

Scalzo Will Move to MRI in Reorganization; Others Advancing in a Streamlined Foss Co.



Steve Scalzo

Foss Maritime and its parent company, Marine Resources, Inc. (MRI), in March announced a reorganization plan that will beef up MRI's ability to provide strategic guidance to Foss and its sister companies, prepare for growth, and open up advancement opportunities for a rich pool of talented managers at Foss.

As part of the reorganization, Foss President and Chief Executive Officer **Steve Scalzo** will become Chief Operating Officer of MRI. He will remain



Gary Faber

at Foss, however, until a successor is found. The search, both internal and external, is expected to take six to twelve months.

Gary Faber, formerly Senior Vice President for Engineering and Shipyards at Foss, will take on a newly created position as Foss Executive Vice President, responsible for

Marine Transportation and Petroleum, Shipyards and Purchasing, and International Operations/Joint Ventures.

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Robert L. Berry Photo

Into the Heart of Texas

The Lauren Foss tows the cruiser England through Brazos Santiago Pass between Brazos Island and South Padre Island, Texas, en route to a ship-wrecking yard. South Padre Island, a tourist Mecca, is in the background. Towing large ships like the England continues to be a growing area of business for Foss. Story on page 8.



Lines

By Steve Scalzo,
President & CEO

Reorganization Continues Our Efforts to Develop And Promote Leaders at Foss Maritime Company



To keep talented people in an organization, you need to provide them with new challenges and opportunities for advancement.

The recently announced reorganization of Foss and its parent holding company, Marine Resources, Inc. (MRI) enables us to promote a number of individuals from our management team into new positions and helps assure that they continue to develop as part of our effort to meet customer needs and shareholder expectations.

For several years, we've been working on a succession-planning program,

and the reorganization allows us to put it in motion.

Also coming out of this reorganization is a new structure that turns four West Coast harbor services regions into two, one covering the Northwest and the other, California. **Bruce Reed** and **Dave Selga**, respectively, are assigned to manage these streamlined activities.

The consolidation will place individuals with responsibility closer to our customers and their activities. We have coast-wide contracts with many customers, and our new structure will enable those customers to deal more directly with the Foss personnel supporting their activities.

The new structure also should make it easier for us to coordinate activities internally between multiple West Coast ports as well as more efficiently direct common activities.

Through the reorganization, we also are bringing our Purchasing/Material control functions together with Shipyards/Engineering and Project Management under the management of **Scott Merritt**. We believe this realignment will enhance our delivery of support services.

And we have created a new position, Director of International Operations/Joint Ventures, which will be filled by **Larry Johnson**. Larry has the responsibility of coordinating the operational activities in major projects like last summer's Sakhalin Island job in Russia, an important area for Foss' future growth over the next five years.

In opening up opportunities for others, some of us will move on to new challenges of our own. After a six- to twelve-month transition period, during which we will seek a new Foss President, I will become Chief Operating Officer of MRI.

We will search for my successor both internally and externally, looking for someone with the right experience and capabilities, including a good understanding of our operating area, running

from the U.S. and Russian Arctic to the Gulf Coast.

The new President also will have a strong knowledge of our customer base, the services we deliver and will provide the kind of leadership that will help us implement our strategic goals.

I look forward to continuing a very close relationship with Foss. One of my responsibilities will be to look for growth opportunities for MRI's operating companies, and that will be an exciting area for all of us.

It goes without saying that moving on to MRI after 28 years at Foss, including the last three and a half as President, is going to be a big change. Certainly, my loyalties to Foss are very important to me. Just as important are my friendships with all of our customers and employees, both afloat and ashore, and others we work with in the maritime community.

...

Welcome aboard to Tim Engle, our new Assistant Manager in San Francisco, who is slated to take over for Scott Merritt as Manager in August. Tim received an M.B.A. from the University of Washington in 2002 and has been learning the ropes in management training since, working in SaltChuk Resources operating companies.

His wife, **Nicole**, is the youngest of three daughters of **Mike Garvey**, one of SaltChuk's owners. Tim and Nicole have a daughter, **Emma**, 4.

We wish him luck in his new career.



Inside *Tow Bitts*

A corporate reorganization adds to the capabilities of Foss parent Marine Resources and enables promotions for some of Foss' most talented young managers.

..... Cover

Officials attending a legislative hearing in Olympia, Washington, say the response to an oil spill December 30 helped minimize the damage.

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Foss Shipyard wins the prestigious President's Award for Safety after installing a new behavior-based program that produced significant reductions in its injury rate.

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More growth is reported in the large-ship towing business as Foss sells its safety record, modern equipment and decades of experience.

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A day in the life of the Barbara Foss on Neah Bay includes an on-the-water drill, some local public relations and lots of good food.

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Reorganization

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Scott Merritt, currently San Francisco Bay Area Regional Director, on August 1 will become Vice President, Shipyards/Engineering and Project Management, also with responsibility for Purchasing and Material Control.



Scott Merritt

At the same time, Foss is realigning its West Coast harbor services operations, which will continue to be led by Senior Vice President **Tom Coburn**.

Columbia-Snake River operations and Pacific Northwest operations are being brought together under the leadership of **Bruce Reed** in the new position of Northwest Regional Director. Reed formerly was Pacific Northwest Marine Operations Manager.



Bruce Reed

Dave Selga, former Southern California Regional Director, takes on the new position of California Regional Director with responsibility for the now unified San Francisco Bay and Southern California Operations.



Dave Selga

To expand its capabilities, MRI also is moving to the holding company several Foss managers in addition to Scalzo.

They include: Foss Vice President and General Counsel **Joe Langjahr**, who becomes MRI Vice President and General Counsel;



Joe Langjahr

Foss Pacific Northwest Regional Director **Ed Woodfield**, who will, as Gulf Coast Commercial Director, open an MRI office in Houston and look for new business in the petroleum industry and other areas; and Foss Director of Business Development **Marlin Schoonmaker**, who becomes Director, Project Development, at MRI.



Ed Woodfield

MRI President and Chief Executive Officer **Paul Stevens** said SaltChuk Resources created MRI in the fall of 2000 with the aim of bringing strategic direction and structure to the eight tug and barge companies it owns and to pursue expansion opportunities.



Marlin Schoonmaker

"To do that, we had to turn MRI into an organization that could take a look at how we run our businesses and determine the right direction for them, strategically, while assuring they have the proper cost structure and the right resources to succeed," said Stevens.

Before this winter's reorganization, Stevens noted, "I was basically a one-man show, and one guy overseeing eight companies is not a way to get you there."

Scalzo was an obvious choice for second-in-command, Stevens said, because of his excellent reputation, strong operations experience and knowledge of the industry.

"I wasn't sure I could convince him to leave Foss, since his blood runs green and white," Stevens declared. "But I saw a big role for him, he agreed to come over, and I'm delighted."

In addition to the Foss managers transferring to MRI, MRI's staff will be shored up on the financial side with **Kristin Sandaas**, Vice President and Group Controller, formerly Chief Financial Officer of Sea Coast Towing.

Vince Godfrey will continue as Vice President Commercial and **Toby**

Holmes will remain in his position as Director, Market Research.

Part of the MRI team's work will be to draw up a plan for growth, both organically through expansion of existing companies' sales, and by acquisition of new companies.

Scalzo said he is enthusiastic about his new job.

"Obviously, we have some very exciting challenges and new opportunities ahead of us in order to meet our customer and shareholder expectations," he said. "I am eager to participate in the further development of the operating companies' strategic direction, major new projects, service expansion opportunities, safety and quality improvements."

Other personnel changes at Foss include:

- **Frank Williamson**, formerly Assistant General Counsel, becomes Foss General Counsel, with responsibility for all risk and claims administration.

