Magazine of the South Jersey Port Corporation

PORTCO

CALL

ANNIVERSARY EDITION

MARINE COM

COVER STORY ONE PORT, FOUR TERMINAL

PORT

FALL 2019

Fifty years ago, the New Jersey legislature created a new organization to oversee the marine terminals in southern New Jersey. PAGE 8

LEADERSHIP PRUDENT, FOCUSED, VISIONARY

Over five decades, the Port's leaders have successfully guided the Port through turbulent waters. PAGE 18

2 STAFF



SOUTH JERSEY PORT CORPORATION An Agency of the State of New Jersey

PHIL MURPHY Governor of New Jersey SHEILA OLIVER Lt. Governor of New Jersey

BOARD OF DIRECTORS

RICHARD A. ALAIMO, Chairman CHAD M. BRUNER JONATHAN GERSHEN ROBERT A. DEANGELO SR. JOSEPH A. MARESSA JR. ERIC E. MARTINS SHEILA ROBERTS CARL E. STYLES CHRISTOPHER CHIANESE, Designee of State Treasurer

EXECUTIVE STAFF

ANDREW SAPORITO Executive Director and CEO BRUNO N. CELLUCCI Assistant Executive Director and CFO GEORGE ENGLEHARDT Port Engineer

CONTACT INFORMATION For information about the Port-O-Call or SJPC, please write us at P0 Box 129, Camden, NJ 08101, phone us at 856.757.4969 Follow us at: www.Twitter.com/SouthJerseyPort.

BOARD NEWS



EXECUTIVE DIRECTOR SAPORITO







EXECUTIVE DIRECTOR NAMED

Andrew Saporito, a 38-year veteran executive of the Port Authority of New York and New Jersey is the new executive director of the South Jersey Port Corporation, the fourth in the SJPC's fifty-year history. He was appointed by the board in August.

"Andy is the consummate professional needed to lead our jobcreating mission," said Richard A. Alaimo, chairman of the SJPC Board of Directors. "He earned his way to the leadership of one of the largest, most dynamic, and successful ports in the world. He excelled in all aspects of port and marine terminal operations, terminal expansion, business development, real estate leasing, auditing, administration and management."

"I'm honored," Saporito said, "to have the opportunity to work with the customer-oriented professionals at the South Jersey Port Corporation, our tenants, customers and partners to maximize the economic value that well-run marine terminals generate for our state and South Jersey's economy."

DREDGING COMPLETED

SJPC completed maintenance dredging for berths at Balzano and Broadway Terminals, both in Camden. Carried out by Weeks Marine, the dredging made all berths navigable to their certified depths of between 30 and 40 feet.

REGIONAL ECONOMIC ENGINE

The SJPC is a pillar of the Delaware River maritime complex, a \$77.6 billion economic dynamo supporting 191,000 jobs across three states. The SJPC and the 40+ port-related businesses are among Camden's largest employers and taxpayers: 3,400+ family-sustaining jobs! Ports are vital building blocks of a vibrant, job-creating economy. That translates into jobs to support families, their needs and their dreams. It's a ladder up for many and an opportunity for their children to climb onto their shoulders to even greater heights.

As we celebrate the 50th anniversary of our founding, we thank the successive governors and legislatures of the State of New Jersey who have continually invested in our job-creating mission and placed their trust in the hundreds of people over the decades who were directors, management, staff and workers of the SJPC. We thank our employees who have bested the ill winds of Nature



and the global economy with unheralded professionalism and with a razor focus on customer service.

And finally, we thank the people of New Jersey for their steadfast commitment to South Jersey's prowess in the global maritime, job-creating economy.

CHAIRMÁN RICHARD ALAIMO



ON THE COVER The all-electric Kocks crane is the heart of the Broadway Terminal at the South Jersey Port Corporation.

CONTENTS

TIMELINE

16 Decade by decade: the story of us

PHOTO OF THE PORT

4 Cargos: steel products 8 are among the Port's top cargos

ONE PORT

Cover story: one port, four terminals

PROFILE

21 Interview: Bob Palaima talks about earning trust

OVERVIEW

6 Welcome: welcome to our 50th anniversary celebration

LEADERSHIP

18 Who led us?: a look at the leaders whose commitment made our success possible

WHAT'S IN THE NAME

20 Change: over the years, our name has changed to reflect our status

4 PHOTO OF THE PORT





Steel products are among top producing cargos at the South Jersey Port Corporation's terminals.

6 OVERVIEW

WHERE IS THE SOUTH JERSEY PORT DISTRICT?

Bordered by the Atlantic Ocean, Delaware Bay and Delaware River, the South Jersey Port District is comprised of seven of the state's southernmost counties: Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer and Salem shown in the map below in aqua coloring.

In 1926, the New Jersey State Legislature created the South Jersey Port Commission "to lease, erect, construct, make, equip and maintain" the district's port and marine terminal facilities.

Members of the governing board—now the South Jersey Port Corporation—are comprised of members from each of those seven counties who are appointed by the governor and confirmed by the vote of the state senate.

The 7-county Southern New Jersey Port District Map



WELCOME

Welcome to the South Jersey Port Corporation's 50th Anniversary edition of *Port-O-Call* magazine.

In this edition of the *Port-O-Call*, we celebrate the 50th anniversary of the South Jersey Port Corporation. Our story is part of the rich history of South Jersey water-borne commerce dating back millennia. It's a story of neverending adaptation to always-changing and sometimes unpredictable challenges: evolving global trade routes, new technologies, climate shifts, population swings, fluctuating market patterns and capricious tides of world and local economies.

Those who adapt thrive. Those who don't follow the dinosaurs. Ports are the foundation of a job-creating, job-sustaining economy. They are the foundations of all great civilizations. History is littered with civilizations without ports that shriveled up, died and became dust.

