

SOUNDINGS

June 2010

Safe ♦ Responsible ♦ Reliable ♦ Efficient

FOCUS ON SAFETY:

Harley Marine Services Begins New Series of Training Classes

As part of our continuing education, Harley Marine has collaborated with Pacific Maritime Institute and Fremont Maritime Services to develop two training classes for our employees. The classes were designed specifically for our operation and requirements.

The class at Fremont Maritime Services is a two day Safety Seminar. Day one is conducted in the classroom and covers such topics as safe working practices, NPDES vessel general permit requirements, TWIC and security refresher, ergonomics and back safety, damage control and line handling safety. Day two is a firefighting refresher in both the classroom and in the field for practical exercises. All vessel personnel will be required to take the class and will be scheduled by their local managers. After completion of the class, students receive a Certificate of Completion that is good for one year. We have already had one seminar and have had really great feedback, participants have really enjoyed the class and training.

The class at PMI is a three day simulator training that covers Navigational Skills Assessment Program (NSAP), Voyage Planning, Mentoring & Assessment Program (MAP), Communication Workshop and Tug & Barged Handling. We are still developing this class and coordinating all the details, but will be ready to start in Mid-July. Day one is an in-house training session and voyage planning overview as well as simulation familiarization and dry run. Day two is simulation training involving several evolutions. And, day three concentrates on docking and undocking evolutions with the use of an assist tug and docking and undocking barges using engine and rudder commands. This class will be required for all deck officers and will be arranged by local management. It is a three day class, day one day two day three will concentrate on docking and undocking evolutions .

Each class is part of our company wide training program. We will be working with California Maritime Academy and MITAGS for our employees based in cities other than Seattle and Portland.

JUNE HOLIDAYS

14th - Flag Day

20th - Father's Day

THUMBS UP

- ♦ Thumbs Up to Ravi Sekhon for compiling data to support our recent Carl Moyer funding applications to remanufacture the main engines on two Southern California tugboats in order to reduce emissions and comply with Tier 2 emission standards. Thanks!
- ♦ Big Thumbs Up to Sven Christensen and OTB for reducing their carbon footprint by using copy machine toners from Cartridge World.
- ♦ Thumbs Up to Kurt Zaverson and the crews of the Pacific Falcon for their excellent help putting the 65 Roses together at Pier 23 in Seattle, and for their outstanding performances during the first loads and discharges from Burnaby, BC and Richmond, CA. There are numerous things that need attention and systems that need fine tuning on a new piece of equipment, Kurt and the Pacific Falcon crews pitched in and put it together. Thank you! Pacific Falcon Crew: Andy Borowski, Dan Nystrom, Steve Carleton, Derrick Hobbs, Sean O'Connell, Mark Sanders, Dan Hansen, Steve Yberra, Wojciech Satlawa, and Chris Diecks.

Safety Corner

WANTED: Safety Trainers from the Fleet!



June is National Safety Month. A good way to start the month and get everyone aboard the vessels thinking more about safety is to announce Safety Trainers from the fleet. You have all used the safety trainers that have been sent out each month by the safety department to help pass on valuable safety information.

As vessel crews, you deal with safety issues every day. And you no doubt have experienced or witnessed numerous close calls or incidents and have learned some valuable information that could help your fellow mariners do their work safer. One good way to share this information is through the monthly Safety Packet, and what better information to share than what takes place in your daily work? To help do this the safety department would like to get information from you that can be shared with your fellow mariners.

The way it works is this: write a Safety Trainer to share in the monthly Safety Packet with the rest of the fleet. Your trainer should be between 250 and 1000 words and be about some aspect of safety aboard your vessel. These can be ideas to share in a safety meeting, a near miss, or any other short safety related article. The safety department will review all submissions and if we use your safety trainer or article in the monthly packet, you will receive a very nice and useful piece of equipment like a pair of binoculars, a serrated blade line knife or some other piece of equipment to use in your daily work. You will also get credit for the article and be recognized in Soundings for the article. When you send in your submission include your name, position, and which HMS company you work for.

Hopefully we will get a good response to this and look forward to receiving your articles.

Give it a try — you all have valuable information to share!

Send your submission via email to safety@harleymarine.com.

