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Waterfront Commission officials accused of corruption at N.J., N.Y. ports

by **Ted Sherman**/The Star-Ledger

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NEW YORK -- The bi-state agency formed to combat corruption within the New York and New Jersey ports became riddled with abuse -- misusing federal Homeland Security funding, hiring unqualified cops, and allowing convicted felons to get jobs.

In a scathing [67-page report](#), the New York Inspector General said the Waterfront Commission of New York Harbor had failed in its duties. Gov. Jon Corzine has already fired the New Jersey Commissioner, former State PBA President Michael Madonna.



FRANK H.

CONLON/THE STAR-LEDGERPort Newark in a January 2008 photo. A report released today details abuses and mismanagement at the Waterfront Commission, which was tasked to prevent crime at New York and New Jersey's ports.

"This was a total agency breakdown," Inspector General Joseph Fisch said. "Instead of ridding the waterfront of corruption, this agency itself was corrupt."

Established in 1953, after public hearings sparked by a newspaper investigation exposed pervasive corruption involving mobsters and dock workers, later portrayed in the film "On the Waterfront," the

quasi-independent commission oversees waterfront hiring and has a police force to conduct investigations. The commission has an annual budget of more than \$11 million and a staff of 100 employees.



Star-Ledger file photo Michael Madonna, New Jersey commissioner for the Waterfront Commission of New York Harbor, was fired today by Gov. Jon Corzine after New York authorities released a report detailing abuses of power at the commission. Madonna appears in a 1998 photo.

But the commission had long ago stopped doing its job, according to the report, citing favors to insiders, corrupt dealings, fraud and abuse. In one example, it noted the commission bought a patrol boat paid for by a \$170,000 Homeland Security grant, which was supposed to be "capable of early detection of a waterborne attack."

Its role was to "deploy officers...at high risk target locations such as the NYC Passenger Ship Terminal, Cape Liberty Cruise Port in Bayonne." Instead, it was used to escort guests and VIPs during Fleet Week and other events.

The audit found Madonna forced several unqualified applicants on the commission's police department, including one individual who failed the required test twice, and then scored the highest mark ever recorded on his third try. The applicant later boasted that Madonna had given him the answers. Madonna also had a commission employee deliver building materials from the port to his home in Oakland. The commission's audits were more than a decade behind schedule, but the inspector general found that Frank Nastasi, the director of audit and control, often kept his door closed, while running a private

tax preparation business at work and accessing pornography on his office computer.

And former general counsel Jon Deutsch helped someone keep his port business despite a federal racketeering conviction for storing illegally diverted international goods in his port warehouse.

Since the inspector general began investigating the commission, former executive director Tomas De Maria resigned and Deutsch was fired for misconduct in October 2008.

I hope you are fed up with this behavior from public officials. Please tell me your thoughts.

Phone: 856-423-4500.