- **Tim Engle** joins Foss as Assistant Manager in San Francisco and will transition into the job of Bay Area Manager after Scott Merritt relocates to Seattle.

- **Larry Johnson**, formerly Columbia Snake River Regional Director, takes on a new position as Director, International Operations/Joint Ventures.

- **Tim Beyer** will be promoted and replace Johnson as manager of Columbia Snake River activities.



Frank Williamson



Tim Engle



Larry Johnson



Tim Beyer

Foss Takes Full Responsibility for Spill; Officials Impressed with Response Effort

State and federal officials are giving high marks to the response effort that followed a 4,600-gallon oil spill at Point Wells on Puget Sound December 30, while Foss is taking full responsibility for the mishap.

“On behalf of Foss and its 1,000 employees, we deeply apologize for the incident,” Foss President and CEO **Steve Scalzo** told a Washington State House committee hearing in Olympia on January 15. “As many of you know, Foss is a 115-year-old company in the Northwest. . . with a strong tradition and culture of safe operations.”

The spill occurred at the Point Wells terminal shortly after midnight. The barge *Foss 248-P2* had been taking on a load of bunker fuel, and one of its tanks overflowed. The cause of the spill is under investigation.

The hearing in Olympia was held by the House Fisheries, Ecology and Parks Committee, chaired by Edmonds Democrat **Mike Cooper**.

“I’ve been doing spills for a long time, and I was really impressed with the massive callout of resources that occurred in the early hours,” said **Paul O’Brien**, the state Department of Ecology’s on-scene coordinator for the response. “When my pager went off and I started asking questions, I was impressed with how many resources had already been mobilized.”

Jim Peschel of National Response Corporation (formerly Foss Environmental Services), Foss’ prime contractor on the spill effort, said that at 3 a.m., team members were meeting and calling out all available assets. They included Peschel’s company, Marine Spill Response Corporation, Global Diving and Salvage, and Clean Sound.

Within hours of the incident, those groups mustered seven skimming vessels, nine spill response vessels, three barges to hold recovered oil, five vacuum trucks, three helicopters and personnel including beach labor,



Containment booms were placed in the water at the Point Wells terminal following the spill.

licensed hazardous-materials truck drivers and trained spill response personnel.

“At one point, we counted 217 individuals that checked into the command post during the first three days of the event,” Peschel said.

At the primary landfall near Point Jefferson, several miles south of and across Puget Sound from Point Wells, about 70 laborers worked for what Peschel described as “four or five days in a row close to 24 hours a day” including a couple of days in snowy, sub-20-degree temperatures.

Commander **Mark Dix**, Chief of Operations at the Coast Guard Marine Safety Office for Puget Sound, said the teamwork among members of the Unified Command overseeing the spill response was “outstanding.” The group included representatives of Foss, the Coast Guard, The Department of Ecology, Kitsap County and the Suquamish Indian Nation. (The landfall was in Kitsap County, partly on Suquamish land.)

“This could have been much worse,” Dix said. “I was amazed we didn’t have



A spill response worker labors at the beach in Kitsap County where the oil made its primary landfall.

more wildlife impacts. . . the speed of the response was just amazing.”

Eric Larsen of the Washington Department of Fish and Wildlife said seven dead birds and five live ones were collected in connection with the spill. The dead birds had not been analyzed for oil. Three live seals were reported at risk, and one was captured and subsequently died. A fourth dead seal was recovered. Larsen didn't say whether oil caused any of the wildlife deaths.

Key Foss personnel involved in the spill response were: **Bruce Reed**, Incident Commander; **Paul Gallagher**, Operations Section Chief; **John Crawford**, Planning Section Chief; and **Craig Campbell**, who provided information technology support at the National Response Corporation command post.

Also: **Joe Langjahr** and consultant **Sam Sacco**, both providing public relations support; **Jane Habiger**, who helped track resources and maintained a situational display map; and the crew of the *Shelley Foss*, under the command of Captain **Chris Sauer**, whose initial response helped mitigate the situation.

Personnel at the ChevronTexaco terminal also provided valuable resources to the spill response effort. “They basically gave



Wildlife specialists cared for one of five live birds collected in connection with the spill.

us anything we needed,” Gallagher said.

Since the incident, Foss has initiated a complete review of its policies and procedures for tank barge operations. All tankermen are receiving additional training to assist in their performance of duties.

“If the findings and conclusions of the investigations point to better, safer and more effective ways to protect the environment during operations, you can be certain that we will make the appropriate changes in our procedures to improve our capabilities,” said Scalzo.

Little Room to Spare as a Big Salt Barge is Inched down Narrow Napa River Channel

With only a few feet of water under the keel and just 20 feet of side-to-side wiggle room in the channel, two Foss tugs inched a 360-foot barge *Seaspan 240* carrying 8,200 tons of salt down the Napa River on January 20.

The barge was 100 feet longer than the next biggest landed so far at a new terminal opened in December by Cargill. The company is cleaning residual salt out of a former salt production facility about nine miles up river above the entrance to Mare Island Straits on San Francisco Bay.

Foss was contracted to take the *Seaspan 240* from the mouth of the straits to the terminal on January 19, and bring it back out loaded on the high tide of the following morning.

The *Dean Foss* was on the bow and the pusher tug *American River*

was on the stern of the barge during the delivery to Cargill and the down-river passage.

“The barge drew 15 feet and the channel is only dredged to a controlling depth of 15 feet at lower low water,” said San Francisco Bay Marine Operations Manager **Ern Russell**. “The tide was flooding so we had the tide under us, but nothing else, and we had to stay right in the middle of the often poorly-marked channel.”

That, also, was no easy task, with the barge measuring eighty feet wide in a dredged channel only 100 feet wide.

“In some ways, the trip down was less harrowing than the trip up, as the loaded barge tended to follow the narrow dredged channel,” Russell said. “On the way up, with the barge drawing less than

five feet, we were concerned she might take a run out of the channel.”

Along the western bank of the upper river, were houses with little boats and fragile docks, Russell said.

He noted that the tugs also had to maneuver the barge through two narrow bridge openings, the Highway 37 fixed bridge and the Mare Island Causeway, each of which is only 140 feet wide.

“The important thing was getting the right pilot,” Russell said. “**Jim Jensen** ran salt barges up the Napa years ago, and has since piloted large barges along the whole Pacific Coast. Simply put, he is a master.”

At the entrance to Mare Island Straits, Foss handed the barge off to the tug *Seaspan Sovereign*, which towed the cargo to Canada for use as road salt.



Dan Porter Photo

James Jensen, center foreground, was the barge pilot during the tricky transit down the Napa River in mid-January. At left on the bow of the barge is **Mike Erwin**, and at right is **Gary Davis**, both Deckhand-Engineers in the Foss sand dredging division. Leading the barge is the *Dean Foss*, with Captain **Matt Cassee** to the left of the mast and Chief Engineer **Mark LaCroix** to the right.

Safety Program Yields Early Results, with Foss Shipyard Winning Prestigious Award

Registering impressive results following implementation of a new safety program, Foss Shipyard in early February was named the 2003 winner of the President's Award for Safety, Quality and Environmental excellence.

With shipyard craftsmen applauding, Foss President and Chief Executive Officer **Steve Scalzo** presented the award to Shipyard Director **Jim Stewart** in a lunchroom ceremony on February 3. The entire crew then feasted on pizza provided by the company.

"You've made a huge positive improvement," Scalzo told the gathering, noting that no issue is more important to the company than safety. "The results speak for themselves."

