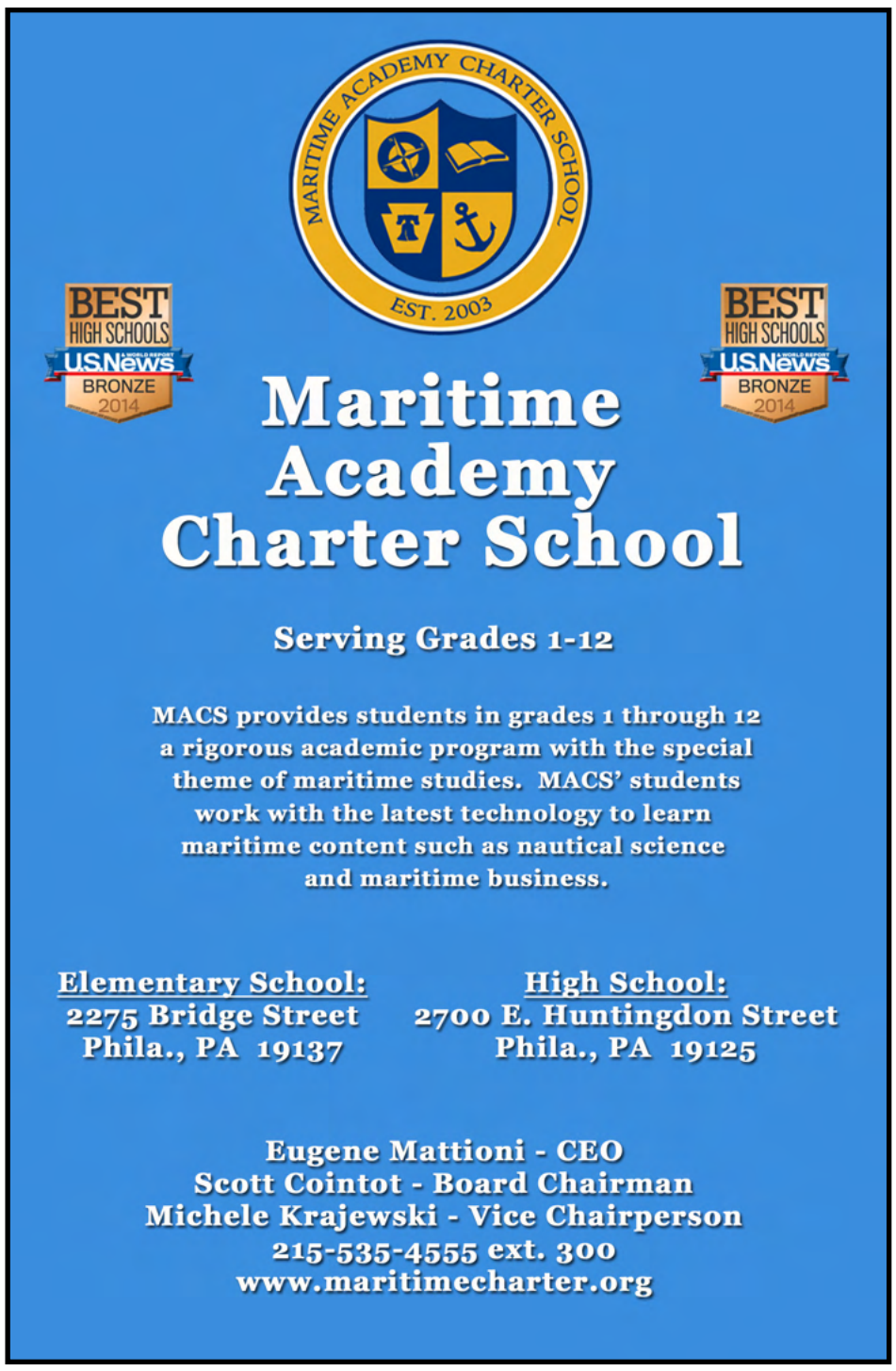
As ports continue to operate at close to normal levels, repatriation of seafarers to their home countries has become a major concern. As you'll read on the editorial page of this issue of *The Beacon*, this is an international issue that in fact affects ships arriving here on the Delaware River and needs swift resolution. Currently, an estimated 300,000 seafarers worldwide are sailing under expired contracts but cannot rotate off their ships because of immigration restrictions and port closures. Some stranded seafarers have been on board for as long as 15 months, well beyond the limits specified by the Maritime Labor Convention. The International Transport Workers Federation, which advocates for mariners, went so far as to suggest a crewmember work stoppage in protest. While this is not a viable solution, a growing cadre of maritime professionals is beginning to believe governments will not take concrete action until there is a major maritime catastrophe.

Widespread speculation remains over when we might expect to put this pandemic behind us. There is a worldwide rush to develop medicines to alleviate the symptoms of, or better yet cure, COVID-19 and a vaccine to prevent it. The barrage of daily media coverage can be overwhelming, yet we must remain vigilant in the weeks and months ahead.

While we are far from out of the woods, seafarers need our help, and we grieve for those who have lost family and friends to this horrific disease, we can count ourselves lucky to work in an essential industry and be grateful the economic impact has not been worse.







Exchange members take action to improve port ops

Private Berth Dredging Committee seeks to streamline permitting

"That the Maritime Exchange is committed to promoting the growth of port and related industries hasn't just been a tagline for the last 140 years, it's been the philosophy that guides our every move," said Exchange Vice President Lisa B. Himber.

Never has this been more apparent than in the recent activity of the Exchange's Private Berth Dredging Committee. Through its PBD Review Panel, members have identified an opportunity to improve processes for filing permits for maintenance dredging, berth construction, and other waterside activities. The initiative also seeks to collect information about the watershed and create a document repository that will aid federal and state agencies charged to review and approve permits.

Working over the last year, the PBD Review Panel has developed a set of parameters that will direct a study of available data on the activities of sensitive species that rely on the aquatic ecosystem. "Where information is lacking, we will gather new data and populate a database containing this information," Himber said. The initial focus is on areas of the river that have a potential impact on industry, though the effort may expand to encompass the entire waterway.

The PBD Review Panel is comprised of industry stakeholders and federal and state regulatory agencies. Together, the group has developed a request for proposals that not only seeks to gather and collate data but also look at how operational activities, such as pile driving and dredging, affect certain species' spawning and migration habits. The selected vendor will also be required to develop a GIS-based platform for data access, create a guideline for complete, accurate permit applications, and provide recommendations to aid permit application and review/approval processes and improve marine operations for dredging and construction.

"Developing a brand new dredging database will be a heavy lift, but in the end we hope to realize tremendous time and cost savings," said John Deemer, HSE Manager at the Delaware City Refinery. "We are hopeful that having reliable biological information readily available will limit the need to reinvent the wheel each time we prepare a permit application and will also help ensure reviewers are basing their permit decisions on the most current data."

At issue are the Endangered Species and Clean Water Acts, which place limitations on when certain waterside activities can take place. Government agencies have made great strides in their efforts to streamline processes and shorten the time needed for permit reviews, but the review panel believes more can be done.

Peter Johnsen, Fisheries Biologist at NOAA, said, "While a fair number of studies and information on species and impacts already exists, both generally and specific to the Delaware River, it is also clear that we could benefit from additional information to further understand how to manage listed species and natural resources within the Delaware River Basin while still supporting a maritime economy. Any effort to identify information gaps and to support or fund further studies is always welcome."

The panel will review proposals in August and hopes to award a contract shortly thereafter.

At the same time, the Exchange and panel members are working to secure funding for the study and its deliverables. "This project will benefit numerous stakeholders beyond maritime interests. Other waterside industries, water resource managers, municipal water departments, academia, and a host of others stand to gain from this work," Himber said. "Our hope is that the broader Delaware River community steps up to help make it happen."



Welcome New Members

Executive Shipping Services (USA), Inc.
4655 Sweetwater Boulevard, Suite 650
Sugar Land, TX 77479
281-804-2024
esshouston@executiveship.com
www.executiveship.com

Seafarers International House
123 East 15th Street
New York, NY 10003
212-677-4800
drege@sihnyc.org
www.sihnyc.org

Individual Members

Christopher J. Field

John E. Kawczynski

Use the Exchange to broadcast your message

Maritime Exchange members offer a diverse assortment of comprehensive capabilities, services, and products. No doubt all have a story to tell if given the opportunity, and there is always something newsworthy happening in the transportation industry worth a share and a shout out.

Then there is *The Beacon*, the premier source of port news, which enjoys a wide readership among industry, legislators and their staff, and public policy makers, among numerous other groups interested in the port, its issues, and its people.

Together, Maritime Exchange members plus readers of *The Beacon* equals a communication vehicle sure to reach the right audience.

The Beacon readers enjoy articles authored by Exchange members that report on any number of topics. These might include company leadership and personnel changes, updates on key issues of the day, or new regional development that is sure to enhance commercial activities on the Delaware River. Such is the case with the articles submitted by Exchange members the Delaware Bay and River Co-Op, MACS, National Cargo Bureau, the Water Resources Association, and William Penn Holdings in this issue.

"This is a valuable membership benefit that presents a unique opportunity to share member organizations' news with the Delaware River community and throughout the U.S.," said Exchange Membership Committee Chair Barbara Hunter.

So take a moment to contemplate this little-known benefit of Exchange membership — at least until now — which means that you, too, can submit articles of interest for publication in this newsletter. And now that you know, why not hit the keyboard and submit your news, along with any accompanying photos or graphics, to *The Beacon* editor Lisa Himber at exchange@maritimedelriv.com for consideration in an upcoming edition.

If you enjoy our newsletter but are not yet an Exchange member, please contact Membership Coordinator Beverly Ford at the same email address. Permission granted to come aboard and take advantage of the many benefits an Exchange membership offers.



Export system nearing launch

"Land ho," said Exchange Director of Operations Paul Myhre, referring to the development of the export manifest filing system. "Initial development is finished."

Programming of the export system is complete, and the Exchange has been testing with Customs and Border Protection to become certified for the export pilot program. This will allow users to send live data through the Customs export pilot program.

"We look forward to starting electronic submissions," said Tom Sullivan, Vice President at Moran Shipping Agencies. "And we couldn't find a more experienced partner than the Exchange, who understands the ins and outs of the shipping world."

The process has been all hands on deck from design to development. "It's been very exciting to be part of system development from the ground up," said Exchange Account Manager Laura Miller. "Helping with design in the beginning to testing at the end has been an eye-opening process and has fostered a greater understanding of the data interactions."

The project started with reviewing the Customs specifications and seeking input from users. That work formed the basis of the technical specification programmers used for system development. With initial development complete, staff then put the new program through its paces, testing screen functionality, data storage and retrieval, and a host of other functions. "Before we release new programs to users, our staff tries to break it," Myhre said. "Only when the system meets the requirements 100% do we move to the next phase." In this case, the next step was testing data transmissions with CBP.

Staff checks each transmit file for accuracy, and they give equal scrutiny to responses back from ACE.

Darleen Michalak, Operations Coordinator at the Exchange, recently started working with CBP on certification. "CBP provides a step-by-step test guide to mimic expected user functionality," she said, "and I work with our CBP client rep to confirm each process." Once one step is completed, the cycle continues through each step in the guide.

Originally developed in 1988 to process electronic import cargo manifests, TRACS was recertified again in 2010 as part of the ACE upgrade. The Exchange conducted a series of tests to verify ACE functionality and passed with flying colors.

"As we work through the process again with exports, I expect it to be fairly straightforward, as it was a decade ago," Michalak said.

"TRACS will continue to evolve to meet the needs of participants," said Myhre, "as do all other aspects of Maritime On-Line, including ship schedules and reports, electronic advance notice of arrival and departure, and real-time vessel tracking."

Contact Paul Myhre at exchange@maritimedelriv.com to see what Maritime On-Line can do for you.

Exchange gears up for Section 321 messages

Automation pilot has unforeseen consequences

A U.S. Customs and Border Protection automation pilot has been generating a lot of discussion of late, both to the good and not so good. CBP started a program in September 2019 to allow electronic filing of Section 321 Entry Type 86 goods through the Automated Commercial Environment. Type 86 entries allow import of goods valued at less than $800 without payment of duties and taxes.

The increased de minimis value exemption from $200 to $800, adopted as part of the Trade Facilitation and Trade Enforcement Act of 2015, opened the door for more importers to bring goods into the U.S. duty free.

"Transitioning from paper to electronic filing is generally a positive change and one the Exchange has always supported," said Maritime Exchange IT director Michael Fink. "Unfortunately, it appears the number of entries associated with this type of filing was underestimated, and the resulting increase in the volume of electronic messages has caused problems for both CBP and for filers." Since April, CBP announced several ACE delays due to processing backlogs.

"CBP is aware of the issues associated with ocean Section 321 shipments and is working with the trade to identify fixes that work for all," said James Swanson, director of Cargo Security and Controls for Cargo and Conveyance Security at CBP.

In late April, the Exchange first witnessed the impact to CBP and users of the Exchange TRACS manifesting system.

"In one day, we saw a 300% increase in the number of messages TRACS typically receives from CBP," Fink said. "On investigation, we learned the additional messages were related to Entry Type 86 shipments."

