FEBRUARY 2007

Soundings

Safe ♦ Responsible ♦ Reliable ♦ Efficient

Since Harley Marine Services is an Equal Employment Opportunity employer, I would like to reaffirm our corporate commitment to providing equal opportunity to all employees and applicants for employment. HMS employees are expected to fully comply and conduct themselves in accordance with the principles of equal opportunity and ensure that we remain a harassment-free, professional workplace. We must all make an effort to be aware and not let any situation grow out of control. If someone is not conducting themselves properly or conversations become inappropriate (racially or sexually), it needs to be stopped immediately. The person(s) engaging in the activity must be stopped. It should be reported to your supervisor or HR, and it will be investigated in a discreet manor. Investigations are taken seriously, and appropriate action will be taken.

Here are some facts about harassment:

- Workplace harassment is prohibited under Title VII of the 1964 Civil Rights Act.
- Harassment is any type of conduct, either verbal, physical or visual, which is directed at someone because of their protected background – race, religion, national origin, physical or mental disability, medical condition, sex, age, sexual orientation, marital or pregnancy status, opposition to Unlawful Harassment.
- ♦ Harassment does not depend on someone's intent or whether they meant to harass someone it is about the impact of behavior on another person
- Our workplace is composed of people from many different backgrounds and with different comfort levels for certain behavior. Never assume a co-worker views something the same way you
- Conduct that seems harmless to one person may easily offend another.
- Sexual harassment is conduct that is based on sex, or that is sexual in nature. It can be overt and
 entail obvious physical gestures. It can also be subtle and consist of sexual innuendo or comments.
- Harassment damages a workplace culture, limits productivity, and impacts an employee's selfesteem.
- A hostile work environment occurs when the following conditions are present: sexual behavior or other conduct based on a protected background; conduct that is unwelcome to the victim; severe and/or frequent conduct; the employer knew or should have known about the conduct and did nothing to stop it.
- Hostile work environment harassment occurs when there is a sexually or racially charged work environment (due to employee actions, comments, or visual material) that unreasonably interferes with another employee's work environment.

HR will be conducting sensitivity and sexual harassment training in each region shortly. Demonstrated commitment to equal opportunity is an investment in our people and our future growth.

Deborah Franco Vice President - Administration Harley Marine Services

FEBRUARY

HOLIDAYS:

- 12TH— LINCOLN'S BIRTHDAY
- 14TH— VALENTINE'S DAY
- 19TH—
 PRESIDENT'S DAY
 (OFFICES CLOSED)
- 22ND—
 WASHINGTON'S
 BIRTHDAY

PRESS RELEASE

Harley Marine Services, Inc. Enters New Market

January 29, 2007

Harley Marine Services, Inc., a Seattle based Marine Transportation Company, is proud to announce the newest member of the Harley Marine Services family, **Harley Marine NY**, **Inc.** (**HMNY**). Harley Marine Services has been offering bunkering, oil terminal moves, coastal petroleum transportation, ship escort and assist, and general contract towing since 1987 on the West Coast. HMNY will provide superior tug and barge service in the New York Harbor.

Harley Marine NY operates state-of-the-art vessels including three double hull barges. HMNY has employed some of the most experienced maritime professionals who have vast local knowledge in the New York Harbor. Harley Marine NY is also backed by a great customer service group and other related infrastructure support to provide 'Harley Marine Class' bunkering and towing service to New York Harbor. In addition, Harley Marine NY's 24-hour dispatchers work very closely with harbor pilots, government agencies, and ship agents to ensure safe, on time service and to eliminate unnecessary costs.

Harley Marine NY has extensive safety programs and systems to ensure a safe environment for the care and custody of its cargo. Harley Marine Services, Inc. is a member of the American Waterways Operators Responsible Carrier Program and a certified ISM/ISO 9001:2000 company. Harley Marine Services Safety and Training Programs are audited and accepted by major oil companies. Harley Marine Services is the largest tug and barge company insured by UK P&I Club. Although Harley Marine NY's policies exceed state and federal requirements, the company is constantly looking for better, safer ways to transport petroleum and other cargoes.

For additional information or to learn how Harley Marine NY can benefit your operations in New York Harbor, please contact our local office at **(201) 433-2990**.