New Jersey's ports—bordering New York in the north and Philadelphia in the south—are the commercial interchanges on a transportation system of rivers and oceans of global trade. New Jersey is at the epicenter of world maritime markets. Through successive governors and legislatures, the people of New Jersey have invested heavily in our state's natural maritime assets which have produced economic growth and family-sustaining jobs.

We began in 1968 when the state legislature created the SJPC with a mandate to turn the New York Shipbuilding Corporation into a modern marine terminal. Once the largest and most productive shipyard in the world, the shipyard had gone bankrupt. SJPC was tasked with turning the shipyard into a marine terminal/industrial park while also modernizing and growing the former Camden Marine Terminal.



An early photo of the warehouses and equipment used at what was then called the Beckett Street Terminal.

Jobs. That's been our mission for the past 50 years...

It's a demanding and timeconsuming responsibility, exponentially more so for the chairman who, along with the board, must execute the policies of the governor and legislature, and constantly coordinate with the executive director on administration, policy, personnel and strategy.

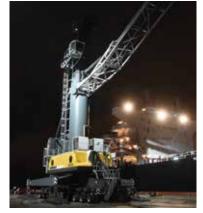
It was a herculean task with no deep pockets to pay for it. So, we adopted a pay-as-you-grow strategy. It has been a successful roller coaster ride of economic peaks and valleys with our growth always trending higher. We specialize in labor-intensive (jobs!) bulk and break-bulk cargo. We became a leading port for plywood, cocoa beans, and recycled metals. Our cargo tonnage in 1968, with only one terminal, was 619,000 tons. In 2017 we opened our fourth marine terminal and set an annual cargo record of 4.3 million tons.

It's a success story created by the policies and commitment of visionary governors and state legislators, and executed by the leadership of successive chairs and directors of the SJPC board of directors and implemented by the management and staff. We have been blessed with excellent directors and extraordinary leadership. Our board of directors are appointed by the governor and confirmed by the state senate, and their only compensation is the satisfaction of the public service contribution they make to their state and to their fellow citizens. In a testament to institutional expertise, continuity and commitment, we have had only four chairs and only four executive directors in our 50 year history. While we are a quasipublic agency, we are always cognizant that we are a business whose shareholders are the people of New Jersey.

Through our half-century we honed a business culture of accountability and transparency. We focus on work-place safety because our people are our most important asset. We provide unparalleled customer service and prudent flexibility to anticipate and adapt to the vagaries of global maritime trade.

We're always mindful of our core mission use our port assets to create family-sustaining jobs. That's not just jobs at the docks. It's jobs at factories, plants, mills, industrial parks, office parks. It's jobs in every facet of our economy, jobs fed by the global supply chain, and of the world economy. Jobs have been our mission for the past 50 years and jobs will remain our mission for the next 50 years and beyond.

8 COVER STORY



The first ship to dock at the new Paulsboro Marine Terminal.

Salem Marine Terminal on the Salem River is home to a bustling sand and gravel operation.



St. Lawrence Cement (now Lehigh Hanson) and the South Jersey Port Corporation cooperated to open this busy facility at Broadway Terminal.

COVER STORY

ONE PORT, FOUR TERMINALS

The SJPC is part of the continuum of a water-borne economy that anthropologists trace back 10,000 years to when native Americans the ancestors of the Lenni-Lenape people—used the Delaware River and its tributaries for sustenance, transportation and commerce. It was a primitive, yet functional, economy that eventually soared into a seafaring global giant following the arrival of ships from England, France, Sweden, and Holland in the 16th Century.

"World-class economies are built on world-class ports that serve as interchanges on the river and ocean turnpikes of global trade," said New Jersey Governor Phil Murphy. "That's why New Jersey invests so heavily in its ports."

"Ports are about people and their families and the jobs to support them, their ambitions and their dreams," added New Jersey Senate President Stephen M. Sweeney. "South Jersey's world-class ports are critical to New Jersey's economy and vital links in the global supply chain of the world's interdependent markets. All rich economies are global and ports are indispensable to our economy's success."



South Jersey Port Corporation celebrates 50 years of being a job-creating economic engine.







The Port Corporation's Pier 5 at Broadway Terminal is now leased to Camden Waterfront Development LLC, one of the Holt companies. Below is pictured Balzano Marine Terminal.



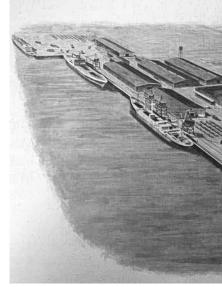
"We must continue to invest in South Jersey's ports because they create and support good paying jobs right here in our communities," said Congressman Donald Norcross. "From the dockworkers and stevedores to the truckers and longshoremen, the workers who keep our ports running also keep our local economic engine running."

The South Jersey Port Corporation is a pillar of the Delaware River maritime complex, a \$77.6 billion

economic dynamo supporting 191,000 jobs across three states and an indispensable regional player in global markets.

The past decade has been one of the most transformational in Southern New Jersey's port history since 1925. It's a decade that includes the construction of South Jersey Port Corporation's Paulsboro Marine Terminal and a major private corporate center at Broadway Terminal.





ONE PORT FOUR TERMINALS,

Continued from page 9

"The Delaware River maritime businesses are indispensable to the region's economy."

> The new terminal and the corporate activity are both game-changers that will help fulfill the SJPC's prime mission to maximize port assets to stimulate economic growth and create jobs in southern New Jersey. They also required adapting the SJPC business model to maximize job-creating opportunities.

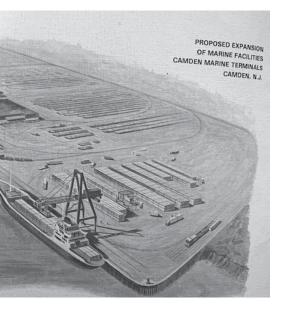
In peace or in war, ocean-accessible ports are the lifeblood of commerce and the ports of the Delaware River have played pivotal roles in both.