Fink said the Exchange immediately went into high gear to tackle the issue through hardware and software updates. "We upgraded the servers that process the CBP status messages, and with some networking configuration changes and an operating system upgrade, we were able to significantly increase system performance capabilities."

The Exchange also identified potential programming enhancements that will help address the increased message payload, but these are on hold pending changes to CBP systems. When CBP releases future updates, the Exchange can quickly modify TRACS to meet emerging requirements if needed.

The Section 321 pilot stands to benefit both entry filers and CBP in the long run. Customs brokers will benefit from expedited clearance of low-value consignments, and CBP stands to gain more visibility into the increasing number of e-commerce shipments, currently estimated at 1.8 million per day, making it more effective in carrying out its missions.

Public and private ACE users look forward to a successful implementation. But as CBP and the trade community have learned, the sheer volume of electronic messages is forcing senders and receivers to reevaluate their systems and reimagine their processes to prepare for a full rollout of the electronic Section 321 initiative.

REEVES McEWING
LLP
MARITIME LAW
P&I ⎈ TRANSPORT-LOGISTICS ⎈ TRANSACTIONS



1004 S. FRONT ST.
PHILA., PA 19147
Tele: 267.324.3773

10 ANDREWS LANE
DORCHESTER, NJ 08316
Tele: 609.846.4717

AFTER HOURS

Lisa Reeves	267.257.8225 (Philadelphia)
Brian McEwing	609.846.4717 (New Jersey)
Michael Schleigh	215.740.7047 (Philadelphia)
Ray Letulle	610.529.0038 (Delaware)

www.lawofsea.com

GENERAL MARINE
REFRIGERATION CORP.
24 Hour Service
Service, Equipment/Parts Sales, Engineering
ANY SHIP ANY WHERE
W. F. ANDERSON
6834 Camden Avenue
P.O. Box 142
Pennsauken, NJ 08110
Phone: 856-488-8300
Fax: 856-488-8377
e-mail: mail@generalmarine.org
www.generalmarine.org
ANY SHIP ANYWHERE
Air Conditioning Cargo Holds Containers Refrigeration
Ship Stores Water Coolers
CARRIER ● CARRIER TRANSICOLD ● YORK
Authorized Dealer

New faces on Exchange board

At the May 2020 organizational meeting, directors elected a slate of officers who will serve for the next year. John T. Reynolds will serve as chairman, Uwe Schulz as vice chairman, Robert A. Herb is the treasurer, and A. Robert Degen, Esq. continues as corporate secretary and solicitor.

The Exchange also recently welcomed two new board members, Capt. David K. Cuff, President of the Pilots' Association for the Bay and River Delaware and Capt. Kubilay Ulucan, GAC Shipping USA Port Manager of North East Ports - NJ, PA, and MD.



Capt. Kubilay Ulucan

Capt. Ulucan was born in Turkey and graduated from the Turkish Maritime Academy in 1998, majoring in Merchant Marine Navigation & International Maritime Business. After graduation, he worked as ship captain onboard for different international maritime companies and as a ship agent in Turkey. Capt. Ulucan joined GAC in 2005. He has served in United States Coast Guard as an Auxiliary officer since 2009. He also writes monthly for Turkish Maritime Magazine and has been its U.S. editor since 2013.

See the Q&A on page 1 for Capt. Cuff's brief bio.

Welcome aboard!

Not spam, we are updating our database

No, the email you may have received in June requesting your help in updating our database was not spam. It was us, something we do every year to help keep our database current. Having current contact information is key to keeping you informed about the industry-related activities along the Delaware River, across the U.S., and throughout the world. Our goal is to ensure members have timely, accurate, and relevant information, which has been especially important during the COVID-19 pandemic.

Though we update our database in real time, some information may have slipped our notice.

Many thanks to those who already responded.

If you did not receive our email or have yet to respond, please send your current contact information, including name, company, job title, mailing address, phone number, email address, and web address to Exchange Publications/Office Administrator Donna Stargell at exchange@maritimedelriv.com. We also want to know whether the info we currently have on file for you is correct.

If you received this copy of *The Beacon* from someone else and would like to join our mailing list directly, feel free to contact Donna.

Thank you as always for the ongoing, strong support this port community offers the Maritime Exchange!





Theel takes helm at Sector Delaware Bay

In what was perhaps the most intimate change of command ceremony in recorded history, CAPT Jonathan Theel relieved CAPT Scott Anderson as Commander of U.S. Coast Guard Sector Delaware Bay. Because of physical distancing requirements, the invitation list to an event which normally draws hundreds of family, friends, and colleagues was limited to just a few. The small audience notwithstanding, the change of command still included all the pomp and ceremony expected of a military transfer of leadership.

CAPT Theel is well known to the Delaware River port community after having served as Deputy Sector Commander for the last year. Before joining the Sector Delaware Bay team, he was a Coast Guard military fellow at the RAND Corporation, analyzing complex strategic-level public policy challenges within its Homeland Security Operational Analysis Center. Previously, he served as the Assistant Commandant of Cadets at the U.S. Coast Guard Academy, as a strategic analyst to the Coast Guard Vice Commandant, the advanced interdiction program manager, the project manager to realign Coast Guard's deployable specialized forces, a personnel specialist in Officer Personnel Management (OPM-1), and an intelligence analyst in the National Drug Intelligence Center.

His operational assignments include Chief of Response at Sector Long Island Sound, Commanding Officer of Maritime Safety and Security Team Miami (91114), and Deputy Commander of Group Grand Haven, Mich. CAPT Theel also served as Officer-in-Charge of a counterdrug Law Enforcement Detachment Team (5F) aboard U.S., British, and Dutch Navy vessels, liaison to U.S. Naval Forces Central Command during Operation Southern Watch, and Deck Watch Officer aboard USCGC "Valiant" (WMEC 621).

The captain's new responsibilities include overseeing more than 750 active duty, reserve, and civilian personnel, 2,100 Coast Guard Auxiliary volunteers, and 22 Coast Guard units, including six stations, seven season stations (small), two aids to navigation teams, five cutters, a Sector Field Officer, and a Marine Safety Detachment. Sector Delaware Bay is responsible for all eleven Coast Guard missions across much of Pennsylvania and New Jersey and all of Delaware out to 200 miles offshore.



Originally from Sioux Falls, S.D., CAPT Theel graduated from the Coast Guard Academy in 1996 with a B.S. in Marine and Environmental Science. He earned a Master in Military Studies from the Marine Corps, a Master of Science in Environmental Engineering from Johns Hopkins University, and Joint Professional Military Education Phase I.

The Exchange wishes CAPT Theel best of luck in his new role!

Coast Guard discontinues differential GPS broadcasts

By: CWO Kurt Fredrickson
U.S. Coast Guard

On June 30, 2020 the Coast Guard switched off the last Differential Global Positioning System signals after more than 25 years of service.

With the improved accuracy and integrity of un-augmented GPS over the last several years, and with the introduction of the U.S. operated satellite-based augmentation system known as Wide Area Augmentation System, the maritime community no longer has a mission requirement for DGPS. GPS now provides sufficient positional accuracy to meet international navigation requirements for harbor approaches and to position federal aids to navigation.

The Global Positioning System is a U.S. government owned utility that is now ubiquitous and provides users with free, highly accurate positioning, navigation, and timing services. GPS technology can be found in cell phones and watches, shipping containers, and ATMs. It is essential for all forms of navigation, farming, surveying and construction, banking and the financial markets, and the power grid.

In its earlier iterations, the information GPS provided was not accurate enough for some applications, including the Coast Guard's positioning of marine aids to navigation. To solve this problem, in the late 1980s and early 1990s, the Coast Guard established the Maritime Differential GPS System to augment the existing GPS signal with accuracy corrections and integrity monitoring by broadcasting over medium frequency from terrestrial broadcast sites. The correction brought GPS position accuracy from several meters to less than one meter.

The process includes the installation of navigation at a precise known location, which receives the GPS signal and compares the position solution from received signal to its known location. The result is then generated in the form of a correction message and sent to local users via a radiobeacon broadcast. The received correction is applied by the user's GPS equipment to reduce the system position error, thereby improving the user's absolute accuracy.

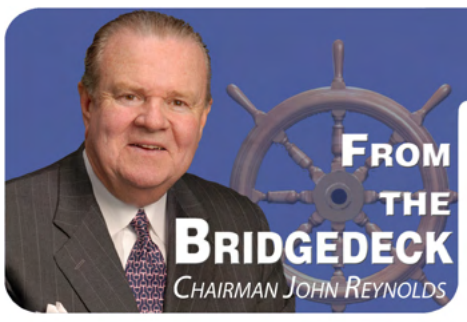
This clever solution caught on, and the use and availability of DGPS expanded beyond Coast Guard missions. In its heyday, DGPS operated by the Coast Guard, Department of Transportation, and the Army Corps of Engineers broadcast corrections from 85 sites that covered the nation from coast to coast, out to 50 nautical miles offshore. Coverage also included the Great Lakes, Hawaii, Alaska, Puerto Rico, and the U.S. Virgin Islands.

DOT and the Corps have already discontinued the inland DGPS component. The Coast Guard has operated the remaining Nationwide DGPS service, consisting of one control center and 38 remote broadcast sites, through its Navigation Center in Alexandria, Va. The phased shutdown of those 38 sites began in 2015 and concluded on June 30, 2020 by turning off the signal from the final four sites located in the Great Lakes and the St. Lawrence Seaway.

This was an incredible system that has served the Coast Guard and the public well for more than 25 years.

This article originally appeared on Maritime Commons on June 29, 2020. It was edited for style.





Remembering lightships

Going to sea in the 60s brought so many joys. One of my favorites was to see the many beautiful lightships stationed outside ports to mark dangerous moving sandbars, shoals, low water, river's mouth, a spot where a lighthouse could not be built, or in areas too far offshore for a lighthouse lens to reach.

As they did with many architectural, engineering, and technical marvels, the ancient Romans pioneered the lightship as well, when they placed fire beacons on ships to alert mariners to the presence of danger ahead. Yet it was the English who launched the modern lightship, stationing one at the mouth of the River Thames in 1734.

While the first American lighthouse dates to the colonial era, the use of lightships in America only began in the 19th century. Though an estimated 1,500 lighthouses were built in the United States, only 179 lightships were built between 1820 and 1952. In 1915, when lightship use was at its peak, the United States had 54 stations: 36 off the East Coast, 2 in the U.S. Gulf, 5 on the West Coast, and 11 in the Great Lakes.

The official use of lightships in the United States ended on March 29, 1985, when the U.S. Coast Guard decommissioned its last ship, the "Nantucket." By then, lightships were replaced with Texas Towers or large navigational buoys that are still used today. Sadly, like many of our national treasures that served at sea, most of the lightships were scrapped and are all but forgotten.

We are fortunate to have one of the last remaining ships right here on the Delaware River, the lightship "Overfalls," or LV-118, in Lewes, Del. "Overfalls" was the last lightship constructed for the United States Lighthouse Service before the service became part of the Coast Guard.

She was built by Rice Brothers in East Boothbay, Maine and launched on June 4, 1938. The last riveted-hull lightship built for the Lighthouse Service before welded hulls were introduced, "Overfalls" had diesel propulsion, with a set of diesel generators and compressors providing power for the beacon and her auxiliaries. The light was a duplex lantern on a single 57-foot mast, and she was also fitted with a fog signal, bell, and radiobeacon. The crew consisted of 14 men who served on a two-week-on and one-week-off schedule.

Unlike most American lightships, LV-118 remained on station at Cornfield Point, Conn. during World War II. Sadly, she was severely damaged in a December 1970 storm and was subsequently decommissioned in November 1972. Upon retirement, she was donated to the Lewes historical society in 1973 and moored in Lewes, Del. The name Overfalls was painted on her sides, in honor of the lightship station closest to Lewes. The Overfalls station is in the mouth of the Delaware Bay, where lightships had served as a mid-channel marker from 1898 to 1960, when the station was discontinued.

"Overfalls" is now operated by the Overfalls Maritime Museum Foundation and is available for tours in Lewes. She was placed on the national register of historic places in 1989 and in 2011 was designated a national historic landmark. On your next trip to the Delaware beaches, I urge you to take some time and visit this proud ship that served our country for so many years.





Supersized Pennsylvania exports ship via Tioga Terminal

Terminal operator DRS and Philly labor praised for handling project cargos

Project cargo moves are like complex puzzles. And Jim Vitez likes to solve puzzles.

"It does take extensive planning," said Vitez when discussing his most recent job. "You work with a lot of people across many organizations. The deadlines can be pretty tight. And you better get your numbers right." Vitez, President of KMX International based in Hamburg, Pa., has been moving these "high and wide" cargoes for over 40 years.

This past spring, KMX completed the transportation of a series of large, heavy pieces of machinery for a Pennsylvania manufacturer. The equipment was loaded for export on Atlantic Ro/Ro ships at PhilaPort's Tioga Marine Terminal.

KMX coordinated the U.S. portion of the move, which consisted of six different shipments that took place over four months. First, they trucked the large pieces from vendors across the U.S. to the KMX packing facility and ultimately to the marine terminal. Next, Atlantic Ro/Ro shipped the equipment from Tioga Marine Terminal to Saint Petersburg, Russia on its multi-purpose vessels. After final assembly in Siberia, the machinery will be used for the energy sector.



