Two Federal District Judges Rule In Favor Of 45’ Project

In December of last year, Delaware U.S. District Judge Sue L. Robinson issued a summary judgment ruling that the U.S. Army Corps of Engineers (COE) could move forward to complete the project to deepen the Delaware River main shipping channel from 40 to 45 feet between the Benjamin Franklin Bridge and the entrance to the Delaware Bay.

On January 14, New Jersey U.S. District Judge Joel A. Pisano denied a legal challenge by the New Jersey Department of Environmental Protection and the New Jersey Environmental Federation asserting that the Corps did not satisfy requirements of federal environmental law. Judge Pisano’s ruling concluded “none of the Corps’ decisions in this case were arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law under the Administrative Procedures Act.”

“This is a significant step forward to complete a project that is vital to our port’s competitiveness and ability to grow and prosper,” said James T. McDermaid, local sponsor for the project. “We have worked closely with the Corps of Engineers and all other government agencies to ensure this project is both economically and environmentally sound.”

In September of 2010, work on the first 11-mile section of the shipping channel between the C&D Canal and the Delaware Memorial Bridge was completed. Work on the next 5-mile stretch off northern Delaware between Wilmington and the Pennsylvania state line will be started this coming summer.

“It has been a long and arduous road over the past 20 years to reach this point and we need to continue to work to keep this important project moving forward,” said Captain James Roche, President, Pilots’ Association for the Bay and River Delaware. “Completing the deepening of our shipping channel by the time the expansion of the Panama Canal is finished will allow our port to compete with other east coast ports for expanded far east trade.”

The projected time to build out the 102-mile deepening of the navigational channel is four to five years. “Industry and labor leaders throughout our port have demonstrated both a unity of purpose and commitment to make certain this deepening project becomes a reality,” said Exchange President Dennis Rochford. “And there is no doubt in my mind, notwithstanding the clarity and significance of these two Court rulings, that they will continue to fight as hard as ever to see this project completed.”

Exchange Links AIS and MOL

In January, the Maritime Exchange announced a major enhancement to its Maritime On-Line system: the full integration of the Automatic Identification System (AIS) display with Maritime On-Line (MOL). Funded in part through a federal port security grant, this is the second of the two-phase project and marked the completion of the work. The first phase was released last year and included a new user interface with many new AIS-related features. This latest phase added more AIS functionality and integrated MOL vessel, cargo and crew data with the AIS display.

“The completion of the integration project marks a major milestone that the Exchange envisioned years ago when we began to research potential AIS software,” said Exchange Vice President Lisa Himber. “We wanted a system that went beyond simply plotting vessel positions on a map. Linking the vessel schedules, manifests, and arrival/departure notices to the real-time position data provides a single and centralized tool to quickly access key information associated with ships in the region.”

As with all major Maritime On-Line development projects, the AIS/MOL design is the direct result of direction from the maritime stakeholder community. The Exchange consulted with a working group of representatives from port businesses, federal and state agencies, and other emergency responders who helped shape the system.

Through the AIS interface, users can access a summary of the vessel schedules created through the Ship Reporting system, TRACS cargo manifests, Advance Notice of Arrival/Departure information, and vessel particulars for the selected AIS target.

The project was implemented as part of the Corps of Engineers’ contribution to improve the regional goal of a layered security approach. Each component of MOL in its own right provides information delivery and linkages to other data systems.

Rochford Honored by Four Chaplains Foundation

In February, Exchange President Dennis Rochford received the Legion of Honor Gold Medallion Award from the Four Chaplains Memorial Foundation. See story on page 3.

Interview With LTC Philip Secrist U.S. Army Corps of Engineers

Lieutenant Colonel Philip Secrist became the Philadelphia District Commander in July 2010. He spoke with The Beacon recently about his new assignment and the Corps’ activities in this region.

Q: So who is LTC Secrist and what do you have to offer the Corps’ Philadelphia District and the Region it serves? A: I grew up in the Shenandoah Valley of Virginia, an area similar to this Region in that it is historically rich and full of folks willing to roll up their sleeves to get things done.

My greatest honor in life is being the husband of my wife, Lavonda, and the father of our children. We have three young rambunctious boys – Jackson, Gabriel, and Kyler – and our fourth child is due in mid-March.

I’ve been privileged to serve our great Nation and its people for over 19 years as an Army Engineer Officer. I’ve spent most of my career with combat units, but have served in the Army Corps of Engineers previously as a project manager in the Sacramento District and as an Operations Officer in Iraq responsible for setting up the Corps initial efforts in that country. I also hold a BS in Civil Engineering and a MS in Environmental Engineering. My experience leading troops, previous assignments in the Corps, and my civilian education have all prepared me for my current command environment.

I offer the Philadelphia District and this Region a fresh look to the challenges we face. My greatest asset is my ability to build teams and to lead them to developing solutions. I have been impressed with the passion this region’s leaders have for overcoming challenges. I look forward to developing relationships with them as we work together to create better solutions for the people of this great Region.

Q: What are your main objectives during your tenure in Philadelphia? A: I have been truly blessed to lead an extremely competent team of folks in the Philadelphia District. With over six months as the District Commander I still find myself in awe of the amazing pool of talent I’m privileged to lead. In fiscal 2010, the District executed over $1.1 billion in customer projects including $300 million for Civil Works and International and Intermodal.
As we slip from the cold and snowy bonds of this winter, there is some cause for optimism that we will not only enjoy milder and more enjoyable weather this spring, but also a confidence that after two very difficult years of decreasing vessel calls and tonnages, it appears we have begun to turn the corner.