By the beginning of the 20th century, the river was bustling. From Deepwater, N.J., at the mouth of the Delaware Bay, to 64 miles up-river in Trenton, N.J., the banks of the Delaware pulsated with petro-chemical plants, tank farms, oil refineries, finger-pier marine terminals buzzing with cargo, shipyards building ocean freighters and warships, and boat-yards building river boats, tug boats, barges, ferry boats and pleasure craft.

The Delaware River maritime businesses are indispensable to the region's economy. During wartime, they built, supplied and deployed the American arsenal that won both world wars and in the process gave birth to another boom for shipyards and marine terminals along the Delaware River.

Peace at the end of World War I sent the American and South Jersey post-war economies soaring through the Roaring Twenties and sent Wall Street into hyper drive to finance it.

The horse-and-buggy, dirt road, make-your-ownclothes era was over. New technologies unleashed automobiles, household appliances and other mass-produced consumer items for a growing consumer appetite. In cities consumers poured out of trolley cars and into palatial department stores seeking to slake their unquenchable thirst for the latest fashions and appliances while Sears & Roebuck's and Montgomery Ward's mailorder catalogues—the eCommerce of the era brought the department store to rural consumers in the American agricultural heartland.





Guns, tanks and ships of war were out. Cars, refrigerators and ships of commerce and leisure were in. Hemlines rose, bathtub gin flowed, people splurged.

America needed paved roads for cars; rail for trolley cars and trains; steel for the manufacturing plants and factories and skyscrapers for business and commerce. And it needed ports to import the materials to build them and ports to export the finished goods that its factories churned out.

South Jersey business, labor and political leaders saw opportunity. They recognized the fundamental importance of their ocean-accessible ports and they realized they needed to better organize their port assets, if South Jersey were to cash in on the post-war boom.

So, in 1925, the New Jersey State Legislature created the Delaware Port Commission to craft a port strategy and create an entity with the power to execute it.

A year later, the New Jersey Legislature

created the South Jersey Port Commission, the forerunner of the South Jersey Port Corporation. The new port commission was empowered to lease, erect, construct, make, equip and maintain port facilities in the newly created South Jersey Port District.

Seven South Jersey counties— Camden, Burlington, Mercer, Gloucester, Salem, Cumberland and Cape May—comprised the district.

operational The newly port commission, in 1927, began the Camden converting Terminal Municipal Marine into its base of operations and headquarters. The Camden terminal needed a massive capital improvement program: transit sheds, warehousing and major improvements to berths and laydown areas. It would require an expensive building program and the commission confidently pressed on. It was the Roaring Twenties and money was flush. What could possibly go wrong?

October 24-29, 1929! The stock market crashed. Money dried up.

Continued on page 12

PHOTOS

From far left, a 1928 drawing of the Camden Municipal Marine Terminal which was being converted into the new Port Commission's base of operations and headquarters.

Center, a sketch from the 1927 annual report of the proposed expansion of the Commission's marine facilities.

Right, also a photo from the 1927 annual report showing the Camden wharf and crane.



In 1927, the recently established South Jersey Port Commission issued its first annual report.



A South Jersey Port Commission building is still in daily use at Balzano Marine Terminal.

ONE PORT, FOUR TERMINALS, *Continued from page 11*

Private investment vaporized. Savings vanished. Jobs disappeared. The economy collapsed.

The Great Depression—the most severe global economic recession in American history—ruled mercilessly. The world's GDP (Gross Domestic Product), the value of all goods and services of a market, plummeted 15 percent (compared to the 2008-2009 global recession when it dropped less than one percent), unemployment skyrocketed to 25 percent—the highest in American history.

Several Camden Marine Terminal buildings were among the projects funded by the Works Progress Administration.

The people of South Jersey needed jobs and the port commission soberly pushed forward with its job-creating mission with whatever private and public revenue it could raise. In 1931, at the apex of the Great Depression, the Camden Marine Terminal (today the Joseph A. Balzano Marine Terminal) opened for business—more with a limp than a sprint. It was the worst of times and getting worse.

A year later, Franklin D. Roosevelt was elected president with a New Deal mandate to put America back to work. He unleashed massive federal public works construction programs to put them to work. The Camden Marine Terminal was among those projects. Transit sheds and warehouses, funded by the Work Progress Administration (WPA), rose along its wharves. Today several of those iconic WPA buildings, including the executive offices of the South Jersey Port Corporation, remain in service.

Still the world economy continued to struggle through the 1930s. It was especially crushing in war-vanquished Germany which in turn gave birth to Nazism, igniting a second world war, which triggered another war-fueled boom. Once again, the Delaware River's deep-water ports and shipyards played an indispensable role in building and deploying the American arsenal that crushed the Axis powers.

In south Camden, the New York Shipbuilding Corporation became the most productive shipyard in the world. It churned out fleets of warships, freighters and tankers while two miles north, the Beckett Street Marine Terminal was chock-a-block with wartime cargo.

Throughout World War II, New York Ship employed 36,000 workers working around the clock building 500 ships including 11 battleships, 13 aircraft carriers, 48 destroyers, 5 subs and 46 cruisers. One of those cruisers, the USS Indianapolis, delivered the atomic bombs which ultimately ended the war.

It had also built many of the landing-craft that carried the Allied troops onto the beaches of Normandy ending Hitler's Nazi regime and the war in Europe 11 months later.

The world once again transitioned from war to peace. This time peace brought a boom for the Camden Marine Terminal and a bust for the shipyard. New York Ship fought to stay afloat by building aircraft carriers and nuclear submarines. In a vain effort to leapfrog into the civilian market in a nuclear age, New York Ship built the world's first and unfortunately for the company, the only—nuclear-powered passenger and cargo ship, the USS Savannah.

Its workforce shriveled to a fraction of its war days and bowing under its obsolescence, New York Ship in 1968 went bankrupt after 68 years building nearly 700 ships.

While New York Ship was dying, the Camden Marine Terminal was thriving by focusing on peacetime cargo like the lumber needed for the post-war homebuilding boom.