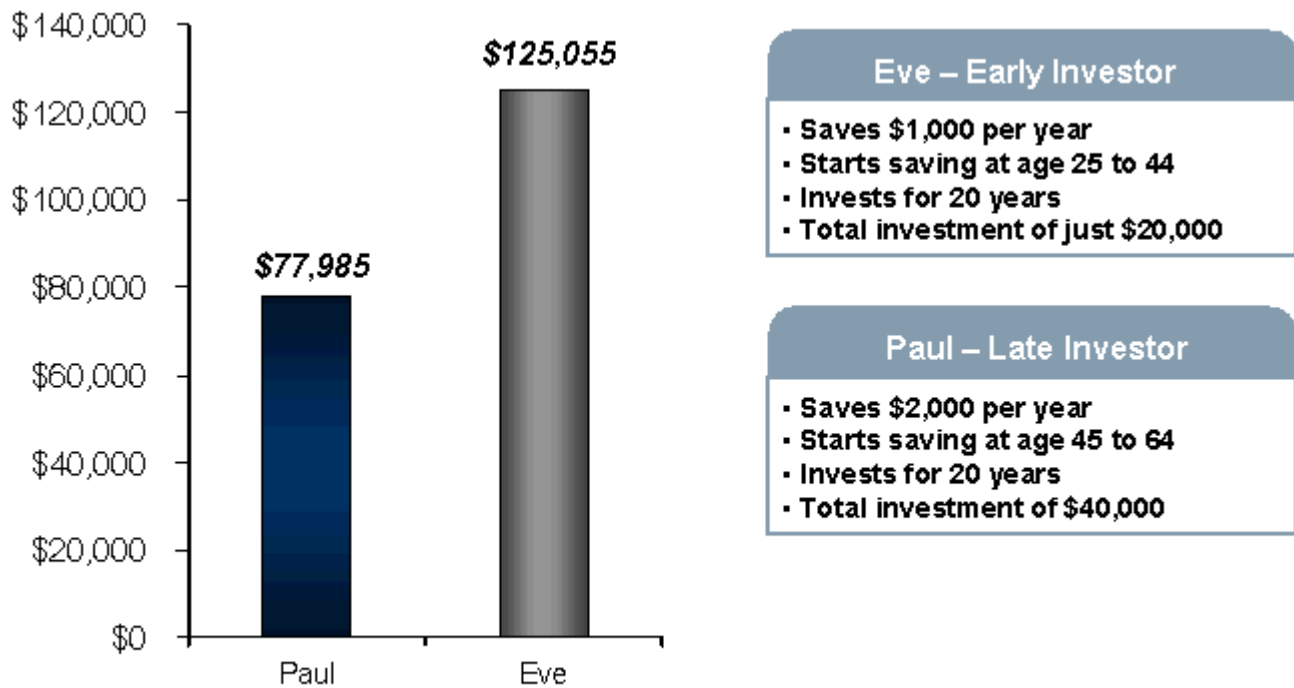


Start Early

Saving money is a discipline and can be challenging at times. The easiest and smartest way to save for your future is to consistently save a designated amount each paycheck. Each dollar you save is invested and has the potential to grow, especially if you have more time to invest before retiring. This method has proven to be the most successful. Stick with it and eventually it can become second nature. Remember that this is a long-term goal.

In this illustration Eve saved \$1,000 per year for 20 years, and Paul saved \$2,000 per year for 20 years. Eve contributed a total of \$20,000 and Paul a total of \$40,000. You would assume that Paul would have more money at retirement since he contributed more, but actually Eve has the larger account balance. This is because Eve started saving early at age 25, while Paul waited until age 45.

With retirement 20, 30 or even 40 years away, time is the key to saving and investing for your future. Start saving now and watch your investments grow over time. You will appreciate the fact that you started early.



These examples are based on annual contributions to a tax-deferred retirement plan. Your own account may earn more or less than this example, and ordinary income taxes will be due upon withdrawal from your plan account. The illustration assumes no fluctuation in principal or rate of return. This example uses a hypothetical 6% annual rate of return.

Q-Factor

#6 Safety Tenet - Be Honest, Transparent, and Accountable

By: Captain Josiah Layfield, Millennium Maritime

For the next several months we will be reviewing each one of our Safety Tenets - Top 10 Things I Can Do for Safety to achieve: Zero Spills, Zero Incidents. The sixth safety tenet is - Be Honest, Transparent, and Accountable.

Honesty, transparency, and accountability are words that we hear a lot lately, but not always in unison. In order to be true to any one of them, both in business and in life, we must employ them simultaneously. Safe operation of our vessels relies on them all.