As of the end of January, ship arrivals to ports along the Delaware River, for the first time since July of 2006, have increased three months in a row. During the three-month period, on average, vessel arrivals increased by 20 per month over the same period 12 months earlier. This increase reflects a much hoped for long-term growth in U.S. and global economies, as well as the fact that new shipping lines have come to the Delaware River. With the scheduled reopening of the Delaware City refinery by PBF this spring, and the anticipation of additional services to our regional port, there is reason for hope that business on the river will increase measurably compared to the last two years.

As reported on the front page in this edition of The Beacon, two separate federal district court decisions were handed down by Judge Sue Robinson (DE) and Judge Joel Pisano (NJ) that removed significant legal obstacles to the deepening of the Delaware River main shipping channel from 40 to 45 feet. One can’t help but wonder “what if” this project had moved forward in the 1990s (as was the original plan when the project was first authorized by Congress in 1991), How much more investment in port infrastructure would have been made, and how much more new business would have come to Delaware River ports?

It is clear, however, that once the main channel is deepened to 45 feet, there will be good reason for all to be optimistic as our port enters a springtime of growth and opportunity that will further secure our regional port complex’s rightful position as a world class port here in the United States and around the world.

Dennis Arndt
Legislation Re-Introduced to Assure Funds for Maintenance Dredging

Congressman Charles Boustany (R-LA) re-introduced legislation at the beginning of the 112th Congress to assure all revenues generated by the .0125 % Harbor Maintenance Ad Valorem Tax (HMT) is deposited in the Harbor Maintenance Trust Fund (HMTF) and used for their intended purpose: to dredge our nation’s shipping channels and harbors. As of press date, the number of House co-sponsors had climbed to 34, including Congressman Frank LoBiondo (R-NJ).

Appropriations from the HMTF, primarily used by the U.S. Army Corps of Engineers for maintenance dredging, have lagged behind revenues into the fund for the past several years. The resulting surplus, approximately $5.65 billion at the end of FY10, continues to grow by hundreds of millions of dollars each year. “Our nation’s navigational channels that serve as a critical link to the global economy are in dire need of fully funded maintenance dredging,” according to Barry Holliday, Executive Director of the D.C.-based Dredging Contractors of America and Chairman of the Harbor Maintenance Trust Fund Fairness Coalition/Realize America’s Maritime Promise. “These are adversely affected by the diversion of hundreds of millions of harbor maintenance tax revenues to pay for other federal programs.” Holliday noted that almost 30% of commercial vessel calls at U.S. ports are constrained in some manner due to inadequate shipping channel depths.

“The Exchange has requested that the members of the Delaware River Congressional delegation join on as sponsors to the bill. Dennis Rochford, Exchange President, said, “It is simply unconscionable to charge a maritime commerce tax that is then not fully expended to provide the service for which it was collected. Not only are we underfunding needed maintenance dredging projects, but we are missing the opportunity to protect and create thousands of good-paying American jobs.”

Later in the spring, Dennis Rochford will join with Captain James Roche, President, Pilots’ Association for the Bay and River Delaware, and Captain Steve Roberts, Chairman of the Mariners Advisory Committee, to meet with members of the regular congressional delegation in Washington, D.C. to urge them to support and co-sponsor this legislation.

Rochford Receives the Four Chaplains Gold Medallion Award

On February 3, Maritime Exchange President Dennis Rochford received the prestigious Legion of Honor Gold Medallion Award from the Four Chaplains Memorial Foundation at a dinner held in his honor. The Medallion is presented to those who have rendered selfless service to humanity without regard to race, religion or creed, and whose service and leadership has brought them worldwide attention. Past recipients include U.S. Presidents Reagan and Bush, Margaret Thatcher, John Glenn, Capt. Michael Linton, and Joseph Balzano among others.

“I am humbled to be the recipient of this year’s award,” said Rochford. “I have always admired the important work of the Four Chaplains Memorial Foundation, and thank them for this great honor.”

The Four Chaplains Memorial Foundation, a not-for-profit membership organization, is based on the selfless service of four Army chaplains of different faiths who were killed in action during World War II. The four chaplains were all sailing on the Dorchester as a ground crew private in the U.S. Army Air Corps. Of the harrowing experience. Mr. Heaton was on board the Dorchester as a ground crew private in the U.S. Army Air Corps.

The Four Chaplains Memorial Foundation was dedicated by President Harry Truman following World War II to honor four Army chaplains aboard a torpedoed troopship who gave their places in the lifeboats to four young recruits. It relies on the generosity of individuals, veterans, civic, and fraternal organizations, corporations, and foundations to support its mission and programs.

For more information on membership or sponsorship, please contact the Foundation at 215-218-1943 or Chapels@fourchaplains.org.

AISIMOL Integration Released

sioned to aid security and law enforcement personnel in their respective missions. Together, the information provides a comprehensive and centralized picture for information about the maritime domain, not only for a particular AIS target, but the same data is also readily visible for the surrounding ships. Some port users got an early preview into the new functionality.

“The enhancements made in the latest AIS/MOL deployment have the potential to significantly enhance the sharing of information between government agencies and users of the Maritime On-Line system,” said Thomas Peck, U.S. Coast Guard Operation Unit Controller, Sector Delaware Bay. “When the system is fully embraced by its users, the ability of multiple government agencies to quickly call up information on a vessel, its cargo and crew and which allows everyone to view the data simultaneously will be a significant benefit.”

The updates provide greatly enhanced functionality for subscribers. One of the most anticipated enhancements is the implementation of geofences that include rule-based alerts. The user-defined zones will generate custom messages when a vessel enters and exits a zone and/or exceeds a defined speed within the zone.

“The Coast Guard has used the Maritime Exchange AIS system in search and rescue cases which has resulted in the saving of lives and property . . .”

The geofence technology has both security and commercial applications. Through automation, the burden of continual review of the river for expected and unexpected events and anomalies has been shifted to the system. On the maritime domain awareness front, this becomes particularly useful to monitor breaches to security and safety zones. From the commercial side, industry can implement geofences to provide automatic advance notice of arriving vessels.

