



At the Helm

From the Captain's Chair

This past December I celebrated my 80th birthday. Several years ago I had decided upon reaching this milestone I would step down as President of McAllister Towing. The passing of a privately owned company to the next generation is a difficult and time-consuming process. The last few years we have managed the estate tax issues that can threaten a family business and, today, my sons Buckley and Eric now have 98% ownership of the company.



It was a great honor to name Buckley McAllister as the new President of McAllister Towing on my milestone birthday. Buckley has recently been named the Chairman of the AWO, he sits on the board of the Steamship Mutual P&I Club, and sits on the Board of the Coast Guard Foundation. Through these assignments he has the opportunity to interface with most of our customers. He travels more than any other employee of our company and represents us in a tremendously positive way. I haven't taken the title of Chairman and retained the Presidency of The Bridgeport and Port Jefferson Steamboat Company. Eric continues in the significant role of Chief Financial Officer. The senior management team of Buckley, Eric and me has been strengthened by this reorganization.

I feel very confident putting the future in Buckley and Eric's hands. Back in 2005 when I returned to the office after a two month absence I received a call from one of our general managers. He told me that I am "one lucky guy". I thought he was going to congratulate me on surviving my quintuple bypass surgery. But instead he told me something different. He said that during my hiatus he had the usual

(Story continues on next page)

Inside This Issue:	
<i>From the Captain's Chair</i>	
<i>President's Message</i>	2
<i>Hurricane Sandy hits McAllister</i>	4
<i>Environmental Stewardship Initiative Award</i>	6
<i>Remembering Capt. Harry Wroten</i>	7
<i>Benefiting from your Benefits</i>	10
<i>Employee Milestones</i>	11
<i>Bits & Bytes</i>	14
<i>"The Lucky Bag"</i>	15

(continued from cover page) list of problems that needed solving and that between Buck and Eric all of his issues were resolved.

My hope for this next generation, the fifth in the McAllister family, is that they have smooth sailing until they reach their 80th milestone.

These organizational changes and our continued success have made me happy about where we are and where we're going. As always, we thank you for your dedication and efforts.

With warmest regards,



Captain Brian A. McAllister
Chairman



A Message from our President

It is a great honor to assume the role of President of McAllister Towing.

I would like to reaffirm the Company's long tradition of providing the highest quality service to our customers, safely and efficiently. The Company faces a number of challenges that include a difficult economy, tough competition, tight regulation and increasing standards. We are well prepared to address these challenges. With your continuing effort, I believe that our organization is well positioned to lead the way in the maritime industry for generations to come. Of course, my father, Captain Brian A. McAllister, has no plans for retiring and will continue to set the course for the Company as Chairman. My brother, Eric, continues in the significant role of Chief Financial Officer.

As I transitioned into my new role, there was some restructuring among corporate personnel.

Alessandra Tebaldi, Esq. was promoted to VP General Counsel and Director of Human Resources. In her new position, she will now supervise Nancy Errichiello (Benefits Administrator), Farah Jean (Human Resources Information Systems Manager), Craig Rising (Media & Public Relations), and Charles Cumming, Esq. (In-House Counsel). Alessandra is a graduate of NYU School of Law and the University of Lima School of Law. She received her Juris

Doctor degree, summa cum laude, and holds a Master of Laws degree. She is a recipient of NYU's Howard Greenberger Award for Outstanding Achievement in Comparative Law. She is a member of the New York State bar and the U.S. District Courts for the Southern and Eastern Districts of New York. She has been Associate General Counsel to McAllister since 2010, working on numerous legal and human resource issues affecting the Company. Prior to joining McAllister she was a corporate attorney focusing on private equity, mergers and acquisitions at a top Manhattan law firm. I have every confidence that Alessandra will capably address any legal or human resources issues you may have.

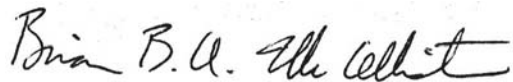
Charles S. Cumming, Esq. was appointed to an additional role in the Company, that of Director, Marketing and Sales Systems. In Charles' new role, he will act as a dedicated resource to the Sales Department, allocate more of his time to customer contracts, and assist in coordinating communications regarding the Company's sales work. Charles has a B.S. in Nautical Science from the US Merchant Marine Academy at Kings Point, a law degree from Touro College Law Center and a Masters Degree in Business Administration from Northeastern University. He sailed for US Lines and Seatrain as a Second Officer, Oceans Unlimited and has worked for a number of law firms and vessel operating companies over the years. Charles has been working with the Sales Department since 2010. Charles will be available to assist with legal issues in his continuing role as In-House Counsel.