The Camden Marine Terminal—then called the Beckett Street Terminal hit a record 424,173 tons of cargo in 1965 including nearly 1.3 million feet of wood products for a civilian economy building suburban housing. By 2017, the port corporation's four marine terminals handled 4.3 million tons of cargo in just one year.

Continued on page 14



The N/S Savannah is the only nuclearpowered cargo and passenger ship ever built. It was built in the New York Shipyard in the late 1950s at a cost of \$46.9 million and launched on July 21, 1959. It was funded by the **United States** government.

14 COVER STORY

(At right and below): Joseph Oat Corporation facilities at Broadway Terminal.



ONE PORT, FOUR TERMINALS, *Continued from page 13*

In 1965, the commission bought two 25-ton gantry cranes to support the growing business, especially high-quality steel coils imports, at the Beckett Street Terminal. A year later it built a new 500-foot wharf to handle more ships. But it also needed additional warehousing for customers' cargos.

An imperfect solution came with the 1968 bankruptcy of New York Ship. The state legislature re-created the port commission into the South Jersey Port Corporation which acquired the shipyard with bonding authority backed by the full faith and credit of the State of New Jersey and named it Broadway Terminal.

It was not an ideal solution. The new acquisition was designed to build ships not to move, store and manage cargo. It had a deep-water wharf for ocean



freighters but its cavernous buildings, shipways, and smokestacks were antithetical to an operating marine terminal. The cost of leveling the shipyard and converting it into a modern marine terminal with warehousing and cargo cranes was astronomically high with no way to fund it.

The port corporation adopted a long-term strategy. It would incrementally shape the shipyard into a marine terminal and industrial park in a pay-asyou-grow strategy. It would monetize old buildings while growing business and revenues to finance a transformation.

The mammoth ghostly shipways—where thousands of shipwrights once scurried to build four ships

at a time—were eerily re-populated by flocks of chirping birds and riverfront critters. They served as makeshift transit sheds and covered warehousing for decades until their eventual demolition.

Within the shadows of the shipways, several of the cavernous assembly buildings were re-purposed into one million square feet of covered storage, key to the SJPC becoming the leading plywood port in

the country. What couldn't be converted into warehousing was leased to industrial tenants.

The Joseph Oat Company leased one of the massive buildings to fabricate specialized metal vessels for the petro-chemical and nuclear-power industries and leased an office building for its staff and engineers.

Camden Yards Steel, another long-term tenant, leased another huge manufacturing building with heavy-lift cranes for rolls of high quality steel which the company cut and fabricated into parts for a number of products.

In the northern part of Broadway Terminal, St. Lawrence Cement Company (now Lehigh Hanson) invested \$60 million in a new facility, with silos, to import one million tons of slag and concrete additives per year. In support, the SJPC invested in a new pier and a dock-side Kocks high-speed, electric crane. It includes a closed conveyor system to move granular cargo from dock to storage safely, efficiently and cleanly. Mounted on rails running the length of Pier 1A, the multi-purpose crane is easily deployed to handle other general cargo.

The old shipyard's dry dock, Pier 5, where America's last oil-powered aircraft carrier, USS Kitty Hawk, was built, became the center of Broadway Terminal's imported fruit business supported by temperaturecontrolled warehouses. Simultaneously, business was also growing at Beckett Street Terminal with general cargo, imported metals, lumber, scrap metals, cocoa beans and other cargos consistently trending upward. While maintaining a flexibility for container cargo, for greater job-creating opportunities, the SJPC focused on bulk and breakbulk cargo and general cargo requiring specialized handling. By 2006, the two Camden terminals hit a record 3,881,306 tons of cargo.

L The port corporation

term strategy. It would

shipyard into a marine

terminal and industrial

incrementally shape the

adopted a long-

With its two marine terminals in Camden running at full capacity and with limited room to grow in a rebounding Camden, the SJPC, in 2009, looked south to a 190-acre derelict petro-

chemical tank farm in Paulsboro, N.J. for expansion.

park..."

The Paulsboro site has a deepwater shoreline sculpted by a natural scouring river current for deep-draft wharves. It also borders on hundreds of additional acres of industrial and commercial land ripe for trucking, warehousing, manufacturing, logistics, commercial and industrial use

Below: The St. Lawrence Cement Company partnered with SJPC to build their facility at Broadway Terminal.

Continued on page 27



16 TIMELINE

TIMELINE

The following timeline highlights developments which have taken place under the leadership and operation of the originating organization and today's South Jersey Port Corporation.

1920s

1926: South Jersey PortCommission created by NewJersey Legislature.1927: The South Jersey PortCommission begins operations.

1930s

1931: Camden Marine Terminal (Beckett Street Terminal) opens.

1960s

1965: The Port of Camden handles a record breaking 424,173 tons, including 152.7 million board feet of lumber.

1965: Two 25-ton capacity whirly gantry cranes are purchased and steel coils from Europe begin to arrive at the port.

1966: Ground is broken for a new 500-foot wharf at Beckett Street Terminal.

1968: State Legislature revamps the Port Commission into the South Jersey Port Corporation (SJPC).

1970s

1971: New York Shipbuilding Corporation site is re-opened by the SJPC as the Broadway Terminal. **1979:** The Port of Camden is now the second largest lumber cargo port on the East Coast.

1980s

1983: SJPC's marine terminals rank among the top 10 percent worldwide and continue to grow with a \$14.5 million expansion at Beckett Street Terminal.

1986: Mainland China calls on the Port of Camden for the first time in 40 years.

1989: Del Monte Fresh Fruit begins operations at the Broadway Terminal, making Camden its largest distribution center in the Northeast and Mid-Atlantic.

1990s

1991: SJPC handles a record breaking 1 million tons of export scrap metal.

1992: A \$6 million dredging project, jointly funded by the U.S. Army Corps of Engineers and the Delaware River Port Authority, deepens the access channel to 40 feet to the Beckett Street Terminal.

1994: A new berth is constructed at Beckett Street Terminal and an agreement is finalized for SJPC to oversee the Port of Salem.