Also included is a toggle to display all vessel names associated with the visible targets, and a function has been implemented The Exchange is also in the process of uploading photos of vessels that will be available when a target is selected.

“The Coast Guard has used the Maritime Exchange AIS system in search and rescue cases which has resulted in the saving of lives and property,” said Peck. “The geofence and location functions in the system will allow agencies to quickly locate a facility or a geographic location in the area and has the potential to quickly disseminate information dealing with the safety of the ports of Philadelphia and Wilmington to all users.”

“The Exchange wanted a flexible system that would not only meet current demands, but one that provides a framework to expand our capabilities in the future,” Himber said. “Our users have already requested additional enhancements, and we have begun to explore other capabilities for potential system expansion.”

For more information, please contact Operations Director Paul Myhr at 215-925-2615 or pmyhr@maritimedelriv.com or visit the Exchange’s web site at www.maritimedelriv.com.
The elections last November brought some new faces to the tri-state Congressional delegation. The new members whose names are italicized below were sworn in to office in the 112th Congress in January:

### Delaware

**Senate**

- **The Honorable Thomas R. Carper (D)**
  515 Hart Senate Office Building
  Washington, DC  20510
  (202) 224-2441

- **The Honorable Christopher Coons (D)**
  383 Russell Senate Office Building
  Washington, DC  20510
  (202) 224-4744

**House of Representatives**

- **The Honorable John Carney (D) At-Large**
  1429 Longworth House Office Building
  Washington, DC  20515
  (202) 225-4165

### New Jersey

**Senate**

- **The Honorable Patrick Toomey (R)**
  B40B Dirksen Senate Office Building
  Washington, DC  20510
  (202) 224-4254

**House of Representatives**

- **The Honorable Robert E. Andrews (D-1st)**
  2265 Rayburn House Office Building
  Washington, DC  20515
  (202) 225-6501

- **The Honorable Leonard Lance (R-7th)**
  114 Cannon House Office Building
  Washington, DC  20515
  (202) 225-5361

- **The Honorable Frank A. LoBiondo (R-2nd)**
  2427 Rayburn House Office Building
  Washington, DC  20515
  (202) 225-6572

- **The Honorable Jon Runyan (R-3rd)**
  1233 Longworth House Office Building
  Washington, DC  20515
  (202) 225-4765

- **The Honorable Christopher H. Smith (R-4th)**
  2373 Rayburn House Office Building
  Washington, DC  20515
  (202) 225-3765

**Pennsylvania**

**Senate**

- **The Honorable Robert P. Casey (D)**
  393 Russell Senate Office Building
  Washington, DC  20510
  (202) 224-6324

**House of Representatives**

- **The Honorable Robert A. Brady (D-1st)**
  206 Cannon House Office Building
  Washington, DC  20515-3801
  (202) 225-4731

- **The Honorable Charles Dent (R-15th)**
  1009 Longworth House Office Building
  Washington, DC  20515
  (202) 225-6411

- **The Honorable Chaka Fattah (D-2nd)**
  2301 Rayburn House Office Building
  Washington, DC  20515-3802
  (202) 225-4001

- **The Honorable Mike Fitzpatrick (R-8th)**
  1609 Longworth House Office Building
  Washington, DC  20515
  (202) 225-4276

- **The Honorable Tim Holden (D-17th)**
  2417 Rayburn House Office Building
  Washington, DC  20515
  (202) 225-5456

- **The Honorable Patrick Meehan (R-7th)**
  513 Cannon House Office Building
  Washington, DC  20515
  (202) 225-2011

- **The Honorable Allyson Schwartz (D-13th)**
  330 Cannon House Office Building
  Washington, DC  20515
  (202) 225-6111
Fifty years ago, Uwe Schultz and I started our maritime careers at Fort Schuyler New York, one of the five State Maritime Academies in the United States. It was a depressed time for the seagoing Merchant Marine, and many of the first-year cadets were soon dropping out, having learned about the state of this industry. A pep talk by the school administration soon changed everything when we were told, if we stuck it out, we would find seagoing jobs and could make $1,000 dollars a month. Needless to say, we did stick it out and by the summer of 1965, we were both sailing on our licenses and making that $1,000 a month, which at the time was more than a king’s ransom.

I have never forgotten this experience and am sharing this with our readers because I want to encourage those who have children in high school to find out more about these great schools that remain one of the best kept secrets. Today, the maritime academies offer young men and women 100% employment upon graduation, at sea, ashore and in the military and the tuition is amazingly low.

The five state schools are located in: Maine, Massachusetts, New York, Texas and California. There is one Federal Academy at Kings Point, New York; this school is free and requires a congressional appointment. All of the programs are similar, and each offers a wide range of studies. The schools have a moderate to light military system and all offer service commissions.

Many of our Delaware River port leaders are graduates of these schools. Maritime school alumni can be found in law firms, within the Pilots, as ship agents and surveyors, in the U.S. Coast Guard and Army Corps of Engineers, at port authorities, insurance companies, stevedores, ship yards and tug boat companies. I would encourage you to ask any of the maritime school graduates if, given the chance, they would do it all over again. I promise you the answer will be yes.

Please feel free to contact me (via the Exchange) if you have any questions. As many of you know, this is one of my favorite subjects, and I owe all of my achievements to Fort Schuyler.

SS United States Closer to Permanent Preservation

In a long-anticipated milestone in the effort to save and redevelop the legendary ocean liner SS United States, the SS United States Conservancy announced that the national nonprofit organization has acquired title to the nation’s historic “ship of state.”

