

SOUNDINGS

Safe ♦ Responsible ♦ Reliable ♦ Efficient

July 2009

Dear Employees,

Harley Marine Services is dedicated to continually improving our business practices to lessen our environmental footprint and impact on our world. Over the last year, we have fully implemented our "Going Green" program most specifically by attaining International Organization for Standardization (ISO) 14001:2004 Certification for all subsidiary companies including each vessel, barge, shop and office. The number one objective continues to be "zero spills in the water and to reduce airborne pollutants". Additionally, we are in the process of converting our existing harbor tugs into eco-tugs using ultra low emission technology as well as utilizing our patented Vapor Recovery Unit onboard our barges.



To remain conscientious of our environment along with improving our "Going Green" program, I have purchased recyclable grocery totes for each of you. It is my hope that you can take the bag along with you as you shop either at home or while at work. The bags may be used in the store instead of paper or plastic grocery bags. To pick up your bag, please stop by your local office.

Harley Marine is continuing to lead in safe, responsible, reliable, and efficient operations to ensure a sustainable future for generations to come.



Harley Franco

Harley Marine Services

July Holidays

4th—
Independence
Day (HMS
Offices closed
on July 3rd in
observance)



Thumbs Up

- Thumbs up to all of the shore side maintenance in Seattle for helping prepare the yard for the Lily Blair Christening. Your help and support before events is greatly appreciated. Thank you.
- Thumbs up to Leah Nelson, OTB Dispatcher, for all of her hard work in coordinating the Lily Blair's schedule the day of the Christening. Leah's planning, logistics and customer service skills allowed for the barge to arrive just in time for the christening while still getting the job done!

Coast Guard presents Meritorious Public Service Award

On Wednesday, June 3rd, Keith Barnes, Director of Barge Operations for Harley Marine Services was presented the United States Coast Guard Meritorious Public Service Award by Coast Guard Captain Suzanne Englebert, Captain of the Port, Puget Sound. Keith was presented the award for his work to further the safety and protect the environment of the entire Puget Sound. Keith is specifically credited with spearheading a major revision to the Puget Sound Bunkering and Lightering Standards of Care, a document which outlines safety procedures and requirements for shipping lines and bunker delivery companies involved in the transfer of fuel between vessels at sea.

Keith brought together experts in local, state and federal government as well as members of the maritime industry to jointly analyze risk factors involved in the complex process of bunkering and lightering. He and his team then devised protocols and procedures to mitigate those risks, and thus ensured the protection of the Puget Sound's pristine environment.

Join me in congratulating Keith for his hard work and dedication to protecting the waters in which we work!

CONGRATULATIONS!



July Anniversaries

Harley Marine NY

Jose Panlilio—2 years

Harley Marine Services

Pete Hofmann—17 years

Don Meberg—15 years

Heather Holmes—3 years

Millennium Maritime

Jay Carlin—10 years

Olympic Tug & Barge

Bud Carley—10 years

Adam Churchill—9 years

Henry Torgramsen—7 years

Zachary Farmer—4 years

Ryan Gartner—4 years

Wojciech Satlawa—4 years

Keith Anderson—3 years

Richard Gonder—3 years

Russell Holmes—3 years

Brent Starheim—3 years

Nathan Goode—2 years

John Jensen—2 years

Leah Nelson—2 years

Patrick Harris—1 year

Phillip Jordan—1 year

Starlight Marine Services

Jan Tiura—6 years

Tim Kline—5 years

Kevin Caldwell—4 years

Matthew Jenness—1 year

Westoil Marine Services

Randy Atwood—10 years

Johni Komisak—4 years

***Congratulations and Thank
You for your continued
dedication.***

Lily Blair Christening

On Tuesday, June 23rd, guests of Harley Marine Services and U.S. Barge gathered at Pier 23 in Seattle, Washington to christen and welcome the Lily Blair into the HMS fleet. Guests included customers, vendors, clients, employees as well as family and friends of the Blairs. Special guest included Miss Lily Blair, the young lady whom the barge is named after.