1999: SJPC and Del Monte Fresh Fruit complete construction of a 76,500-square-foot, temperaturecontrolled warehouse, more than doubling the port's fruit handling capacity and enabling growth to rise over 520,000 tons of import fresh fruits annually.





2000s

2000: SJPC and the St. Lawrence Cement Company commence a 45-year lease bringing \$60 million in private investment to the City of Camden and the potential for 1 million tons of import cargo annually. 2002: SJPC issues a major economic development program through a bond issue that funds the construction of Pier 1A and the purchase of heavy lift Kocks crane at Broadway Terminal to handle St. Lawrence's bulk and general cargo. 2003: Nutsco, an importer and processor of cashew nuts, breaks ground within the Port District.

2005: SJPC authorizes bonds for the development of Paulsboro Marine Terminal at the Port of Paulsboro.

2006: SJPC's reaches largest cargo tonnage year with nearly 4 million tons of breakbulk and bulk cargo.

2006: The Port of Camden handles more than 3 million tons of cargo for the year, breaking records set in each of the previous three years.

2008: SJPC joins the DRPA and PRPA in a region-wide Green Port Initiative.

2008: TWIC becomes mandatory for access to SJPC's marine terminals.



2009: Ground is broken in September to begin construction of the Paulsboro Marine Terminal at the Port of Paulsboro.

2010s

2011: Beckett Street Marine Terminal (BMT) is renamed Joseph A. Balzano Marine Terminal in honor of SJPC's late executive director. The City of Camden renames Beckett Street as Joseph A. Balzano Boulevard between 2nd Street and Front Street.

2012: Hurricane Sandy which devastated much of the east coast, passes over SJPC with scant damage and business continues as usual when the U.S. Coast Guard reopens the river.

2012: SJPC receives a federal TIGER III grant for rail improvement projects in partnership with Conrail and Salem County.

2014: SJPC sets new import steel record with nearly 1 million tons crossing its wharves in 2014.

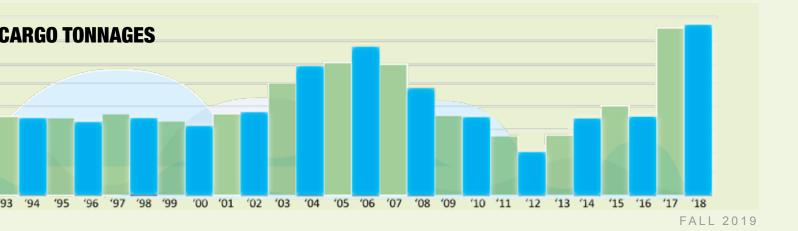
2014: SJPC board approves Holt Logistics as the terminal operator of Paulsboro Marine Terminal (PMT).

2017: Paulsboro Marine Terminal (PMT) opens for business with the first phase of construction completed.

2017: SJPC hits an annual cargo record of 4.3 million tons thanks to 1.4 million tons of steel slab imports at Paulsboro Marine Terminal.

2018: Paulsboro Marine Terminal second phase of construction commences.

2017: SJPC hits an annual cargo record of 4.3 million tons...



PRUDENT, FOCUSED, VISIONARY

In the chronicles of the 50 year history of the South Jersey Port Corporation, two men consistently stand out for their leadership.

Richard A. Alaimo and Joseph A. Balzano Jr. both have demonstrated outstanding commitment to our goals and have been, in fact, the architects of our successes.

FIRST MEMBERS OF THE CORPORATION

Edward J. McManimon, Jr. Vice Chairman and Acting Chairman

Richard A. Alaimo Isdore Borsten William Hangsterfer John H. Hassler Paul J. Sherwin Each has invested a half-century of his life to our mission: Alaimo, as a founding director and, for a quarter of a century, as chairman of the board; Balzano, who rose from office clerk to become the legendary executive director and chief architect of port operations and business strategy.

Alaimo, owner of a civil engineering firm in Burlington County, was appointed by Governor Richard J. Hughes in 1969 to the founding board of directors that also included two other directors who would serve as chairman: William J. Bell, Jr. and Edward J. McManimon, Jr. William J. Bell, Jr., a banking executive from Moorestown, N.J., was our first chairman. During World War II he commanded a naval destroyer that sank a Japanese submarine and won five battle stars in the Pacific Theater of the war. A 1939 Princeton University graduate, Bell formed a non-profit association in 1950s that rebuilt 530 sub-par homes in Camden and sold them with low-rate, long-term mortgages to low income families.

As our first chairman, he was tasked by Governor Hughes with organizing and staffing the new port corporation and developing its business strategy. One of his highest priorities was hiring an executive director with deep port experience.



Before a legislative change in 2008, the board was comprised of eight members. Shown here from left are the Rev. Carl Styles, Jonathan Gershen, Craig Remington, Chairman Richard Alaimo, Chad Bruner, Robert DeAngelo Sr., Joseph Maressa Jr. and Eric Martins.

At right, Chairman Richard Alaimo; at top far right, the late Joseph A. Balzano Jr., legendary Executive Director and CEO; next is William J. (Bud) McManimon and at bottom, Robert L. Pettegrew, former port executives





As a result, in 1970, Governor Hughes borrowed Robert L. Pettegrew, from the Port of New York. He would stay as executive director until his retirement in 1988. The freight transportation manager for the Port of New York, Pettegrew was a port professional who understood the complexity of international maritime logistics. As executive director, he focused on business development.

To run operations, the board turned to Joe Balzano. A promising young office clerk who rose to general superintendent by 1968, Joe became deputy executive director and, two decades later, executive director when Pettegrew retired. Joe held the dual posts of executive director and chief executive officer until his death in 2011.

In 1971, with a change of governors and with his task done, Bell stepped down from the board. Vice-chairman Edward J. (Bud) McManimon, Jr. succeeded him, serving as chair until his death in 1993.