“We are one big step closer to ensuring that this great symbol of American innovation is permanently preserved,” said Susan Gibbs, the Conservancy’s board president, whose grandfather, William Francis Gibbs, designed the legendary liner. “Now that we have secured title, we will accelerate our efforts to redevelop the nation’s flagship as a multi-purpose waterfront destination with dynamic hotel, retail, educational and museum offerings. To succeed, we will tap into the same ‘can-do’ spirit and ingenuity that the ship has embodied since her first splash in 1952.”

In July 2010, the Conservancy announced a pledge of $5.8 million by Philadelphia philanthropist H. F. “Gerry” Lenfest to purchase and maintain the vessel for 20 months. Owners Norwegian Cruise Line/Genting Hong Kong entered an exclusive purchase option with the Conservancy last year, graciously declining a bid twice as high from a vessel scrapper, in order to support the Conservancy’s efforts. The Conservancy is deeply grateful to both Gerry Lenfest and Norwegian/Genting for their support.

“This is the first time in the history of the SS United States that a group concerned primarily with the vessel’s historical significance and preservation has owned her,” said Dan McSweeney, the Conservancy’s executive director. “We can’t truly say she’s saved yet – that will happen when we establish a successful partnership to redevelop the ship – but we can say that we’re generating the right momentum to be able to achieve that goal. We’re completely committed to accomplishing this and there’s no question that we’ll succeed.”

The vessel was launched in 1952 and is widely considered the greatest ocean liner ever built.

The 45 Foot Channel — An Update

By: A. Robert Degen, Esq.
Fox Rothschild LLP

On January 13, 2011, United States District Court Judge Joel A. Pisano ruled against the State of New Jersey and various environmental groups who sought to block dredging of the Delaware River Channel to 45 feet. Judge Pisano’s ruling is the second on the subject with Delaware District Court Judge Sue Robinson similarly ruling against the State of Delaware and environmental groups in January 2010.

Judge Pisano’s ruling is the most recent step in a dispute that has been brewing since 1983 when Congress directed the U.S. Army Corps of Engineers to determine whether it was in the federal interest to deepen the Delaware River Channel by five feet. In 1992 the Corps issued its final feasibility report and Environmental Impact Statement recommending to Congress that the Channel be deepened to 45 feet, concluding that it was technically feasible. Between 1992 and 1997, the Corps determined and a host of other perceived damage. Opposition to the project focused on the alleged excessive cost, claims of faulty economic analysis and environmental concerns including changes in the salt water line, perceived harm to Atlantic and Shortnose Sturgeon, possible damage to the oyster population, claimed harm to spawning horse-shoe crabs and the migratory shore birds that feast on their eggs, possible loss of ecotourism, erosion of wetlands, increase nitrous oxide emissions and a host of other perceived damage.

The heart of the attack on the Corps’ decision to move forward with the dredging rested on the claim that certain decisions of the Corps in assessing the environmental impact of the project were “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” Plaintiffs argued that the Corps relied on faulty science and economic analysis in approving the project.

The Court’s primary inquiry was whether the Corps’ determination that the dredging project was environmentally sound and in compliance with the National Environmental Policy Act (NEPA) was arbitrary or capricious. NEPA requires federal agencies to integrate environmental values into their decision making processes by considering the environmental impacts of their proposed actions and to consider reasonable alternatives. The Court observed at the outset that NEPA is a purely procedural statute that does not mandate a particular result, but merely prohibits an uninformed rather than unwise decision. Under NEPA, federal agencies are required to prepare an Environmental Impact Statement for any project that may significantly affect the quality of the human environment. In lieu of an Environmental Impact Statement, when it is not apparent on the face of the project that the environment will be affected, the agency is required to prepare an Environmental Assessment to determine whether an Environmental Impact Statement is necessary. In 1992 the Corps prepared an Environmental Impact Statement and in 1997 a Supplemental Environmental Impact Statement. In 2009 the Corps prepared a second Environmental Assessment to determine whether changes in the project required a second Supplemental Environmental Impact Statement which it determined was not necessary. It was the decision by the Corps not to prepare a second Supplemental Environmental Impact Statement that Plaintiffs argued was arbitrary and capricious due to the Corps’ failure to give notice and request public comment on the decision. The Court reviewed the Corps’ action and the public involvement in the project from the time of the first Environmental Assessment made by the Corps and determined that the Corps had appropriately disseminated information on the project to the public from the start and therefore had met all of the requirements of the National and Environmental Policy Act. Moreover, as to New Jersey’s claimed 2002 withdrawal of its certification, the Court held that there was no regulatory basis for a state to withdraw its certification that a project was consistent with its Coastal Zone Management Program.

In addition to Plaintiffs’ arguments that the Corps failed to comply with NEPA, Plaintiffs also raised arguments that the Corps violated a host of other environmental laws including the Clean Water Act, Clean Air Act, Fish and Wildlife Coordination Act, Water Resources Development Act and the Magnuson-Stevens Fishery Conservation and Management Act. With respect to each, the Court found either that Corps’ decisions were neither arbitrary nor capricious or that the particular act did not apply. While this is probably not the final word, the opinion is well reasoned and supported by substantial evidence of the Corps’ compliance with all of the applicable statutes and regulations. Stay tuned.
Help Wanted

Did you know... industry job postings and resumes are posted on the Maritime Exchange web site at www.maritimedelriv.com/Jobs/jobs.htm

Please visit often to check out the latest opportunities! For information on listing your resume or job posting, please contact Donna Stargell, 215-925-2615 or dstargell@maritimedelriv.com

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A. Robert Degen 215.299.2085 cell 215.620.0869
James F. Young 215.299.2008 cell 215.840.3154

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Corps, Coast Guard Rebuild North Jetty

By: BMC Chris Beahr, Officer In Charge, ANT Team Philadelphia

Over the summer of 2010, the crew of Aids to Navigation Team (ANT) Philadelphia teamed up with the Army Corps of Engineers (ACOE) to rebuild the Reedy Point North Jetty and light.