Pennsylvania-made project cargo loaded for export on board an Atlantic Ro/Ro ship at PhilaPort's Tioga Marine Terminal.

Project cargo moves generate impressive numbers. According to Vitez, the tanks measured 68 feet long, over 13 feet wide, and 12.5 feet high, and they weighed 85,000 pounds. "I'm proud of my team for safely completing these difficult moves," Vitez said.

Packing takes place at the KMX warehouse in Hamburg, which is equipped with super-duty overhead cranes and other specialty equipment for positioning and wrapping very large objects. Export packing is a complex operation in itself: expensive cargo must be blocked and braced properly to ensure protection for the object and the safety of those moving it. Vitez and his team also manage the extensive labeling and documenting procedures for governments here and abroad.

Finally, the pieces were transported on KMX's specialized, 19-axle trucks to Tioga Marine Terminal. The trucking portion of these moves can involve utility companies to move electric wires, state and local police, road closures, traffic light re-positioning, and special permitting on highways.

"Ensuring that the INCOTERMS [international terms of trade] were met without incident and on time allowed our customer to get paid in a timely manner from its Russian customer. That's the ultimate goal," said Vitez.

Rick Shannon, Atlantic Ro/Ro board member, was pleased his company could handle the ocean voyage. "This job was right in our wheelhouse," he said. "We specialize in high and wide cargos; we have the experience to get difficult cargos to Russia."

For 25 years, Atlantic Ro/Ro has provided the only all-water liner service to Russia without transshipment in the EU. Its multi-purpose vessels also carry standard ocean containers.

Both Shannon and Vitez praised the ILA labor at Tioga Marine Terminal and the staff at DRS, the operating company at the terminal. "We really like working at Tioga," Vitez said. "They know project cargos, they have the right equipment, and they get the job done."

DRS President Bob Palaima highlighted current efforts to increase Tioga Marine Terminal's ability to handle even bigger project cargo, saying "We are working with PennDOT to get higher clearances under I-95 and a better turn radius for the offramp as part of the I-95 construction improvements."

PhilaPort CEO Jeff Theobald said, "Exports of highly specialized equipment are a boon to Pennsylvania's economy — and PhilaPort — during these difficult times. We appreciate the roles played by all of our supply chain partners in making this complex logistics operation a success."

Vitez appreciates that. But he also likes the idea of successfully completing another big puzzle.

This article submitted by the PhilaPort marketing staff. Photo provided by KMX International

SCOTUS declines hearing AIIS case challenging Trump tariffs

In a long-awaited decision, the U.S. Supreme Court finally held in June that it would not hear a case brought by the American Institute for International Steel challenging tariffs imposed on steel and aluminum. The AIIS is a trade association representing steel importers and users of imported steel products and shares numerous members and issues of common interest with the Maritime Exchange.

In 2018, the Trump administration imposed tariffs of 25% on steel imports and 10% on aluminum imports. Officials justified this action using Section 232 of the Trade Expansion Act of 1962, which allows the president to impose tariffs for national security purposes. The AIIS argued that the steel tariffs were invalid because Section 232 delegates legislative powers to the president that may be unconstitutional.

AIIS originally filed its suit in the U.S. Court of International Trade, which ruled in favor of the government. The case then moved to the U.S. Court of Appeals for the Federal Circuit, which agreed with the earlier ruling. Both courts cited a 1976 Supreme Court ruling that rejected a similar challenge to Section 232. This precedent was the basis for the administration's winning argument.

In a June 22 statement, AIIS President Richard Chriss said, "AIIS regrets the decision. From the beginning of our challenge to the Presidential tariff-making at the heart of this case, we have been guided by one principle: we speak out when the cause is right and the livelihoods of our members and steel supply chain colleagues are harmed."

Exchange President Dennis Rochford, who also serves on the AIIS board, said stakeholders within a broad range of import steel interests and steel-using industries were disappointed by the news. "These needless and unwise tariffs have hurt the Delaware River port industry at a time when every bit of cargo is critical. They've done nothing to improve the economic fortunes of the domestic steel industry, and they've hurt the nation as a whole."

U.S. Census reports show that as of the end of May 2020, total and finished steel imports were down by 10.981 million and 7.3 million net tons, decreasing 19.2% and 26.7% respectively, over the same period in 2019.

Chriss said that though the Court did not agree to hear AIIS' petition, "Our cause is still right. We reinvigorated a robust national conversation about the proper separation of powers in our system of ordered liberty. That conversation continues. Now it is up to Congress to place limits on Presidential decision-making."



South African citrus makes summer a little sweeter

"M/V Everest Bay" *delivers first shipment of summer citrus to Gloucester Terminal*

In June, nearly 4,000 tons of fresh fruit products from South Africa, the first of the season, entered Delaware Bay for transit upriver. The M/V "Everest Bay," operated by Seatrade, docked at the Gloucester Marine Terminal in Gloucester City, N.J. and unloaded some 3,800 pallets of clementines and navel oranges, kicking off the summer citrus season for local consumers.

"We are proud to continue this fruitful partnership with summer citrus providers in South Africa," said Leo Holt, President and CEO of Holt Logistics, operator of Gloucester Terminals. "Keeping our food supply chain robust and intact is of the highest concern for our staff and many partners. This arrival brings another source of fresh, affordable citrus to consumers in our region and beyond."



The M/V "Everest Bay" docks at the Gloucester Marine Terminal in Gloucester City, N.J. on June 19, unloading approximately 3,800 pallets of fresh summer citrus from South Africa.

The "Everest Bay" left the port of Cape Town, South Africa on May 31 and began a 20-day journey to Gloucester. The cargo comes from a unique collaboration of citrus growers representing the Western Cape region, and the weekly service will continue until the end of the summer citrus growing season in October.

"South African citrus is only one of numerous cargos that make the Delaware River port complex the largest U.S. seaport for perishable goods," said Maritime Exchange President Dennis Rochford. "Our port is the destination of choice for beneficial cargo owners who want the safest, most efficient, experienced handling of their products."

Unsung hero: Lassiter

continued from page 1

their home within the hour. Christine has also delivered food to sick volunteers and even helped a volunteer pack up her home when she moved to Maryland. She just has the most caring soul."

Beyond coordinating volunteers, Lassiter is also the *de facto* network administrator. With no previous experience, she developed a new SCW website from the ground up, created a social media presence for the center and is responsible for keeping it relevant, and has been working on a multi-year project to update the Center's archaic databases. She has also created training videos for volunteers. "It's all about making things run more smoothly so we can better serve the seafarers," she said.

Lassiter has more recently added event planning to her portfolio of responsibilities and is leading the "Last Bash of Summer" organizing committee.

She loves the variety. "Even though we wear many hats, I enjoy this environment so much more than a larger corporate environment. It's much more rewarding." Lassiter values the autonomy and authority she has to explore new projects and ideas. "I've worked in places where there was pressure to climb the corporate ladder. Don't need to do that again," she said.

Yet some days are less "lovable" than others. She said she can "be on my way to work, thinking about the 20 things I need to get done that day only to find that one of the vans has a flat tire. Then everything else takes a back seat."

At the end of the day, everything Lassiter does is laser focused on ensuring the SCW can meet its mission of serving seafarers aboard ships calling at ports in Delaware.

To protect volunteers from COVID-19, the SCW made the difficult decision to keep them home well before government mandates became effective. Since that time, Lassiter has also added ship visits and personal shopper to her roster of activities. Lyons said Lassiter has been seafarers' helping hand, purchasing everything from mundane snacks to much-needed clothing to weightlifting equipment.

"I think seafarers are just hysterical, and I have a great time talking with them and learning from them," Lassiter said. "They are so laid back and so appreciative of any little thing we can do for them."

She said communicating can be challenging, but it is nothing they cannot overcome with a translation app. And many times, the language barrier provides humorous moments. She related a story about recently delivering a birthday cake to a seafarer at the Port of Wilmington. Consistent with COVID-19 restrictions, Lassiter did not board the ship but left the cake at the bottom of the gangway for the mariner to retrieve. "I found out the cake was for him and asked him to stay there so I could take his picture," Lassiter recalled with a smile, "and he said okay, then immediately proceeded back up the gangway."

So, she loves working with the volunteers, interacting with the seafarers, and the variety of her responsibilities. Is there anything Lassiter does not like?

"I worry," she said. "I worry about volunteers' health. I worry about being able to get everything done, especially when I'm not able to meet all my goals. There's just never enough time in the day. And I worry about receiving enough donations to keep our vans running, to keep the building functioning, and to support our programs, such as Christmas at Sea."

She likens her job to running a family. "At home, you worry about your kids and spouse, your house, your cars . . .. That's what I do for a living too."

Those concerns notwithstanding, working for the Seamen's Center of Wilmington is satisfying for Lassiter on many levels. "The gratification doesn't come every day," she said, "but then there's that small moment, that smile from a seafarer. Then you know what you're doing is important and how much it all matters."



Rob Herb elected SCI president

By: Helene Pierson, Executive Director
Seamen's Church Institute of Philadelphia and South Jersey

We are delighted to announce that Robert A. Herb has been elected President of Seamen's Church Institute of Philadelphia and South Jersey.

Rob Herb is the Agency Director of Terminal Shipping Company, a division of John S. Connor, Inc., a ship agency that now offers services from New Hampshire to mid-Florida, covering all ports in between.

Rob is a long-time board member of SCI and was honored in 2019 with our Spirit of the Port award, which each year recognizes an individual who personifies the spirit and humanity of our port community. As someone who encounters seafarers up close, Rob is in a unique position to understand their concerns and needs. We are fortunate to have his leadership.

"I'm looking forward to working with everyone in our port community to keep moving SCI's mission onward despite the challenges of the pandemic," Rob said. "There has never been a more important time to support the seafarers."

Rob takes over as president from David K. Cuff, who stepped down upon being elected president of the Pilots' Association for the Bay and River Delaware. I want to extend warm appreciation to David, whose support has been critical during a time of change and improvement at SCI.



As a ship agent for over 30 years, Rob Herb has logged countless steps going up and down ships' gangways.

Multi-commodity transload terminal on the way

William Penn Holdings recently announced a new, multi-commodity transload terminal located alongside the Marcus Hook Industrial Complex. WPH has selected Mammoet as its operator for the facility.

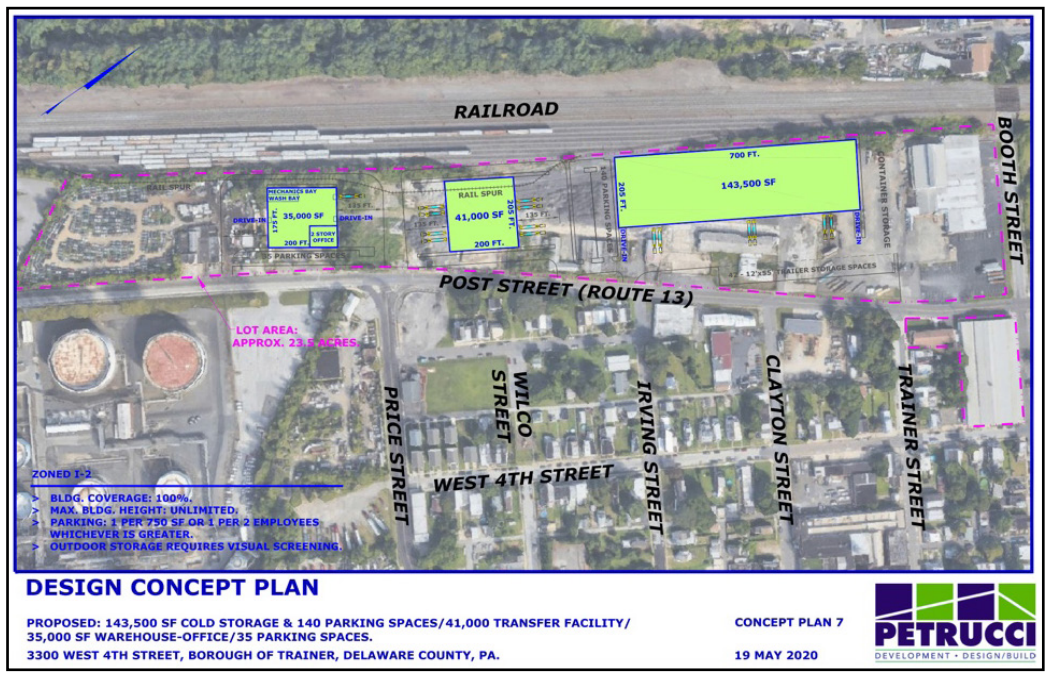
"WPH is focused on growth through key business relationships and a strategically positioned network" said President Jeremy Hunter.

The facility will offer five days per week rail-to-container service, outside storage, and warehousing — including cold storage.

WPH, headquartered in Harrisburg, Pa., is a holding company with diversified investments in rail industrial complexes, smart city transformation, mining exploration, and farming.

