A Cleaner Today, a Better Tomorrow

Harley Marine Services has received confirmation that the Puget Sound Clean Air Agency has received funding from the US Environmental Protection Agency (EPA) to repower the Tug Eagle. In January, we applied for an EPA National Clean Diesel Funding Assistance Program grant to repower the Eagle with cleaner, more efficient engines. The program provides funding to reduce emissions from existing diesel engines. Funding will cover approximately 55% of the project cost.

The project will repower the Eagle with two (2) Tier II main engines and (2) Tier III auxiliary engines. New Caterpillar 3512C main engines and Caterpillar C6.6 auxiliary engines will be installed. The overall goal is to improve the quality of air in the Puget Sound Area by reducing diesel emissions. Over the next 20 years the vessel’s engines will emit 22.8 tons less particulate matter, 612 tons less oxides of nitrogen (NOx) and 8.6 tons less hydrocarbons (HC).

Thank you to all that assisted with our grant application, especially Ravi Sekhon for his significant efforts. The repowering project supports our commitment to environmental stewardship and is one of our many company wide green initiatives.

Thumbs Up

- I would like to thank the Olympic Scout crew, Gary St. Luise, Chris Starkenburg, Joe Elton and Eric Liedberg. They showed up happy to help when called on by the Grizzly crew to change out the Stoddard Sea surge gear lines and straps. Thanks for all your help.
  John Walker, Grizzly

- THANK YOU to Mike Coon, Scott Shaw, Rob Sortor, Adam Goodfellow and Guy Larsen for your quick responses to any and all Grizzly requests. THANK YOU!!! It is very much appreciated.
  John Walker, Grizzly

- Thumbs up to Rosie Chavez and Tim Kline for putting together the new Vessel Response Plans and distributing them to the fleet.

- Thumbs up and big thanks to Kelly Moore for all of his hard work in the Gulf, while there he trained and prepared the crews onboard the Trigger and Scout. He was committed to the job and stayed until it was completed to his satisfaction, which extended his stay beyond what was planned.
Q – FACTOR
By: Captain Richard Graham, Director of QSE

PAYING ATTENTION TO DETAIL

Not all businesses are successful in implementing a quality management system. They start off with the basics and soon find out, through experience, they cannot rest on their brief success. A key component is continuous improvement through self examination and audits. So what sets the successful companies apart from the failures? A time honored answer comes from asking ourselves, “Do you believe that it’s often the little things that make a big difference between success and failure in business?” This is better interpreted as, what importance does a company place on “Paying Attention to Detail”.

At Harley Marine Services, the importance of paying attention to detail is communicated in all the usual forms, but none more importantly than when the CEO and Founder of the company, Harley Franco, makes his personal white glove inspection tours. The regional General Managers always know his schedule and the word is passed to the fleet that Harley is in town. Vessel crews double check their vessel readiness in preparation for Harley’s inspection. Harley arrives and expresses great personal interest in each crewmember, then tours the vessel asking questions to determine the crew’s morale. He compliments the Captain for managing the vessel well and then spots one very simple thing that is out of place, perhaps a rag or a piece of trash, and then bends down to pick it up himself.

With this small action, our Chief Executive Officer communicates non-verbally but most importantly demonstrates how he understands that paying attention to detail or the small things is what determines our level of excellence and the overall quality of Harley Marine Services. He maintains the ability to have the mental altitude to see the big picture while retaining the ability to see the details too. He has not forgotten his roots and the hard work expended in the marine bunker business that started it all.

So how does this relate to a quality management system? If we just watch our CEO, we should learn that if he can still have this much pride and passion for paying attention to the small stuff, we should too. You may think people don’t care about the details, but they do notice their absence. They see when you care passionately and appreciate your attention to detail. It helps turn them into loyal clients, customers, and investors. And when investors and customers notice your attention to detail, it’s all the better for this company and each employee’s family standard of living.

The board room at Harley Marine has a framed print hanging on the wall entitled, “Because the Customer”. It reads as follows:

- Because the customer has a need, we have a job to do.
- Because the customer has a choice, we must be the better choice.
- Because the customer has sensibilities, we must be considerate.
- Because the customer has urgency, we must be quick.
- Because the customer is unique, we must be flexible.
- Because the customer has high expectations, we must excel.
- Because the customer has influence, we have the hope of more customers.
- Because of the customer, WE EXIST!