Honesty: ***Free from fraud or deception.***

Sometimes the view from on board a company tug is drastically different than the view from the office or even the maintenance yard. Honesty in all aspects of work not only leads to a mutual respect, but also makes the company and vessel run safer. In all interactions, honesty must be reciprocal. A seemingly simple item such as the time available for a barge shift or the diagnosis of an engine alarm can quickly turn into a small crisis. It may not always affect the involved tug or shore side support team, but perhaps the next shift or next barge scheduled to load. This unnecessary burden can lead to a crew trying to complete a half hour job in ten minutes. If we can stay true to this tenet and be honest in every portion of our watch, we not only help our shipmates but also improve the safety and efficiency of our company.

Transparency: ***Visibility and accessibility of information.***

Honesty leads to transparency. If we are transparent in the operation of our equipment we keep unsafe practices and overlooked maintenance items in the open. It may be easier to gun deck a few small items during an inspection, but over time this can lead to a tug that looks great on paper, but may not be ready or capable of dealing with an onboard emergency. If we are transparent from the start we never end up in a situation where certain information must be held close to the chest. A transparent operation can be assessed more easily and items that need attention will be dealt with faster.

Accountability: ***Subject to giving account of actions.***

If you are going to be transparent, you must be willing to be accountable. Being held accountable is not always the easiest pill to swallow. We have all been in a situation where it seemed easier to keep quiet about a mistake made. This ends up never being the case. Accountability earns respect. The ability and willingness to stand up and take ownership of one's actions builds trust. Whether it be between crew and dispatcher or barge and terminal, mutual accountability keeps operations safe.

In order to be honest you must be transparent, and in order to be transparent you must be willing to be held accountable for the actions you take. A tug and barge is sometimes the first and only company representation that a ship or terminal may encounter. We can make a safer work environment for each other and a better option for our customers if we adhere to these principles in our daily operations.

401(k) Open Enrollment



The company 401(k) open enrollment for July 2010 has arrived! Human Resources will be mailing out packets during the last week of May for newly eligible employees. Additionally, all current participating and eligible employees will be mailed a deferral form for making changes to their existing contribution percentage.

Please note that open enrollment is the only time that your deferral amount can be changed. You may change your elections at anytime online at www.moranknobel.com. The enrollment deadline is **Friday, June 11th, 2010**. Due to administrative constraints, any forms that are turned in after the deadline will not be processed and you will have to enroll during the next open enrollment in January 2011. Please return forms to your local HR representative no later than the deadline above.

For additional information or questions on the 401(k) program, please do not hesitate to contact your HR Representative anytime at 206-628-0051

June Anniversaries

Harley Marine NY

Joseph Dady - 3 years
Kenneth Shaw - 3 years

Harley Marine Services

Courtney Wickens - 4 years

Millennium Maritime

Pat Lopez - 11 years
Jennifer Beckman - 1 year

Olympic Tug & Barge

Bradley Lowe - 18 years
Chris Swan - 18 years
Mike Curry - 13 years
Ben Lussier - 10 years
Steven Carleton - 9 years
Dan Corkery - 9 years
Tim Dougherty - 7 years
Garri Ferguson - 7 years
Mike Coleman - 6 years
Joel Gerstenberger - 3 years
Tyler Visser - 3 years
Jacob Beaty - 2 years
Ravi Sekhon - 1 year

Pacific Coast Maritime

Tim Hinman - 3 years

Public Service Marine

Trent Newlon - 14 years

Pacific Terminal Services

Tina Garrett - 19 years
Larry Lamb - 9 years
John Overly - 5 years

Starlight Marine Services

Martin Miller - 7 years
Chris Royeton - 5 years
Samuel D'Aloisio - 4 years
Daniel Morrison - 3 years
Rodney Ortiz - 3 years
Michael Rubino - 2 years
Orion Steele - 2 years

Westoil Marine Services

Daniel Seeley - 10 years
James Garvey - 7 years

June Birthdays

Harley Marine NY

Richard Benoit	6/8
William Richardson	6/21
Steven Pokas	6/23
Miguel Ortiz	6/23
William Odegaard	6/29

Harley Marine Services

Mike Coon	6/4
Michelle Moll	6/8

Millennium Maritime

Stephen Higgins	6/23
Doug Houghton	6/25

Olympic Tug & Barge

Jacob Beaty	6/3
Justin Hutton	6/9
Bradley Hilton	6/12
Robert Shepherd	6/12
David Cougher	6/14
David Hanshaw	6/14
Joseph Miranda	6/20
Sean O'Connell	6/22
Max Jahn	6/24
Jack Forsyth	6/25
Adam Goodfellow	6/25
Phillip Jordan	6/27
Tom Plucinski	6/28
Tim Kline	6/28
Bryan Adams	6/29

Pacific Coast Maritime

Rick Bostwick	6/9
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Westoil Marine Services

Ryan Voci	6/16
Hector Garcia	6/17
Chad Millikan	6/25

Great Stride Cystic Fibrosis Walk May 1, 2010 in Southern California



In last month's newsletter, we highlighted the local Cystic Fibrosis Walk at San Dimas Regional Park in Southern California. A very special thanks to everyone that laced up their shoes and participated in the 9th annual San Dimas Great Strides!

