

Soundings

Safe ♦ Responsible ♦ Reliable ♦ Efficient

OCTOBER 2007

Coworker Appreciation Week October 29 through November 2, 2007

Last month, HMS passed the annual internal ISO/ISM audits. The ABS Auditor stated that as hard as he looked, he did not find any non-conformities. This was a great achievement which demonstrated that Harley Marine Services is committed to Quality, Safety, Environmental stewardship and continual improvement of our systems. The findings showed that our systems have been well implemented with proper support and controls. Furthermore, it proved that the HMS team is dedicated and worked extremely well together to make improvements. HMS shined and it showed. Once again, a “big” thank you for your continued support and participation as a team in the commitment HMS has made to this process set forth in our ISO/ISM certifications.

Each job and every person at HMS is important and vital in making the companies operate effectively and efficiently. Sometimes we can be so focused on what we do that we do not appreciate what other people and departments are doing. In order to continue our emphasis on working together we will be celebrating HMS Coworker Appreciation Week. During the week of October 28 to November 2, HMS will honor each group and the people in them:

Monday, 10/29 – Accounting and Administrative Departments - HR, Safety, Quality Systems

Tuesday, 10/30 – Dispatch and Terminal (PTSI)

Wednesday, 10/31 – Maintenance and Engineering

Thursday, 11/1 – Barge Crews

Friday, 11/2 – Tug Crews

The management from each area and port will take charge of their day to showcase their domain and employees. More details will be forthcoming. If there are any special acknowledgments that you would like to give to a coworker or ideas you have for the week or day, please send them to me at dfranco@harleymarine.com and it may be part of the group day and in the November Soundings.

Deborah Franco
Vice President - Human Resources / Administration

OCTOBER HOLIDAYS

8TH—COLUMBUS
DAY

31ST—HALLOWEEN

THUMBS UP

- *Thumbs up to Andy Anderson, Chief Mate on the Gyrfalcon. On his first tour of duty he has put his CAT experience to work and done an excellent job in fine tuning the Main and Auxiliary engines on the vessel.*
- *Thumbs up to Captain Bud Carley and Captain George Thoreson of OTB for covering the Brian S. / Port Angeles work. Thanks, Dispatch*

Pacific Terminal Services at Boom Boat Rodeo

Clean Rivers Cooperative, one of our oil spill contractors, held their 3rd quarter training, “*Boom Boat Rodeo*” on September 6th in Portland. Pacific Terminal Services, along with four other member companies, brought out their teams and boom boats to compete in the “*Boom Boat Rodeo*”. The Pacific Terminal Services team consisted of: Burt Nye, Tracey Wild, and Bruce Stanart.

The training was an on water exercise that focused on boom handling, anchoring and deploying Geographic Response Plans. The rodeo was designed to be a friendly competition between Clean Rivers Cooperative members, the goal was to practice the techniques and skills that have been presented in previous drills, training and member events while still having fun.

The training started with a safety briefing over coffee, juice and pastries. Then each team reported to one of seven different stations including: the boom obstacle course, the deflection boom, the collection boom, the baton run, knot tying, a timed assembly of a SkimPak and a written test. The teams rotated every 20 minutes until each team had completed the tasks at all seven stations.

During lunch team scores were tallied and the PTSI team placed 2nd overall for the “*Boom Boat Rodeo*”. Teams that placed 1st, 2nd or 3rd were awarded individual gift cards and the teams will receive engraved belt buckle trophies. Nice going Burt, Tracy and Bruce!

Kevin Buffum

General Manager

Pacific Terminal Services, Inc.





Congratulations!

Michelle Wylie and Michael Curry were married on the 10th of September at Poet's Cove Resort in Bedwell Harbor on Pender Island, British Columbia. Under beautiful blue skies Michael and Michelle exchanged vows witnessed by a small group of family and friends. After the week-long Canadian Wedding Celebration the happy couple jetted off for a week of relaxation in Ixtapa and Zihuatenejo, Mexico.