Attention to detail: it makes a difference. ♦
Environmental Management

Emergency Preparedness and Response

By Tim Kline, Safety Manager NW

There are many aspects of owning vessels and moving cargo via the water these days. One of those areas of responsibility is Emergency Preparedness. Our Environmental Management System provides measures to ensure that Harley Marine’s shore-based and shipboard organization can respond at any time to hazards, accidents and emergency situations.

Oil Spill Response can be one of those types of emergencies. Each year, Oil Spill Response Organizations (OSRO) conduct drills to practice responding to oil spills. These drills are conducted in a wide array of areas throughout the year. Drills may be conducted as table top exercises or as an actual deployment of resources. Part of what makes these drills successful is having a Vessel Response Plan (VRP). The VRP is a required document that help makes sense of what could otherwise be described as chaos.

The VRP is a living document that is constantly evolving to meet the needs of an oil carrier as well as the ever changing world of regulatory legislation. The VRP is approved by the United Stated Coast Guard (USCG) every 5 years. Several state agencies have their own requirement for a VRP as well. HMS’s VRP is a combined document covering all of the companies operating areas. It includes procedures outlining how to make proper notifications, who to contact to request spill response deployment activities as well as demobilization strategies.

This first part of this year the 5 year renewals were completed with Washington State, Oregon State, and the USCG. The most recent federal regulations called for a Nationwide Salvage and Marine Fire Fighting provider, SMFF for short. The SMFF provider has on file a list of vessel particulars and drawings for each of our barges and tugs. This information creates a Pre-Fire and Salvage plan, should they need to respond to a Fire or Casualty onboard the vessel. Along with these new sections are several updates from the state agencies. Each HMS tug carries a VRP and is able to act as the Incident Command post in the initial stages of a vessel emergency.

Attention all Crewmembers:

Submit your Safety Incentive Plan Articles, JSAs and Safety Tips to SIP@HarleyMarine.com. Check your SIP points on the PAF system and redeem your SIP points on the Harley Marine Employee Safety Incentive Plan Awards Center.

A registry is available on the Vessel Communication Center (VCC) for Crewmembers to view JSA’s that have been submitted. Go to the VCC/ Risk Management/Job Safety Analysis and read JSAs that are posted there.

The Harley Marine Green initiative is alive and well. If you or someone you know is doing something unique to reduce, reuse or recycle share the news with the Green Team. Many employees are taking personal responsibility to reduce our carbon footprint and the Green Team needs to know about it. If you have ideas to help Harley Marine stay Green please, submit all Green Ideas, Green Plans and Green Practices to Green@HarleyMarine.com.
“SAVE YOUR BACK”

I know when we talk about back safety everyone gets that thousand yard stare. The majority of us in the marine industry have been listening to the back safety rigmarole for our entire career. That’s because it’s a common injury to an extremely important part of your body which can usually be prevented. Strengthening your core and staying flexible is key.

So here is a tip. How about doing a little warm up before doing an activity which may tax your back. Do some light stretching before you step out on deck. This will loosen muscles and remind you to think about back safety. Use good lifting techniques when using your back. Back flat, tighten your stomach muscles and bend at the knees. Pull steady and do not jerk. Avoid extreme twisting and reaching behind you. Do not be too proud to ask for or accept help. Give some thought beforehand to what you want to accomplish and pre-plan your movements. We have all heard the talk but when you are heading out on deck to handle lines, consider how to keep your back in good working order for all the years to come. Have a mooring plan to execute and do not pull lines by yourself. Use the buddy system with a minimum of two persons per mooring line when hauling in a line or lifting is required.
Safety Corner
By: Andre Nault

“Safe Food Handling”

Whether you handle and prepare food on a vessel or at home, it is important to remember proper sanitation and food handling practices. Improper food handling can be a source of illness and many food borne illnesses result from carelessness in the handling of our food prior to consumption.

When purchasing, transporting, storing and preparing food there are measures that should be taken in order to ensure the safety of the food you are consuming.