The barge was designed by Elliot Bay Design Group of Seattle, WA and then built by U.S. Barge of Portland, OR. This piece of equipment is part of a multi-barge contract with U.S. Barge and signifies the 18th double hull barge working in the Harley Marine fleet. Lily Blair was built with some of the most advanced and environmentally friendly technology available in the industry. She complies with OPA '90 standards as well as all regulatory and internal safety requirements.

Lily Blair has already entered the fleet and is working for ConocoPhillips, and to much surprise, she had a job the day of her christening. Luckily, the tides worked with the barge and allowed her to arrive back to the dock just in time for her welcoming party. Special thanks to the crew of the Olympic Scout and the assist boat, Alyssa Ann for helping with the on time and safe arrival of the Lily Blair.

Boy Scouts Troop #137 started the ceremony with the presentation of the colors and the Pledge of Allegiance. Keith Barnes, Director of Barge Operations, then welcomed the guests and acknowledged those that were an integral part of the planning and construction of the barge. Corey Yraguen of U.S. Barge addressed the guests and presented builders plaques to Miss Lily Blair and to Harley Marine Services. The builders plaque as well as a photograph of Miss Lily Blair will be hung in the tankermans shack onboard the barge. Guest speakers for the ceremony were both Lily Blair



The Lily Blair as she approaches the dock after completing a job for ConocoPhillips.



Father Tony Haydock of Seattle's Catholic Seaman's Club as he blesses the Lily Blair.

Lily Blair Christening (continued)

and her mother, Jane Blair. Father Tony Haydock of the Catholic Seaman's Club christened the barge and said a special prayer for the barge and her crew. Harley Franco, Chairman and CEO, concluded the ceremony with an expression of gratitude to the Blair family, his employees, and of course, the customers of Harley Marine Services.

The Lily Blair was named after a strong, courageous woman who has lived with cystic fibrosis for 20 years. She was first diagnosed at 5 weeks old and continues to persevere and battle with the disease. Lily has never allowed cystic fibrosis to slow her down or affect her busy life. To help clear her lungs, Lily takes about 30 pills a day in addition to a nebulized dose of a genetically engineered drug called Pulmazyme. Cystic fibrosis is an inherited chronic disease that affects the lungs and digestive system of about 30,000 children and adults in the United States.

Lily will be a junior this fall at Yale University studying Applied Physics. Besides being a dedicated student, she keeps herself busy rowing on the Yale Crew team. This summer, Lily will be interning at the University of Washington in the Applied Physics department, as well as spending her extra time working out and rowing to stay in top form for the fall athletic season. She also enjoys tennis and sailing, and hopes to get a job in an area where she can do research to benefit others when she completes her education.

Harley Marine Services is pleased to name and dedicate their newest vessel in honor of Lily Blair. The Lily Blair will be a symbol of their continued fight against cystic fibrosis in hopes of finding a cure.

For more information, please visit www.HarleyMarine.com.



The two Lily Blairs!



Harley Franco addressing the guests during the ceremony.

Q-Factor Personnel Development Program (PDP)

What is the PDP?

The PDP is a Personnel Development Program that we are in the process of implementing to ensure a highly skilled and dedicated workforce within Harley Marine Services. The PDP combines onboard performance criteria with certain training and licensing requirements, which together helps to define competency standards for each position.

The PDP provides a consistent structure of learning, practice and assessment of competency throughout the entire HMS Family of Companies, enabling positive experience and good judgment.



What are the Objectives of the PDP?

- Better Safety
- Better Quality Standards of Operations
- An Objective Measuring Process for Competency
- Clear Expectations of Crewmembers
- Better Communication between Shoreside and Vessel Personnel
- A Clear and Comprehensive Career Pathway for Personnel

What are the Quality Measurements of the PDP Program?