Managers Meeting & Spill Drill Training

Managers from all Harley Marine operated ports gathered in Seattle during the last week of September for the Annual Managers Meeting.

The beginning of the week also included a spill drill training and tabletop exercise for management. The week was full of presentations and open forum discussions!

Westoil Marine Services

John Bearden—2nd
Paul Kuhn—12th
Marc Delgadillo—16th
Thomas Matlock—17th
Raul Hernandez—24th
Bryan Thebodeau—27th
Louis Randazzo—30th
Anthony D'Aquanno—31st

October Birthdays Birthstone: Opal Flower: Calendula

Harley Marine Services

Don Meberg—4th
Amy Ryker—9th
Jim Flies—24th
Pete Hofmann—28th

Harley Marine NY

Jose Panlilio Jr.—19th
William Nicholson Jr.—21st
Corey Harris—31st

Millennium Maritime

Charles Holmes—27th
Robert Shaw—29th

Olympic Tug & Barge

Stephen Mickelson—4th
John Walker—6th
Jeff Rickard—7th
Doug Liedberg—8th
Tim Dougherty—9th
Dan Corkery—11th
Guy Larsen—12th
Alexander Lavielle—12th
Charles Collins Jr.—14th
Don Vakulich—14th
Jim Heckathorn—16th
Tim Hinman—16th
Shane Bonnin—27th
Tadeusz Prus—27th

Public Service Marine

David Bean—4th
Gordon Smith—18th

Pacific Terminal Services

Gary Bucknum—30th

Starlight Marine Services

Dave Gore—9th
Jonathan Mendes—17th
Chris Royeton—18th
Sterling Jones—30th

BERINE 112 GETS A NEW DECK

During the 2nd week of September, one of the warmer times this summer, the Bernie 112 received new paint and non-skid on its deck. This ambitious task took six employees, which included crew members from the tug, shore side personnel and support from the HMS engineering team. Sam Compton led the team through the prep, priming and painting of the Bernie deck.



Throughout the process of needle gunning and pressure washing, over a ton of material was removed from the deck of the barge. The new non-skid and paint only added 500 pounds to the weight of the barge, quite a bit less than the original 2,000 pounds that was removed.

The real story here is in the new primer, Intershield 300. Sam says, "This new primer will be going out to the entire fleet". Intershield 300 is a two part epoxy paint with aluminum shavings in it that will stick to just about any surface but water! And it can be painted up to 20 days after it is applied and cured before it loses its "Bonding Ability".

Sam Compton suggests these steps for perfect application:

1. Remove all "scaly" rust
2. Pressure wash or clean the area of all oils left from the preparation.

The next steps are most important and must all happen on the same day.

3. Wash with GMA-950, a citric bio-degradable acid that etches the existing / remaining paint so the Intershield 300 will bond.
4. Dry the surface
5. Wipe down the surface with thinner to remove the "rust powder" left over from the GMA-950. Without this last step the primer will not bond and in short order, bubble up.

"Great American Tug Boat Race 2007 - Four for Seven"



Millennium Maritime has won the Elmar Award and perpetual "wheel" trophy in the Great American Tug Boat Race for the fourth time. The LA/LB Great American Tug Boat Race started seven years ago to raise money for our local International Seafarers Center. Millennium Maritime has won the race every other year starting with the first race. Normally, the competition is stiff with our competitors Crowley and Foss making up part of the field. This year a lot of our competitors opted not to attend the event. Harley Marine Services was a Silver Sponsor for the event and continues to support and donate back to the community for worthy charities and fundraisers.

Special thanks to the crew, Captain Scott Walker and Engineer Carlo Orlando!