Here are some practices that should be followed to minimize the likeliness of contracting a food borne illness. Remember these precautions, whether aboard the vessel or at home, are to keep "your crew" safe and well.

When shopping, do not buy food past expiration dates. Get canned and packaged foods first before heading to the refrigerated sections of the grocery store. Make sure cans are not bulging or dented. Check for cracks in jars and avoid jars with bulging lids. If canned or packaged goods are sticky on the outside this could indicate a leak, and these products should be avoided. Choose pasteurized milks and cheeses, as well as juices and ciders that have been pasteurized or treated. Pasteurization is accomplished by significantly elevating the temperature of the product during processing, thus killing any microorganisms that may cause illness. Select eggs that are refrigerated and check the eggs, before leaving the store, for any cracks. Cracks can allow microorganisms to enter the eggs, thus increasing the chances for illness. Wait to select frozen food and perishables, such as meat, poultry, and seafood, until the end of your shopping trip, and bag these products separately in plastic bags so the drippings do not contaminate other food in the shopping cart. Bring a cooler full of ice to keep frozen and perishable foods cold if your return trip from the grocery store will be longer than one hour.

Safe storage: In the event of a power outage, foods stored in the refrigerator and freezer will stay fresh for a period of time if the doors are left closed. A full, tightly packed freezer will stay frozen for 48 hours if the door is closed. A partially filled freezer will last for 24 hours. Any cooked foods that thaw should be eaten immediately or thrown away. Refrigerate (40°F) or freeze (0°F) perishables immediately upon your arrival home or to the vessel from the store. Store eggs in the refrigerator using their original carton. Avoid storing them in the door because the temperature is warmer there due to the door being opened and closed. Fresh meats, poultry and fish can be placed in the refrigerator in the packaging from the grocery store if they are to be cooked within a couple of days. For longer storage, these items should be wrapped tightly and placed in the freezer. Generally, high-acid canned food such as tomatoes, grapefruit and pineapple can be stored on the shelf for 12 to 18 months. Low-acid canned food such as meat, poultry, fish and most vegetables will keep two to five years – if the can remains in good condition and has been stored in a cool, clean and dry place. Discard cans that are dented, leaking, bulging or rusted.

Preparation: Produce should be cleaned prior to preparation in order to remove any dirt and grime. Pay special attention to cleaning produce that will be eaten raw because there will be no heat involved during preparation to kill lingering bacteria. Don’t cross-contaminate. Keep raw meat, poultry, fish and their juices away from other foods. After cutting raw meat/fish, wash the cutting board, utensils, countertops and your hands with hot, soapy water. This reduces the possibility of cross contamination. When cooking meat, poultry and eggs, it is important to know safe minimum internal temperatures of the food. Make sure to use a meat thermometer to check internal temperatures of all meats and poultry. The “danger zone” of food temperatures is 40°F – 140°F, because this is the range in which bacteria multiply fastest. All poultry should reach a safe minimum internal temperature of 165°F. Beef, veal and lamb steaks, roasts and chops may be cooked to 145°F. or above. All cuts of pork should be cooked to at least 160°F. Veal and lamb should be cooked to 160°F. Make sure to refrigerate any leftovers promptly so contamination is not allowed to occur.

After you bring the food to the table: Perishable food should not be left out more than two hours at room temperature (one hour when the temperature is above 90°F). Food left out at room temperature for more than two hours (or one hour if the temperature is above 90°F) should be discarded. Food should be placed in shallow containers and immediately put in the refrigerator or freezer for rapid cooling. Cooked leftovers should be used within four days.
Harley Marine Services has established a company wide Maritime Women Appreciation Day in all ports in all areas we operate. The goal and purpose of the events is to celebrate, appreciate, honor and respect the women employed in the maritime industry. Each port has the flexibility to tailor the event to their specific ideas and areas. Below are three of the event details we have done thus far. More details to come as other ports host their appreciation day.

Dutch Harbor
The Alaska Maritime Women Appreciation Day was held in two different segments. Once school is out in this island community, vacations “outside” begin and it is difficult to get everyone together at the same time. Captain Chris Iszler of the Gyrfalcon entertained our “important ladies” at a lunch held at the Grand Aleutian Hotel. In addition to the polo shirts and lunch, we provided them with a gift certificate good for a manicure & pedicure at the only local facility. These ladies were surprised and very appreciative that we recognized them for the role they play in our operations.