Stewart said every worker in the shipyard would receive a commemorative set of four glass tumblers and noted, "Through your dedication to the safety program, you have made Foss Shipyard a safer place to work, and it's truly something to be proud of."

The shipyard last spring became the first area of the company to implement the new behavior-based safety program. The program takes a proactive approach in which peers observe workers doing their jobs to spot unsafe behaviors before accidents happen.



The shipyard has added "Always Safe" to the Foss Guiding Principal "Always Ready" in this sign erected in January.



President and CEO Steve Scalzo addresses shipyard workers before presentation of the safety award on February 3.

Safety and Quality Assurance Director **Mike Sutton** said the shipyard's improvement has been "dramatic."

In 2002, though there was some improvement over previous years, it was decided that the safety effort in the shipyard needed to go to the next level in order to change to a culture of continuous safety improvement.

"Since the inception of the Behavior Safety Program, steady improvement in the safety attitude and performance of the shipyard has been realized," Sutton said. "It was this positive impact that led to the President's Award being won by the shipyard, where in past years, they were not in consideration."

The President's Award is based on a yearlong competition among the company's regions and business units, which are evaluated on all aspects of their safety, quality and environmental performance.

After the presentation, Shipscaler Foreman **Larry Hurtt** said the safety program appears to be working well.

"So far, so good," said Hurtt, who is a behavior-safety observer. "I think everybody realizes where the company is trying to go with this."

Stephen Carter, a Lead Outside Machinist who also is an observer, said the program is bringing about a significant difference in worker behavior.

A key to the observation process, according to Carter, is that it doesn't "focus on the negative."

"You're not criticizing them or chastising them," he said. "You're there to give them positive input."



Scalzo presents the 2003 President's award to Shipyard Director Jim Stewart.

Foss Builds Large-Ship Towing Business By Guaranteeing its Service and Reliability

The big-ship towing business remained brisk for the Foss ocean fleet during the winter, as tugs took three decommissioned U.S. Navy warships through the Panama Canal and delivered the venerable aircraft carrier *Midway* from Oakland to San Diego.

The line of business, which gained momentum last year with the acquisition of the 8,200-horsepower tugs *Lauren Foss* and *Corbin Foss*, is built on both service and reliability, according to **Paul Gallagher**, Director of Business Development.

He said Foss has grown the business by working closely with the Navy Supervisor of Salvage, Marine Surveyors, managers of the Navy's inactive ship fleet and ship-scraping yards to provide safe commercial tows in a cost effective manner.

Gallagher said the service includes holding pre-tow meetings with all involved parties, preparing detailed tow plans, pre-departure rigging inspections, use of American Bureau of Shipping (ABS) certified rigging and twice-daily position reports by satellite email from the tugs to all parties.

"We have a great safety record, modern equipment, and we have been performing this work for decades, so they know we aren't going to have any problems," Gallagher added.

Another asset for Foss is its harbor-services fleet in all major West Coast ports, which can assist in preparing the big ships for tow and enables the company to provide what Gallagher described as a "turnkey" service.

The winter work included the tow of the 533-foot cruiser *England* by the

Sidney Foss from the Navy's inactive ship facility in Suisun Bay near San Francisco to the Atlantic entrance of the Panama Canal. The cruiser was picked up there by the *Lauren Foss* for delivery to a Texas wrecking yard on December 30. (The *Lauren* had just finished towing a the destroyer *Chandler* to Charleston, South Carolina.)

The *Sidney Foss* then returned to Suisun Bay for another 533-foot cruiser, the *Gridley*, departing January 24 for another trans-canal trip to Texas with a planned arrival on March 1. Meanwhile, the *Drew Foss* was delivering the 437-foot frigate *Roark* from Bremerton, Washington, through the canal, also for scrapping in Texas, with delivery February 1.

"We were so busy that we used tugs in the Gulf and on the Pacific side and



John Bamber Photo

The Lauren Foss tows the *Chandler* through the Panama Canal last fall, midway in a voyage from Bremerton, Washington, to Charleston, South Carolina. The ship was headed for Taiwan.

passed the ships through, not only to save the customer some money, but to maximize efficiency and go back and get the next job," Gallagher said.

The *Corbin Foss*, which like its sister *Lauren Foss* had a fall delivery to Charleston, towed the *Midway* from Oakland to San Diego, where the ship is being transformed into a museum. The tow was completed on January 7. The San Francisco Bay regional group used three of its ship assist tractors to ease the historic aircraft carrier from its berth at Oakland's Howard Terminal to the traffic lanes.

In February, the *Corbin Foss* was headed to Dutch Harbor to work with the *Agnes Foss* in a regular service towing bargeloads of containers for Sampson Tug and Barge.

Gallagher observed that the *Lauren Foss*, with the company less than a year, and *Corbin Foss*, acquired last fall, have put a lot of miles under their keels.

"The *Lauren Foss* was in Russia in August and then in December she ended up in Charleston, almost half way around the world," he said. "We are extremely pleased with the *Corbin Foss* and how she has handled these



The Corbin Foss, ahead, and the Arthur Foss tow the aircraft carrier Midway under the San Francisco Bay Bridge. The Corbin finished the tow to San Diego, where the Midway is now a floating museum.

winter-time freezing conditions, which are new to the *Corbin*, since she was built in Louisiana. She's performed beyond our expectations."



The Drew Foss, with the frigate Roark in tow, is shown on the way to a Gulf of Mexico ship-wrecking facility.

Maui Winter For Iver Foss, Beach Bear

The tug *Iver Foss* and ramp barge *Beach Bear* arrived in Hawaii in mid-February to spend a couple of months removing scrap metal and debris from a small island off the coast of Maui. The island formerly was used for military target practice.

Foss is working for a local contractor, using 20 roll-on/roll-off containers to segregate scrap metal and salvageable equipment and move it to a Navy facility at Pearl Harbor on the island of Oahu.

Crew members on departure January 20 were: Captain **Brad Ragnone**, Mate **Joe Noverr**, Engineer **Dave Atkins**, Able-Bodied Seamen **Marcel Ion** and **Jason Hudkins** and Cook **Jason Esposito**. Captain **Herb Gazeley** replaced Ragnone when the tug arrived in Hawaii.

Tacoma Waterway Gets a Major Facelift; Foss Office now has Great View of Harbor

A major facelift and cleanup project is nearing completion on Tacoma's Middle Waterway, the former home of Foss headquarters and shipyard and still the company's base of operations for South Puget Sound.

The project has included removal of about 100,000 cubic yards of sediments left in the waterway during decades of operations by lumber mills and other industrial activities that have long since shut down.

Also, crews tore down five large and dilapidated buildings, demolished a couple of falling-down piers and an old marine railway, created a new fish habitat, and planted willows and cottonwood trees along the shoreline.

The waterway and adjacent land remain an industrial area "but everything looks a whole lot better," said Foss Senior Customer Service Representative **John Lewis**, who oversees Tacoma operations.

"I have a great view from my office now," he said. "I can see water on three sides of the building."



A clamshell dredge is at work in this photo taken from the porch of the Foss Tacoma office.

The Middle Waterway is the central of three parallel canals between downtown Tacoma and the Puyallup River. Foss was founded in 1889 on the canal nearest to the city, now called the Thea Foss Waterway.

Headquarters moved when the floating office building was towed to the Middle Waterway in 1943. The company's base of operation moved to Seattle in 1969, and shipyard operations were consolidated in Seattle in 1972.

The current Tacoma office building, on land, was built about 30 years ago.

Foss is contributing to the costs of the Middle Waterway cleanup and is part of a committee that worked with the U.S. Environmental Protection Agency to come up with

the cleanup plan in 1997. Also part of the group are Marine Industries Northwest, which leases the former Foss Shipyard site, and Pioneer Industries.