An executive for New Jersey Bell Telephone Co., McManimon focused on the incremental, payas-you-grow transformation of the old shipyard into a marine terminal.

The shipyard was a Gordian knot that couldn't be cut. It had to be untied and re-braided building

...both have demonstrated outstanding commitment to our goals...

by building into the Broadway Marine Terminal. To generate revenues, obsolete shipyard buildings were repurposed into warehousing or leased to industrial tenants to generate revenues. And the Beckett Street Terminal—our main source of business at the time—had to be modernized to stay competitive.

"Joe" Balzano became the board's point man as deputy executive director and later executive director and CEO.

Fresh out of high school in 1958, Joe wanted to follow in his stevedore dad's footsteps on the docks. However, a leg crippled in his youth and a limp unjustly relegated him to office work as a clerk. He was handicapped not by an infirmed leg but by a misguided sense of compassion. He trumped both.

Continued on page 20





20 LEADERSHIP

LEADERSHIP Continued from page 19

When Pettegrew retired in 1988, Joe was the natural choice to succeed him, and five years later Alaimo was the natural choice to succeed McManimon.

Sharing the prudent strategy of incremental growth, Alaimo and Balzano worked in tandem under 17 governors to grow the SJPC from one to four marine terminals. Through the peaks and valleys of economic turbulence, they grew the SJPC's cargo tonnage to record-breaking years.

That commitment continued through 2001 when Barbara Tomalino, a board director from Cape May County, was appointed by Governor Christine Todd Whitman to serve as chair. Tomalino, who owns and operates a fleet of small airplanes that tow advertising banners along the New Jersey beaches during tourist season, has strong marketing and management credentials.



Under her leadership, the SJPC became the lead state agency that brought the battleship USS New Jersey home to the northern edge of the Beckett Street Terminal. With 16-inch guns that can hurl a car-sized shell 22 miles over mountains, the New Jersey is the nation's most decorated warship.

Commissioned in 1941 she fought through World War II, Korea, Vietnam and Middle East engagements. Now she serves as a memorial to American warriors and a floating museum to their service on a parcel of land and water donated by the SJPC. After Chairwoman Tomalino's term, Alaimo was reappointed chair in 2002 and he has remained in that position since.

With the turn of the millennium, business was robust and by 2003 both terminals in Camden were at full capacity."

With the turn of the millennium, business was robust and by 2003 both terminals in Camden were at full capacity. To grow, we needed to expand our terminal capacity but there was little opportunity to expand in the rebounding Camden.

Balzano thought a derelict, petro-chemical tank farm ten miles downriver in Paulsboro, was a great site for port expansion. So did Paulsboro's state legislators, State Senate President Stephen Sweeney and Assemblyman John Burzichelli, who won the enthusiastic support of five successive governors.

PHOTOS: Above: Former Board Chairwoman Barbara Tomalino.

At right: Board Member Rev. Carl Styles, Chairman Alaimo, and Joe Balzano took part in the Port's Green Initiative.

Bottom right: Andrew Saporito, new executive director and CEO of the South Jersey Port Corporation.





When Pettegrew retired in 1988, Balzano was the natural choice to succeed him, and five years later, Alaimo was the natural choice to succeed McManimon.

From left, SJPC Directors Robert DeAngelo, Joseph A. Maressa, Sheila Roberts and Chad Bruner took part in the official opening ceremony of Paulsboro Marine Terminal.

> Joe Balzano died in 2011 before the Paulsboro Terminal could be completed. His protege, Kevin Castagnola, succeeded him and served until the terminal opened for operations in 2017. Castagnola retired a year later and the board conducted an exhaustive search for its next leader.

> They found that leader in Andrew Saporito, a 38-year veteran executive of the Port Authority of New York and New Jersey, who became only the fourth executive director of the South Jersey Port in fifty years.

Appointed in August, Saporito is a consummate port professional. In his 38-year career with the PANYNJ, he worked his way up to its top leadership ranks. He excelled through all aspects of port and marine terminal operations, terminal expansion, business development, marketing, real estate leasing, auditing, administration and management.

Saporito has been tasked with charting the next chapter in the SJPC's jobs-mission which he has eagerly embraced.

Our mission is jobs and Saporito is our new skipper.





21

INTERVIEW WITH BOB PALAIMA

Robert W. Palaima, president of the Delaware River Stevedores, has been building relationships with customers, port operators, labor and the overall maritime community along the Delaware River ports for the last 38 years.

t requires choreography of an always-changing, international, multilingual cast of dockside gangs, ship crews, truckers, and railroad crews. It starts with language and the bond you build with your customer. It is based on personal relationships and the trust that you earn.



"English is the standard in the industry," Palaima observes. "But it's a sign of respect to know a bit of a customer's native language, or to know something about the big issues in his country, even the sports teams they support. Small things can go a long way in building a relationship. Our customers trust us with multi-millions in cargo, so they need to trust us first."

Palaima, has been building relationships with customers, port operators, labor and the overall maritime community along the Delaware River ports for the last 38 years. Today, his company, which generates more than 650,000-man hours per year in the tri-state area of the Philadelphia-Camden Port, is known for its ability to handle about any type cargo—from cattle to cars to cocoa beans—even massive beer-making tanks from Germany to satisfy the demand for local breweries.

"Our crews are a Swiss Army Knife of adaptability to alwayschanging cargo," Palaima says with a smile. "Whether it's specialty steel or cattle, our expertise in special handling and our adaptability is key to our 'trust' formula.

"Several years ago, Europe's Tata International Metals invested its trust in our ability to handle their steel shipments to the American industrial heartland during the winter

Continued on page 24

Delavare River Stevedores, generates more than 650,000 worker in the in the tri-state area...





We've had a very long and successful business at the South Jersey Port..."



DRS profile, Continued from page 23

months when the Saint Lawrence Seaway is closed because of ice. Initially, it started out small but as we delivered on that trust that business has grown exponentially – even beyond the ice season."