Harley Marine New York Employees

Bo Jun, General Manager Dan Cotton, Port Engineer Helen Sun, Barge Scheduler Vladimir Durandin, Barge Scheduler Rick Benoit, Captain Derek Bernard, Tankerman Raymond Churchill, Tankerman Elijah Collins, Tankerman Dexter Favourite, Tankerman Ralph Gellatly, Tankerman Corey Harris, Tankerman Shane Harris, Tankerman Paul Hurd, Tankerman Raymond Keevins, Deckhand Brian Kelly, Tankerman Clint Powell, Captain

Alfred LeBlanc, Tankerman Rexford Nunemaker, Tankerman William Reardon, Tankerman



Soundings Page 3

February Birthdays Birthstone: Amethyst

Flower: Violet

Harley Marine Services

Desiree Otsuka-9th

Millennium Maritime

Phillip Ruan—5th

Olympic Tug & Barge

Haldor Dahl—7th
Charles Singleton—9th
Anthony Schierman—11th
Dan Colvin—13th
Riley Dunnam—14th
Andy Borowski—15th
James Berge—16th
Wayne Allen—17th
Neil Billingsley—17th
Steven Carleton—20th
Demir Gumusyazici—21st
Tim Olson—24th
Robert Harmeling—27th
Ron Rustad—28th

Public Service Marine

Mark Abercrombie-7th

Starlight Marine Services

Tom Larsen—5th Charles Jennings—10th Richard Jacobsen—21st

Westoil Marine Services

Brent Ralph—8th
Joe Wilson—11th
Jeffrey Salcido Sr.—18th
Erick Wilson—20th
Eric Hansen—26th
Jamie Laflamme—27th



A Note from the Port Captain's Desk...

I would like to remind everyone that Harley Marine Services and all subsidiary companies are Zero Tolerance companies. Crew members may not consume alcohol four hours prior to reporting for duty, and must have a Zero BAC at the time of crewing. If a crew member reports for duty and has been drinking or suspected of drinking or is under the influence of drugs the Deck Officer on watch must not let that crew member on board the vessel. As the Officer on watch you are also liable in the eyes of the Coast Guard for letting the crew member on board if you know or suspect that they are under the influence of alcohol or drugs. The Coast Guard can take action against the Officer on watch as well.

If you suspect a crew member is under the influence you should contact your immediate supervisor as soon as possible. This can affect your livelihood as well as the person suspected of being under the influence of drugs of alcohol. This is for your safety as well as all crewmembers on board your vessel.

Captain Scott Manley HMS Port Captain

THUMBS UP

 I would like to thank all the Westoil Tankerman and Barge Scheduler, Anthony Lobro for all the extra days they put in this month to cover the work. Westoil had a very busy month. ~Doug Houghton



• Thanks to Allen Hall and his crew on the James T. Quigg for helping with the surge of work over the past week. The James T. and the Nancy Jo had to undergo a massive amount of work with double and triple handling of barges to get all the work covered. The good news is that Allen Hall and his crew did it, and with a great hard working attitude the whole time. Thank you guys!

EMPLOYEE OF THE MONTH

Harley Marine Services is going to kick off the new year with the start of the "Harley Marine Employee of the Month" program. The program is designed to recognize employees who go the extra mile to make sure the job is completed safely, professionally, and with the highest level of customer service. The employee who is chosen as employee of the month will receive a \$100 check, and will have their name posted on a plaque in their local office.



JANUARY EMPLOYEE OF THE MONTH

JIM HECKATHORN, TANKERMAN

OLYMPIC TUG & BARGE

Jim came to us from Foss nearly a year ago. Since his arrival at Olympic Tug & Barge he has demonstrated the highest level of professionalism in completing the tasks put to him. The month of January has proved to be one our busiest yet at Olympic Tug & Barge and Jim's "can do" spirit was crucial in making otherwise impossible schedules be completed with ease.

URBAN ALEXANDER, TANKERMAN

PUBLIC SERVICE MARINE

Urb has been a "go-to guy" for us lately. He has done everything from cover operations for Trent Newlon while he was on vacation to help out at WMS and SMS when they were in a real pinch. Thank you, Urb for all of the hard work and dedication. MAHALO!

SEAN 'KAI' APO, TANKERMAN

STARLIGHT MARINE SERVICES

Kai as he likes to be called, lives in Hawaii and started with SMS exactly one year ago. Kai is a tankerman at SMS and has been a "go to" person from day one. Kai's first assignment was working on the Bonnie R; it arrived the same time Kai started at SMS. Kai's first mission, yes he chose to accept it, was learning the Bonnie R. Normally this is a bit challenging but Kai had to deal with the politics of a 'new' barge at a customers dock. Kai did everything he could to minimize and smooth out the misconceptions people had concerning the barge, and in the long run his level head and diplomatic way of working with people helped smooth out what could have been an ugly situation. Recently Kai has taken the reins and helped a lot in getting the barges better organized and cleaned up, thus helping to make the barges more presentable and easier to work. Probably the biggest asset Kai brings to SMS is his professional and UPBEAT attitude, everyone enjoys working with him.