The group hired Anchor Environmental of Seattle as project manager, and Lewis said Anchor had done an effective job of coordinating the effort.

Manson Construction is the prime cleanup contractor, and National Response Corporation, formerly Foss Environmental Services, is one of several subcontractors on the project. Manson has chartered several barges from Foss and has used Foss tugs to support the operation.

That support included towing barge loads of aggregate from South Puget Sound. The aggregate is being used to cap dredged areas of the Middle Waterway and improve fish habitat there, and to create a fish habitat near the mouth of the nearby Blair Waterway. The dredge spoils are being used to fill an Slip 1 on the Blair Waterway.



John Lewis Photos

With the removal of five dilapidated buildings, the Foss Tacoma office has a much-improved view of the harbor.

Lewis said Foss has an excellent relationship with Manson personnel, including **Bruce Gordon**, Project Manager, and **Eric McMann**, Dredging Superintendent.

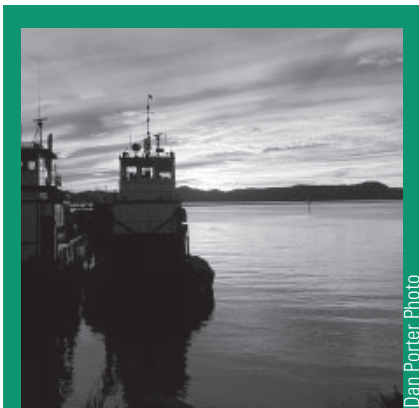
Foss regularly berths as many as six tugs in Tacoma, and the nearly 500 feet of berthing floats were moved for several weeks last fall to allow sediment dredging. During that time, the tugs rafted up against a barge.

The floats are secured with new steel pilings, replacing old ones that were coated with creosote.

At Marine Industries Northwest, work has included removal of a scow shed and reconstruction of a wharf and bulkhead. Buildings and piers that were part of a long-shut-down boat construction yard called Peterson Boatbuilding (later Cook's Marine) were demolished.

"This project has been a great benefit for the environment and for Foss Maritime's operations on the Middle Waterway and on lower Puget Sound," Lewis said. "I invite all employees and friends of Foss passing through Tacoma to stop and see for themselves."

The current project involves the outer two thirds of the waterway, which is about 3,500 feet long.



Dan Porter Photo

Winter Sunset

The mountains of Marin County provide a backdrop for a spectacular winter sunset in this photo taken from the Foss dock at San Francisco Bay Area headquarters in Richmond California. The tugs are the aptly-named Twilight, left, and the American River.

Sandra Foss and Barge Fill In For Tesoro Hawaii Operation

The *Sandra Foss* wintered in Hawaii this year, spending two months bunkering ships for Tesoro in Honolulu harbor and then going to work temporarily for Foss sister company Hawaiian Tug and Barge.

The *Sandra* and barge *Foss 248 P-3* headed across the Pacific December 6 after loading up at the Tesoro refinery in Anacortes, Washington.

Barbara Panush, Sales Manager for Harbor Services and Regional Towing in the Pacific Northwest, said the tug and tow experienced "some nasty weather" along the way but arrived safely in balmy Hawaii on Christmas Eve.

Foss was hired to fill in for Tesoro's usual Honolulu bunkering provider,

which took its equipment out of service for maintenance.

Crewmembers on departure were: Captain **Herb Gazeley**, Mate **Dave Black**, Engineer **Dan Krolow**, Able-Bodied Seaman/Tankerman **Jeff Mathers**, Able-Bodied Seaman **Joe McGimpsey** and Cook **Endre Josa**.

Replacement crewmembers, as of mid-February, were Captains **Jim VanWormer** and **Steve Robertson**, Mate **Greg Johnson**, Cargo Mate **Andrew Martin**, Engineers **Leo Filippi** and **Mike Denton**, Able-Bodied Seaman/Tankerman **Kyle Hansen**, Able-Bodied Seaman **Glenn McVicker** and Cook **Leonel Bermudez**.



Spirit Lifted at Shipyard

*The cruise boat Spirit of '98 was in drydock at Foss Shipyard from February 3 to February 19, with the main job being to replace the vessel's marine sanitation device. Project Manager **Van Vorwerk** said workers cut a hole in the side of the boat to replace its 180-cubic-foot sewage treatment tank. The yard also inspected and repaired sea and overboard valves, painted the bottom and freeboard, replaced both rudder bearings and straightened a rudder shaft bent in a grounding. The 192-foot boat is owned by Cruise West and carries passengers on tours of Alaskan waters. **Dave Palmer** was the Ship Repair Superintendent on the job.*

Barbara Foss Crewmembers Are On Alert, Standing Guard on the Coast of Washington

Mate **Scott McKinley** is at the controls on the boat deck of the *Barbara Foss* in the Strait of Juan de Fuca off Neah Bay. With a look of determination, he steers the tug in a circle, creating a big loop with a floating 200-foot towline attached to a pennant supporting a big steel retrieval hook.

If McKinley succeeds in this drill, the hook will snag a chain hanging from a free-floating buoy deployed by the *Barbara* earlier. Through the drill, McKinley is honing his skills for the next time the *Barbara* hooks up to a disabled ship as the Washington State rescue tug.

The chain suspended from the buoy represents the anchor chain that would be hanging from a ship's bow in a true rescue situation. The buoy begins to spin as McKinley draws the moving towline



*Mate **Scott McKinley** is at the controls on the boat deck of the *Barbara Foss*, trying to snag an “anchor chain” with the retrieval hook.*



*McKinley and Deckhand **Scott Mitchell** wrestle a retrieval hook and its buoy over the transom of the *Barbara Foss*.*



When he's not supervising operations on the *Barbara Foss*, Captain **Tim Federspiel** likes to jog around the village of Neah Bay. He also attends an occasional high school basketball game.

against the chain. He tenses and squints as the hook approaches its target, shrugs his shoulder as it misses, and then he begins another circle to try again.

As of late January, it had been a season of drills and projects for the two crews that man the *Barbara*, two weeks on and two weeks off. They hadn't yet been called upon to perform any rescues, making it the quietest of the six seasons Foss has had the contract to station the tug near the entrance to the Pacific Ocean.

"But we've had a lot going on," said Captain **Tim Federspiel**, reeling off some of the projects that help make the *Barbara* one of the most meticulously maintained boats in the Foss fleet.

There are the new doors the crew is making for the boat-deck gear locker. They also are grinding and recoating the bulwarks on the port side near the stern, and they just finished repainting the forepeak deck.

All of the woodwork in the pilot-house has been sanded down and re-varnished, and co-ax cable has been strung through the boat, giving everyone the opportunity to watch cable TV from his

Makah Tribal Member Learns Towboating on *Barbara Foss*

Joining the crew of the *Barbara Foss* was a natural for **Kenrick Doherty**, this year's deckhand trainee from the Makah Tribe.

A fisherman who owns his own boat and is a lifelong resident of Neah Bay, the 32-year-old Doherty says working on the tug has been a welcome and educational experience.

"It's not like getting into something that is out of the ordinary for me," he said. "And eventually I'll learn the system."

Doherty is a father of five who also likes working with kids. He coaches youth football and the junior varsity basketball team at Neah Bay High School.

An athlete himself, Doherty ran track and was the Neah Bay High School quarterback for two years and

a wide receiver for one, years when the team made two appearances in the State eight-man playoffs in the Tacoma Dome.

He explained that his first name is a combination of "Ken" and "Rick," because his parents couldn't decide between the two.

As a tribal member, Doherty is keenly aware of the *Barbara Foss's* mission — to protect the Washington coastline from environmental damage that could result from grounded ships or barges.