Captain William Sullivan was recently hired in the position of Designated Person. The Designated Person is the key link in the safety chain for ship operations. Captain Sullivan has a Bachelor and Masters Degree in Marine Transportation from SUNY Maritime and is obtaining a Doctor of Business Administration from the University of Phoenix. He is licensed as a Master of Steam or Motor Vessels of 1600 Gross Tons upon Oceans, among other licenses and endorsements. Prior to joining McAllister, Bill served in numerous capacities both afloat and ashore. Most recently he held the position of General Manager for Vessel Operations at Kirby Offshore Marine in Seattle, WA. Captain Sullivan's first assignment will be to act as Project Manager in upgrading our planned maintenance system.

John Schrinner (VP Compliance) and Laura Moore (Risk Manager) continue to report to me.

Please feel free to contact me with any questions or suggestions you may have. Smooth sailing!

Very truly yours,



Buckley McAllister
President



Hurricane Sandy Wreaks Havoc

Hurricane Sandy was the deadliest and most destructive hurricane of the 2012 Atlantic hurricane season, as well as the second-costliest hurricane in United States history. Classified as the eighteenth named storm, tenth hurricane and second major hurricane of the year, Sandy was a Category 3 storm at its peak intensity when it made landfall in Cuba. The storm became the



largest Atlantic hurricane on record (as measured by diameter, with winds spanning 1,100 miles).

Preliminary estimates assess damage at nearly \$75 billion, a total surpassed only by Hurricane Katrina. At least 285 people were killed along the path of the storm in seven countries. The severe and widespread damage the storm caused in the United States, as well as its unusual merge with a frontal system, resulted in the nicknaming of the hurricane by the media and several organizations of the U.S. government "Superstorm Sandy".

When the storm hit New York, it was downgraded to a tropical storm. The consequences of this storm were devastating but could have been increased significantly if it had come ashore as a hurricane. McAllister Towing along with most of the US East Coast suffered greatly from this storm in many ways, but the consequences were most severe at three of our operations.

As Sandy made its way out of the Caribbean, and forecasts indicated that the storm might track along the East Coast, tug and ferry personnel at all McAllister offices began to prepare for the storm. On Sunday October 28th, at the Bridgeport and Port Jefferson Ferry, General Manager Fred Hall alerted all departments that the storm was headed in the direction of New York and that all hands would need to get ready: "There is a high probability that the tidal surge from Sandy will put seawater into the buildings and pump houses in both Bridgeport and in Port Jefferson. The expectation is for up to 8' of water in downtown Port Jefferson. ... make arrangements to remove to the second floor any electronics, records etc. that are in harm's way. ... Any vehicles left in downtown Port Jefferson or in the Bridgeport Terminal will be damaged by seawater - remove them. As this storm is expected to be at least two days in duration, the decision has been made to cancel service until Wednesday at the earliest." By Sunday evening, all the ferries were made fast at their berths, most of the material and equipment were moved to the second floor of the terminal building, and the terminals in both locations were closed to the public. All the boats were fully manned and the crews were standing by.

The GRAND REPUBLIC and the piers in Port Jefferson at high tide on Monday October 29th.



The tug JOAN MCALLISTER, which is assigned to Port Jefferson was also made ready, and was able to cast off if and when necessary.

The first flooding at the ferry terminals occurred Monday morning. Water topped the docks in both locations. The rain continued throughout the day and at 20:00 the wind was blowing consistently between 70 to 80 mph. At that time, the Dock Staff in Port Jefferson was told to leave the area.

At high water in Port Jefferson on Monday night, approximately one foot of water entered the terminal building. Water also reached the top of the bulkhead at the marina and most of the parking lot was flooded. In Bridgeport, the entire dock and all of the property around the terminal building were underwater. Fortunately, no water entered the interior of the building. The storm's winds proved to be the bigger problem as several trees along the access road were either felled or lost large branches. This caused widespread damage to the power lines in the area and both facilities lost power during the night.

The P.T. BARNUM was secured alongside the berth in Bridgeport, the PARK CITY and GRAND REPUBLIC were berthed in Port Jefferson. The JOAN MCALLISTER, normally berthed at the end of the dock, rode out the storm tied up in the lee of the GRAND REPUBLIC. All of the vessels were fully manned for the entire duration of the storm.

The Coast Guard kept Long Island Sound closed to marine traffic on Tuesday but when they determined it was safe to reopen on Wednesday Oct. 31st, the ferries resumed operations at 0600.

In Staten Island, McAllister Towing of New York suffered the greatest amount of physical damage from Hurricane Sandy.



Preparations began in earnest on the weekend before the storm hit. On Saturday morning the USCG set the port at condition X-ray. All anchorages in lower NY harbor and all vessels over 500 gross tons were to be clear of Ambrose Light (approximately 7.5 miles off of the coast of Sandy Hook, NJ) by 1800 on Sunday. Later that day the Captain of the Port announced that condition Yankee would be set on Sunday morning and the port would be closed shortly after that. Storm surge was predicted to be between 4 and 8 feet on top of Monday mornings full Moon high tide (0850) at the Battery with wind gusts reaching 50+ knots by mid day.