The new rail transloading complex will help hard-hit communities such as Chester and Trainer, bringing business opportunities and jobs. As the Delaware River continues to grow, WHP will work closely with logistics companies looking for a competitive edge as markets shift and expand.

"The construction of this facility is an exciting development," said Exchange President Dennis Rochford, "that could result in hundreds of new, good-paying jobs for this area of Delaware River operations. It is one of many in a growing string of investments in port and related infrastructure in the tristate region."



The design concept plan for the development of the new multi-commodity transload terminal in Trainor, Pa.

Unsung hero: Billups

continued from page 1

Billups said. By the time he was 13, he was working at a gas station and delivering newspapers, evidence of an initiative that would stay with him as he moved through life.

On the waterfront

Billups comes from a long line of port workers, including his grandfather, his grandfather's brother, Ed Brennan, who held the first ILA job with benefits, and his uncle Mike Brennan. Billups's first job on the river was as a wood butcher with Local 1566, and he remembers the older guys driving the forklifts and the younger guys like him being assigned the harder jobs of lifting cocoa bean bags and unloading frozen fish.

"I thought nothing of working 700 to 1,000 hours during the winter season alone, which seemed incredible considering some guys worked 1,000 hours for the entire year," said Billups.

In those early days as a longshoreman, Billups followed the money and worked out of the Philadelphia Marine Trade Association center to be dispatched for hire for a slew of companies like Rudolph, Delaware Operating Company, Northern Shipping, and ITO.

In 1980, Billups worked at the Independent Pier Company, located at Delaware and Snyder Avenues/Pier 80. Frank Ciaciak was his gang foreman, and Billups remembers fondly how Ciaciak taught him a great deal — like how to operate a crane. "Frank was indefatigable. He drummed into our heads that to make money, you have to produce tonnage, and that's what we did," Billups said.

When IPC went out of business around 1998, Billups found himself working with one of the gangs at Delaware River Stevedores as a general longshoreman. Palaima first approached him in 2000, when he offered Billups the position of gang foreman at Tioga Marine Terminal. Billups spent the next two years working with a hand-picked crew of long-time labor friends, overseeing Tioga's fruit ship operations.

Then came the surprise.

It was 2002 when Billups was called into Palaima's office. "I thought I must have done something wrong and that Bob was going to fire me," he said. To his great surprise — and relief — Palaima asked if he would be interested in a role with DRS as operations manager, running the day-to-day operations in Philadelphia and Camden. "I had no knowledge of being a manager. I was a longshoreman who knew how to unload ships and teach others how to do the same. Bob Palaima took a chance on me. Bob Palaima invested in me."

In 2015, Palaima offered Billups a promotion to director of vessel operations. "July 4 was five years in this new position, which includes handling customer relations. My job is my life. I work 7 days a week, 9-10 hours a day, 3,000-3,500 hours a year," said Billups. "I don't want to be sitting at home with my feet up while my guys are out there working hard for me. I'm right out there with them, running cranes, unloading ships, driving bulldozers and forklifts, and rigging up cargo ships. Whatever it takes to get the job done."

In his nomination of Billups, Palaima especially noted Billups's status as a role model for younger workers entering the maritime industry. Palaima also wrote, "Mike is a Stevedore's Stevedore, respected by all major customers in the port for his unparalleled knowledge and experience, but more importantly for his integrity, empathy, and commitment to customer service."

Greatest learning experience

Billups is adamant about working safely, wearing the hardhat and the steel tip shoes, being aware of his surroundings, and paying attention. He wants his guys to go home at night to their families. He recalls two co-workers who lost their lives years ago at Independent Pier. "I'll never forget that day . . . the priest coming off the ship. He asked me to go to the workers' homes and tell their wives what had happened. We must never forget that we have a dangerous job, that you can lose your life in a split second. My biggest thing is to keep my workers safe."

Reaction on learning he won the award

Billups' father and grandfather are both gone, and he wishes they were here to see what he's done with his life. "First thing I did when I got the news was call my mom. I sent her the nomination form Bob Palaima submitted to the Exchange so she could see what he said about me. I told her how I wished daddy were here to see it, too. Then my mom noticed something I had not: Bob wrote the nomination on the anniversary of my dad's death. All I could say was, 'Wow!'"

And who is Billups's hero?

It took him all of a split second to answer. "Mr. Palaima has got to be my hero. He genuinely cares about people and his workforce. He and I both know you need the men behind you in this work. If the men aren't behind you, you've got nothing."

He continued, "I admire his communication skills and respect him for giving me an opportunity to show him what I can do. I hope I haven't let him down."

Mike, no doubt you haven't. Thank you for your years of service, and congratulations from the Maritime Exchange on this greatly deserved recognition and honor!

Environmental sensitive area protection in the Delaware River and Bay

By: Rich Gaudiosi, President
Delaware Bay and River Cooperative



During the period 1974–2010, several significant oil spills occurred in the Delaware River and Bay, ten of which were more than 100,000 gallons. The most recent, and perhaps well known, of these was the T/V "Athos I" in 2004.

The swift response to the Thanksgiving holiday spill fully demonstrated the reliability and effectiveness of the strategy to build a strong and lasting partnership between the U.S. Coast Guard, the three state environmental departments, responders, and other key stakeholders, including the Delaware Bay and River Cooperative. These partners are directly responsible for identifying and prioritizing 18 environmentally sensitive areas in the Delaware River.

The "Athos I" spill prompted Congress to commission the Delaware River and Bay Oil Spill Advisory Committee in 2010. Recommendation R-7 discusses protection strategies and countermeasure plans. See https://www.state.nj.us/drbc/library/documents/DRBOSAC_final-report122010.pdf

As outlined in the DRBOSAC report, starting in the mid-1970s, the DBRC began developing protective booming plans for openings to wetlands along the Delaware River in the Philadelphia area, where DBRC member refineries are located. This effort continued through 1990, when DBRC developed 16 plans, and equipment to implement the plans had been procured and stored at member facilities. During this period, stakeholders tested and refined the protective booming plans during drills and spill responses.

In 1992, DBRC contracted to have booming plans developed for all openings into wetlands of the Delaware River and Bay from the Betsy Ross Bridge in northern Philadelphia to the mouth of the bay. In 1993, DBRC appended environmental data to its plan and merged the protective booming plans into a single document. The annex was four inches thick, printed in color, and weighed ten pounds. It could not be incorporated into the Area Contingency Plan because of the cost to reproduce, so a limited number of copies were provided to port stakeholders.

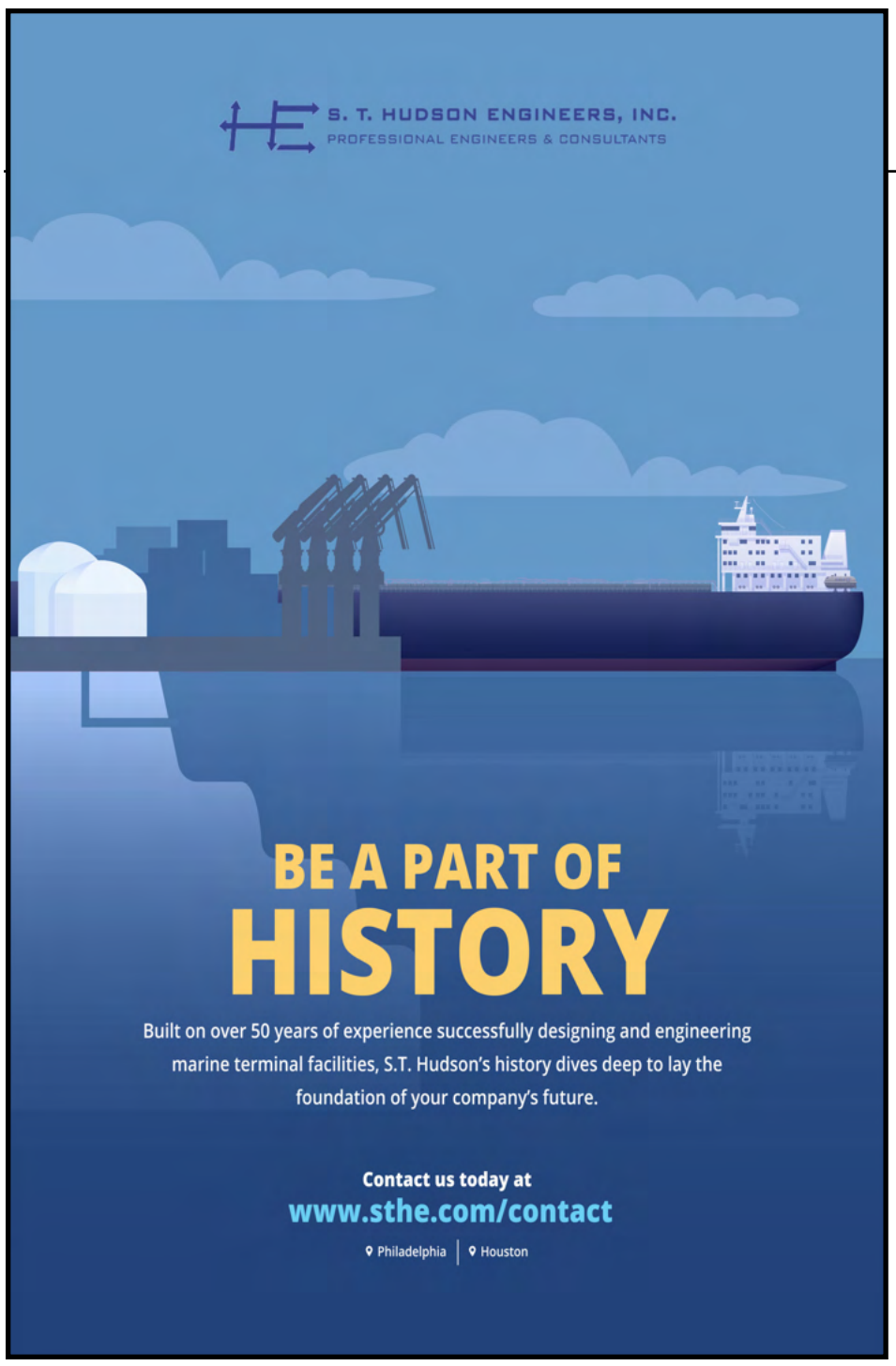
In 2000, DBRC converted the paper annex to electronic format and more broadly distributed the plan. Between 2000 and 2006, DBRC worked with New Jersey and Pennsylvania to develop plans for Delaware River openings into wetlands north of the Betsy Ross Bridge to Trenton, N.J., which is the upper end of navigable waters. In conjunction with New Jersey, DBRC also transformed paper plans for ocean inlets into electronic format. In 2006, when the Area Contingency Plan was digitized, it included the protective booming plans.

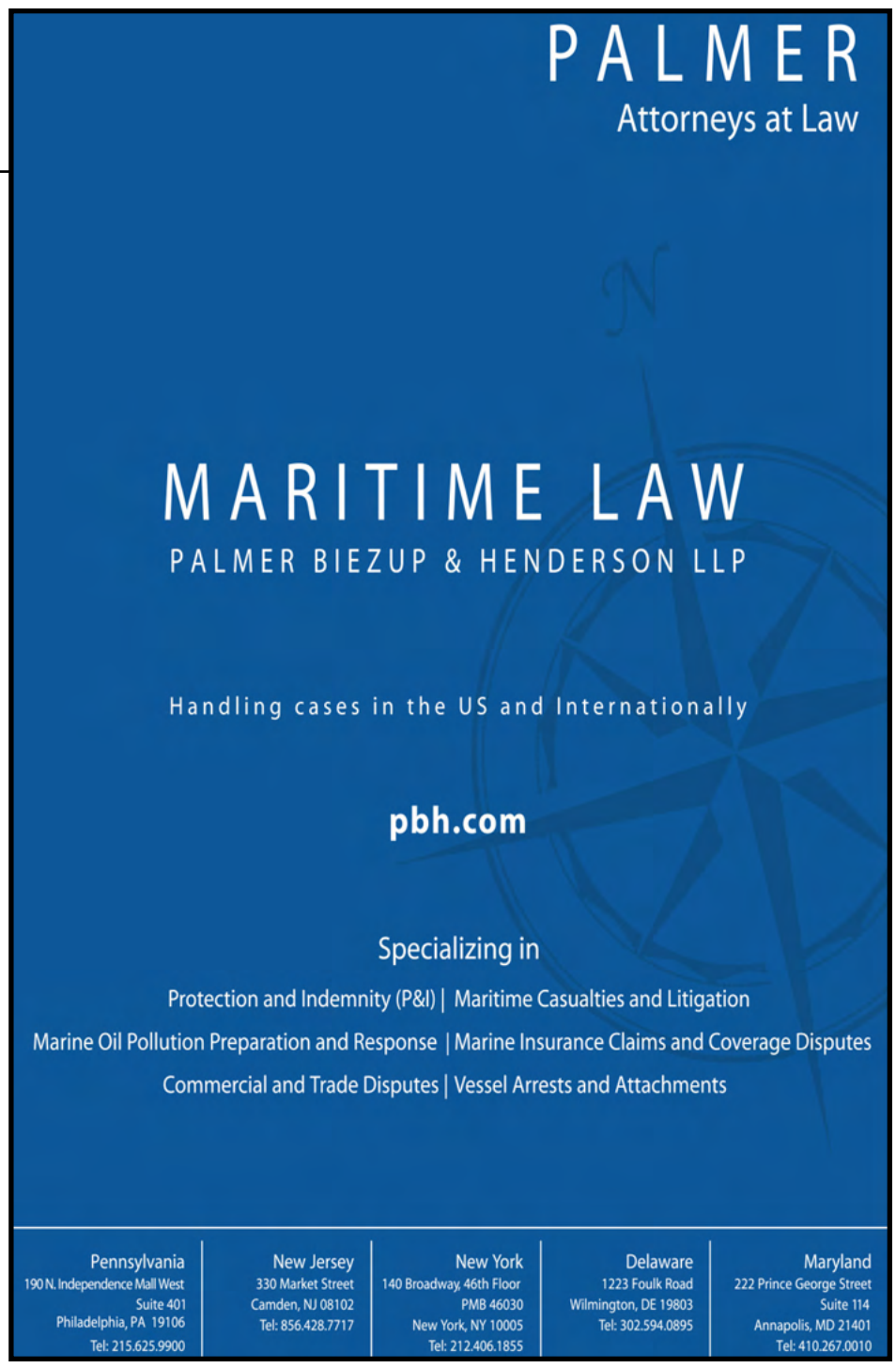
While DBRC has historically developed, maintained, and exercised the protective booming plans, this is a voluntary activity. Through the work by and funding from the U.S. Coast Guard, a graphic information system has been developed that includes the protective booming strategies, environmental sensitivity maps, resources at risk, and response information and forms.