"It would be nice to have this tug here year-round," he said. "Some of the things we depend on as tribal people are seafood and sea life. Our relationship with the water is very important to us."



Kenrick Doherty is this year's native deckhand trainee on the *Barbara Foss*.

bunk. When the televisions are off, those cabins also should be quieter, as a result of the new door at the end of the passageway to the galley.

Then there are the routine tasks. On the day of the drill, Chief Engineer **Dan "Clem" Clemens** was replacing a leaky faucet in the galley before firing up the *Barbara* to head out into the Strait. "He can fix anything,"

Federspiel declared. "And he's also a pretty fair cribbage player."

Over the years, the *Barbara* has assisted 22 vessels, but even in busier years, the crews have lots of time on their hands. The fishing village of Neah Bay, on the Makah Indian Reservation, has a population of less than 800 people

CONTINUED ON PAGE 14

Barbara Foss On Alert

CONTINUED FROM PAGE 13

and is 60 miles by winding, two-lane road from Port Angeles, the nearest community of any size.

Federspiel — who has been on the *Barbara* every year in Neah Bay and whose step father, Captain **Vagn Kjeldtoft**, was a Foss captain who delivered the boat from its construction yard on the Gulf of Mexico in 1978 — likes to jog. He and others also enjoy going to basketball games at the local high school.

To hear the crew talk, it also sounds like the *Barbara* is something of a floating community center. Locals drop by for meals or just to pass the time. Just before the January drill, a teenager stuck his head into the galley and asked if he could borrow a grinding bit for his drill. He had it in a few minutes.

“Cheap public relations,” Feder-spiel declared.

In return, the locals regularly supply the *Barbara* with fresh-caught fish, which is a mainstay of another important ritual on the *Barbara Foss* — eating.

On this day, Cook **Morry Henry** was serving up a fish stew called cioppino,



The crew of the Barbara Foss was, from left, Chief Engineer Dan “Clem” Clemens, Deckhand Scott Mitchell, Cook Morry Henry, Mate Scott McKinley, Deckhand Trainee Kenrick Doherty and Captain Tim Federspiel.

plus fishburgers made with fresh halibut. His menu also included Reuben sandwiches and BLTs.

For the most part, the *Barbara*'s crewmembers are on the slim side, no thanks to Henry. He recalls a stint on a boat in Alaska, when one crewmember ate one of everything on the menu

at each meal and gained 40 pounds in three weeks.

“When you’re on a boat, there’s no easy way to burn it off,” Henry said.

Meanwhile on deck, McKinley finally hooks the chain, and reels it in, pulling the gear onto the boat with help from Deckhand **Scott Mitchell**.

It turned out that the open side of the retrieval hook had been facing away from the chain. The Mate had an easier time snagging it when he reversed the direction of his circles.

“I also didn’t want to upstage the captain,” McKinley said. Earlier, Federspiel nailed the chain on the first try.



Cook Morry Henry pauses while putting together lunch in the galley of the Barbara Foss. The crew, for the most part, is on the slim side, no thanks to Henry.

Guiding Principle

Foss has been known for its “Always Ready” service since the company’s founding by Thea Foss in 1889. This unique commitment is a significant cultural strength and differentiates Foss and our employees from other providers.

— From the Foss “Always Ready” Guiding Principle.

Three Patrol Boats Drydocked in Seattle; Gulf Coast Yard Hires Foss for Repairs



Foss Shipyard Shipscaler **Jared Tegantvoort** leans into a line to help pull the Coast Guard Patrol Boat *Osprey* out of drydock on February 9.

A Louisiana shipbuilder's headache turned into a bonus for Foss Shipyard in January.

Three 87-foot patrol boats, owned by the U.S. Coast Guard and built by Bollinger Shipyard, came into Foss for inspection and repair of the tubes that

house their propeller shafts. Bollinger is based in Lockport, Louisiana,

The Coast Guard has 52 of the craft, all between two and four years old, which are suffering extreme corrosion in the tubes due to electrolysis. The boats are under warranty, and Foss and other yards on all three coasts are fixing them under a contract with Bollinger.

Ken Rau, Foss Shipyard Manager of Contract Administration and Estimating, said Bollinger and the Coast Guard reached an agreement on the scope of the repairs. It includes removing the propellers, pulling the shafts, sandblasting and inspecting the inside of the tubes and making necessary repairs.

The tubes are 16 feet long, eight inches in diameter and house four-inch shafts. Yard workers run sandblasting nozzles down the inside and then cut

holes in the tubes to inspect their interior surfaces. The holes are being fashioned into ports for inspections in future years.

The three boats repaired by Foss are the *Adelie*, *Osprey* and *Wahoo*. To repair the tubes on the first one in drydock, the *Adelie*, the Shipyard had to cut out and reinstall the shaft bearings, and then realign and install the shafts.

The yard also is installing zincs to retard future electrolysis. The boats are powered by twin MTU 900 horsepower diesel engines.

In addition to the work for Bollinger, Foss has a contract with the Coast Guard to clean and paint the exterior of the hulls.

Dan Gipson was the Ship Repair Superintendent overseeing the work.



With the *Osprey* safely alongside the pier, background, shipyard workers ease the *Wahoo* into drydock for repairs.

Portland Took Brunt of Winter Storm that Slammed into Pacific Northwest in January

Harbor work in Portland came to a freezing halt for several days in early January, and a Foss team had a harrowing road trip through the Columbia Gorge, as Oregon suffered through its most severe winter weather in years.

The region was hit with a one-two punch of heavy snow beginning January 1 followed several days later by freezing rain that added a crust a few inches thick, took down power lines and turned roads into icy messes.

“The tugs were covered with so much ice that they looked like they came out of Dutch Harbor, Alaska,” said **Mike Walker**, Port Captain for the Columbia-Snake River (CSR) Region.

CSR Regional Director **Larry Johnson** said longshoremen couldn’t work container ships for a few days because the cranes were frozen to their

rails and the rigging was covered with ice from the freezing rain.

“The ice just builds up and instead of having a one-inch wire, all of a sudden you have a two-inch wire,” Johnson said. As a result of the situation, cargo ships were diverted to other ports until Portland thawed out.

On January 1, when the storm first hit, Walker and Mechanics **John Brown** and **Mitch Wilson** drove through the Columbia Gorge along Interstate Highway 84 to Umatilla, Oregon, to perform emergency repairs on a barge.

Walker was in a four-wheel-drive and the mechanics were in a chained-up crew van, and the trip took about six hours, nearly double the normal travel time.

“It was a blizzard all the way through, and people in trucks were crashing left and right,” Walker said. “Most of the exit

ramps were backed up by semis that just slid together.”

Umatilla received about 18 inches of snow, Walker said.

Both Highway 14 on the Washington side and Highway 84 on the Oregon side of the Columbia River Gorge were subsequently closed for several days.

In Portland, Johnson said people had to kick holes in the ice, to walk through the snow, “otherwise you’d fall on your keister.”

Foss employees had trouble getting to work and Johnson said schedules had to be adjusted to meet tug manning requirements.

The mayor stopped city services, proclaiming the city closed January 6 and 7. The Department of Transportation required chains on most roads, and as roads began to thaw, the tire chains turned them into washboards, restricting most drivers to speeds below 15 miles per hour.



Ray Fris Photo

The Iver Foss and other tugs in Seattle were covered with a blanket of snow on January 6, but the worst of the storm hit Oregon.

Foss Barge is First in CA Certified For Potable Water

A Foss cargo barge recently became the first certified by the California State Department of Health Services to carry potable water.

The barge is used to carry all manner of freight to a U.S. Navy Base on San Clemente Island, off the coast of Southern California. Foss serves the island under a government contract.