At South Jersey Port Corporation, in Camden, DRS handles breakbulk steel from Northern Europe and Korea, cocoa beans from Ivory Coast and plywood from China and Indonesia. Major customers include Clipper Steel Services, Tata International Metals, Ltd., ArcelorMittal, Western Bulk Carriers, Oldendorff, Unicargo, SK Shipping Co., Ltd. and PACC Line PTE, Ltd. These carriers and international shippers have put Camden on the map for breakbulk commodities - cargos that require highly trained labor because they do not easily fit into containers.

"We've had a very long and successful business at the South Jersey Port terminals because of our mutual goals and collaboration," he added. "DRS' success is built on the tonnage it moves, and the more cargo we handle, the more people we employ."

"The prime mission of the South Jersey Port Corporation (SJPC) is to create and support jobs, and energize the regional economy. The SJPC's management, staff and personnel provide us with all the support we need for our mutual success."

"Our goal is to provide a seamless operation for cargo from the holds of ships to the next leg of the journey via



TOP LEFT Inside a SJPC warehouse.

CENTER Bob Palaima meets with his top staff on a SJPC wharf.

BOTTOM RIGHT A DRS longshoreman handles a steel coil at Balzano Terminal.

truck or rail," says Palaima, a Chicago native.

Moving cargo of varying size and weight from ship to shore in an industry that never sleeps is dangerous, repetitive work that demands experience, handson management and teamwork. Balancing speed against the safety of workers and the final condition of cargo is the stevedore's major challenge and highest priority. Predictably, customers are not happy when cargo is damaged, missing or late. "Safety of our employees and of our cargo is our core principle," Palaima insists. "They are inseparable. By insisting on best safety practices on the docks we protect our greatest asset – our employees - but those same practices have the added benefit of protecting the cargo we handle from damage, shrinkage and other losses."

DRS saves time and mitigates risk by supplying workers—members of the International Longshoremen's *Continued on page 26*





DRS profile,, Continued from page 23

Association—with an arsenal of highly specialized equipment that Palaima proudly describes as "unmatched in the Mid-Atlantic."

DRS is a derivative of the former Lavino Shipping Company which began in Philadelphia nearly a century

The Camden port is one of South Jersey's best kept secrets."

ago. Under Palaima's watch, it has evolved into a company that fosters talent and promotes from within.

"I started in the holds of ships in 1978 and worked my way out," says Michael Billups, director of vessel operations for DRS, and a third generation longshoremen.

On a recent crisp, fall morning in Camden, Billups watched crews swarm a 650-foot ship registered in Panama. He knows every piece of equipment on the pier, the weight and value of every shape of steel, how many days it will take to empty the ship and how many gangs of labor are needed to get it done. "Today's weather is beautiful," says Billups with a smile. "But the summer heat and bitter cold can be brutal."

DRS Vice President Andrew Sentyz, also a former longshoreman, says the company works "hand-in-glove" with South Jersey Port Corporation's employees. "When our customers are on the pier, they can't tell the guys who work for us from the guys who work for the South Jersey Port Corp. because everybody pitches in."

The partnership is a two-way street. While trolling for business worldwide, DRS promotes the location and efficiency of the SJPC's marine terminals. In return, the port is able to attract new business on the strength of DRS' reputation.

Palaima remains a key player in labor contract negotiations, always keeping an eye on the port's competitiveness. He says the Camden port is one of South Jersey's best kept secrets. "South Jersey Port Corporation's marine terminals are better known in Holland than in Trenton," Palaima observed. "Frankly, shippers around the world may not know much about New Jersey's state capital, but they sure know, trust and respect the South Jersey Port Corporation's marine terminals. They are great terminals for a wide variety of cargo and for access to the markets and resources of North America."

Palaima's commitment to the maritime community runs deep. Currently, he serves on the Board of Managers of the Seamen's Church Institute, as well as, the Executive Committee of the Philadelphia Marine Trade Association, and the Board of Governors of the Maritime Exchange for the Delaware River and Bay. He is a frequent panelist on port affairs.

COVER STORY

ONE PORT, FOUR TERMINALS, Continued from page 15

and offers immediate access to the Interstate highway system, I-295. Designed as an omniport, Paulsboro Marine Terminal (PMT) has the flexibility to handle a wide variety of cargo. It's constructed with a heavy-load deck that could accommodate the large and extremely heavy generators and monopoles (towers) needed for the development and maintenance of the evolving wind-energy farms off the coast of the Mid-Atlantic states.

To ensure a business flow, the port corporation named Holt Logistics the tenant/operator of Paulsboro Marine Terminal (PMT). In a longterm lease agreement, Holt operates the terminal and promised to invest \$10 million and create 850 jobs. The SJPC departed from its traditional business model as terminal landlord and operator. The PMT agreement places responsibility for business development and operations on Holt.

With phase one construction completed, Paulsboro Marine Terminal (PMT) officially opened for business on March 2, 2017, a day after the first steel slabs for NLMK, the Russian steel giant, were off-loaded from the Doric Warrior. By year's end PMT handled more than 1.4 million tons of steel slab imports contributing greatly to the record 4.3 million tons of cargo handled by the SJPC's four terminals in 2017.

Dockside rail at PMT was augmented by upgrades to freight lines throughout South Jersey financed through federal economic stimulus TIGER3 grants acquired by the SJPC. These enhanced rail capabilities expedite the offloading of cargo directly from ship to dockside rail cars for seamless rail transport to the North American heartland—steel slabs to NLMK steel plants in Pennsylvania and Indiana, and high quality European steel to appliance manufacturers and car assembly plants in the Great Lakes region.

THE BELL FAMILY IS A PORT FAMILY

Eddie Bell was already moving cargo at what is now our Balzano Marine Terminal in Camden, five years before there was a South Jersey Port Corporation.

Eddie Bell, 78, has continued moving cargo for more than five decades



now. Following in his father's footsteps, he started out with our predecessor, the Camden Municipal Marine Terminal. Together, Eddie and his father have devoted 82 years to our port—Eddie's 55 plus his dad's 27 years.