On Monday morning, Vice President of Operations Steve Kress closed the office. Steve along with the dispatchers and 3 Port Engineers prepared the yard and the offices for what they knew was going to be one heck of a storm. "All of the tugs were either secured at our piers or they were standing by ships and barges throughout the area. We picked up everything we could off the floor on our desks." Handheld radios were distributed to the dispatchers to prevent loss of communication in the event of a power failure. By Monday afternoon, the storm was approaching and the yard was "locked down".

The MCALLISTER SISTERS manned by Captain Jeremy Harris and his crew was the tug on the scene throughout the storm at the McAllister yard. The SISTERS arrived at the yard on Monday afternoon after they switched positions with the ELLEN MCALLISTER standing by at Caddell's dry dock. Captain Harris said "It was an alarming experience and certainly

(Story continues on page 12)

Clean as a Whistle!

At the end of 2012, McAllister Towing of Virginia, Inc. was awarded the “Clean as a Whistle” trophy for its numerous efforts in support of the Company’s policy on the environment:

“McAllister is committed to protecting the environment through efficiency, adherence to high standards and responsible stewardship.”

“We, in the Port of Virginia, are honored to have had the “Clean As A Whistle” award bestowed upon us. In keeping with McAllister Towing’s policy on the environment, we have put great effort into cleaning up and protecting our environment. With the help of staff and crewmembers, we developed several recycling programs to eliminate toxins associated with fluorescent bulbs, batteries and ink cartridges from our waste stream. After the separation of paper, plastic and cans, the remainder of our solid waste is shipped to a local electric company and burned for power generation. We have achieved zero impact on our local landfills. We are participants in a program that seeds and replenishes oysters, natural water filters, in the Chesapeake Bay.



McAllister Towing of Virginia, sponsored by the Virginia Maritime Association, was successful in obtaining an EPA funded Diesel Emissions Reduction Act grant. This grant will help to defray the cost of repowering the G.M. MCALLISTER with EPA Tier 3 emission compliant engines. The engines are to be installed in the fall of this year with a completion early in 2014. The anticipated

McAllister Towing of Virginia proudly displays the 2012 “Clean as a Whistle” trophy!

emissions reduction will be approximately 70% and fuel consumption is expected to improve by around 3%, a significant environmental benefit as well as fuel cost savings.

Our intention for the future is to not only minimize any negative impact, but to set a whole new standard for cost effective, positive impact policies for our environment.”

Congratulations to the entire Virginia operation on a job well done!

The competition is on for this year’s award!



Remembering Captain Harry Wroten

By Captain William Douglas

Captain Harry Wroten passed away September 24, 2012. He was 100 years old. Wow! Captain Harry was a United States Coast Guard Licensed “Master” of Steam and Motor Vessels, Unlimited Tonnage and “First Class Pilot”, in Hampton Roads, Chesapeake Bay and its tributaries. He was a professional navigator of the entire East Coast, and he loved the waterfront. Harry was one of the original tug captains hired by McAllister as they began business in Virginia, sometime in 1951. He began his career in the Army Transport Services as a Lieutenant during World War II and was McAllister’s Senior Docking Pilot and tug Captain for many years in Virginia. There was nothing too big or too small afloat that Harry hadn’t towed somewhere on the East Coast.



I attended the Captain’s funeral, along with six retired McAllister employees; I guess at 100 your peers are fewer and farther between. Milton Price, retired McAllister Operations Manager, gave the eulogy. He spoke of Harry’s love of McAllister and his willingness to always answer the call for help. He mentioned Henry’s following career highlights: towing the tunnel sections (38 in all) in the Chesapeake Bay Bridge Tunnel, all of the sections in the Hampton Roads Bridge Tunnel, all of the fabricated sections of the Diamond Shoals Light Tower, as well as the Chesapeake and Ambrose Light Towers. He was dispatched on many occasions to rescue distressed ships at sea in rough weather, as well as tugs and barges in the Chesapeake Bay. Harry was considered and respected as one of the finest “Ship Handlers and Docking Pilots” in Virginia and was involved in handling the SS MANHATTAN, the largest commercial ship ever built in the USA, the NS SAVANNAH, the first and only nuclear-powered cargo-passenger ship ever built. Milton considered Harry to be McAllister’s right-hand man in Virginia.