When the ACOE received federal stimulus funds to rebuild the North Jetty on the east end of the Chesapeake and Delaware Canal, ANT Philadelphia assisted by removing the existing power and installing a temporary aid to facilitate the rebuild. Once the jetty repairs were completed, a concrete base was placed on scene and the crew of ANT Philadelphia began to transport parts for a new 5X5 pipe tower using their small boats. The new tower for Chesapeake and Delaware Canal Light 2 was constructed over a two-day period.

The ACOE rebuild of the North Jetty provided the Coast Guard with the opportunity to replace an old and weathered structure. The new tower makes servicing the light and day boards easier and safer for the crews and provides a new light for safe navigation in the waterway.

ANT Philadelphia’s Area of Responsibility encompasses 145 NM of the Delaware Bay and River and its tributaries. A crew of ten Coast Guard members maintains 185 aids to navigation to include: 32 Buoys, 46 Ranges (each with two lights), 55 lighted structures, nine daybeacons and one fog signal.

In addition to ANT Philadelphia, Sector Delaware Bay also manages ANT Cape May which has an area of responsibility that encompasses approximately 185 NM of waterway; to include the New Jersey Intracoastal Waterway, Atlantic Ocean, Delaware Bay and Indian River in DE. A crew of 21 members maintains 730 aids to navigation.
The South Jersey Port Corporation’s (SJPC) reputation as the premiere cocoa bean port got a major boost on January 22 as the M/V Atlantic Tramp unloaded the single largest cocoa bean shipment from West Africa.

“Working with Camden International Commodities Terminal (CICT), the South Jersey Port Corporation’s two terminals in Camden have become the nation’s leader for import cocoa beans,” said Joseph A. Balzano, Executive Director of SJPC. “That’s because working together the port and CICT developed a highly efficient, special handling expertise for a very special cargo.”

The Atlantic Tramp, built in China and launched in October 2010, made its maiden voyage to the United States to unload 18,661 metric tons of cocoa beans, which surpasses the previous record of 16,500 tons set in 2005. Not only is this the single largest shipment of cocoa beans to the Port of Camden, it is the largest single shipment out of West Africa.

Donohue to Lead New International Law Practice

Exchange Board member John P. Donohue was recently named to lead the International Law Practice Group at Thorp Reed & Armstrong, LLP. He has over 35 years practicing international trade law and has spent 20 years as an adjunct professor of International Trade Law at the Seton Hall University School of Law.

“John offers a unique perspective that combines his practice and classroom experience, allowing him to continuously bring new knowledge to both arenas,” said Managing Partner Jeffrey J. Conn and Robert J. Ridge, Partner and Chair of the Litigation Department in a joint statement.

Donohue has represented both U.S. importers and foreign corporations with all agencies of the federal government with the authority to control the international movement of goods. He has also authorized a white paper entitled Exporting National Mores: The Foreign Corrupt Practices Act and the UK Bribery Act of 2010; Similarities, Differences and the Emerging Lessons. He is also a regular contributor to The Beacon.

The Exchange wishes John the best of luck with his new responsibilities.
Art Sulzer Relieves John Reynolds as Schuyler Alumni Association Chapter President

In December, the Delaware Valley Chapter of the Fort Schuyler Alumni Association hosted its Annual Christmas Dinner for members, spouses, friends of Fort Schuyler and grads from fellow maritime schools. The evening began with a change of command, as Exchange Chairman John Reynolds stepped down as Chapter President after 25 years, turning over the reins to Art Sulzer. Shown here is National Alumni President John Bradley (left) presenting John Reynolds with an award in recognition of his service as longest-standing Chapter President.
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Holt Logistics Announces Stronger Service Offerings to Central America

CMA CGM and Maersk Line to offer weekly container service from Central and South American ports with a Reefer Focus

Both CMA CGM and Maersk Line began offering new liner container service weekly from Central and South America to the Packer Avenue Marine Terminal (PAMT) in January.

Philadelphia is linked on northbound routes from San Antonio and Arica in Chile; Callao in Peru; Guayaquil in Ecuador; and also Manzanillo, Panama; Kingston, Jamaica; and Miami via CMA CGM French Line’s Black Pearl Service.

Around the same time, Maersk Line began offering service from Ecuador and Peru.

“We are pleased to offer two new key service lines linking us to South America,” said Thomas J. Holt, Jr., President of Astro Holdings, Inc., which leases PAMT under a long-term concession with the Philadelphia Regional Port Authority. “It’s good to know that going into the new year that not only is our port active and healthy, but it is continuing to grow as well, with shipping giants taking a more active role in our port. We look forward to a productive 2011.

Opening new service opportunities in Central America builds on our strong refrigerated niche.”

John Foster Elected Chairman of AIIS

On December 22, 2010, the American Institute for International Steel announced the results of its election for the 2011-2012 term, naming John D. Foster, Chief Executive Officer for Coutinho and Ferrostaal - North America Division, as Chairman. Congratulations to Mr. Foster on this prestigious achievement.

Holt Logistics Announces Stronger Service Offerings to Central America

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Philadelphia is linked on northbound routes from San Antonio and Arica in Chile; Callao in Peru; Guayaquil in Ecuador; and also Manzanillo, Panama; Kingston, Jamaica; and Miami via CMA CGM French Line’s Black Pearl Service.

Around the same time, Maersk Line began offering service from Ecuador and Peru.

“We are pleased to offer two new key service lines linking us to South America,” said Thomas J. Holt, Jr., President of Astro Holdings, Inc., which leases PAMT under a long-term concession with the Philadelphia Regional Port Authority. “It’s good to know that going into the new year that not only is our port active and healthy, but it is continuing to grow as well, with shipping giants taking a more active role in our port. We look forward to a productive 2011.

Opening new service opportunities in Central America builds on our strong refrigerated niche.”