The weather that day was perfect, with clear skies and moderate temperatures. We had close to 500 participants this year and we have raised over \$120,000.00 to help find a cure for CF.

A very special thanks to all those who gave, through donations, help, thoughts and prayers. As each day passes and another dollar is donated, we come that much closer to a cure.

Thank you,
Pete and Mary Hofmann



Harmeling Family

Robert Harmeling is a Mate at Olympic Tug & Barge.



Join us in welcoming
Kamryn Louise Parckys
 to the Harley Marine Family!

Birthday: May 6, 2010 @ 1:43pm
 Weight: 8lbs. 9oz.
 Length: 20 3/4 inches
 Proud Family: Traci and Johnny Parckys, big brother Connor and big sister Katelyn. Johnny is a Deck Tankerman at Olympic Tug & Barge.



Send in your favorite photo of one of our tugs or barges for your chance to be displayed in the Newsletter.

Cooking with the Crew

Captain Kirk Bonnin, Olympic Tug & Barge

“Simply Delicious Pizza”

Ingredients:

Gyros Bread	Olive Oil
Elephant Garlic	Pizza Sauce
Asiago Cheese	Mozzarella Cheese
Parmesan Cheese	Monterey Jack
Chicken Breast (cooked)	Any choice of toppings

Directions:

1. Cover the bottom of a pan with olive oil. At high heat, add one heaping teaspoon of chopped garlic.
2. Let the garlic brown, then add Gyros bread and fry until garlic blackens, leaving bread brown and crispy.
3. Add your favorite pizza sauce to the bread.
4. Sprinkle the bread with Mozzarella, Parmesan and Monterey Jack cheeses.
5. Add chicken or your favorite choice of toppings.
6. Top it off with Asiago Cheese.
7. Broil the pizza to melt the cheese and heat the toppings.

Notes:

In building your pizza, less is better, so that you achieve a unique blended flavor.

When considering pizza sauce, do not be afraid to purchase the sauce from your favorite restaurant. I have located my favorite sauce in Seattle at Marion Street Pizza.

This is a great way to explore different pizza combinations. Set up your area like a salad bar and build your own personal, *Simply Delicious Pizza*.



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MAY EMPLOYEE OF THE MONTH

Starlight Marine Services

Jacob Laprade, Deckhand Engineer

For the month of May we would like to acknowledge Jacob Laprade as Starlight Marine's Employee of the Month. Jacob always comes to work with a positive attitude and consistently makes improvements on whichever boat he is working on. Jake is always ready to lend a helping hand when another fellow crew member needs help. Jake does the job that is asked of him and gives 100 percent every time. It is a pleasure to work with Jake because he makes the job fun! Starlight Marine appreciates all of his hard work. Congratulations.

Olympic Tug & Barge

Steve Ybarra, Engineer

For the month of May we would like to acknowledge Steve Ybarra as Olympic Tug & Barge's Employee of the Month. Steve is more times than not available to help with training of new engineers and is available to help when schedules are busy. He has gone above and beyond to cover and fill in when needed. His many years of experience and engineering ability prove to be an asset to OTB and Harley Marine. Thank you Steve!

Westoil Marine Services

Justin Houghton, Port Mechanic

For the month of May we would like to acknowledge Justin Houghton as Westoil Marine's Employee of the Month. Justin is a shore based mechanic for WMS and MMI and has been with us for five months. During this time he has been instrumental in leading the mechanic team in servicing our tug and barge fleet. Justin's "can do" attitude and great work ethic is crucial to the success of the LA/LB operation. We are grateful to have him as a team member and look forward to his continued tenure with the HMS family. Thanks for the good work Justin, you are appreciated.

MAY NEW HIRES

Olympic Tug & Barge

Tyler Holmes, Shoreside Dock Worker
Akiva Kurland, Shoreside Dock Worker

Harley Marine Services

Denise Staley, Accounts Payable Specialist

Westoil Marine Services

Jesse Houghton, Port Mechanic