My most prominent memory of Captain Harry started with a midnight call during a winter in the late 70’s. I was a junior Captain, working extra, only when needed. Prudential had a lash barge tow of 15 barges that needed to be in Baltimore ASAP. The winters of the 70’s were harsh on Chesapeake Bay, and ice had started packing in as far south as Yorktown. There were two tugs assigned to the tow to ensure delivery. When I reported as Captain of the DOROTHY MCALLISTER that night, Captain Harry was already aboard the MICHAEL J. ready to go. We quickly rounded up the barges and got underway. The trip up off of Annapolis was uneventful. Sure, we got stuck in the ice a few times, but managed to work our way through without incident. Upon our arrival to the Bay Bridge, USCG put out notice that navigation above the bridge was restricted to vessels of 2,000 horse power or greater. This presented a problem, as neither of our tugs met the restriction. It just so happened that at the same time the USCG vessel MOHICAN was passing by, headed to Baltimore. Captain Harry knew the MOHICAN had less power than either of our tugs. He immediately radioed USCG Baltimore and asked why the MOHICAN was able to continue and we were not.

(Story continues on page 8)

(continued from page 7)

Baltimore's response was the MOHICAN crew's experience in the ice made up for their lack of horse power. They were exhausted and would return to help us once they had rested up. Remember, Harry at the time was well over 60 years old and a force to be reckoned with. He quickly informed them, "Pardna, no one on Chesapeake Bay has more experience than I do." Harry referred to everyone as "Pardna". He quickly called a friend over the marine operator, who happened to be an Admiral in the Coast Guard; he relayed the situation, and without asking, told him "Pardna, I'm headed into Baltimore." The rest of the voyage was uneventful, except for one thing. Halfway up Craighill Channel, the MOHICAN was stuck in the ice, and as we passed by, Captain Harry called out over the radio "Pardna, I can have the DOROTHY slip over and help break you free if you want"...he got no response.



Towing and positioning tunnels in the Chesapeake.

I guess the thing that stuck with me was, Captain Harry, the senior Captain and Docking Pilot, who could be sitting cushy within the harbor, was instead surrounded by ice in freezing weather with a junior Captain making a lash tow to Baltimore. Not a prestigious or sought out place to be. I knew I was only there because all of the regular Captains had declined to make the trip. Captain Wroten was there because of his strong work ethic and loyalty.

One additional story Milton Price mentioned in his eulogy was regarding a young McAllister lad named Brian coming down to Virginia on his own time to ride with Captain Harry while working on his own Virginia pilot's license. Captain Brian remarked, "That is correct. I distinctly remember riding with Capt. Harry learning the tricks of the trade. His advice must have been good; I passed my pilotage test and had no damages in my short but rewarding career as a docking pilot. A belated but heartfelt thank you to Capt. Harry." This story reminded me of another time in the mid-80's. When Virginia was having some problems; two young McAllisters (Captains AJ and Jeffery) arrived, pitched in and helped right the ship.

It seems that strong work ethics and loyalty are longtime traditions at McAllister, and as any of you who have worked alongside members of the family know, they are traditions that go both ways. Whether you are just starting out at the company or have reached a ripe old age of 100, as Harry did, we can all easily see that these traditions continue to endure in both employer and employee. McAllister Towing is truly a family business and I am honored, as Captain Wroten was, to be considered part of this family.

Fair winds and following seas to Harry and his family. The waterways of Virginia may never see a better pilot!

Tanker Giant Glides Gracefully Up River

By DONALD MOORE

NORFOLK — "I told you the Bank of Commerce was coming round the bend!"

A McAllister tug crewman's exclamation heralded the movement upriver of the giant tanker Manhattan today as the 106,000 ton vessel moved toward Cargill's for a cargo of grain.

Sheperded by a half-dozen McAllister tugs, the Manhattan proceeded from Sewell's Point Anchorage to her berth with less incident than many a car on the Virginia Beach Boulevard.

* * *

A lot of motorists got a close-up view of the largest American commercial vessel in the world as Capt. Harry Wroten, docking pilot for the river trip, guided the Manhattan through the draw of the Jordan Bridge.

Traffic backed up on both sides, but Wroten moved his huge charge through more easily than many a driver trying to enter Tidewater Drive from Princess Anne Road.

A tense moment came from wondering whether the great height of the vessel would permit her radar mast to pass under the fixed vertical lift draws of the Belt Line Bridge and the Jordan Bridge.

The vertical clearance at the bridges is about 145 feet and Capt. Alexander T. MacLean, master of the Manhattan, expressed concern about the clearance as the tanker moved closer.

Moments later, however, Capt. Joe Everton of the tug Mary L. McAllister cried, "You had at least 15 feet!" Other estimates ran closer to 6 feet.

It was strictly an on schedule movement by Wroten. He used Capt. Everton's tug Mary L. (all last names McAllister) and Capt. Billy Mansfield's Alexandra to move the Manhattan from Sewell's Point Anchorage at 5:15 a.m.