Q&A with Secrist

continued from page 1

teragency Services, $400 million for Military Customers, and $450 million for Overseas Contingency Operations.

My number one objective is to ensure the District continues to deliver high quality projects on budget and on schedule. This can only be accomplished by extensive customer, stakeholder, and partner relations. I believe building and maintaining these relationships is one of my most critical responsibilities. I believe the key to continued success for the District is that its customers and partners continue to value the work it accomplishes for and with them.

Personally, my objective is to have fun with my family and expose them to all the unique characteristics of this great region. I also need to develop my skill of using the car horn as another means of communication.

Q: What do you see as the region’s greatest challenges and opportunities over the next couple of years?

A: Financial uncertainty coupled with the completion of the American Recovery and Reinvestment Act of 2009 I believe creates the greatest challenge facing this region. But I also believe this period of financial constraint has nurtured a climate of innovation and partnership growth and opportunity. It has forced us to reassess how we do business and develop more economically efficient and environmentally sound solutions to the challenges we face.

For example, recently we enjoyed a period of success in that we were able to deepen a reach of the Delaware River Main Channel and we have had favorable rulings in both the Delaware and New Jersey Courts. This momentum will only continue as long as we work as a team.

Another opportunity for the region is energy development. Natural gas exploration in the Marcellus Shale of Pennsylvania and New York, wind turbine development off of the New Jersey and Delaware Coasts, and continued development of clean coal technology are areas for growth. Movement forward in each of these will continue to require innovation coupled with good environmental stewardship by all parties.

This region does not enjoy the notoriety of its financial behemoth to the north, New York City, nor the political muscle enjoyed by Washington D.C. to its south, but it has a hardworking population that does not shy away from any challenge. The greatest resource in this region unquestionably is its people. I am honored to call this region my home over the next couple of years and to lead the Philadelphia District in developing solutions for this region’s people.
The Small Vessel Threat: The Maritime Security Vector That Won’t Simply “Go Away”

By: Michael Rosenberg, Vice President E.J. Krause & Associates

In the pre-9/11 environment Maritime Transportation System (MTS) activities were primarily focused on large commercial vessels, their crews and cargoes and were generally related to safety. Efforts to address the small vessel environment had largely been ignored and limited to safety and occasional law enforcement concerns such as interdictions for Boating While Intoxicated or reckless boating. Small vessels are, however, readily vulnerable to potential exploitation by multiple groups looking to impact the MTS from terrorist, and smugglers to other criminal elements. The list is endless. In addition, small vessels have also been successfully employed overseas, in locations including Sri Lanka, by terrorists to deliver Waterborne Improvised Explosive Devices.

As the 2001 U.S.S. COLE attack and M/V LIMBURG attack the following year vividly demonstrated, there is a clear need to close security gaps involving this threat vector. The 2008 Department of Homeland Security (DHS) Small Vessel Security Strategy (SVSS) was written to provide agencies at all levels of government a unified framework to address these issues between government organizations and international partners, private industry, and the nation’s recreational boaters.

Despite the fact that the strategy was approved in 2008, fully operational implementation has not occurred. This offers security professionals and vendors a unique opportunity to look at ways technology can be applied. Notes the June 2010 Homeland Security Studies and Analysis Institute Small vessel Security Update Bulletin, “DHS has been testing innovations that increase its engagement with the public, advancing and integrating DHS capabilities and working with partners at home and abroad.” The bulletin added that,

“The operators of these unregulated small vessels create a significant opportunity for terrorists to conduct operations against the people, property, and economic stability of the United States.”

“DHS developed, successfully field tested in Puget Sound and San Diego operational concepts and technologies to defeat and thwart the transporta- tion of nuclear materials by small vessel.” However, this is only one aspect of the threat vector presented by the small boat threat.

Besides traditional security systems, other leveraging of technology may address the gap. Writing in Emergency Management magazine’s blog Disaster Zone column Eric Holdeman notes, “employing social media tools you could increase the ability to detect something that is amiss and hopefully interdict an attack before it takes place. I’m still waiting for an agency or organization to take advantage of those tools for that purpose. Tip lines are OK, but people are now “living” on social media sites. It is a way in which to connect with people and also have them feed you raw intelligence,” again another opportunity for private industry leveraging technology.

Writing in his 2010 doctoral dissertation entitled, Exploring the Influence of Small Vessel Security Strategy on U.S. Coast Guard Multi-Mission Boat Stations, completed at Northcentral University Prescott, Arizona, Dr. John Niece noted the gravity of the issue in bringing the SVSS to full operational use stating, “the vulnerability of maritime operations within the United States posed by the more than 17 million American recreational maritime vessels. The operators of these unregulated small vessels create a significant opportunity for terrorists to conduct operations against the people, property, and economic stability of the United States.”

Please note: These issues will be discussed at length at the 9th Annual Maritime Transportation Security Conference & Expo on May 4-5, 2011, Baltimore, Maryland.

Details can be found at www.maritimesecurityexpo.com.
Philadelphia’s 2010 Cargo Statistics Show Big Gains Over Previous Year

A recovering national economy, in conjunction with a variety of new business relationships established at the Port of Philadelphia in 2010, has resulted in a sizable gain in overall tonnage last year compared to 2009 levels. With 3,644,919 metric tons of cargo handled in 2010 compared to the 3,107,067 tons in 2009, overall tonnage at the port was up 17% last year, according to officials of the Philadelphia Regional Port Authority (PRPA).

“Last year we didn’t point to a challenging national economy as an excuse for a reduction in port business,” said PRPA Executive Director James T. McDermott, Jr. “We went out and aggressively sought new business, even if many believed it unlikely we could land it. What actually happened was the opposite.”

PRPA reports that Hyundai and Kia made Philadelphia its preferred U.S. East Coast port of entry, Sea Star Line established a major Puerto Rican service, and M-real, a past port customer, returned to the Port of Philadelphia with its high-quality paper cargoes.