San Francisco
Starlight Marine Services celebrated Maritime Women Appreciation Day onboard the Millennium Falcon for a harbor cruise and catered lunch. It was a big success with 20 professionals from all aspects of the San Francisco Bay Area maritime industry. Representatives from the San Francisco Bay Marine Exchange, local agencies, California Maritime Academy and our P&I underwriters were included. Special thanks to Lydia Zink Stultz, Charlotte Koskelin and Orion Steele for organizing such a great event and thanks to the crew of the Millennium Falcon for the excellent and professional support making the cruise a safe, well appreciated event by all.

Seattle
In the Pacific Northwest, we celebrated Maritime Women Appreciation Day with lunch at Salty’s on Alki overlooking the Seattle skyline and Elliott Bay. Attendees included all of our Harley Marine employees and local customers and vendors from Global Diving, Elliot Bay Design Group and KPI Bridge Oil. Lunch was wonderful and the weather was even better. Harley Franco, Chairman and CEO, made a special appearance to say a heartfelt thank you to all the women and the importance of their role within their specific companies and the industry as a whole. All enjoyed and appreciated their special gift bag.
Harley Marine Services Mentoring Program (HMSMP)

Harley Marine is rolling out a new Mentoring Program. This program is designed to be used by all members of the Harley Marine community. The program is an opportunity for experienced managers, Masters and employees to share their wisdom, insights and knowledge with the next generation of leaders at Harley Marine. Mentoring benefits both the Mentor and Mentee. Mentors gain a leadership opportunity and a chance to mold and influence the culture of Harley Marine. The Mentee benefits through goal setting and knowledge acquisition. Mentees will also demonstrate organization, initiative and communication skills. The enduring benefit is the trust relationship that will develop between Mentor and Mentee.

The program has two avenues where the Mentee either focuses on skills acquisition or goal attainment. Working with a Coach the Mentee will undergo a skills assessment. The pair will then decide where to concentrate their time and energy. The cycle continues until the Mentee develops proficiency in the requisite skills. Similarly, while working with a Mentor, the Mentee will work to establish career goals and then create action steps to reach those goals. The cycle continues until the Mentee has an established professional development plan with clearly defined goals and the necessary action steps to attain those goals.

Most successful individuals have an influential person in their lives who acted as an advisor or guide. The Harley Marine Services Mentoring Program (HMSMP) is opportunity to reciprocate and be that person for someone else. If you are interested in participating in the Harley Marine Services Mentor Program contact a member of the QSE department for more information.
Howdy from Houston

Progress and growth continue at Harley Marine Gulf with the addition of the tugs Trigger and Scout and the construction of two new double hull barrel barges.

The Trigger has been employed in the HMG fleet since July and most recently has been paired with the MGI 1830 double hull barge. The pair is based out of New Orleans, LA performing terminal moves on the spot market. The Scout, the newest addition, joined our fleet on August 20th. She is river style push boat and was built at Raymond & Associates in Bayou La-Batre, Alabama. She will be performing bunker work and terminal moves out of the Bayou fleet in New Orleans. She has been paired with the double hull petroleum barge, JDRF 22. Both tugs were named after horses of famous cowboys as these tugs are the workhorses of HMG. The “Trigger” was named after Roy Rogers Horse and the “Scout” after Tonto’s horse.

We have also contracted with Raymond & Associates to build two new double hull barrel barges. The barges will have a capacity of 30,000 barrels and will join the HMG at the beginning of November.

In addition to new equipment, the HMG staff have been busy hiring several new employees including Steve Estep as Port Captain, Cody Cameron as Dispatch, 2 Captains, 2 Relief Captains, 2 Pilots and 7 tankerman.

These additions will allow the Harley Marine operation in the Gulf Region to continue to flourish. Special thanks to all those that worked tirelessly to get the Scout online, your dedication does not go unnoticed.