* * *

At 6 a.m. the tanker moved past Hospital Point with these tugs as standbys:

Frances K., Capt. Wroten; Michael J., Capt. Roy Schmidt; Jered A., Capt. Bev Dunston; Charles D., Capt. Charlie Addison.

About 7 a.m. the 132-foot wide Manhattan moved through the Belt Line draw, width 300 feet, and the Jordan Bridge draw, width 220 feet.

* * *

At 8 a.m. using all the tugs, Capt. Wroten started turning the 940-foot-long Manhattan in 1,060 feet of river, poking the tanker's bow in Paradise Creek to get her headed downriver for the trip out.

The vessel, dwarfing a 300-foot-long pier at Cargill's, was moored at 8:20 a.m.

"I didn't think it could be this easy," Capt. MacLean said. It was a verbal pat to Capt. Wroten on a job well done.



This article on Captain Harry Wroten's docking of the tanker SS MANHATTAN appeared on the front page of the Ledger-Star on Friday March 15th, 1963. The newspaper's headline was "Monster Tanker and Midget Tugs Ease Under the Belt Line Bridge"



Benefiting from your Benefits!

Even the best planned trips can be full of surprises.

The best laid plans can go awry, leaving you vulnerable and, possibly, unable to communicate your needs. When the unexpected happens far from home, it’s important to know whom to call for assistance.

All McAllister **full time employees** are covered under a Hartford Group Policy, which means you and your family (spouse and dependents under age 26) have access to Travel Assistance Services provided by Europ Assistance USA.

Services from here to there.

Good to go: Multilingual assistance 24/7.

Whether you are traveling for business or pleasure, Travel Assistance services are available when you’re more than 100 miles from home for 90 days or less. As long as you contact Europ Assistance USA at the time of need, you could be approved for up to \$1 million in covered services.

Travel Assistance begins even before you embark, with pre-trip information, and continues throughout your trip. See the list of services on the chart below.

Identity theft assistance, too.

Identity theft, America’s fast growing crime, victimizes almost 10 million American consumers each year. Europ Assistance USA helps protect you and your family from its consequences 24/7, at home and when you travel. In addition to prevention education, this service provides advice and help with administrative tasks resulting from identity theft.

TRAVEL ASSISTANCE AND ID THEFT PROTECTION SERVICES			
Emergency Medical Assistance	Pre-Trip Information	Emergency Personal Services	Identity Theft Assistance
<ul style="list-style-type: none"> • Medical referrals • Medical monitoring • Medical evaluation • Repatriation • Traveling companion assistance • Dependent children assistance • Visit by a family member or friend • Emergency medical 	<ul style="list-style-type: none"> • Visa and passport requirements • Inoculation and immunization requirements • Foreign exchange rates • Embassy and consular referrals 	<ul style="list-style-type: none"> • Medication and eyeglass prescription assistance • Emergency travel arrangements • Emergency cash • Locating lost items • Bail advancement 	<ul style="list-style-type: none"> • Prevention services <ul style="list-style-type: none"> -- Education -- Identity Theft Resolution Kit • Detection Services <ul style="list-style-type: none"> -- Fraud alert to 3 credit bureaus • Resolution Guidance and Assistance <ul style="list-style-type: none"> -- Credit Information Review

Okay, I need assistance. Now what?

Call **1-800-243-6108** and have your employer’s name, a phone number where you can be reached, nature of the problem, Travel Assistance ID # **GLD-09012**, and McAllister Towing’s company policy number, which is available through the HR Department. (Please get this number before you travel!)

For further information about this great benefit available to you, please go to the website www.hartford.com/employeebenefits or contact McAllister’s Human Resources Department.

Employee Milestones

The following individuals celebrated landmark anniversaries in 2012. We would like to congratulate and thank them all for their many years of service. Listed below are the individual's names, years of service and the port/location where they work at McAllister.

40 Years

Angel Solla San Juan

35 Years

Thomas Cintula New York

30 Years

Jolene Abbott Portland
 Steve Kress New York
 Fred Hall BPPJ Ferry
 Noel McKenzie 17 Battery

25 Years

Robert Moore New York
 Romey Burney Virginia
 Russell Mitchum Charleston
 Steven Harvey Jacksonville
 Scott Belfield BPPJ Ferry
 Mario Dezelic BPPJ Ferry
 Yvonne Pergosky BPPJ Ferry
 William Rudd BPPJ Ferry
 Stephen Schmitt BPPJ Ferry
 Nancy Errichiello 17 Battery

20 Years

Joseph Alleyne New York
 Robert Doane New York
 Kevin Eley Virginia
 Irene Bryan BPPJ Ferry
 Rudolph Houdek BPPJ Ferry
 Vernon Lambert BPPJ Ferry