October Anniversaries**Harley Marine Services**

Katherine Olarte—1 year

Millennium Maritime

Charles Holmes—1 year

Anthony Colston—7 years

Scott Walker—9 years

Olympic Tug & Barge

Andrew Butterfield—1 year

Josh Stevens—1 year

Michael Everhart—4 years

Larry McCormick—4 years

Wayne Allen—8 years

Neil Billingsley—8 years

Riley Dunnam—8 years

Steve Felton—8 years

Todd Johnston—10 years

Jim Sellers—14 years

Pacific Terminal Services

Mark Flower—9 years

Kevin Buffum—15 years

Public Service Marine

Doug Montgomery—11 years

Starlight Marine Services

David Prouty—1 year

Charles Jennings—4 years

Westoil Marine Services

Scott Alder—1 year

Jamie Laflamme—1 year

Eric Distefano—2 years

Anthony Logrande—2 years

David Holguin—3 years

Luis Cabral—17 years

Happy Anniversary to all of you. Your dedication and hard work is greatly appreciated.

COMPANY NEW HIRES**Olympic Tug & Barge**

Ritchie Vogel, Deckhand / Engineer

Starlight Marine Services

Ernesto Salgado Jr., Deckhand

Westoil Marine Services

Casey Kaercher, Deckhand

Harley Marine NY

Congratulations to Captain Joseph Dady, as the new Port Captain for Harley Marine – NY, effective September 12, 2007. Captain Dady has been working on the St Andrews. He has 28 years experience in towing and has licenses for First Class Pilot, Master of steam or motor vessels of not more than 1600 gross tons upon near coastal waters. Joe is a member of towing safety advisory committee for USCG and on the Board of Director for Gulf Coast Mariner's Association. Joe is also the founder of the United Mariner Association. Please pledge your support for him in his new position. We are delighted to have him join our team and look forward to his exciting future at Harley Marine Services, a family of companies.

Please welcome John Walls as the General Manager for Harley Marine – NY. He began his diesel engine career in 1974 with Volvo Penta and John Deere. John worked at Cummins Northwest from 1977 to 2007 in Engineering, Sales, branch management, and in his last position he was the manager of commercial marine applications and support for towing, barging, derrick, and dredging applications. He has a bachelor's degree from Seattle University and a technical degree in Diesel Technology. He is the past president of the Washington Equipment Dealers Association (WEDA) and is involved with a variety of community activities. He will be a big asset to help the HMNY team grow and we are delighted to have him with us. Welcome aboard!

Captain Scott Coleman and his precious daughter, Madeline visited WHQ. Madeline's word of the day was "boat"!



Incident Lessons Learned

In your packets from the office, you regularly find INCIDENT LESSONS LEARNED REPORTS. These reports are the findings of the who, what, where and whys of the incidents that we suffer as we conduct operations at Harley Marine Companies, as well as the Lessons Learned from other companies incidents.

Lessons Learned attempt to pin-point the reason the incident happened in the first place and what can be done to avoid the same or related incidents in the future.

The Lessons Learned from these incidents are then passed on to the vessels and crews to hopefully increase our Safety Awareness in the hope that you individually, and/or your shipmates, may avoid the same sort of incident in your day to day operations.

Sometimes what may seem the obvious cause of an incident on the surface can be found to be a flaw rooted deep in our policies and procedures and safety culture in general.

We arrive at the Lessons Learned by various means:

- Post Incident Investigation and Root Cause Analysis
- Near Miss Reporting (Highly Important)
- Vessel Safety Meeting Findings(yes we do read them)
- Vessel Inspections by Management and crews
- Information passed along by our Insurance underwriters
- The U.S.C.G. Publications
- Master's Review of the Quality and Safety Management System.

It is our duty as management to keep you informed and safe, as it is your duty as good shipmates to keep everyone throughout the entire Harley Marine family informed through thorough Vessel and Equipment Inspections, Non-Conformance and Corrective Action Reporting, Masters Review and Incident Reporting.

Keep up the good work and be safe out there.

Mike Curry

Director of Safety and Regulatory Affairs



Shopping for a New Computer?