### TUG TRIGGER

<table>
<thead>
<tr>
<th>Main Particulars:</th>
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<tbody>
<tr>
<td>Length: 72 ft.</td>
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<td>Beam: 30 ft.</td>
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<tr>
<td>Draft Light: 7 ft.</td>
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<td>Depth: 10 ft.</td>
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<td>Horsepower: 2,000HP</td>
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### TUG SCOUT

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<tbody>
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<tr>
<td>Draft Light: 7.5 ft.</td>
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<tr>
<td>Depth: 11 ft.</td>
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<tr>
<td>Horsepower: 2,000HP</td>
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</tbody>
</table>
Team Todd Support Continues

Since news broke of Todd Prophet’s diagnosis of lung cancer, Harley Marine and our family of companies have pulled together in support of the fight ahead of him and his family. Earlier this year, our TEAM TODD bracelet fundraiser brought in a remarkable $33,000 for cancer research. Support has not stopped there.

**Team Todd Tuesday Tea Tastings**
The Team Todd Tuesday Tea Tastings at Two Twenty Two have become a weekly event at WHQ. The teas we have been tasting are of a variety named raw Pu-erh which is produced in China’s Yunnan Province. These selected teas come from wild trees that are hundreds of years old. All non-herbal teas come from the same plant, Camellia sinensis. Most commercial teas are produced from plants that are 3 to 30 years old and grown on plantations in China, Taiwan, India, Japan and recently, New Zealand.

There are two styles or kinds of pu-erh tea – raw and ripe. The production and consumption of raw pu-erh tea dates back to the Shang Dynasty (16th to 11th century BCE). Ripe pu-erh was developed in 1972.

Raw pu-erh tea is a “living” tea containing beneficial microbes. The tea can be stored for many years and continues to evolve and improve as it ages. Some pu-erh teas have aged for 30 years or more and can cost more than $1,000 per pound. Chinese medicine has long made claims about the healing powers of raw pu-erh tea. Pu-erh teas come in many shapes and sizes for easy storage. These shapes include cakes, bricks, mushrooms, Frisbee discs, and bird nests. In Asia, pu-erh is often treated as an investment, and some private collections are valued at hundreds of thousands of dollars. Some valued pu-erhs are given as part of a bride’s dowry.

If you are in the neighborhood please stop by and join us for tea!

**Breathe Deep Seattle 5K Walk/Run for Lung Cancer**
Breathe Deep Seattle, a 5K fun run and walk was held in Seattle’s Lincoln Park on Saturday, August 13 to benefit the LUNGevity Foundation. The event raised $38,599 to fund the most promising lung cancer research focusing on early detection and targeted therapies. Our Team Todd was the largest team – 73 participants! Team Todd was well represented by members of the Harley Marine Family including HMS employees (present and past), spouses, children, relatives, friends, HMS business associates and 12 dogs! Team Todd was Breathe Deep Seattle’s best fundraiser - raising more than $6,000.

More than 500 participants gathered in the northeast corner of the park to collect their t-shirts and await the sound of the starting gun on a cool cloudy morning. A video of the start can be viewed by following the below link.

The participants started in a northerly direction and looped around to the south and along a walkway that took them to the park’s shoreline. As the participants approached the shoreline they were greeted by the sun which burned off the morning cloud cover. Our Team Todd performed very well both in the timed running and in the walking. The event concluded with award presentations and guest speakers. It was an uplifting day for all participants. Planning will start soon for next year’s second Breathe Deep Seattle event.

KIRO News coverage can be viewed by following the below link.
http://www.youtube.com/watch?v=Jg9d28Xq484
So-Cal participates in Vineman Triathlon

On July 30th Harley Marine’s Steve Higgins, Trent Newlon and Doug Houghton traveled to Sonoma, CA to participate in the Vineman Triathlon which took them along some of the most beautiful California’s coastlines. The Full Ironman consisted of a 2.4 mile swim, a 112.0 mile bike ride and a 26.2 mile run. The event was enjoyed by all and filled with warm sunshine, rolling hills and Sonoma vineyards. The group would like to challenge Seattle to come down next year to participate! They are all willing to travel north for the Seattle to Portland Ride!