Both containerized and non-containerized cargoes all showed healthy gains in 2010. With 264,059 TEUs of containerized cargo handled in 2010 compared to the 222,900 TEUs handled in 2009, containers were up a dramatic 18%. This equates to 1,860,097 metric tons of containers in 2010 compared to 1,682,356 tons in 2009, an 11% gain.

Non-containerized cargoes also showed big increases. In 2010, Philadelphia ports handled 1,108,329 metric tons of non-containerized cargoes compared to the 840,876 tons of handled the year before, representing a 32% increase. Primarily as a result of massive numbers of Hyundai and Kia automobiles that have been arriving at PRPA’s Packer Avenue Marine Terminal since spring of 2010, automobile business went from being virtually non-existent in 2009 to about 69,000 units being moved in 2010. The noted Scandinavian paper manufacturer M-real returned to the Port of Philadelphia in 2010 after a several year hiatus, bringing along with it the company’s preferred ocean carrier, Wagenborg Shipping. This resulted in a healthy 53% gain in forest products cargoes at the port. A new state-of-the-art forest products warehouse opened at the Pier 74 portion of the facility last year – a major reason M-real’s paper cargoes returned to Philadelphia.

Fruit imports increased by 2% with 328,904 metric tons of fruit being handled in 2010 compared to the 321,702 tons in the previous year. Fruit from Chile and bananas from Columbia are two of the major fruit cargoes regularly handled at the port.

Liquid bulk cargoes were up 16%, with 676,493 metric tons of liquid bulk cargoes being handled in 2010 compared 583,835 tons in 2009.

While steel cargoes continue to be modest compared to 1980s and 1990s levels, steel experienced a 53% gain last year with 170,215 metric tons handled. Cocoa beans (97,492 tons handled) and project cargo (39,156 tons handled) were roughly in line with 2009 figures.
**Editorial**

**AMSC Struggles With Grant Program**

**Matching Requirement Hampers Funds Distribution**

Since August of 2007, the Area Maritime Security Committee has been charged with the responsibility of allocating dollars for the tri-state Delaware River region through the Port Security Grant Program (PSGP). Initially, this task was complicated by the fact that so many worthy projects were proposed for the region; it was difficult for committee members to determine which should receive funding priority.

Today, the challenge is completely different.

With the worsening economic conditions over the last several years, both public and private sector agencies have been hard pressed to identify sources for the required 25% match.

As a result, in the Delaware River region, the FY08 grant application window was opened on three separate occasions; FY09 was opened twice, and there is still more than $10 million available for distribution. Other port areas are reporting similar experiences.

Congress provided some relief in the FY10 PSGP by eliminating the match requirement. In that round, the Committee reviewed over 50 applications for projects and was able to fund 22 of them.

So it is clear there is no shortage of need.

We support a matching requirement under most circumstances, as it demonstrates a certain level of commitment on the part of the applicant. In the current climate, however, it’s just not working.

We strongly believe Congress should continue to allow the Port Security grants to fund 100% of projects deemed worthy by the Area Maritime Security Committee for at least the next grant cycle.

Looking forward, Congress should consider other mechanisms beyond a matching requirement to ensure recipients have a vested interest in the success of their projects. Providing for in-kind matching has not helped solve the problem as the list of allowable expenses is so restrictive that it becomes almost unworkable.

Perhaps the Area Maritime Security Committees should be given the flexibility to determine the appropriate level of commitment — or buy-in — on the part of the prospective recipients. This approach would follow along the lines established in 2007 of allowing local committees to decide which projects should receive federal grant funding.

Port businesses, law enforcement, and other first responders are struggling to meet their day-to-day operating budgets. There are few, if any, dollars available for the capital costs associated with improving our maritime security posture.

Let’s not wait until after another tragedy. The time to fund needed projects is today.

The Exchange encourages members and other port stakeholders to contact their Congressional delegates to support a continued waiver of the match requirement in the Port Security Grant Program.

**Offshore Wind Projects Get Our Attention**

There are few who would dispute the idea that creating power from natural sources such as wind, water and sun is a good one. Even those of us who make our livings from America’s dependence on foreign oil, transported here by ship, of course, clearly understand the advantage of renewable power projects.

The challenge to environmentalists is for them to balance their desire for renewable energy such as wind farms with the potential for risk to bird habitats and migrations. Try to place those wind farms offshore, and not only do we have to factor in fish spawning and migration paths, but also dangers to both recreational boating and commercial cargo ships.

So the challenges to planners, primarily the newly-reconstituted Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE), but also states and municipalities, is to balance all these challenges with the need to identify domestic sources of power and create jobs.

With offshore wind farms planned throughout the U.S. East Coast, clearly a holistic and consistent approach to approving leases for potential developers is needed.

Some steps have been taken. Last July, the Interagency Ocean Policy Task Force released a set of recommendations that set a new direction for improved stewardship of our nation’s waterways. Included among these was a “Framework for Effective Coastal and Marine Spatial Planning (CMS Plan).” The CMS Plan “identifies areas most suitable for various types or classes of activities in order to reduce conflicts among uses, reduce environmental impacts, facilitate compatible uses, and preserve critical ecosystem services to meet economic, environmental, security, and social objectives.”

What a CMS Plan will do is help ensure cooperation among all interested parties, significantly improve our collective ability to assess long-term waterway needs and should ultimately result in a more cost-effective, timely and safe implementation of any new projects.

With so many diverse and sometimes competing uses of the waterways, the Exchange has recommended that BOEMRE conduct a CMS Plan for the mid-Atlantic for the two projects currently under review off the Delaware and Maryland coasts. We also suggested that the agency partner with the Coast Guard to complete a Port Access Route Study for the area. Information gleaned from these analyses should be made available for public review and comment prior to moving forward.