The good news is, no matter which computer you end up picking, you can't really go wrong. Computers of today offer tremendous value and features for the price as compared to years past. Even the most inexpensive models can handle many of the common day to day tasks like e-mail, word processing, browsing digital photo albums, web browsing, and more.

When it comes to saving up the dollars for that new computer, there are two mindsets. Pay more for cutting edge systems that offer a lot of new exciting bells and whistles or spend much less for a system that is probably using 6-month old technology. My rule when purchasing all new desktop form factor PC's and laptops is to not spend more than \$1000 on the total bundle including monitor. I rarely see any long-term value in systems priced above this price point and can continuously find deals online and in-store that are much less than this price.

Whether you're looking online or in the store you need to keep the following three things in mind: Processor, Memory, and Hard Drive. While other features like video cards may be important if you're looking to play computer games, P.M.H. is the basis for selecting a system that is properly powered for your needs. Today for your computing power, you'll want to select a system that is dual core. Dual core systems are the latest rage and have finally become reasonable in price from both major processor manufacturers (AMD and Intel). You will be barraged by a sales guru pitching various versions of dual core, stick to your budget and keep in mind slapping "Pro" or "Adv" at the end of a name doesn't necessarily translate into value. More important than processor is the memory, if you have a brand new system make sure your system has a minimum of 1 GB (gigabyte) of memory. If you plan on doing a lot of video or photo storage you'll want to go for a larger hard drive but for basic needs a system with a 120 GB or larger hard drive should be enough for saving those family photos.

No matter what system you end up purchasing, you'll most likely end up with a PC running Microsoft's latest and greatest Windows Vista. Windows Vista is the successor to Windows XP and while visually different has the same basic flow as previous Windows versions. Additionally, your new system will not likely come with a word processor, the best deal for the Microsoft Office suite can be found by purchasing the Student & Teacher edition which will run \$149 in store or \$125 online at Amazon.com. If you're looking to save a few bucks, you can consider using a free alternative in Open Office which is 100% free and allows you to read, create and save Word, Excel, and Power Point documents. Open Office is available for download at www.openoffice.org.

For those of you tired of Microsoft Windows who are considering an Apple powered system, please keep in mind that all value rules go out the window and you'll be paying a premium for style. While Apple always pitches their systems as virus and spyware free, a lot of this has to do with the lack of readily available software for the Apple platform. For example, your choice for a video editing program may have 3 or 4 good contenders on a Windows platform but only 1 or maybe 2 on an Apple.

Where is the best deal? While many people like to walk into the store on a Sunday and walk out the same day with their new system, if you're willing to wait an extra few days I would highly recommend using DELL.com to purchase your new system. Their online configuration utility will allow you to customize your new system to your needs and I consistently find their systems to be the most economical. You may find a cheaper loss-leader in a Sunday advertisement but usually when I go chase these systems at a Best Buy or Fry's I will end up finding the system sold out long before I ever walked through the door. If you do buy through DELL and you can wait them out, DELL will rotate system pricing up and down 3 to 4 times per week and you might find by waiting an extra day or two that system that is \$999 today may be \$650 tomorrow. DELL releases all of their latest deals weekly on www.dell.com and sometimes their sales advisors at 1-800-WWW-DELL will give you a heads up on upcoming specials as well.



CITY OF UNALASKA

P.O. BOX 610
UNALASKA, ALASKA 99685-0610
(907) 581-1251 FAX (907) 581-1417



Jim W. Weimer
Pacific Coast Maritime
Box 24005
Seattle, WA 98124

Dear Jim,

What would we do without generous companies like you and the wonderful crew of the Gyrfalcon? Chris Starckenberg was a tremendous asset from day one as a core member of the "defensive strategy workgroup". His experience and interest in answering the question of how best to respond to disabled vessels successfully was terrific, and a good reason why our goal was met in 4.5 months.