15 Years

Luis Baptista New York
 Keri Bjorkman New York
 Jeremy Harris New York
 Thomas Moore New York
 Douglas Pley New York
 Bobby Clinton III Virginia
 Louis "Cookie" Smith Virginia
 Chadwick Hilton Charleston
 Daniel Worrie Jacksonville
 Javier Gonzalez San Juan
 Carol Koutrakos BPPJ Ferry
 Lauren Walsh BPPJ Ferry

10 Years

Steven Coker Philadelphia
 Christopher Heath Philadelphia
 Shawn Elliot New York
 Lee Poland New York
 Brian Thigpen New York
 Robert Thomas New York
 Joshua Barna Charleston
 Louis Santos Charleston
 Bob Jeffrey *** Port Everglades
 Samuel Alejandro San Juan
 Angel Hernandez San Juan
 Salvador Rimola San Juan
 Catalino Soto San Juan
 Fred Campbell BPPJ Ferry
 Anthony Cappiello BPPJ Ferry
 David Defeo BPPJ Ferry

*** - Capt. Bob Jeffrey - should have been credited with 10 years of service in the last printing of the Employee Milestones. Sorry for the omission Bob. Congrats on 11 years!



It is with a heavy heart that we announce the passing of Samuel Alejandro, who last year reached 10 years of service with us.

Samuel was a valued and dedicated Dock Worker at McAllister Towing - Puerto Rico

Our thoughts and prayers go out to his family, friends and co-workers.

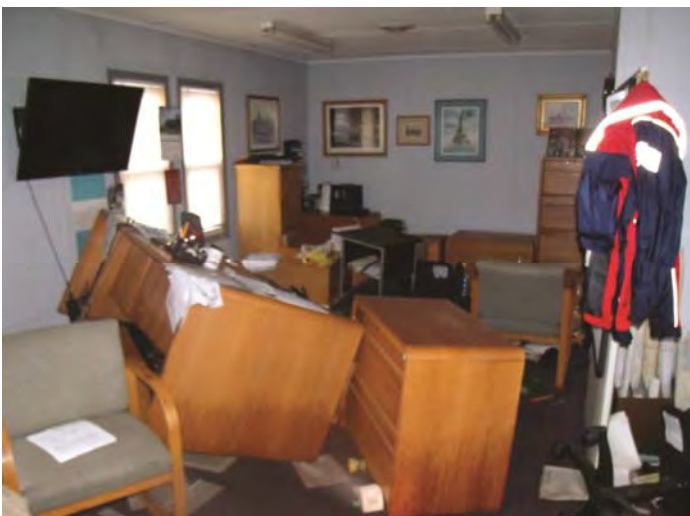
(Story continued from page 5) some of the most unique days I've ever spent on the water. We were basically babysitting, but it wasn't your typical job. As the storm strengthened on Monday, we had to make sure that all of the tugs and vessels were secure. My crew raced around resecuring the lines. There were 5 tugs, 3 barges and the pilot boat we had to watch over. The crew also moved as many cars as possible to the upper level parking lot to try and keep them safe. We positioned ourselves behind the COLLEEN MCALLISTER, which was behind the MCALLISTER 154 (the office barge). Shortly after we got there, we saw the lines on the MCCREWS (the NY pilot boat) were parting. My crew was out in the wind and rain retying her with Spectra lines and we tripled up the lines on the MARK MCALLISTER. We really kept an eye on the Colleen because we knew if she went up onto the pier or if her lines were lost, it could create a domino effect where we could lose control over everything.

Then I witnessed one of the oddest things I've ever seen. The best way I could describe it was a reverse fireworks show. As the wind picked up, the transformers around us were knocked to the ground and landed in standing water. They generated lightning bolts that shot from the ground up! At that point, I pulled my crew off the piers to the safety of the tug. All we could do was watch and hope that our work was sufficient as the water continued to rise. I kept in contact with Steve Kress and gave hourly reports. Later, I saw furniture floating in K-Sea's yard and knew that our office building was in trouble. Steve said "make sure the office barge stays put, that will be the only place we can work from".

At the height of the storm, I started hearing car alarms going off and saw that the cars on both levels of the lot were floating. One of the cars on the upper level was picked up by the water and eventually came to rest in the lower level. Also, when the water was at its highest point the office barge was up on top of the dock. Fortunately, the wind blew it back down and it rode out the rest of the storm safely. As nighttime approached we were just hoping that everything would be okay the next morning. That night (Monday) was the darkest I've ever experienced in New York City. The entire area was pitch black. If it wasn't for our spotlights, which we kept on throughout, I wouldn't have been able to see anything.