Our port was one of the first in the nation to pre-identify these sensitive areas and develop a protective booming strategy and the required equipment for each area. The work continues as stakeholders re-evaluate, test, and train for these strategies. To this day, protective booming and open water skimmer remain the hallmark of DBRC, through the support of its members.

A key to the DBRC response program is the use of DBRC-member emergency response teams and the approved commercial oil spill contractors that are committed and ready to respond. These teams are assigned a booming strategy and routinely train to deploy the boom and other necessary equipment. Through funding support provided by the Coast Guard and DBRC members, DBRC conducts onsite surveys to verify portions of the port's sensitive area protection strategies every seven years. Data from these surveys are added to the GIS database, activation plans, and the Area Contingency Plan.

This work, and the commitment of numerous stakeholders make our port arguably one of the most prepared in the nation.





Naval Sea Cadet Corps trains tomorrow's maritime leaders

By: Eugene Mattioni, CEO
Maritime Academy Charter School



Uniformed sea cadets demonstrate their skills to classmates.

Among the many valuable programs underway at the Maritime Academy Charter High School is the Dante Mattioni Division (DMD-043) U.S. Naval Sea Cadet Corps. Seventeen students are currently participating as cadets, and the unprecedented success of the program has led to the creation of the Naval League Cadet Corps program at the Maritime Middle School.

The Naval Sea Cadet Corps is a national youth leadership development organization. It is designed to promote interest and skill in naval disciplines while instilling strong moral character and life skills through leadership and technical programs modeled after the Navy's professional development system. Students learn self-discipline, patriotism, and physical training, and the program emphasizes academic excellence, high self-esteem, and personal achievement.

Cadets meet four hours a week and complete courses in basic military requirements and training similar to what recruits learn in Navy boot camp. Because community service is a priority for these future leaders, Naval Sea Cadets help with school-wide blood drives and maintain a neighborhood veteran's park throughout the year.

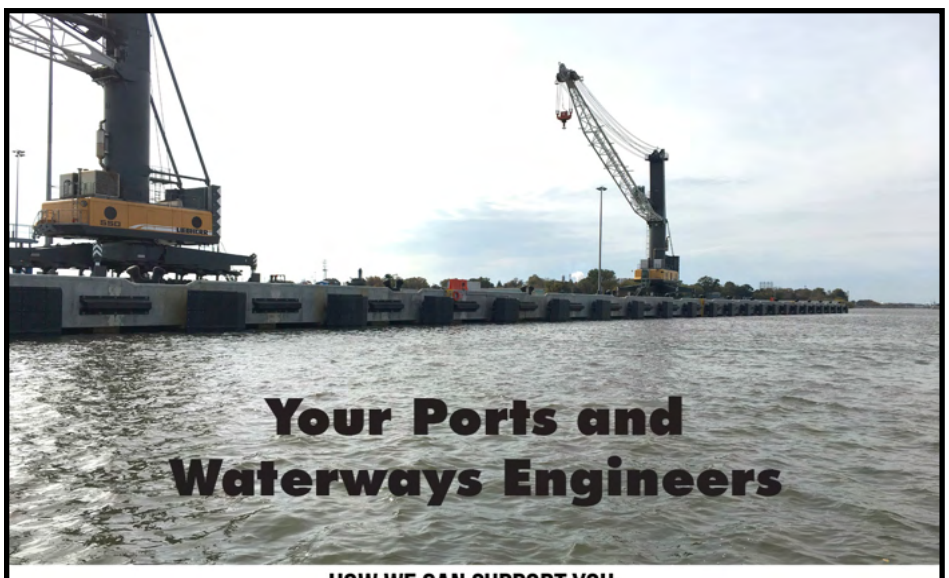
All sea cadets must attend a two-week Naval Sea Cadet Boot Camp within their first year in the program. There, they learn more about Navy life, culture, history, survival swimming, close order drill, and military etiquette. Cadets also frequently train with local Coast Guard units.

2019-20 a banner year

The Sea Cadets of the Dante Mattioni Division had an excellent year. They began with an overnight drill weekend Oct. 19-20 aboard the battleship "*USS New Jersey*," drilled with local Coast Guard at Sector Delaware Bay Oct. 22 and 29, and built a park in West Philly on Oct. 26. Cadets visited Kings Point maritime college and Temple University.

MACS and the USCG signed a Memorandum of Understanding on October 8, 2019 under which Coast Guard personnel mentor students, and sea cadets can enter the Coast Guard with an automatic upgrade, in addition to receiving a $5,000 signing bonus. MACS is the first school in the country to receive this extraordinary opportunity. We hope many students will take advantage it.

The Naval Sea Cadet Corps is just one of many exciting programs available at the Maritime Academy Charter School. To learn more, or to support the school financially, visit https://www.maritimecharter.org/.



HOW WE CAN SUPPORT YOU:

- Waterfront Facilities, Planning, and Design
  - Container Terminals
  - Dry, Break, and Liquid Bulk Terminals
  - Marinas, Ferries, and Recreational Boat Harbors
  - Rehabilitation of Docks and Piers
  - Evaluation of Existing Structures
  - Intermodal Facilities
- Diver Condition Surveys and Soundings
- Dredging Services
- Industrial Buildings and Foundation Design
- Construction Management and Inspection
- State and Federal Permitting
- Claims and Litigation Support

MICHAEL WAGNER, PE
215.922.8081 x1352
mgwagner@urbanengineers.com

PETER BRENNAN, PE
215.922.8081 x1092
pbrennan@urbanengineers.com

URBAN ENGINEERS
215.922.8080
urbanengineers.com
Founded 1960 | ISO 9001:2015 Certified | Employee Owned



Serving the ports along the Delaware since 1896

PILOTS' ASSOCIATION BAY & RIVER DELAWARE

800 South Columbus Boulevard
Philadelphia, PA 19147
(215) 465-8340
dispatch@delpilots.com

GEODIS
END-TO-END SUPPLY CHAIN SOLUTIONS
request a quote at
WWW.GEODIS.COM

NCB paper calls for urgent reform

The National Cargo Bureau, a U.S. inspection body authorized to certify compliance with dangerous goods regulations, reports that a recent inspection initiative revealed an alarming number of containers carried by sea included misdeclared dangerous cargos that represent a serious safety risk to crew, vessel, and the environment.

In a paper published July 6, 2020, NCB called for industry to adopt a comprehensive, holistic, and coordinated approach to address this trend.

NCB President Ian J. Lennard said the reasons for issues with dangerous cargos are diverse and include a challenging regulatory environment, cargo prohibitions, more complex supply chains, and varied levels of understanding and processes. "Because of this, it is important that the stakeholders work together and adopt a range of measures that will address all potential causes," he said.

The inspection initiative showed that 55% of containers were non-compliant, with 43% failing to secure dangerous goods correctly within the container itself. Approximately 6.5% of containers carrying dangerous cargos had been misdeclared.

It has been reported that, on average, a containership suffers a major fire every 60 days. However, in 2019 there were nine major containership fires reported, suggesting that the frequency of incidents is increasing. Tragically, these incidents often result in loss of life, severe damage to hull and cargo, and a series of associated consequences including significant environmental impact. With containerships getting bigger and more containers on board, risks are increasing in number, value, and concentration.

"The link between undeclared, misdeclared, or poorly stowed dangerous cargos and the increased incidence of catastrophic containership fires is hard to ignore. Because of the clear and present risk predominately to safety of life but also to ships, their cargos, and the environment, we are calling for all supply chain participants to work on a solution together," Lennard said.

The NCB details 12 recommendations ranging from embracing a safety culture for dangerous goods compliance to practical measures for container and vessel inspections and monitoring.

The paper titled *"A comprehensive holistic approach to enhance safety and address the carriage of undeclared, misdeclared and other non-compliant dangerous goods"* is available at www.natcargo.org/Holistic_Approach.

Gawthrop Greenwood, PC
Attorneys at Law

Experienced • Respected • Responsive



Our attorneys represent local, U.S., and international transportation companies in all facets of:

- Acquisitions and Chartering
- Financing Transactions
- Joint Ventures
- Legislative and Regulatory Matters
- Environmental Matters
- Litigation

17 East Gay Street, Suite 100
West Chester, PA 19380
610-696-8225

3711 Kennett Pike, Suite 100
Wilmington, DE 19807
302-777-5353

www.gawthrop.com
Follow us @GawthropLaw

PENN TERMINALS

Pennsylvania's Gateway to the World



Since 1986, the region's preferred business partner for :

- *Containers*
- *Perishables*
- *Breakbulk*
- *Project Cargo*

Penn Terminals, Inc.
1 Saville Avenue Eddystone, PA 19022 U.S.A.
Tel : 610-499-3000,101 | Fax: 610-499-3014
E-mail : sales@pennterminals.com
Web : www.pennterminals.com

Marine Terminal & Stevedoring Services

DRYDEN DIVING

DRYDEN DIVING CO., INC.

213 RUSSELL MILL ROAD
WOOLWICH TWP., NJ 08085

● Ship Husbandry ● Marine Construction
● Marine Surveys ● Vessels of Convenience
● Marine Structure Inspection & Repair
● AWS D3.6 M:2017 Certified Underwater Welding Procedures and Diver/Welders

PHONE 856-467-1385 FAX 856-467-5771

drydiv@hotmail.com
www.drydendiving.com

★ **Divers on call 24 hours a day**
★ **ABS, Lloyds, & DNV Approved**

Members of:

MARITIME EXCHANGE for the Delaware River and Bay
ACCNJ
ADC INTERNATIONAL

Serving Delaware River Ports Since 1979

Power in numbers

Advancing science for the sustainable management of the Delaware River Basin

By: Skelly Holmbeck, Executive Director
Water Resources Association of the Delaware River Basin

Alexander Hamilton, one of our Founding Fathers, first U.S. Treasurer, and founder of the Coast Guard, got his start in trade and shipping. Hamilton considered his time clerking for Beekman and Cruger in St. Croix as "the most useful part of his education;" here he was "schooled in a fast-paced modern world of trading ships and fluctuating markets" (see "Alexander Hamilton" by R. Chernow). As a teenager, his typical duties included charting courses for ships, managing financials, and keeping track of freight.

The Delaware River has been the site of stimulating trade since the 18th century, when Philadelphia Quaker merchants established trade connections to Europe and the Caribbean. Today, the Delaware Basin "supports the largest freshwater port in the world while sustaining a recovering anadromous shad and striped bass fishery," according to Dr. Gerald J. Kauffman, of the University of Delaware Water Resources Center.

The Delaware River is a working river. Without the port system, the region would see $77 billion less in economic activity. The river ports import $41 billion in goods, including half the nation's cocoa beans and a third of its bananas, and it exports goods from companies such as General Motors and Ford. Hamilton would be proud.

Uniting to manage the waterway

Promoting trade, protecting the drinking water for 15 million people, and supporting a rich ecosystem is a complex undertaking. In 1959, representatives from industry, public and private utilities, and other organizations with wide-ranging interests in water resources who sought to ensure public participation in the management of the Delaware River Basin and its tributaries founded the Water Resources Association of the Delaware River Basin. The only non-profit of its kind for the Delaware River Basin, WRADRB represents the needs of water users — shippers, water suppliers, power producers, the fishing industry, food and beverage producers, and all water-using industries — and promotes the science-based management of the basin. The association brings together scientists, engineers, planners, innovators, business and industry leaders, students, trade organizations, and regulators to explore the most challenging issues facing our water resources and find solutions to advance the sustainable management of the basin.