The island has no natural fresh water and no desalinization plant, so Foss has long been its sole source of water. The state certification was a requirement of the latest contract for the freight barge, which has a capacity of 410,000 gallons.

Wendell Koi, Foss Southern California Marine Operations Manager, said modifications required to obtain the state certification included replacing galvanized piping above deck with 6-inch stainless steel piping, overhauling pumps, and cleaning and recoating the three water tanks.

Chief Engineer **Steve Caldwell** helped coordinate the project and worked with the state inspectors, who had never previously certified a barge. Typically, they inspect and certify tank trucks and other water-holding facilities.

“Steve was instrumental in determining what the department required, putting together the scope of work and budgeting the project,” Koi said. “He orchestrated the logistics planning and used an outside vendor and Foss employees to complete the modifications in a timely fashion and under budget.”

The 250-by-72-foot deck barge, with a loading ramp, is in regular service to the island. Freight includes stores, gasoline, ammunition and armament.

Foss Adds Fourth Barge to Handle its Sand Business in The San Francisco Bay Area

Growing business with Hanson Aggregates on San Francisco Bay has prompted Foss to bring an additional barge on line to handle sand used to make concrete for Northern California construction projects.

The *Foss 252* is a former rail car barge modified with the addition of a fence, a new concrete wear deck and a conveyor system, the latter provided by Hanson. Formerly laid up in Seattle, the barge measures 317 by 56 feet and is capable of handling up to 4,500 tons of sand.

Foss Bay Area Commercial Manager **Bob Gregory** said the barge carried its first load January 14, lightering sand from a Canada Steamship Line vessel and moving it to a Hanson yard in Redwood City.

Two of three other barges Foss uses to dredge sand for Hanson on San Francisco Bay also are suitable for the lightering operations and will join the

252 in servicing what Gregory estimates will be 30 to 40 ships per year.

“The ships have extra capacity they can’t get into the dock with,” Gregory said. “If they fill to capacity and lighter at anchorage, they can increase the total volume they can bring into the market.”

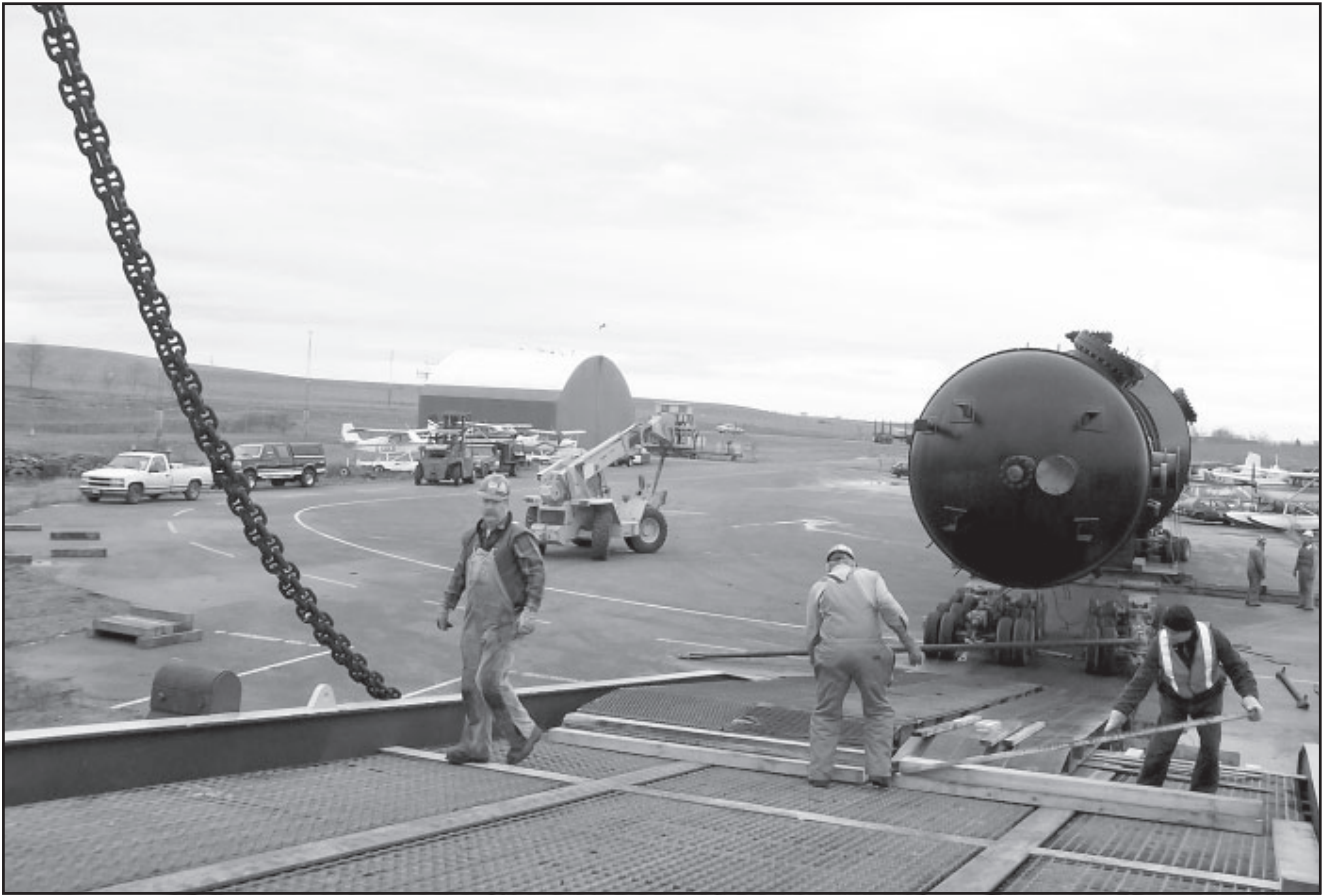
Foss and Hanson began their partnership in 2002, when Foss took over management of three pusher tugs and three suction dredges owned by Hanson. In February of last year, Foss began lightering the ships of imported Canadian sand and delivering it to Hanson and its customers.

Much of the Canadian sand is being used in concrete for the new San Francisco Bay Bridge and in other projects from Redwood City to Stockton, Gregory said.

The majority of the modifications on the 252 were performed by Foss personnel, under the supervision of Dredge Superintendent **Jim Wilcox**.



The Foss 252 discharges a load of sand in Redwood City in south San Francisco Bay on January 14.



Loaded for Bear

*Foss employed the ramp barge Beach Bear in late December to move two big and heavy vessels from Sidney, British Columbia, to BP's Cherry Point Refinery north of Bellingham, Washington. The vessels were manufactured by Ramsay Machine Works in Sidney and measured 134 by 20 feet and 105 feet by 15 feet. The larger was about 500 tons, about twice as heavy as the other. Foss Pacific Northwest Port Captain **Steve Kimmel** supervised the operation. The tug Emma Foss towed the barge and its cargo on December 23 to Bellingham, where it was moored while workers prepared the beach-landing site at the refinery. The tug David Foss completed the short tow to Cherry Point on December 28. Above, one of the vessels comes aboard in Sidney, and, at left, they hit the beach at the destination. The Beach Bear measures 242 by 60 and draws 16 feet. The hydraulic ramp is 20 by 50 feet.*

Xmas at Sea for Eight Tugs

Eight Foss tugs in the Marine Transportation Fleet were at sea on Christmas Day 2003, making more holiday voyages than the company has seen in at least a few years.