Customer Appreciation Hike

On August 12th, Trent Newlon, Grant Hedley, Doug Houghton, Anthony Lobro, and Matt Hathaway, spent a day with Chemoil’s John Beckman on an 18 mile hike in the San Gorgonio Mountains. Also known as Old Greyback, Mt. San Gorgonio is the highest mountain in Southern California and includes over a mile of ascent. Their views along the way were filled with beautiful greenery and water. There was a harsh 1.5 mile stretch of switchbacks at both the beginning and end of the hike. The day was well spent and enjoyed by all.

HURRICANE IRENE

The photo to the left was taken on Sunday, August 28th at 0830 during Hurricane Irene. What you don’t see is the submerged Pier C at the Brooklyn Navy Yard. The tidal surge was 7 feet above maximum high tide with winds recorded at 70 mph.

Fortunately, HMNY did not experience any damage to the tugs, barges, supply containers, or the office.
Well-Conditioned Backs

Keeping your back in good shape is a key to injury prevention and exercise is an important part of back safety. Even moderate amounts of exercise can help prevent painful back injuries aboard your vessel and at home.

When you think about back safety, think about back conditioning. Back conditioning is easy to do and will help to strengthen your back as well as improve flexibility. Strength and flexibility are key elements to preventing back injuries on and off the job. Back conditioning does not have to be complicated or expensive. By doing a few simple things, you can improve the overall health of your back and associated muscle groups.

Here are some key elements of a well-conditioned back:

- **Physical conditioning.** Physical conditioning of the back means not only improving back muscles but also related muscles such as the ones in the stomach and thighs. Regular exercise should help keep the back strong, maintain your flexibility, and prevent strains and sprains.

- **Flexibility.** Staying flexible and limber is also important. A back exercise program should emphasize flexibility so that workers can bend, turn, and twist their backs without injury.

- **Healthy weight.** Carrying extra weight, especially on the belly puts a lot of extra strain on back muscles and is a frequently cited cause of back stress and pain.

 Conditioning Exercises

While you can certainly join a fitness club to get your exercise, you don't have to. Some of the very best exercises for the back can be done in just a few minutes a day without any special equipment or expense.

Some of the best exercises you can do to help improve the overall health of your back and spine are the following:

- **Walking.** A program of walking for 30 minutes a day will help strengthen muscles and prevent weight gain. Those new to walking as an exercise should start out slowly and work their way up. Do not try to do too much too soon with any new exercise program.

- **Stretching and bending.** A daily program of stretching exercises will help improve flexibility and keep the back in good condition. Stretching exercises might include bending backwards or sideways, rotating the hips, or twisting gently from side to side.

- **Sit-ups.** Sit-ups help strengthen stomach muscles, which in turn help support the back. This is also a great exercise to help flatten the stomach.

- **Leg lifts.** Leg lifts help strengthen the muscles in hips and buttocks. Leg lifts can be done while standing or while lying on the floor.

- **Squats.** Squats strengthen the back, stomach, and leg muscles, and also help practice good lifting techniques.
The SSS Retriever

In the Spring of 2011, a 1946 built, 76 ft., wooden hulled torpedo retriever was generously donated by Jimmy Smith of Grays Harbor to the Grays Harbor Sea Scouts.

Sea Scout leader and Captain Stan Severson, along with his mighty crew aptly named it the “SSS Retriever”, which is powered by 2 Detroit Diesel 1271 engines.

With the leadership of Captain Stan, Grays Harbor BSA Director James Rutz, Maria Deditius, Bruce Carley, and other volunteers, the crew has been working happily and diligently together cleaning, patching, painting, performing equipment service and repair, and especially “learning” on the vessel in hopes of getting her in tip-top seaworthy condition to be used in Sea Scout training and other local uses to benefit the scouts.

My 14 year old nephew, Drew Carley, a proud member of this Sea Scout crew, remembered that I was in the Marine Industry and called to ask if I knew where to lay hands on a couple of 8D batteries, as they had several that weren’t taking a charge and it was preventing them from getting the main engines to turn over.

I called the “Master” of all parts retrieving, Harley Marine Services’ very own Steve Springman, and asked what he could do. Steve began a search of our own facility, and when nothing was found he extended out. Due to Steve’s diligence, he was able to get a donation of 2 brand new 8D batteries from Mark Allen Knowlton at Dyno Batteries in Seattle.

This generous donation by Mr. Knowlton at Dyno brings the Sea Scout crew another step closer to preparing the SSS Retriever for Sea Scout training.