- Reduce Injuries
- Reduce Spills
- Reduce Property Damage
- Increase Competency and Job Satisfaction
- Increase Recruitment and Retention
- Increase Customer Service and Satisfaction

July Birthdays

Birthstone: Ruby

Flower: Larkspur & Water Lily

Harley Marine NY

Kenneth Shaw—July 28th

Harley Marine Services

Cheryl Domier—July 24th

Millennium Maritime

Richard Jabuka—July 17th

Anthony Lobro—July 24th

Olympic Tug & Barge

Dan Allnoch—July 2nd

Timothy Curley—July 2nd

Larry McCormick—July 2nd

Byron Peterson—July 2nd

Howard Frank—July 3rd

Tom Appleton—July 6th

Daniel Baumfalk—July 7th

Michael Coleman—July 7th

Scott Coleman—July 8th

Brandon Chafe—July 19th

Ryan Gartner—July 21st

David Alexander—July 24th

Andrew O'Donnell—July 24th

Mike Harley—July 25th

Vincent Kucera—July 25th

Cory Verbeck—July 28th

Gary Sitherwood—July 29th

Pacific Coast Maritime

Chris Iszler—July 2nd

Pacific Terminal Services

John Overly—July 7th

Starlight Marine Services

Beattie Hendricks—July 5th

Jonathan Willingham—July 12th

Marc Douville—July 24th

Westoil Marine Services

Enrique Gomez—July 5th

Daniel Seeley—July 9th

David Holguin—July 17th

401(k) Open Enrollment

Human Resources mailed out 401(k) open enrollment packets last month for all eligible employees. The enrollment deadline is **July 10, 2009**. Due to administrative constraints, any forms that are turned in after the deadline will be filed for the next open enrollment in January 2010. Please return forms to your local HR representative.



Human Resources Dept

NEW RESIDENCES AT LA-301



For the last month, SO-CAL vessel crews have been passing back and forth a few feet away from a seagull nest that was built on a concrete pad about 4 feet high on the end of the dock at LA 301. Every time anyone would pass by, the seagull sitting on the nest would squawk and protest. Soon two eggs appeared in the nest and the bird became even more vocal. As you can see from the picture above, the eggs have hatched and there are two new temporary residents now sharing the nest.

Safety Corner

Stay COOL in the Sun



With summer approaching, it is important to protect yourself from heat related illnesses when working onboard the vessels, barges or on the dock. The hot days of summer can cause problems for those who work outdoors in either direct sunlight or in hot environments. Such illnesses could include heat stress, heat exhaustion or heat stroke. It is imperative that you recognize the signs of heat stress and take proper precautions to reduce the chances of illness or death.

High temperature and humidity, physical exertion and lack of sufficient water intake can lead to heat-related stress. Symptoms of heat exhaustion or heat stroke include confusion, irrational behavior, loss of consciousness, abnormally high body temperature and hot, dry skin.

You can protect yourself by taking preventative measures such as reducing/sharing physical exertion, wearing light, loose-fitting clothing, drinking plenty of water and taking more frequent rest periods in a cool area. It is also important to watch out for each other and monitor those you work with for signs and symptoms of over heating.

There are two OSHA fact sheets available below that explain heat stress and provide recommendations to protect yourself from exposure to ultraviolet radiation. Please click on the below links to access the fact sheets.

[**Protecting Workers from the Effects of Heat**](#)

[**Working Outdoors in Warm Climates**](#)

Protecting yourself and your family away from work is equally important, for some tips and more information, please click the below link.

[**Working and Playing in the Outdoor Heat**](#)

You can also find more practical tips for guarding against UV radiation in [**Protecting Yourself in the Sun**](#), a pocket-sized card addressing various forms of skin cancer.