As daylight broke, we gratefully found that all of the lines had held. The dock was still completely

The office of Steve Kress, along with everyone else's in the main building, were destroyed by the flooding waters.



The MCALLISTER 154 and the COLLEEN MCALLISTER on Tuesday after the storm, as the water receded.

underwater. Low tide never really happened and the water didn't recede until late Tuesday. My crew (Bill Dowling - Mate, Tom Moore - Eng., Mike Taibbi & Rob Kaminski - Deck) did an outstanding job through very difficult situations. But that was just the beginning, now we had to help get the yard up and running again."

On Tuesday morning, Marine Superintendent Tommy Cintula was able to arrive at the yard and quickly devised a plan. With assistance from engineers Tom Aiello, Allen Bandrowsky, machinist Mehmet Vataksi and the crew of the SISTERS, Tommy got the yard's generator and ran 500' of incredibly heavy cable to both the dispatching office (the 2nd story of the main building) and the office barge. On Wednesday, more people were able to arrive and help clean up. Everyone was moved into the office barge and

McAllister Towing was the only tug company in Staten Island operating a day after the storm.

The damage to the Staten Island facility was massive. The main office building, housing all of operations, the caisson building, all of the cars in the parking lot and numerous pieces of equipment including engines and supplies were all destroyed. Restoring the facility began the day after the storm and is ongoing. Plans are in place for knocking down and rebuilding a better office building as well as other structural necessities. Steve Kress said "Following the storm, coordination was phenomenal. I can't put to words what these people did that they didn't have to do. It truly was a team effort and I am so proud of everyone here. To be the first operators up and running after such a severe storm is a real testament to the work ethic of everyone in this organization. Thank you to everyone!"



The caisson after being pumped out. Parts and supplies contained within were completely submerged in water.

McAllister's corporate headquarters did not sustain physical damage in their office, due to their 12th floor location. However, the damage from Hurricane Sandy to the 17 Battery building caused the lengthiest interruption of service for any McAllister office.



Servers at 17 Battery were wrapped and readied for the long march down 12 flights of stairs!

Shortly after the storm a large contingent of 17 Battery employees arrived at the office to determine the best course of action. The building management had no idea how long services in the building would be down, but we anticipated it would be quite awhile. Overcoming the horrible smell from the diesel generators and the mold, this band of employees united and proceeded to pack up and carry all of the necessary equipment and supplies down 12 flights of stairs in total darkness. It was quite a sight seeing this number of people, who are used to sitting behind their desks, strap miner lights on their heads and trudge through dark hallways. Thanks to some sound strategy from Andrew McAllister and the IT department, an assembly line was formed and 100 laptops, 97 servers, office equipment, and essential files were brought down step by step.

This was the first of numerous trips that were made to gather equipment and supplies as the days, weeks and months went by. In the meantime, McAllister headquarters moved not once but twice to temporary locations in midtown Manhattan. While it was a huge inconvenience, all of the departments bonded together. Within a short time period, thanks to some extraordinary coordination between the IT team and office manager Ann Marie Arcabascio, our essential departments (payroll, treasury, accounting, etc.) were up and running. The company made payroll to all employees on schedule throughout the entire evolution - and no employees were laid off. Within a few weeks all staff were back working full time whether at the temporary location, from home or from our outposts.

The employees at 17 Battery were thrilled to return to our home turf in March after having been displaced for over 4 months! To the relief of Bev Reilly in Treasury, cell phone bills finally started dropping once phones were restored in early May.

Many of our employees were affected severely with property damage to their homes, cars, etc. We are truly sorry for these hardships, but we wish to thank all of our employees for your courage and determination that was shown during Hurricane Sandy and throughout the recovery period. It was a true team effort and McAllister Towing, as it has for 149 years, continues to lead the way!

Bits & Bytes

Buckley McAllister elected Chairman of AWO

The members of the American Waterways Operators, the national trade association representing the tugboat, towboat and barge industry, elected a new slate of leaders during AWO's Spring Convention recently held in Washington, D.C. Buckley McAllister, President of McAllister Towing, was elected as Chairman.

Mr. McAllister addressed the members, focusing on one of the industry's key characteristics – resilience. "I take to heart the message that we, as leaders of this industry, are entrusted with its success. This means we must work not only to ensure we achieve our immediate objectives, but we must also firmly establish a foundation from which the industry can continue to grow and prosper. ... As for my role on this team, I will do my best to improve the resiliency of your trade association and industry for generations to come."

Congratulations to Buckley on this significant and estimable distinction.



McAllister signs deal with Senesco for sister tug.



In a recent issue of At the Helm, we proudly announced the plans for our new build at Senesco Marine. We are happy to announce that we have signed a deal for a sister tug to this new build. The 5,150 hp twin Azimuth Stern Drive tug, will be welcomed into the McAllister fleet in late 2014.