The crew of the Gyrfalcon was professional and committed to familiarizing themselves with the new system and making suggestions for optimum performance of the ETS and their own operations. They have always responded in time of need, and now have the tools to do so in a much more positive way.

We simply cannot afford to have our waterways closed or our shore plants offline because of a ship on the beach, and the participation of all involved on the Gyrfalcon is a key reason that we have reached our primary goal in such an encouraging way.

Please pass on the gratitude of the entire community to the Gyrfalcon, and thank them for their commitment to protect Unalaska/Dutch Harbor from a major spill.

Respectfully,

A handwritten signature in black ink, appearing to read "Shirley Marquardt".

Shirley Marquardt
Mayor, City of Unalaska

Cooking with the Captain
Captain Chris Starkenburg, Gyrfalcon
French Onion Soup

Beef Stock Ingredients:

2 onions, peeled and cut in quarters
 2 whole carrots
 4 stocks of celery
 1 bunch parsley stems
 6 whole garlic cloves or ¼ cup chopped garlic
 2 whole bay leaves
 8oz. of quality beef base
 2 tablespoons of whole peppercorn
 2 cups of red wine
 1cup of sherry
 1½ gallons of cold water

French Onion Soup Ingredients:

4 tablespoons of sweet cream butter
 6 large yellow onions (Walla Walla Sweets) sliced ⅛ inch thick
 1 French Bread Baguette
 6-8 slices of Provolone Cheese
 1-2 pounds of grated Gruyere Cheese (or Mozzarella)
 French onion Beef Stock (use recipe above) kept at a simmer

French Onion Soup Directions:

- Place butter and sliced onions in a large sauté skillet over medium/high heat, sauté until onions are golden brown and tender (approximately 30 minutes).
- Slice French Baguette ⅜ inch thick, place on a baking sheet and put in an oven preheated to 325°F to lightly toast both sides of the bread.

To Assemble:

- Preheat oven to 450°F
- Place soup crocks on a foiled baking sheet and place in oven for about 8 minutes (to warm the crocks).
- Carefully remove the baking sheet from the oven and place a generous amount of sauté onions in each crock. Ladle enough hot beef stock into each crock to fill about ¾ full.
- Place 1or 2 toasted baguettes croutons on top and quickly place a slice of the provolone cheese on top, let the extra cheese hang over the edge of the crock. The cheese that hangs over the edge of the crock will help suspend the cheese from sinking while in the oven. Top with a generous amount of grated Gruyere or Mozzarella Cheese.
- Place the full crocks back in the oven on the middle rack and cook on high broil.
- Cook until the cheese is golden brown!

This recipe will serve 6-10 people.

Beef Stock Directions:

Place all ingredients in a large stockpot and simmer for 6-8 hours. Drain the stock and either use immediately or place in refrigerator until you are ready to use.

Additionally, you will need:

6-8 ovenproof soup crocks



Professor Payroll

“The Scoop on Pay Dates”

Many employees who use direct deposit tell me that they have setup automatic mortgage payments from their bank accounts. Knowing when pay days occur is helpful in scheduling these auto pays. Pay day is always five working days after the end of the pay period. Weekends and holidays are not included in the five days.

Starlight Marine pay periods end on the 10th and 25th of every month. SMS pay dates through the end of 2007 are 10/2, 10/17, 11/1, 11/19, 11/30, 12/17.

For all other Harley Marine companies pay periods end on the 15th and last day of the month. Pay dates through the end of 2007 are 10/5, 10/22, 11/7, 11/23, 12/7, 12/21.

Checks and earnings statements are mailed to address of record one to two days prior to the pay date. Direct deposits have a big advantage over paper checks as deposits are guaranteed to be available the morning of pay day. You can have up to three different accounts to have your net pay distributed. Just complete a direct deposit form stating the amount to send to each account and include a voided check. Deposit slips are only acceptable for savings accounts.

In recent weeks I have had a number of payroll items returned by the postal service. If you have a change of address please notify HR or payroll as soon as possible. Be sure to include any apartment or unit number.