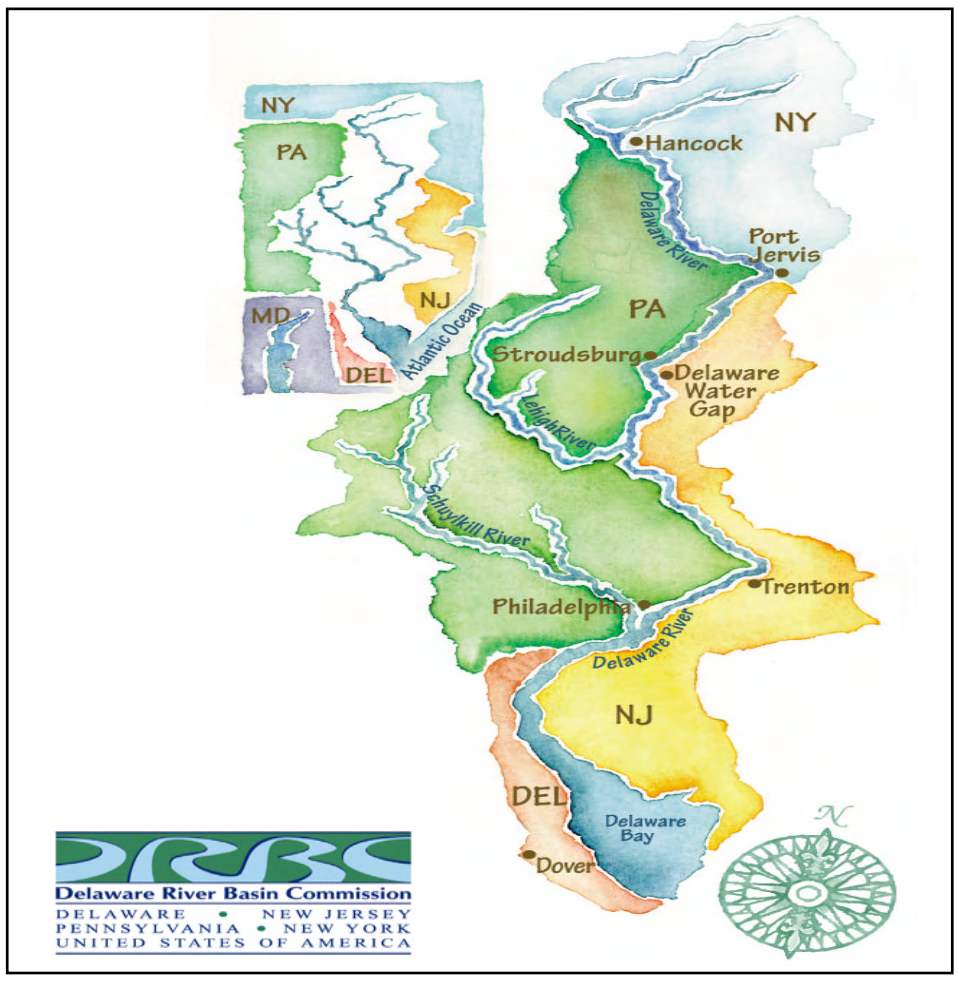


Illustration of the Delaware River Basin courtesy of the Delaware River Basin Commission. See www.drbc.gov for more info.

WRADRB members lead and serve on committees such the Delaware River Basin Commission Water Quality, Monitoring and Coordination, and Climate Change Committees. Members advance science-based sustainability in the basin through a variety of initiatives. Jane Rowan, our board chair, was appointed to assist in the most recent development of Pennsylvania's State Water Plan. Dr. Martha Varvaez at the University of Delaware connects the most recent science to the world of public policy and is a national leader on water resources issues.

American Water recently set the bar for Environmental, Social, and Governance excellence, earning the highest score nationally from S&P Global in 2020. The Landis Sewerage Authority advances innovation in wastewater treatment, such as using meatball grease to produce energy. Exelon committed $20 million to develop technologies to mitigate and build resiliency to the impacts of climate change. PSEG is partnering with the State of New Jersey in the creation of the East Coast's Hub for Offshore Wind, planned to be the largest turbine port in the country.

Join the team

WRADRB brings together these individuals and organizations to share ideas, advance science, and explore solutions to the most pressing problems facing the basin. The partnership WRADRB has with the Maritime Exchange is imperative; shipping is a critical part of our local economy and a major stakeholder in protecting the ecosystem. WRADRB was proud to present Dennis Rochford and the Maritime Exchange with our 2019 Achievement Award, for work to advance a safe, secure and environmentally healthy port system in the Delaware River and Bay.

There is strength in numbers. WRADRB invites all members of the maritime community to join the partnership and work with our members throughout the basin to advance the science-based management of the Delaware River Basin.

For those who have read this far, thank you. As Alexander Hamilton said, the "art of reading is to skip judiciously."





Q&A with Capt. Cuff

continued from page 1

transition to a 45-foot channel, we ask the port community to be patient and understand there are still challenges as some of the channel is not yet at 45 feet. We are working very closely with the Corps on object removal and final phases of the project.

Q: Obviously, a deeper channel is only one of a number of factors that contribute to a successful, safe, and environmentally healthy port climate. What other issues keep you and the association engaged with the local community?

A: As we move into a deeper channel, we are constantly working with port partners like the Mariners' Advisory Committee, NOAA, and the Army Corps. We are currently working with the MAC to update NOAA current and tidal data stations. We are actively engaged with the wind energy coming to our region, making sure it does not impede the safe navigation of vessels coming into and out of port.

The Pilots' Association is one of the oldest state pilotage groups in the country, founded in 1896. We pride ourselves in always being at the forefront of technology and training. We cannot help but be involved in every aspect of the port; it's in our nature. We work closely with agents, terminals, and ship operators to ensure we have an efficient but safe process. We also work directly with our port partners and local and federal agencies to ensure we all have the resources and funds that are needed. But our primary job is always the safe navigation of vessels along the Delaware River and its tributaries.

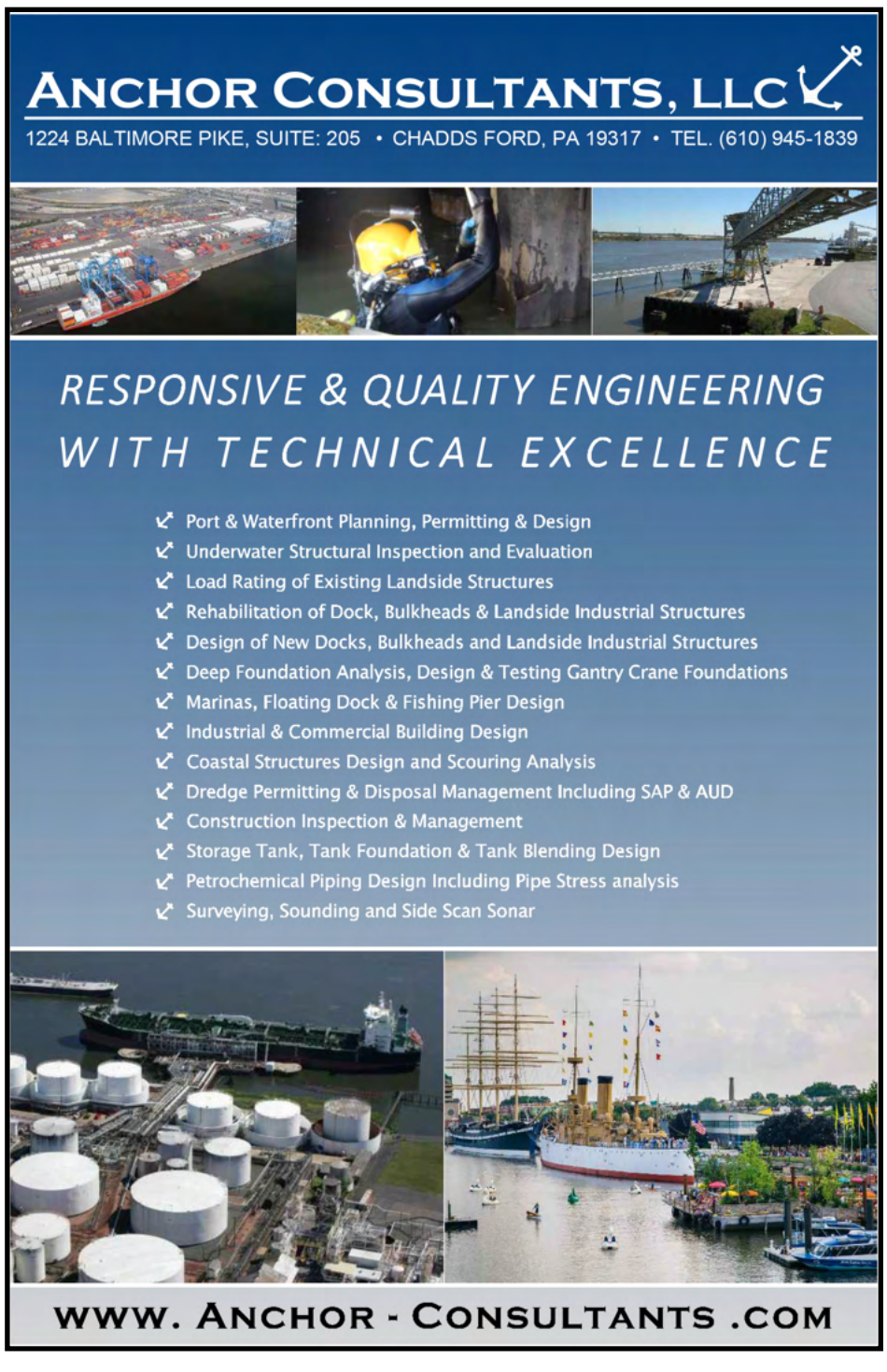
Q: Looking ahead, what do you see as the future challenges and the greatest opportunities for our regional port stakeholders? In addition to other topics, please also provide your perspective on how COVID-19 has affected the association and the port as a whole.

A: In our port community, we have always worked together. We will have to continue to do so with the deeper channel and the challenges we will face in maintaining that channel. The future holds a vast amount of opportunity for port growth, which we are already seeing. The deeper channel will allow larger and deeper ships to transit our river.

Our nation and our world have been dealing with the COVID-19 virus for the last few months. This has put an enormous challenge on the shipping industry. The Pilots' Association continues to help and thanks all terminal operators, tug companies, stevedores, line handlers, docking pilots, agents, USCG, CDC, CBP, and ship crews for their continued dedication in serving and keeping our port safe and open for business. I can honestly say it has been a team effort and made us a stronger port community.







Recollections of the Fairless Works and iron ore ships

By: Capt. Paul Lane Ives, Retired
Pilots' Association for the Bay and River Delaware



When United States Steel built the Fairless Works in the early 1950s at Morrisville, Pa., there was almost no shipping in the upper Delaware River. In anticipation of the new arrivals, the 125-foot pilot boat "Delaware" made a number of trips between Port Richmond and Trenton in 1955 to train and license more pilots. I was mate on the pilot boat and fortunate to make several of those trips and obtain my upper river endorsement.

I began piloting in both the C&D Canal and the upper river in April of 1957. By that time, the new upper Delaware River channel was about 26 feet deep, and the C&D Canal was 25 feet. The Army Corps of Engineers continued dredging, and we incrementally increased the draft of the loaded vessels until we finally reached the design draft of 45 feet we have today.

The first ship to go to Fairless in 1953 was a small, 6,000-ton Swedish freighter, followed by ever-increasing tonnage. U.S. Steel formed a subsidiary named Navios Corporation based in Nassau. Navios bareboat chartered a fleet of ten 45,000-ton ore carriers, new buildings especially designed for the Delaware and Orinoco Rivers. National Bulk Carriers — the legendary Daniel K. Ludwig — owned these ships.