The *Sidney Foss* was returning from the Panama Canal; The *Sandra Foss* was on her way to Hawaii with an oil barge; the *Lauren Foss* was

delivering a Navy ship to Texas and the *Iver Foss* was taking the barge *Annahootz* from Indian Island, Washington, to Valdez, Alaska with a load of military cargo.

Also, the *Corbin Foss* was returning to Seattle from Panama, the *Drew Foss* was towing a Navy ship to Texas, the *Agnes Foss* was towing the barge

ZB-303 from Juneau to Valdez, and the *Justine Foss* was towing the Aquatrain rail barge between Prince Rupert, British Columbia, and Whittier, Alaska.

"It's a credit to our crews and their families who put up with their absence," said Director of Sales **Paul Gallagher**. "It's certainly a hardship to be away for the holidays and all of our customers as well as our office personnel appreciate the sacrifice."

Volunteer Profile

Accounting Manager Sharpens Her Pencil For Non-Profit Educational Support Group

It would be an understatement to say that Foss Accounting Manager **Sharon Takeoka** made a good impression after becoming treasurer of the non-profit Community Day School Association (CDSA) in Seattle in the fall of 2002.

Takeoka, a Certified Public Accountant with an MBA from Seattle University, put her nose into the state tax codes and found an exemption that landed the organization a \$21,000 refund for the previous five years and will save plenty more in the future.

"I was happy about that," Takeoka declared. "It didn't take that long to find it, and it makes a big difference for us."

CDSA operates before- and after-school child care programs at five Seattle public elementary schools. At two of the schools, the organization also has programs for pre-schoolers.

With a staff of 30 teachers that produces a child-staff ratio of 10-to-one at the elementary level, CDSA focuses on enrichment. The aim is to supplement the academic experience, while providing a safe environment for children of working parents.

"The mission here is right in line with what I'm interested in," said Takeoka, a 10-year Foss veteran. "I think education is so important and child care and enrichment are so important that it's neat for me to be able to help here."

Takeoka's husband **Bob**, who works in supplier management at Boeing, was the first in their family to connect with CDSA. He met Executive Director **Caryn Swan** when both were involved in a community service program sponsored by the Greater Seattle Chamber of Commerce, and Swan convinced him to join her board.

That was in November 2001, and with Bob Takeoka's help, Boeing became a CDSA supporter with a grant of \$20,000.

When the treasurer position opened up, Bob Takeoka recruited his wife, who had just finished her MBA. Swan

said her skills were a good match for a group whose strength is its program, not its financial savvy.

"That's why I want someone on our board like Sharon, who has a really good financial background and experience in another realm."

Those skills are doubly important, Sharon Takeoka said, in the current environment. The economic downturn has made contributions and public subsidies harder to come by, while also putting pressure on enrollment. Fewer families can afford full tuition and there is less money available to supplement tuition for low-income families.

"We have had to be really creative in how we maintain the high quality of the program," Sharon Takeoka said. "We are a non-profit, but we still have to have more revenue than expenses, or we can't keep operating."

CDSA is a United Way Agency. And in addition to landing grants from such sources as Boeing, the Bill and Melinda Gates Foundation and the Medina Foundation, it held its first auction/fundraising dinner party last

year. Foss sponsored a table, "and I hope they will again this year," Sharon Takeoka said.

The \$20,000 tax refund she engineered also is helping. The exemption is for revenue received from the State of Washington and City of Seattle.

"Our accountant had researched it in the past and had gotten bad advice from the state," she said. "I followed up with a letter and got a ruling that we indeed qualified for the exemption."

As a volunteer, Sharon Takeoka works eight to ten hours a month, including meetings and putting together financial statements.

"The neat thing about this organization is that a lot of the families we are serving are families that need it most," she said. "The education and enrichment this organization is providing is really going to make a difference in the kids' lives, in their families, and in the community too."

For more information about the Community Day School Association, visit its web site at www.communitydayschool.org.



Sharon Takeoka, left, with Caryn Swan, Executive Director of the Community Day School Association. They were photographed at Seattle's Montlake Elementary School, one of five schools where the group operates.

Exploring Teenagers Get Taste of Maritime Career Opportunities During Tour of Foss

Five teenagers toured Foss Maritime's Seattle operations and heard from company managers about jobs in the towboating and shipyard industries on March 4 as part of a new career education program.

The gathering at Foss was the first for a new Maritime Exploring Post, established under the auspices of a national organization called Learning for Life. Exploring is the organization's career education program for young men and women 15 to 20 years old.

The post is the first of its kind in the nation, and is being backed by Seattle's Youth Maritime Training Association, headed by Foss Marine Personnel Director **Norm Manly**.

Several of the youngsters on the tour were students at the Ballard Maritime Academy. Another, Foss Senior Payroll Clerk **Nancy Garcia's** son **Alvin**, intends to attend the school next year.

Barry Bertran is a high schooler from Everett, Washington, who said he decided to explore maritime careers after seeing a documentary on the discovery of the wreck of the *Titanic*.

"And I also learned that my grandfather was a sparks (radio operator) on a submarine during World War II," he said.

Marine Transportation Port Engineer **Dana Brodie** told the youngsters that there are more jobs in Puget Sound's Marine industry than there are at Boeing Company.

And Manly noted, "This is an industry that nobody knows much about. That's what it boils down to."

In addition to Manly and Brodie, the group heard from Pacific Northwest Port Captain **Steve Kimmel**, Buyer **Gary Wightman** and Shipyard Director **Jim Stewart**.

Accompanying the group on the tour were **Doug Mitschke**, Learning for Life director in Seattle, and **Jerry Detloff**, local Exploring executive.



*Foss Shipyard Director **Jim Stewart**, center, gives a tour to a group of high school students. Behind him in drydock is the yacht *Thea Foss*.*



***Norm Manly**, left, led these teenagers on a tour of Foss Maritime in Seattle on March 4. The kids are, from left, **Sandra Tislow**, **Peter Kuzmin** and **Joseph Serna**, all enrolled in the Ballard Maritime Academy, **Alvin Garcia**, who will enter the academy in the fall, and **Barry Bertran** of Everett, Washington. They are in the pilothouse of the *Sandra Foss*.*

Payroll Clerk's Sons Headed For Ballard Maritime Academy

The two sons of Foss Senior Payroll Clerk **Nancy Garcia** are likely to become the first children of a Foss employee to attend Seattle's Ballard Maritime Academy.

The academy, strongly supported by Foss, is a three-year school-within-a-school at Seattle's Ballard High School.

Alvin Garcia, 15, is currently a freshman at the high school and brother **Nevin**, 13, is in the eighth grade at Whitman Middle School in Ballard. Each has a perfect, 4.0 grade point average and likes math.

"I'm interested in fishing and riding boats and being outside on the water," said Alvin, who plans to enter the academy next year "I just like outdoor stuff."

Nevin noted that the family recently purchased a 21-foot runabout they plan to use for fishing and crabbing. "I wanted to learn about safety and other things," he said.

The Garcias got serious about the school after going on a short cruise

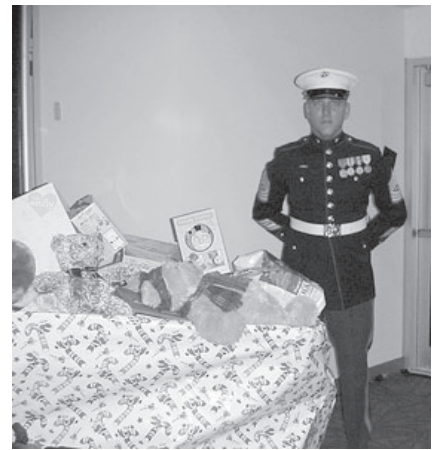
the academy sponsored on the historic steamer *Virginia V*. They learned more at the Odyssey Maritime Career Day February 5 on the Seattle waterfront.