Andre Nault

Safety Manager—California

Cooking with the Captain Captain Chris Starkenburg “Corned Beef and Cabbage”

Ingredients:

| | | | | |
|----------|-------------------------------|--|----------|--|
| 5-7 lbs. | Corned Beef Brisket, flat cut | | | Water |
| 1 | Seasoning Pack | | 1/2 cup | Pickling Spice |
| 3 stalks | Celery (for the stock) | | 15 | Baby Red Potatoes, whole |
| 2 | Carrots (for the stock) | | 1 | Carrot per person, split and quartered |
| 1/2 | Yellow Onion (for the stock) | | 3/4 head | Green Cabbage, wedged |
| 1 | Bay Leaf | | | Fresh Chopped Parsley |
| 1 | Bunch of Fresh Parsley | | 1-2 cups | Horseradish Sauce |
| 1 bottle | Guinness Beer | | 6-8 oz. | German Style Stone Ground Mustard |
| 1 tbs. | Dijon Mustard | | | |

Directions:

1. In a large roasting pan, place the celery, carrots, yellow onion, Bay Leaf, and parsley at the bottom of the pan for the stock.
2. Remove the corned beef and seasoning pack from the store bought package, and then place the beef on top of the stock. Sprinkle the seasoning pack on top of the beef.
3. In a separate bowl, mix the beer and Dijon Mustard until dissolved. Pour the mixture over the corned beef.
4. Add water to the roasting pan until the corned beef is 90% covered.
5. Sprinkle the beef with pickling spice.
6. Tightly cover the pan and place in a pre-heated 325°F oven, cook for 4-5 hours. If you are using a crock pot, cook for at least 8-10 hours.
7. You can test the cooking speed by sticking a carving fork in the thickest part of the beef and slowly twisting. If the meat gives and separates, the beef is done.
8. Remove the cooked meat and place in a pan, add some of the cooking juice and cover with a piece of plastic wrap. Keep warm until you are ready to serve.
9. Add the baby red potatoes to the roasting pan, cover, and cook for 45 minutes. Add the quartered carrots and cabbage and cook until tender (roughly 45-60 minutes).
10. When ready to serve, slice the corned beef cross grain and serve with the carrots, red potatoes, horseradish sauce, and mustard.
11. Garnish with fresh chopped parsley.



Serves: 6-7 people

Harley Marine Services, Inc.

910 SW Spokane Street
Seattle, WA 98134
(206) 628-0051

www.HarleyMarine.com

Editor: Stephanie Wright
swright@harleymarine.com

June Employee of the Month

Olympic Tug & Barge Haldor Dahl, Deck-Tankerman

The June Employee of the Month is Haldor Dahl, Deck-Tankerman on the Lela Joy. Haldor has stepped up and taken on extra work during his off time to ensure jobs are covered. Not only has he taken on the role as deck-tankerman, but he has also filled in as an engineer. His dedication and support have tremendously helped dispatch get the work load covered. Thank you Haldor for all of your help, keep up the hard work.

Westoil Marine Services Randy Atwood, Chief Engineer

The June Employee of the Month is Randy Atwood, the Chief Engineer onboard the Tim Quigg. He is dedicated and a hard working employee who is always willing to lend a "helping" hand. Currently, he has taken on the project of documenting the fuel transfers for the local Los Angeles tugs. As part of the project, he will be drafting the procedures and then training fellow engineers on the process. Millennium Maritime Management gratefully thanks Randy for continuing to do a superb job and recognizes him as Employee of the Month.

Starlight Marine Services Joshua Stultz, Captain

The June Employee of the Month is Josh Stultz, the Captain onboard the Z-Three. Josh is always eager to go above and beyond, whether it is aboard the vessel, or looking to assist shore-side on a project. Of recent, Josh was a large contributor to the Simulator Program Development and roll-out at California Maritime Academy. Since delivery of the Z-Three to SF, Josh has worked hard to continue making improvements to the vessel. With the live aboard status of our ship assist operation, noise reduction has been an ongoing challenge especially on the Z-Boats. While many options were being explored, Josh went even further outside the box and developed an economical and efficient remedy to the solution. Because of this solution, the quality of the work environment has been improved dramatically. Thank you Josh, great job.

June New Hires

Millennium Maritime
Jennifer Beckman—Marketing Coordinator

Olympic Tug & Barge
Thomas Flies—Maintenance
Jake Franco—e-Maint Coordinator
Ravi Sekhon—Maintenance

Pacific Coast Maritime
King Morris—Deckhand/Cook