BOEMRE is on the right course when it comes to consulting with local stakeholders in a given region; it just doesn’t go far enough. BOEMRE needs to reach out beyond state, county and local governments in the creation of task forces. Mariners and those who are engaged in waterborne commerce need to be at the table.

The evaluation and possible implementation of offshore wind products is going to be with us for a while. BOEMRE should engage all waterway users in their decision making processes.
Orbital Sciences Ships Taurus II Booster Cores via POW

In late 2010, the Port of Wilmington offloaded the first of six to twelve first-stage core structures for the Taurus® II rocket that is being developed by Orbital Sciences Corporation, one of the world’s leading space technology companies. These 100 ft long and 15 ft wide cores originated in the Ukraine and were trucked to the Wallops Island, Virginia launch site on a custom-built heavy-duty trailer.

Orbital’s Taurus II space launch vehicle is a medium-class launcher that will be used to conduct resupply missions to the International Space Station, as well as a launcher for civil government, defense and intelligence, and commercial satellites.

“Handling Orbital’s rocket booster cores is a great compliment to the Port of Wilmington and the State of Delaware. It underscores our excellent location and infrastructure, as well as our logistical expertise,” said Diamond State Port Corporation Executive Director, Gene Bailey. “Furthermore, the fact that Delaware’s Departments of Transportation and Safety and Homeland Security are very accommodating in facilitating truck permitting and police and utilities escorts for such complex movement of cargo has been very helpful to our customers.”

The movement of this high-value piece was complex because the core unit was discharged off a uniquely configured stern ramp Ro-Ro (Roll-on Roll-off) ship that required special mooring arrangements. In addition, the unit will be driven on a custom-made truck, which is challenging to maneuver along public roadways. In preparation for the discharge, Orbital conducted a successful data collection test transport run in June 2010 driving a booster mock-up from the port to the Wallops Island launch facility.

Tugboats on the Delaware: Independence Seaport Museum’s First Ever Seaport Parade of Lights

Enjoying the ISM Seaport Parade of Lights are (l-r) Exchange Board Member and ISM President and Chief Executive Officer John Gazzola, Exchange President Dennis Rochford, The Honorable Michael Nutter, Mayor, City of Philadelphia, and Tom Corcoran, President, Delaware River Waterfront Corporation.

In the foreground is The Philadelphia Ship Preservation Guild’s tugboat Jupiter, one of 10 area tugboats that participated in the ISM December 18, 2010 holiday event.
Upcoming Events

02/16/11
World Trade Association of Philadelphia Luncheon & Panel Discussion: Changes in the Chassis Model in the Port of Philadelphia
Holiday Inn Philadelphia Historic District
Contact Deborah Ingravallo: 856-642-3957 or wtaphila@comcast.net

DRPA/PATCO Board Meetings
Philadelphia Regional Port Authority Board Meeting

02/16/11
Traffic Club of Philadelphia Mega Meeting
William Penn Inn, Gwynedd, PA
Contact Avri Dub: aldeutsch51@juno.com or 610-649-6952

02/18/11
Area Maritime Security Committee Meeting, USCG Sector Delaware Bay

02/28/11
Independence Seaport Museum/Northeast Maritime Institute
Able Seaman Training Course
Contact: 215-413-8630

03/08/11
Tri-State Maritime Safety Association Meeting

03/09/11
Maritime Exchange Executive Committee Meeting
Maritime Exchange Board Meeting & Annual Election

03/14/11
Area Maritime Security Committee Meeting, USCG Sector Delaware Bay

03/18/11
Independence Seaport Museum/Northeast Maritime Institute
Tankerman Ship & Barge PIC Training Course
Contact: 215-413-8630

03/15/11
Seamen’s Center of Wilmington Board Meeting

03/16/11
DRPA/PATCO Board Meetings
Philadelphia Regional Port Authority Board Meeting

04/13/11
World Trade Association of Philadelphia
Annual Fundraiser for Autism Speaks
Cescaphe Ballroom, Philadelphia, PA
Contact Deborah Ingravallo: wtaphila@comcast.net or 856-642-3957

04/20/11
DRPA/PATCO Board Meetings, Followed by Committee Meetings
Philadelphia Regional Port Authority Board Meeting

04/28/11
Ports of Philadelphia Maritime Society Annual Dinner
Cescaphe Ballroom, Philadelphia, PA
Contact Theresa Penot: 215-423-9950

For a complete schedule and event details visit the Exchange’s web site: www.maritimedelriv.com

Notes & News

Urban Engineers, Inc. was recently honored by the PENJERDEL Council as the 2010 Company of the Year: “Recognition for what we do, how we do it, what we have created, and for giving back to the community,” were compliments that Joe McAtee and the Urban employees who were present will always remember.

Joe Ruf, long-time Sales/Facility Security Manager, of Penn Terminals retired in December. Many of us are sad to see Joe leave but wish him luck in his retirement. John Timmons takes over as Sales Manager. Welcome aboard, John.

Well-known Philadelphia maritime attorney Lisa Reeves has opened a new practice, Reeves McEwing LLP, with Brian McEwing and Ray Letulle. Their new Philadelphia office is located at 719 E. Passyunk Avenue; the firm also has an office in Cape May, New Jersey. Visit www.lawofsea.com for more information.

Welcome Aboard

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Members on the Move

Seamen’s Center of Wilmington
New web site: www.scwde.org

Stevenson Marine Group
Ports of Philadelphia Maritime Society
Seventy Sixth Annual Award Recipient
William J. Moran
Partner
Hueber Launch
Marine Services Group

Ports of Philadelphia Maritime Society
Seventy Sixth Annual Dinner
April 28, 2011
Cescaphe Ballroom
923 N. 2nd Street
Philadelphia, PA 19123

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