On behalf of Captain Severson, BSA Director Rutz, Bruce and Drew Carley, Maria Deditius, and the Grays Harbor Sea Scouts “SSS Retriever” crew, I would like to extend our deepest appreciation and thanks to Steve Springman, and especially Mark Allen Knowlton and the folks at Dyno for helping make a difference in young people’s lives.

You can see the progress being made and view the generosity of others on Facebook, where the SSS Retriever has an open group, and I would be happy to forward any further donations to this hard working crew.

Sincerely,
Bud Carley
Master/Alyssa Ann
Join in Welcoming
Aolani Kealoha Elizabeth Alexander
to the Harley Marine Family!

Birth date: July 21, 2011

Weight: 6 pounds

Proud Parents: Urban and Charmaine Alexander, along with big sisters Malia and Kamalei. Urban is a Public Service Marine Tankerman onboard the Olympic Spirit.

Congratulations

September Anniversaries

Harley Marine NY
John Walls - 4 years
Steven Madeiros - 1 year

Harley Marine Services
Steve Politeo - 3 years

Millennium Maritime
Josiah Layfield - 3 years

Olympic Tug & Barge
Sven Christensen - 12 years
Bryon Fletcher - 10 years
Sean O’Connell - 8 years
Greg Horton - 7 years
Matthew Hammond - 5 years
Ritchie Vogel - 4 years
Richard Becker - 3 years
Clayton Huffman - 1 year
Stephen Jones - 1 year
Randall Reinders - 1 year
Mitchell Wheelhouse - 1 year

Pacific Terminal Services
Dennis Stewart - 2 years

Starlight Marine Services
Michael Link - 21 years
Matthew Fike - 5 years
Jonathan Mendes - 5 years
Anthony Atthowe - 2 years

Westoil Marine Services
Boris Klarin - 13 years
Marshall Novack - 6 years
Louis Randazzo - 6 years
Adam Dalton - 5 years
Bryan Thebodeau - 5 years
Benedetto Baroncini - 4 years
Bruce Ketchum - 3 years
Nicholas Buzard - 2 years
Robert Sperry - 2 years
Nolan Padilla - 2 years

Continual Training at HMNY

In late June, Harley Marine NY employees participated in safety planning training on the operation and maintenance of the bunker barge boilers. Performed in the HMNY Training Center, the class included boiler operations, maintenance, repairs, and heating system valve operations.

Participants included (from left to right), Eric Kline (Volcanic Representative), Ray Churchill (Tankerman - BB Chrestensen Sea), Kevin Kelly (Engineer - St. Andrews), Matt Deckert (PE), and Brian Kelly (Barge Ops Manager).
### September Birthday's

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Date</th>
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<tbody>
<tr>
<td><strong>Harley Marine Gulf</strong></td>
<td>Timothy Picou</td>
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<td></td>
<td>Steve Estep</td>
<td>9/22</td>
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<td>Ricardo Legleu Jr.</td>
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<td>Eric Penniman</td>
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<td>Michael Simon</td>
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<td>Edwin Pagan</td>
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<td>Marc Liebig</td>
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<td><strong>Harley Marine Services</strong></td>
<td>Ravi Sekhon</td>
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<td>Heather Holmes</td>
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<td><strong>Millennium Maritime</strong></td>
<td>Michael Golden</td>
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<td>Bo Jun</td>
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<td>Andrew Hantho</td>
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<td>Ryan Reidlinger</td>
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<td>Andrew Butterfield</td>
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<td>Leo Noel</td>
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<td>William Ford</td>
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<td>Erik Starheim</td>
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<td>Craig Moore</td>
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<td>Ivan Larson</td>
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<td><strong>Pacific Coast Maritime</strong></td>
<td>Roel Villamor</td>
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<td><strong>Public Service Marine</strong></td>
<td>Urban Alexander</td>
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<td><strong>Starlight Marine Services</strong></td>
<td>Jason Vogel</td>
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<td>Orion Steele</td>
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<td>Stephanie Sandoval</td>
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<td></td>
<td>Douglas Anderson</td>
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### Happy Birthday

Anne Elizabeth and Millennium Maverick working in Southern California as she heads under the Vincent Thomas Bridge.