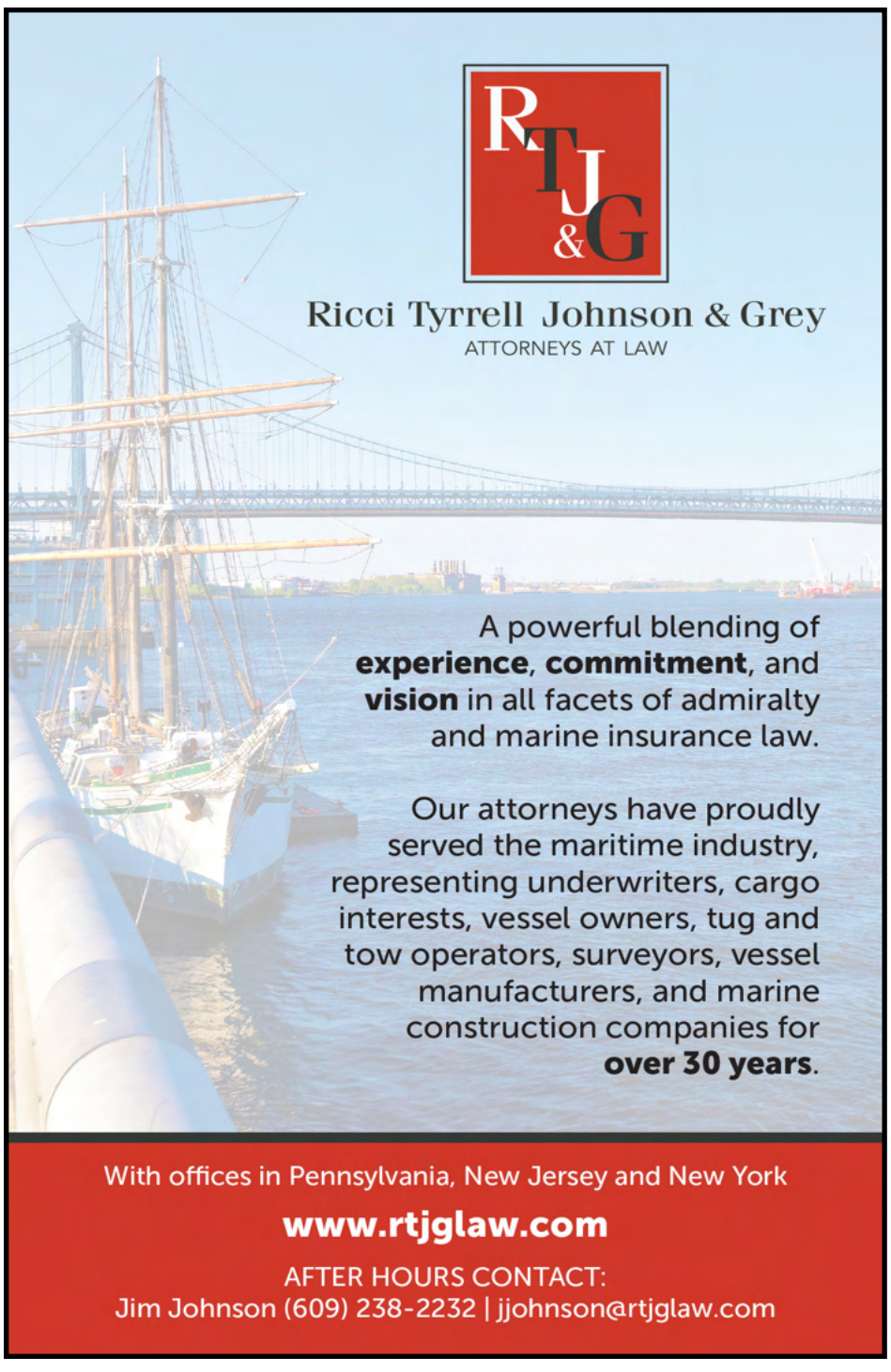
The ships, "Ore Jupiter," "Ore Meridian," etc., were tremendously successful. They were 751 feet LOA, 103 feet beam. They could just fit through the old Delair Swing Railroad Bridge with plenty of power and very large rudders.

After the Delair Railroad Bridge was rebuilt to lift the 500-foot center span, Navios brought in three 60,000-ton ships named "Ore Chief," "Ore Titan," and "Ore Transport." These ships were 794 feet LOA, 117 feet beam, and twin screw. That was a lot of ship in a 400-foot wide, twisting channel with three temperamental drawbridges, a following current, and only a few feet of clearance under the keel. The much-anticipated twin screw feature turned out to be deceptive. The ships were so long and heavy, backing one engine while going full ahead on the other produced a disappointing rate of turn as more than one gray-haired pilot sadly learned. On the other hand, both engines full ahead and rudders hard over turned the ship at a rate that would make your head spin. These ships were designed to carry maximum cargo, staying within the forty-foot draft limit for the Delaware and Orinoco Rivers.

While well-designed and engineered ships were important, the upper river success story would not have been possible without the skill, experience, and cooperation of the personnel of Navios Corporation and the Pilots' Association for the Bay and River Delaware. Before the first ship transited to the new Fairless plant, Association President Capt. Harry H. Rowland held numerous meetings with Capt. George Skelton, operating manager of Navios, and representatives from National Bulk Carriers. As a young pilot, I felt privileged to work closely with this small group.

They addressed almost every conceivable problem and detail before the first vessel arrived at the Delaware Capes. This group later evolved into the Navigation Committee for the Delaware Bay and River, now known as the successful Mariners Advisory Committee, or MAC. Later, as they phased out the NBC ships, Navios chartered other large bulk carriers from the world fleet. We had our share of horror shows, but to their credit, George Skelton in Nassau, Jimmy Wallace at Morrisville, and George Duffy in New Orleans listened to our complaints and were able to send us a better class of ships. More than once, they dropped a ship off charter at considerable inconvenience when we told them the vessel was simply not acceptable in the upper river. Safety of navigation was always paramount. It was, and it remains, the pilots' primary responsibility.

The history of the success of large-ship navigation on the upper Delaware River is a testament to the efforts and dedication of representatives from maritime industry, government, and local pilots who put it all together. That spirit of cooperation continues today through the work of the MAC, which makes it possible to safely and efficiently deliver large cargos in ever-increasing tonnage to our ports on the Delaware. I am proud to have had the opportunity to be a part of this exciting time in our port's history.





Delaware Bay Launch Service, Inc.

Serving the Mid-Atlantic Since 1973 ...



Serving the Delaware Bay & River
Offshore from New York to North Carolina

- 5 U.S.C.G. Inspected Crewboats
- Stores, Spares & Personnel Transport
- Regulated Garbage Removal
- Offshore STS Lightering Support
- Dredge Support
- Offshore Wind O&M Transport
- Personnel On Duty 24/7
- Dive Support
- Soundings
- Warehousing
- 30 Ton Shore Crane
- Fresh Water Deliveries

Vessels Available for Short & Long Term Charter

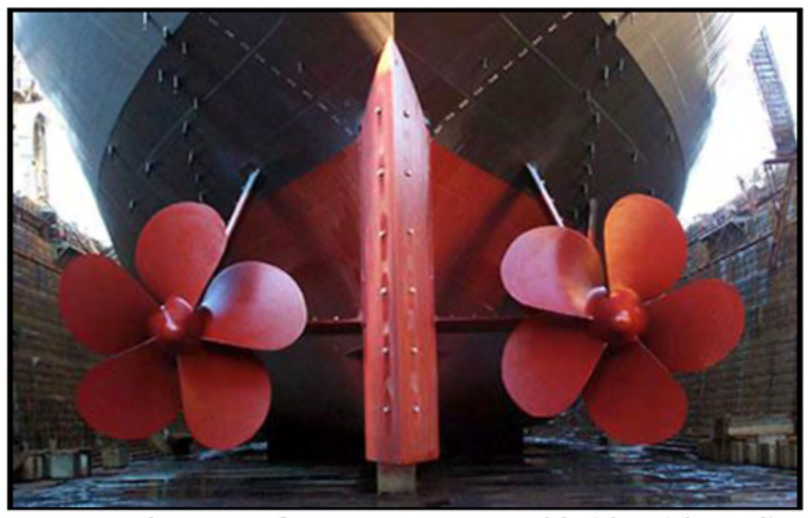
Phone: 302.422.7604 Fax: 302.422.3885
VHF Ch. 09

www.delawarebaylaunch.com
Email: info@delawarebaylaunch.com

NORTHEAST SHIP REPAIR

PHILADELPHIA SHIP REPAIR BOSTON SHIP REPAIR

East Coast convenience. World class excellence.



We earn the trust of our customers worldwide with quality workmanship, on-time deliveries and adherence to budget constraints.



With East Coast locations in Philadelphia, Pennsylvania and Boston, Massachusetts, our shipyards are strategically located to support the maritime and fabrication markets.

Philadelphia Graving Dock
Displacement: 60,000 tons
Length: 300m (984 ft.)
Breadth: 34.8m (114 ft.)
Crane Capacity: 50 tons
Channel Draft: 10m (35 ft.)

Boston Graving Dock
Displacement: 65,000 tons
Length: 350.5m (1,150 ft.)
Breadth: 37.8m (125 ft.)
Crane Capacity: 65 tons
Channel Draft: 12.2m (40 ft.)

PHILADELPHIA SHIP REPAIR
5195 South 19th Street
Philadelphia, Pennsylvania 19112
Email: *sales@northeastship.com*
Phone: 215.339.1026

BOSTON SHIP REPAIR
32A Drydock Avenue
Boston, Massachusetts 02210
Email: *sales@northeastship.com*
Phone: 617.330.5045

www.northeastship.com

MATTIONI, LTD.
COUNSELORS AT LAW

Global Perspective
Practical Solutions
Personal Service

Providing Legal Services to the Maritime and Business Communities

MATTIONI, LTD.

Pennsylvania
100 North Independence Mall West
Suite 5A NW
Philadelphia, PA 19106
Tel: 215-629-1600
Fax: 215-923-2227

New Jersey
1316 Kings Highway
Swedesboro, NJ 08085-1615
Tel: 856-241-9779
Fax: 856-241-9989

After Hours

Eugene Mattioni	(215) 850-8298
Stephen J. Galati	(609) 670-1192
John Mattioni	(215) 850-0498

firmmail@mattioni.com www.mattioni.com

INDUSTRIAL WELDING & REPAIR, INC.

856-371-8912

MECHANICAL CONTRACTORS

Telephone: 856-371-8912
E-mail: services@iwr-inc.net
www.iwr-inc.net

Ship and Engine Repair

24/7 SERVICE PIER SIDE OR AT SEA

Welders / Rigging / Millwright

Ports of Call
Philadelphia/ New Jersey/ Delaware / Baltimore / New York

Editorial

The debt we owe seafarers must be paid

With luck and a bit of concerted effort, by the time this issue of *The Beacon* hits readers' inboxes, Nation States will have found a solution to the desperate situation now plaguing seafarers around the globe. At this juncture, it does not seem likely.

First, a quick summary for readers who may be unaware of the issue.

When governments began ordering lockdowns and other restrictions to help prevent the spread of COVID-19, ship owners largely kept crewmembers on board, desiring to keep them safe from harm. At the same time, airports closed, and nations restricted international travel to the utmost extent possible, some closing their borders altogether. As a result, many mariners have been locked aboard their ships well beyond their contract expiration dates. Some seafarers have not left their ships for a year or even 15 months. Now they are desperate to get home.

In the best of times, life at sea is difficult: mariners are isolated from loved ones, they work, eat, play, and sleep all within the confines of a floating steel box, and they face innumerable perils in the form of heavy weather, equipment malfunctions, accidents, and piracy.

Mixing the normal stressors seafarers face with anxieties over a global pandemic and adding a shot of long-term enforced captivity is a recipe for disaster. With seafarers increasingly distressed and fatigued, the risk to life, property, and the environment grows greater every day.

Some estimates suggest about 300,000 seafarers are currently trapped and working aboard ships, with a similar number ashore waiting to relieve them and unable to earn money to support their families. This is an astounding 600,000 seafarers unnecessarily afflicted.

In July, the International Maritime Organization hosted a summit on crew changes. The result was a statement pledging urgent resolution to seafarer issues that have arisen due to the pandemic. Twelve nations signed the statement, including the U.S.

Publicly acknowledging the problem was an important first step. But these are only words. Immediate action is needed.

While senior executives at agencies charged with border protection may agree with the IMO protocols for ensuring safe crew changes and travel during the pandemic, day-to-day decisions are often left to local personnel.

This crisis needs a top-down approach. Washington must direct field staff to take all possible measures to facilitate crew changes.

Part of the challenge is the lack of international flights resulting from government restrictions on airports and constrictions in airline industry operations. These will likely be in place for the foreseeable future. In the meantime, we must work around them.

Border agencies are also facing unprecedented challenges, with revenues obliterated, staffing shortages and realignments, and the need to adapt to an ever-evolving situation. We get that. We are all similarly challenged.

Agencies also cite security concerns as a reason to deny crew changes, even suggesting that the issue of crew changes needs "deconfliction." No, it doesn't.

By denying these beleaguered seafarers the ability to leave their ships at the earliest possible opportunity, these policies are at some level creating a security risk that did not previously exist. Depressed, exhausted, increasingly distressed mariners will be more likely to desert or abscond. Let them go home and the risk diminishes appreciably.

Treat seafarers as the hardworking men and women they are, not as criminals. Loosen requirements on repatriating crew to allow them to leave from any available flight, whether direct to foreign or with a connection, the ship owners can find — ideally without the need for budget-decimating constant guarding and certainly without requiring expensive and time-consuming changes in ship schedules that disrupt the fragile supply chain.

This is not to suggest that security measures should be discarded altogether. They should, however, be limited to instances when specific intelligence about a particular individual demands them.

Might one or two repatriating crewmembers desert or abscond? Possibly. If so, should the entire system come to a screeching halt? Of course not. Just deal with the incident and keep moving. Such events should not hamper all crew changes any more than a security breach at one marine terminal should result in the closure of all ports.

Governments that do not take all available measures to repatriate crewmembers are causing prolonged misery for hundreds of thousands of people. This in no way justifies the cost of protecting against a future event that may never happen.

The bottom line: if an agency is facing conflicting missions, it is well past time to place the greater value on human life and liberty.

Seafarers are the lifeline of the vital maritime supply chain. We owe them a debt for their service, and the time to repay it is now.