Professor Payroll, Christine Mershon

Q - Factor by Captain Jim Caspers
Director of Quality Systems
Harley Marine Services, Inc.

QSMS Audits

Harley Marine Services “Quality and Safety Management System” is subject to two types of audits. The internal audits are conducted by the company and external audits by a government or classification society. The American Bureau of Shipping is our external auditor.

The internal audits are conducted annually and vessels receive external audits approximately every 2 ½ years.

Most of the ISM/ISO certified tugs are due for their internal audit. I will be sending notifications to let you know an approximate day and time for your vessels internal audit. Each audit will take about 3-4 hours to complete.

The external ABS audits will begin in approximately one year.

Should you have any questions, feel free to contact me. See you on the water!

QSMS - Q & A

How long is an ISM or ISO Certificate valid? Five years

How frequently are Internal Audits held? At least annually for each vessel and the company

How frequently are External Audits held? Annually for the company verification and one intermediate verification audit for each vessel between the 2nd and 3rd anniversary date (see HMS Marine Operations Manual 03-080 QSMS Audits)

When will the next internal audit be held aboard my vessel? Very soon

September Employee of the Month

Mike Harley

Olympic Tug & Barge

This month employee of the month is Mike Harley, the Olympic Tug & Barge Port Engineer in Portland. Mike joined OTB in 1999 and has been a cornerstone of the operation ever since. Mike oversees the various projects, repairs and E-maintenance from the crews as well as fabrication and upgrades. Mike and his wife make their home in Cathlamet Washington. Thanks Mike for all that you do!

Anthony Lobro

Westoil Marine Services

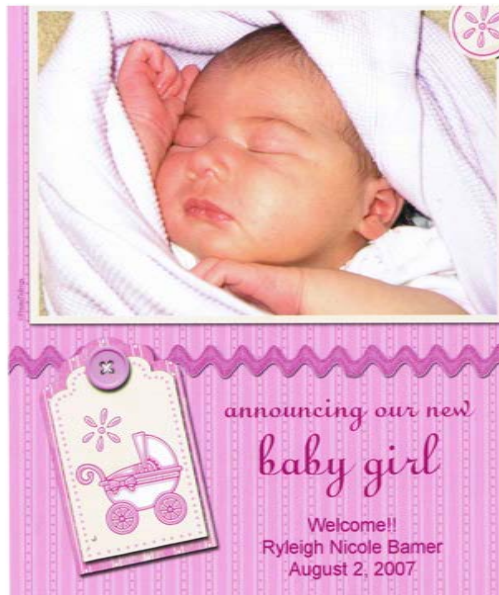
Anthony began with the company as a Ship Assist Dispatcher for Millennium Maritime and advanced to Westoil Barge Scheduler. He has built many Customer contacts through the years and with his diligence and dedication maintains these relationships. He has always been the overall "team" player and always looks to gain efficiency for HMS. So-Cal appreciates all you do and the work you go above and beyond to do. Thank you, Anthony! "Top Notch"

Louis Mungaray

Starlight Marine Services

Louie started with the company in February of this year as a Ship Assist Dispatcher for SMS. Through the many months of crewing and equipment issues, he has kept his patience and established trusting relationships with the Captains and Crews. He has grasped the operations and always looks for opportunities to generate revenue. He continues to work hard daily and is a pleasure to be around. Thank you, Lou! "Woooo!"

Congratulations to all of you, keep up the good work!



**Congratulations
Bobi and Brian Bamer, OTB!**

Harley Marine Services, Inc.

910 SW Spokane Street
Seattle, WA 98134
Phone: 206-628-0051
Fax: 206-628-0293

E-mail: info@harleymarine.com

Editor

Stephanie Wright

E-mail: swright@harleymarine.com



*Safe, Responsible,
Reliable, Efficient*

We're on the web!
www.harleymarine.com