The first tug out of the shipyard will now be named the BUCKLEY MCALLISTER and the second named the ERIC M. MCALLISTER. Buckley claims it is because he really likes the tow winch and not because he is the first born. Eric says he is thrilled to have two new high powered tractor tugs added to the fleet and that he is honored that one will be his namesake.

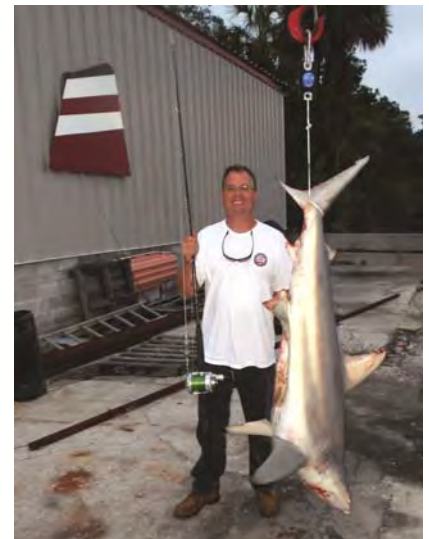
McAllister Towing lands on Facebook!

McAllister Towing is pleased to announce the launch of the new company Facebook page. The page includes posts of our services, history, mariner's document information, pictures and industry related topics.

With your help, we plan to include many more topics and events. Please take an opportunity to visit the page www.facebook.com/McAllister.Towing and share your posts and photos. Also don't forget to "LIKE" us while you are there!

Record Blacktip Shark caught in Jacksonville

McAllister Towing of Jacksonville's Safety & Security Officer Wally Baines caught a mammoth blacktip shark on his 22' skiff in the St. Johns River. The shark weighed in at astounding 118.8 lbs. and was caught on 80lb test line. Wally submitted his catch for the world record with the International Game Fish Association. What is even more impressive is the fact the Wally landed the monstrous fish by himself. Well done Wally!





Captain Steve Kicklighter named Chairman of Maritime Association of SC.

The Maritime Association of South Carolina celebrated 87 years of service to the ports with its 2013 annual meeting and gala on March 8 at the Charleston Marriott. More than 530 people packed the Crystal Ballroom as the chairman’s gavel was passed on to Capt. Steve Kicklighter of McAllister Towing.

Hats off to Steve! The honor is certainly merited. We know you will lead the Executive

Committee of the Maritime Association of South Carolina admirably.

Proud Grandfather celebrates winning gymnast!

McAllister Towing of New York Electrician Richard Friday shared some exciting news with us recently.

His granddaughter, Kayla Bross, not only qualified for the USA Junior Olympics New Jersey State Championships but also took the Gold medal in Balance Beam, 6th in the Floor and 9th in the All-Around. Congrats to Kayla and to grandpa Richard who traveled extensively to support and lead the cheers for Kayla!



“THE LUCKY BAG”

By Wayne Stiles

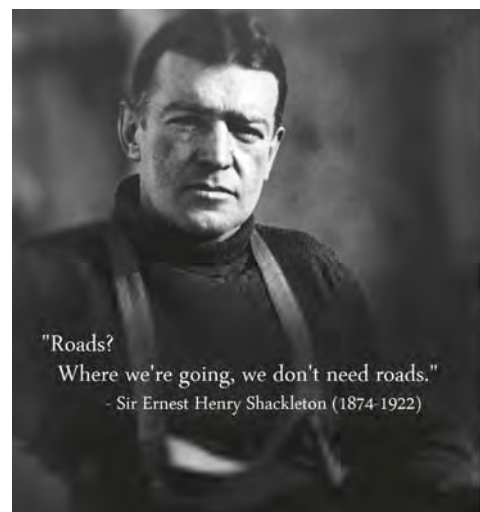


Although a **fathom** is now a nautical unit of length equal to six feet, it was once defined by an act of Parliament as "the length of a man's arms around the object of his affections." In those days, most measurements were based on average sizes of parts of the body, such as the hand or foot, or were derived from average length between two points on the body. The word “fæthm” originated from Old English and means "embracing arms."

The familiar term **“by and large”**, meaning in general, has a nautical origin. When a sailing ship is sailing directly into the wind, it is “by the wind.” When the wind is behind the ship, it is said to be “large into the wind”. If both situations suit a vessel, she would be considered “by and large”.

So you want a job at sea? How about answering this newspaper ad that Sir Ernest Shackleton, the Irish polar explorer who led three British expeditions to Antarctica, ran for his 1914 expedition:

Men Wanted for Hazardous Journey - Small wages, bitter cold, long months of darkness, constant danger, safe return doubtful. Honour and recognition in case of success.



At the Helm

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

McAllister Towing's
"At the Helm"
- Volume 18

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