ERIC DISTEFANO, TANKERMAN

WESTOIL MARINE SERVICES

Eric's dedication and work ethic has got us through a rough month in January. His extra contribution shall not go unnoticed and is especially appreciated by everyone in Dispatch. All Westoil employees are doing a great job and it is very difficult to choose just one person. Thanks, Eric. Soundings Page 5

February Anniversaries

Harley Marine Services

Stephanie Wright—2 years

Olympic Tug & Barge

Larry Gladsjo—13 years
Adam Goodfellow—10 years
Tim Curley—9 years
John Kochis—9 years
Stephen Speaker—4 years
Mark Livingston—3 years
Haldor Dahl—2 years
James Heckathorn—1 year
Thomas Hoats—1 year
Chad Boulay—1 year

Pacific Coast Maritime

Chris Iszler—10 years Paul Cagle—2 years

Public Service Marine

Urban Alexander—6 years Lowell Swett—1 year Brandon Brodecki—1 year

Starlight Marine Services

Jack Matievich—2 years
Sean Paul Apo—1 year
Just Taschek—1 year
Jason Vogel—1 year
Douglas Anderson—1 year

Westoil Marine Services

Vincent Logrande—7 years Rosanna Chavez—1 year Joe Wilson—1 year Stephen Martin—1 year Frank Ewbank—1 year



OLYMPIC SPIRIT UPDATE

Olympic Spirit has been alive and well at Harley Marine Services in Puget Sound and the Columbia River for 20 years. Beginning February, Olympic Spirit will also be manifested in the form of an 80,000 BBL double hull oil barge working the U.S. West Coast, the newest addition to the Harley Marine fleet.



The barge is currently southbound past Hatteras enroute to Panama to rendezvous with the tug MILLENNIUM STAR with Captain Garri Ferguson in command. Millennium Star will tow her from Panama up the Pacific Coast where she will enter service for Olympic Tug & Barge in Los Angeles. Other crew members on the voyage are Sean O'Connell, Mark Sanders, Dan Colvin and Wojciech Satlawa.

The 369' X 72' X 33' double hull barge is fitted with a vapor collection system, 12 million BTU cargo heating system, 12" Byron Jackson Pumps, Hydro Pro deck crane, line handling winches and an anchor winch. She is a proud addition to the fleet and guaranteed to keep *Olympic Spirit* flourishing for years to come.



Join me in Congratulating Demir Gumusyazici in his newest addition to the family!

Daisy Papatya Gumusyazici January 26, 2007 Weight: 7lbs. 8 oz. Length: 19 1/2 inches

Welcome to the Harley Marine Family!



Olympic Tug & Barge Baby Aidan Healy

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Welcome Aboard

Harley Marine Services Christine Mershon, Payroll Accountant

Please welcome Christine Mershon to the Harley Marine Team, she joins us as our Payroll Accountant. Christine has extensive background and expertise in payroll and Dynamics and is a CPP (Certified Payroll Professional). Christine is originally from Southwest Washington and is a registered member of the Cowlitz Indian Nation. She has six kids and three grandsons (one is on the way). She will be a huge asset to the Accounting department as we begin to centralize and bring payroll inhouse in the coming months.

Starlight Marine Services Rob Handing, Dispatcher

Please join us in welcoming Robert Handing as the new Dispatch/Operations Coordinator for Starlight Marine Services . He will be based in the Southern California office and is a vital part of our centralized dispatch program for California. Robert came to us from an automotive logistics company as an Operations Manager. He is married, and has a six month old son named Colin.



"I am very honored & privileged to be able to be part of a team that is willing to teach, train and everyone is nice and welcoming. I was looking for a job where I could feel like I'm around family and I feel just that here."

We are delighted to have both Christine and Rob join the Harley Marine team and look forward to their exciting future within Harley Marine Services.

New positions

Pacific Terminal Services Kevin Buffum, General Manager

We are pleased to announce Kevin Buffum, as our new General Manager for Pacific Terminal Services, Inc. Kevin has been with PTSI since 1999 and in the industry since 1979 with Pacific Northern Oil and Seaport Petroleum. Please join me in supporting and congratulating Kevin in his new position.

Harley Marine Services Mike Curry, Director of Safety

I am delighted to announce Mike Curry as the Director of Safety for Harley Marine Services. He has done a great job as the interim Director of Safety for the last month and has accepted our offer to remain in this capacity. Please join me in pledging support for Mike in his new position. Congratulations Mike!