Lily Blair and Olympic Scout working at the Maersk Terminal in Tacoma, WA.
Retirement Planning – 3Q2011 Mid-Quarter Market Commentary

The last few months have seen dramatic events on Wall Street, in Washington, and most importantly, in your retirement savings account. Stocks prices are currently down and volatility is up, as markets fluctuate far more than normal from one day to the next.

On Friday, August 5, 2011, for the first time ever, Standard & Poor’s (S&P) downgraded the long-term sovereign debt rating of the US from AAA to AA+ which has added another layer of uncertainty to an already volatile market. Despite Congress’s agreement to spending cuts estimated to reduce the federal budget deficit by approximately $2.1 trillion, the downgrade was not unexpected. S&P had previously warned that to maintain its AAA rating, the U.S. should strive to lower the deficit by $4 trillion over the next 10 years.

While the current market conditions are unsettling, they are not unprecedented. There have been other U.S. debt crises before, and there likely will be others in the future. Stock markets will continue to move up and down based on perception of future economic growth and well-being.

During these times of turmoil, investors can lose focus on their long term goals and focus on the short term news headlines. It’s important to remember that your retirement savings account is long term in nature and your asset allocation should be based on your retirement goals and objectives (risk & return), as well as time horizon and liquidity needs.

When was the last time you gave your retirement account a check-up? Are you on track to meet your retirement goals? Remind yourself of the three fundamental steps to an appropriate retirement strategy. Now, more than ever, you should consider the following:

- **Be Patient** — Although it’s natural to worry if your investments lose value, you should resist the urge to radically alter your investment allocations (unless your portfolio is not properly diversified). You should revisit your situation periodically, especially if your personal circumstances change, to make sure that you remain comfortable with your strategy.

- **Diversify Your Portfolio** — A well-diversified portfolio is better positioned to help you avoid significant losses in a volatile market. And over the long-term, a diversified portfolio typically will produce more consistent returns and take some of the emotion out of investing.

- **Continue Saving** — While tempting, it’s a bad idea to reduce the amount you are contributing each month to your retirement account. In fact, if you increase your contributions, you may not only improve your retirement income outlook, but also to reap the benefits when the market begins to rebound.

Administrative Questions

If you have questions regarding your quarterly statement, participant website, or plan provisions, please contact your plan administrator:

G. Russell Knobel & Associates
1-800-822-9205

Investment Questions

If you have questions or need guidance with the fund options in your retirement plan, please contact your plan education specialist:

Kibble & Prentice
Melody Prescott
1-206-676-7421
melody.prescott@kpcom.com

Plan Eligibility

You are eligible to enter your retirement plan if you are age 21 or older, and have completed 1 year of service.

Other Questions

For additional information or questions on the 401(k) program, please contact your HR Representative anytime at 206-628-0051.
AUGUST EMPLOYEE OF THE MONTH

Olympic Tug & Barge
Garri Ferguson, Captain
Olympic Tug & Barge would like to recognize Captain Garri Ferguson as the August Employee of the Month. Garri has been employed with OTB for 7 years, and in that time, he has been a go to guy for any task that has come up. With Garri, you can rely on him to follow through on any task that he has been given with the highest quality of work and professionalism. Not only does his work ethic and knowledge of operations stand out, time after time Garri has proven to be a team player, willing to help out his fellow crew members and/or employees with out question. Thank you for your hard work and dedication, we appreciate the effort and professional attitude you bring every day you are part of the team!

NEW HIRES IN AUGUST

Harley Marine Gulf
Cody Cameron, Dispatch
Michael Harvey, Tankerman
John Herbert, Tankerman
Joseph Kesinger, Relief Captain
Eric Penniman, Pilot
Timothy Picou, Pilot
Preston Stelly, Captain
Justin Todd, Captain
Lloyd Turner, Tankerman
Raymond Williams, Tankerman

Harley Marine Services
Elizabeth Meberg, Marketing Assistant

Olympic Tug & Barge
Stuart Getz, Tankerman
Jesse Lowe, Shoreside Dock Worker
Anthony Travis, Tankerman Apprentice

Starlight Marine Services
Blake Cowan, Shoreside Dock Worker