The Beacon is the official newsletter of the Maritime Exchange for the Delaware River and Bay. The Exchange encourages its readers to submit letters to the editor at any time in response to articles that appear in *The Beacon* or to address other topics of interest to the port community.

Please direct any correspondence, comments, or inquiries regarding the contents of this newsletter to:

exchange@maritimedelriv.com

Maritime Exchange, Attn: Beacon Editor
240 Cherry Street, Philadelphia, PA 19106

New port a "windfall" for maritime community

If he builds it, will they come?

N.J. Gov. Phil Murphy's recently announced plan to build a "wind port" in Salem County is intriguing to say the least. While it is a pleasure to be able to state categorically that there has been no shortage of investment in Delaware River port infrastructure in recent years, the governor's idea to focus on offshore wind projects and tie them to maritime investment is the kind of out-of-the- box thinking that has the potential to create an altogether new business line for the port.

Dubbed the New Jersey Wind Port, this purpose-built, two-phased, $300 million site will offer space for staging, assembly, and manufacturing activities for offshore wind projects along the Atlantic seaboard from New England to Florida. Three wind farm projects directly adjacent to New Jersey, Delaware, and Maryland are currently slated for completion.

Offshore wind installations have very specific requirements. Key to the entire operation is the importation, assembly, and transport of wind turbines, some of which stand 850 feet tall. Such activities will clearly benefit from expanded port facilities to meet their unique needs.

The state's plan envisions an overall facility of more than 200 acres that will include marshalling space, manufacturing, and heavy-lift wharves. Construction is expected to start in 2021.

Estimates project new economic activity of $500 million annually and support for up to 1,500 new assembly, manufacturing, and operations jobs.

This is very welcome news indeed, especially given the "extraordinarily uncertain" economic outlook — as Federal Reserve Chairman Jerome Powell recently described it — facing the country and the world.

The new wind port will bring some much-needed relief to New Jersey, but it will also benefit the entire Delaware River port complex and the region as a whole. At the top of the list are the potential new ship calls to add to the current 2,400 Delaware River port arrivals each year. And as we know, regardless of the terminal handling any given ship, businesses and residents of all three states in the region enjoy the benefits of the direct and indirect jobs, revenues, and taxes they bring.

Yet another benefit to be realized through this project is not measured by ship counts and economic impact. This initiative is bringing a new and unique cargo to our port.

Because of the wide array of cargos that transit the Delaware River, we are sometimes referred to as a "niche port." In addition to petroleum, containers, automobiles, fruit, steel, and other bulk and breakbulk cargos, we will now be recognized as the preeminent port on the East Coast for wind turbines and related cargos.

And this is exactly the right place to bring a new specialized cargo. Delaware River terminal operators and port laborers are known throughout the global international maritime trade industry for their ability to quickly develop the expertise needed to safely and efficiently handle a wide array of non-containerized commodities.

The diversity of the cargos we handle is one of our greatest strengths. It keeps us competitive. It provides the opportunity to grow and expand. It reflects the character of our port.

So Bravo Zulu to New Jersey for taking this step to enhance the environment and the state's economy. The benefits are wide ranging



Letters

Dear Editor,

I am writing in follow up to the message to members from Exchange President Dennis Rochford titled "Seeing the Glass Half Full." Thank you for highlighting the positive things going on in this great port, and thanks especially for the shoutout to the seafarer welfare organizations like SCI [Seamen's Church Institute of Philadelphia and South Jersey].

These are tough times for seafarers (even tougher than normal) considering many more cannot get off their ships and/or their contracts are being forcibly extended. The support from SCI and the Wilmington Seamen's Center is now more important than ever. Any support to them that results from your message is gratefully appreciated.

Stay safe.

Roy Denmark
Urban Engineers

MARITIME EXCHANGE
for the Delaware River and Bay

John Reynolds, Chairman
Uwe Schulz, Vice Chairman
Robert A. Herb, Treasurer
Dennis Rochford, President
Lisa B. Himber, Vice President
A. Robert Degen, Esq., Secretary/Solicitor

USMCA: Ready or not, here it comes

Legal Ease

By: John P. Donohue
Neville Peterson, LLP

The negotiations are complete, the text is agreed upon, the participating countries have ratified, the implementing legislation has passed, and the implementation date has now come and gone. The U.S.-Mexico–Canada Trade Agreement (USMCA) is in effect as of July 1, 2020.

Customs published two important operational documents that will likely be of some help to the trade. On June 30, 2020 Customs issued "implementation instructions," available at https://www.cbp.gov/document/guidance/usmca-implementation-instructions, which direct the importer and Customs alike on some of the fundamental instructions to be followed as the Agreement takes effect.

On July 1, 2020, Customs published its interim final rule on USMCA. Though this contemplates eleven categories that ultimately will be addressed in the regulations, the interim final rule addresses only the rules of origin. So, much of the regulatory framework remains incomplete.

The interim rule is available at https://www.federalregister.gov/documents/2020/07/01/2020-13865/implementation-of-the-agreement-between-the-united-states-of-america-the-united-mexican-states-and. Because these are interim regulations, Customs invites comment from the import community. Comments are due by August 31, 2020.

Also on July 1, the Department of Labor published interim final regulations related to the calculation of labor content for purposes of USMCA eligibility for motor vehicles, and those comments, too, are due on August 31*(85 Fed. Reg. 39782)*.

From a practical standpoint, the implementation instructions are the more relevant to the trade, and they address some of the operational questions that arise almost immediately.

For example:

● Will there be any breathing room between the operational date (July 1, 2020) and the enforcement date? Customs says it will devote the second half of 2020 to outreach on the basics of the Agreement. As experienced importers know, the Customs Modernization Act created the notion of shared responsibilities between importer and government. The law imposed on Customs the obligation to properly inform the community of its obligations under the law, and it required the importer to use "reasonable care" carrying out those obligations. In balancing those two notions, Customs has stated that "in appropriate cases," it will withhold enforcement action during the outreach period, but the "in-appropriate-cases" limitation is clearly intended to communicate that the import community's good-faith compliance must begin immediately.

Specifically, the instructions state that, in deciding whether to institute enforcement proceedings during this six-month period, Customs will look to "satisfactory progress towards compliance." One would expect that, during this period, for example, Customs will seek data verifying the origin of goods, but it may be too permissive a reading of the instructions to imply that, for example, an importer would be excused if he does not have his certificate of origin during this period. Such "breathing room" periods have their limitation.



● If a corporation produces goods in the U.S. (for export to Mexico and Canada) and in Mexico (for export to the U.S. and Canada) must the corporation complete one Certificate of Origin or two? Customs says two.

● What is the Special Program Indicator that the importer is to use to designate a claim for USMCA treatment on the entry? S or S+.

● Do the drawback limitations applicable under NAFTA for goods manufactured in the U.S. and exported to another NAFTA Signatory State continue in the USMCA? Yes.

● Where in the Harmonized Tariff Schedule of the United States are the USMCA Rules of Origin located? General Note 11.

● Are there any benefits to claiming USMCA treatment if the goods being imported are already unconditionally duty free? Yes. In addition to an elimination in duties, USMCA relieves the importer of the obligation to pay Merchandise Processing Fees. Goods unconditionally duty free, without USMCA, are still encumbered by the MPF.

● USMCA eligibility and country of origin marking. Customs will continue to make a distinction between an "originating" good for USMCA purposes and the origin of a good for customs marking purposes. However, under NAFTA, for an article from one of the NAFTA countries to be marked as a product of that country, it also had to meet the NAFTA eligibility rules. This was known as the "NAFTA override provision." This rule is not continued under USMCA, to the relief of many.

These are but a few of the principles emerging under USMCA, but the management of these issues will be greater clarified as USMCA rules are published and adopted.

Stay tuned.







Notes & News

In March, the **Delaware State Chamber of Commerce** received top honors in the annual Delaware Press Association's Professional Communications Contest, which recognizes excellence in communication. The DPAPC released the results of the national competition in June, with DSCC receiving first place for its new logo design and honorable mention for its 2019 Small Business Day in Dover video. First-place winners move on to the national competition, hosted by the National Federation of Press Women. Congratulations!

The Pennsylvania Coalition of Public Charter Schools featured the **Maritime Academy Charter School** in its Innovation Spotlight, which provides charter schools the opportunity to tell others about a program, project, or initiative successfully implemented that involved change, innovation, or the enhancement of academic or administrative excellence and effectiveness. MACS prides itself on its rigorous academic program with a maritime studies theme. Students work with the latest technology to learn maritime content such as nautical science and maritime business while achieving high standards in English, Mathematics, Science, Social Studies, and the Arts. Coursework is interdisciplinary, with classroom and individual learning. The Exchange is proud to help showcase this unique treasure in our community.

Calendar of Events

The events listed below are subject to change due to coronavirus precautions.

08/06 Seamen's Center of Wilmington Board Meeting

08/07 AMSC Managing Board Meeting

08/12 Maritime Exchange Executive Committee Meeting

09/09 Maritime Exchange Board of Directors Meeting

09/10 Mariners' Advisory Committee Meeting

09/11 AMSC General Members Meeting
USCG Sector Delaware Bay, 9:30 a.m. – Noon
Contact Glena Tredinnick, glena.t.tredinnick@uscg.mil

Ports of Philadelphia Maritime Society Annual Russ Larsen Memorial Golf Outing
Springfield Country Club, Springfield, PA, 7:30 a.m. – Noon
Contact Mike Scott, 484-274-3400 or Theresa Penot, 215-783-9484

Ports of Philadelphia Maritime Society Annual Crab Feast
Corinthian Yacht Club, Essington, PA, Noon – 6:00 p.m.
Contact Linda Greene, 610-859-2830 or Theresa Penot, 215-783-9484

09/14 Battleship New Jersey Golf Tournament
Medford Lakes Country Club, Medford Lakes, NJ, 11:30 a.m.
Contact 866-877-6262 ext. 144 or events@battleshipnewjersey.org

09/15 Seamen's Center of Wilmington Last Bash of Summer
Docklands Riverfront, Wilmington, DE, 4:30 p.m. – 7:30 p.m.
Contact 302-575-1300 or scw@scwde.org

09/25 World Trade Association of Philadelphia 2nd Annual Jan Fuhrer Memorial Golf Outing
Scotland Run Golf Club, Williamstown, NJ, 7:30 a.m.
Contact 609-284-5403

10/13 U.S. Customs & Border Protection Quarterly Meeting
U.S. Customs House, Philadelphia, PA, 10:00 a.m.
Contact Chief Elliot Ortiz, elliot.n.ortiz@cbp.dhs.gov

10/14 Maritime Exchange Executive Committee Meeting

11/04 Vessel Owners' & Captains' Association Dinner
Sheraton Philadelphia, Society Hill Hotel, Philadelphia, PA, 5:30 p.m. – 9:00 p.m.
Contact Bill Anderson or 856-488-8300

For a complete schedule and event details, visit www.maritimedelriv.com.

Slootmaker Marine Equipment (SME) Inc.

Automation + Controls • Marine Electrical Services
Marine Equipment • Technical Services

Local - Regional - Global for Your Vessels

P.O. Box 206, Swarthmore, PA 19081 USA
24h Tel +1 267 984 7247 peter@slootmaker.net www.slootmaker.net

DRS

DELAWARE RIVER STEVEDORES, INC.
Corporate Offices
441 North 5th Street, Suite 210
Philadelphia, PA 19123
215-440-4100
www.d-r-s.com

Delaware River Stevedores has been providing stevedoring and terminal services in Philadelphia, Camden, and Wilmington since 1987. With over 3 million tons of cargo annually we are one of the premier Stevedore/Terminal Operators on the Delaware River.

In utilizing specialized gear, handling equipment and the latest technology to provide efficient and damage free cargo services we remain leaders in today's marketplace.

Together with the ports it services, Delaware River Stevedores plans each operation and anticipates potential problems to avoid any cargo damage or delays.

Our mission is to exceed the high expectations of the people and businesses we serve.



Facilities

Port of Wilmington, DE
1 Hausel Road
Wilmington, DE 19801
(302) 655-6315

Tioga Marine Terminal
3451 North Delaware Ave
Philadelphia, PA 19134
(215) 790-4447

Joseph A. Balzano Marine Terminal
101 Joseph A. Balzano Blvd.
Camden, NJ 08103
(856) 541-2773

RHOADS INDUSTRIES

MARINE REPAIR SERVICES

ISO 9001-2015 CERTIFIED | ABS & MILSPEC QUALIFIED

LAYBERTH | SHIP REPAIR
SHIP BUILDING



» All Utilities
» Garbage Disposal
» Portal Crane Service
» Line Handling
» Oily Waste Removal
» Propulsion & Aux Systems Repair
» Comprehensive Hull, Mechanical & Electrical Repairs
» Graving Dock
» Crane-Served Piers
» Shipyard
» Downriver

THE NAVY YARD
PIERS 2 & 5
DRY DOCK NO. 2
24 Hour Service

For all inquiries, please contact:

Joseph C. Hare, Shipyard V.P. | (267) 728-6558
jhare@rhoadsinc.com

Brian Yarnell, Shipyard Superintendent | (267) 575-2135
byarnell@rhoadsinc.com

(267) 720-6300 • info@rhoadsinc.com • www.rhoadsinc.com