A father of seven and with "too many grandchildren to count," Eddie stands five-foot-two and weighs in at 110 pounds. Height and weight don't matter on the docks. Only performance does.

Eddie and our dedicated staff do the hard work of making our marine terminals hum. They're multitasking masters. They do it through storms, blizzards, soaring heat and arctic temperatures. They excel in the choreography of ships, cranes, trains, trucks, warehousing and varying personalities of operating a marine terminal... with safety paramount.

They recognize it's more than about machinery. It's about people who get the job done in a partnership with our customers.

They provide the human touch that insures the maximum care that our customers expect in the handling of cargo and the human touch in a partnership to achieve our customers' goals.

ONE PORT, FOUR TERMINALS, Continued from page 27

Phase two is now under way. When completed it will increase PMT's deep-water berth capacity along the river from one up to four ships plus a barge berth along the Mantua Creek that flows into the Delaware River.

Paulsboro became the SJPC's fourth marine terminal and its first new marine terminal since acquiring the Salem Marine Terminal in 1994. The SJPC's southern marine terminal, Salem (see photo on this page) is a shallowdraft harbor located on the banks of the 16-foot deep Salem River. Its prime cargo is high quality South Jersey sand and gravel exported by barge. The facility is leased and operated by U.S. Concrete. The shallow draft of the river impedes arowth at Salem Marine Terminal Port and expansion in Camden is constrained by the revitalization and gentrification of Camden City.

While there is still some port expansion potential along the river's industrial corridor in Camden, major expansion opportunities for the South Jersey Port Corporation are shifting down river to Gloucester and Salem

66 ... They are the next chapter in South Jersey Port's global success..."

counties. The two counties are rich with fallow industrial sites at river's edge poised for resurrection. They have the workforce and thousands of available acres for logistics and manufacturing. They are located along the Interstate 295 corridor and serviced by rail freight lines that connect to the American heartland. They are miles closer to the Delaware Bay and the Atlantic Ocean for shorter sailing times.

They are the next chapter in South Jersey Port's global trade success.

...major expansion is shifting down river to Gloucester and Salem counties.



WHAT'S IN THE NAME?

A century ago, it was the Camden Municipal Pier. Today, it's the Joseph A. Balzano Marine Terminal.

In the decades in between it has been the Camden Marine Terminal and the Beckett Street Terminal, changing titles with time, ownership and evolving business models.

Camden Municipal Pier was a Camden City creation until 1927 when the State of New Jersey took ownership and renamed it Camden Marine Terminal.

In 1971, the state did it again. It found itself the owner of two marine terminals in Camden: Camden Marine Terminal at Second and Beckett Streets and the state's newly acquired terminal, the New York Shipbuilding Yard.

Addresses ruled! Camden Marine Terminal became Beckett Street Terminal because its address was on Beckett Street. The old shipyard became Broadway Terminal because it was on Broadway, two miles south of Beckett Street Terminal.

In 2011, to honor Joe Balzano, SJPC's long-time leader, Beckett Street Terminal was renamed the Joseph A. Balzano Marine Terminal (BMT).



The sign above was unveiled at a ceremony in which the Board of Directors announced the name change for the former Beckett Street Terminal to the Joseph A. Balzano Marine Terminal.

The same geographic-identifying consistency was then also applied to our two other terminals.

The former Salem Municipal Wharf, which is located in Salem City along the Salem River, was acquired by the SJPC and renamed the Salem Marine Terminal (SMT).

Similarly, the 190-acre marine terminal that the SJPC opened for operations in 2017 in the somewhat larger "Port of Paulsboro," was named the Paulsboro Marine Terminal (PMT).

Open for business: Broadway Marine Terminal (BWT), Balzano Marine Terminal (BMT), Salem Marine Terminal (SMT), Paulsboro Marine Terminal (PMT).

SOUTH JERSEY PORT CORPORATION

GOVERNOR OF NEW JERSEY PHIL MURPHY





LT. GOVERNOR OF NEW JERSEY SHEILA OLIVER



CHAIRMAN RICHARD A. ALAIMO BURLINGTON COUNTY

BOARD OF DIRECTORS



DIRECTOR CHAD M. BRUNER GLOUCESTER COUNTY



DIRECTOR ROBERT A. DEANGELO CITY OF PAULSBORO



DIRECTOR JONATHAN S. GERSHEN MERCER COUNTY



DIRECTOR JOSEPH A. MARESSA CAMDEN COUNTY



DIRECTOR ERIC E. MARTINS MERCER COUNTY

POC MAGAZINE



DIRECTOR SHEILA F. ROBERTS CITY OF CAMDEN



DIRECTOR REV. CARL. E. STYLES CUMBERLAND COUNTY



STATE TREASURER ELIZABETH MAHER MUOIO



DESIGNEE OF STATE TREASURER CHRISTOPHER CHIANESE

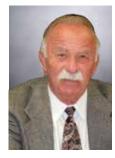


EXECUTIVE STAFF

EXECUTIVE DIRECTOR & CEO ANDREW SAPORITO



ASSISTANT EXECUTIVE DIRECTOR & CFO BRUNO N. CELLUCCI



PORT ENGINEER GEORGE ENGLEHARDT

For half a century, shippers have relied on the South Jersey Port Corporation

E.R. BARCELONA

www.southjerseyport.com

211

Southern New Jersey's International Seaports CAMDEN, PAULSBORO, AND SALEM

> SOUTH JERSEY PORT CORPORATION 101 BALZANO BLVD. CAMDEN, NJ 08103

> > P: 856•757•4969 F: 856-757-4903

> > > 2018



Strangersey Port Corport

SJPC

SOUTH JERSEY PORT CORPORATION 101 Joseph A. Balzano Blvd. Camden NJ 08103 www.SouthJerseyPort.com 856.757-4969 p 856.767.4903 f

www.youtube.com/SouthJerseyPort

2