Nancy Garcia has been with Foss since 1981, soon after immigrating from the Philippines. Her husband, **Avelino**, is a self-employed home builder.

The Ballard Maritime Academy curriculum adds a maritime focus to core classes such as language arts, science, math and history. Foss Marine Personnel Supervisor **Norm Manly** helped establish the academy through his work with Seattle's Youth Maritime Training Association.

In their first year at the academy, the Garcia boys will take a marine survey class that will give them exposure to the many career paths available in the industry.

"Who knows," Manly said. "They might be on one of those big tugboats some day."



Foss Toys for Tots

U.S. Marine Corps Master Sergeant Dan Edwards stands guard over a portion of a truck load of toys donated by Foss employees who attended the company's Seattle Holiday Gala, held December 5 in the West Club Lounge at Seahawks Stadium. In the nationwide Toys for Tots program, started in 1947, the Marine Corps Reserve collects toys and distributes them to needy children. Foss employees have been donating to the charity for three years.



Photographed recently at Foss were, from left, Nancy Garcia, her sons Nevin and Alvin, and their father Avelino.

Former Port Captain Joins Long Beach Pilotage Service

Captain **Bob Blair**, a seven-year Foss master who served as Port Captain in Long Beach for two years, has left the company to become a ship pilot.

Blair received his federal pilotage endorsement in November and on February 1 joined Jacobsen Pilot Service in Long Beach. He will undergo about three years of training before taking on full duties as a pilot.

"We hate to lose good captains," said Southern California Marine Operations Manager **Wendell Koi**. "But we're glad we have the kind of people who can move up in the industry."

Duane Crowley Retires after 39-year Career; Veteran Captain Commanded Lindsey Foss

Duane Crowley, one of the most senior captains at Foss, retired recently after 39 years of service with the company.

Crowley started his towboating career as a 21 year-old deckhand in November 1964, after service in the Navy. He worked on log boats operated by Pacific Towboat, a company owned by Foss in Everett, Washington.

Crowley advanced through Foss to become Captain of the enhanced tractor tug *Lindsey Foss*, one of the most prestigious on-the-water jobs in the company.

"I think the longevity of the employees at Foss shows that it's a great company to work for," said Crowley, 60, who was forced into retirement by arthritis. His last trip on the *Lindsey* was in March of 2003.

After two years as a Deckhand in Everett, Crowley was promoted to Mate and was transferred in 1970 to the Seattle harbor, where he worked as a Mate on ship-assist tugs. He was promoted to Captain in the mid-1970s and from then on, "I towed anything from logs to ships, and laid cable in Alaska."

He also was on the committee that studied designs of tugs for use in Valdez, Alaska, and he traveled to Europe as part of the committee's work. In late 1993, he was named Captain of the *Lindsey Foss* and delivered the boat to Seattle from its construction yard in New Orleans.

Crowley is one of seven members of his family to work for Foss, but has more time of service than any of the others, so far. His father **Tom Crowley** retired as a Captain after 33 years, and his older brother **Ray Crowley** retired as a

Captain after 35 years. His cousin **Willie Morassee**, also a retired Captain, had 37 years with the company.

Family members still in the company include Duane's son **Monte**, manager of Foss Line Services, as well as Senior Customer Service Representatives **Jim Crowley** (Ray's son), and **Chris Wolfe** (Duane's cousin).

Duane Crowley said he's received great treatment from everyone at Foss, up to and including President and Chief Executive Officer **Steve Scalzo**. "And I'd like to thank **Kathie Larson** in Human Resources, who made my transition to retirement very easy."

"It's a tough job to walk away from — I enjoyed my time here," said Crowley, who lives in Lake Stevens, Washington, east of Everett, with his wife of 37 years, **Colleen**. "But I'm enjoying being with my family now."



Joining **Duane Crowley**, third from right, at his retirement party on November 8 were, from left, daughter-in-law **Kim Crowley**, son **Monte Crowley**, daughter **Stacy Posey**, son-in-law **Tim Posey** and wife **Colleen**. The party was held at Lake Stevens, Washington, Community Hall.

People News

NEW EMPLOYEES

Tim Engle

Assistant Manager, SF Bay

Ron Nielsen

Manager, Purchasing/Inventory Control

PROMOTIONS

Tim Beyer

Sales Manager, Regional Transportation, CSR, to Manager, CSR

Gary Faber

Senior Vice President, Engineering and Shipyards, to Executive Vice President

Larry Johnson

Regional Director, CSR, to Director International Operations and Joint Ventures

Joe Langjahr

Vice President and General Counsel to Vice President and General Counsel, MRI

Dan Massey

Chief Engineer, SF Bay, to Port Engineer, SF Bay

Scott Merritt

Regional Director, SF Bay, to Vice President, Shipyards, Engineering, Project Management and Purchasing

Bruce Reed

Manager of Marine Operations, PNW, to Northwest Regional Director

Dave Rodin

Captain, SoCal, to Port Captain, SoCal

Steve Scalzo

President and Chief Executive Officer to Chief Operating Officer, MRI

Marlin Schoonmaker

Director of Business Development to Director of Project Development, MRI

Dave Selga

Regional Director, SoCal, to Regional Director, California

Van Vorwerk

Senior Estimator/Project Manager to Manager, Contract Administration/Estimating, Seattle Shipyard

Frank Williamson

Assistant General Counsel to General Counsel

Ed Woodfield

Regional Director, PNW, to Regional Director, Gulf Coast, MRI

RETIREMENTS

Ken Rau

Manager, Contract Administration/Estimating, Seattle Shipyard

PASSINGS

Dick Abelt

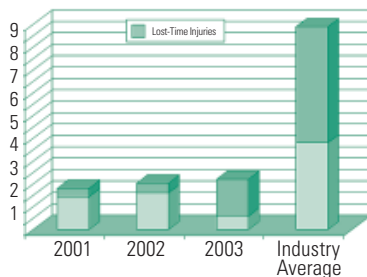
Retired Captain, PNW



Spotlight on Safety

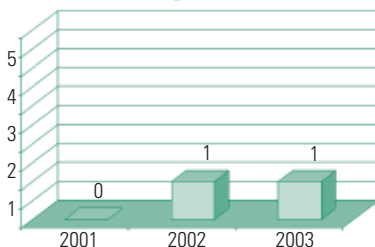
Injuries

Rate of recordable injuries per 100 workers, per year



- Recordable injuries are injuries requiring medical treatment.
- Lost-time injuries are injuries which cause a worker to miss time on the job.

Spills



- A spill is defined as any spilled material that produces a visible sheen on the water.
- Spills reported on the chart are those occurring during oil cargo transfers.



Mike Stork Photo

Maritime Careers on Display

Toby Holmes, right, Director of Market Research for SaltChuk Resources, speaks from the Henrietta Foss to a group of high school students among about 800 who attended the sixth annual Maritime Career Day February 5 at Odyssey Maritime Discovery Center on the Seattle waterfront. SaltChuk owns Foss and Foss' parent company, Marine Resources Inc., and the restored tug Henrietta Foss is owned by Mike Garvey, one of SaltChuk's principals. On Holme's right is Leiv Lea, a manager in the Foss Marine Transportation group.



Cat Lift

The Foss 300 steam derrick is at work on the Lake Washington Ship Canal in Seattle lifting the last of three 11-ton pieces of a passenger catamaran onto truck trailers for highway transit to the East Coast. The catamaran's builder is Kvichak Marine, just across the Canal from Foss. The catamaran will carry passengers for New England Fast Ferry, based in Providence, Rhode Island. The shrink-wrapped piece in the photo is the cat's port pontoon.

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