

The MSC Asya was on its way into the the Port of Long Beach recently when this photo was taken by John Springer, a superintendent with APM Terminals, while he POWER was riding on the tug Arthur Foss. The tugs in the background are the Alta June on the

port side and the Carolyn Dorothy on the starboard side. The Campbell Foss was out of site, on the transom of the ship. The Arthur's stern tires are visible in the foreground. The 1,100 foot, six-year-old containership is operated by Mediterranean Shipping Company.

FIREBOAT CONSTRUCTION HELPS BOOST SEATTLE SHIPYARD EMPLOYMENT TO ALL-TIME HIGH

New-vessel construction and a steady stream of maintenance and repair work have driven employment at Foss Seattle shipyard to its highest levels ever, with about 265 welders, electricians, carpenters and other craftsmen on the job there since November.

Shipyard Operations Director Jon Hie said the construction of two new 108-foot fireboats for the Port of Long Beach, the first to be delivered in June, is much of the reason for the sustained high employment. The workforce on that project has remained steady since the first of the year, at 70 – 80 craftsmen.

A flood of maintenance and repair work, which amounted to the yard's entire book of business before it started on the fireboats last year, has come mainly from fishing-vessel and tug operators.

The yard has been assigning welders and other craftsmen to work on a couple of tugs owned by Kirby Corporation. It also has a multi-tug maintenance contract with Crowley

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INSIDE



Record Employment at Seattle Shipyard

A record number of craftsmen are working at the Foss Seattle Shipyard, where employment has been boosted by new-vessel construction and a flood of maintenance and repair work.

Saltchuk Ethics Policies Recognized

Tim Engle, president of Foss parent company Saltchuk, says Saltchuk's 6,500 employees are actually the ones who deserve recognition for the company being named a 2014 World's Most Ethical Company.

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Fuel Cell to be Tested in Hawaii

A portable hydrogen fuel cell that will save fuel and reduce emissions will be tested next year by Foss subsidiary Young Brothers Ltd., which barges cargo throughout the Hawaiian Islands.

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Puget Sound's Dominant Tug Firm

In the second of a historical series marking Foss's 125th Anniversary, Tow Bitts chronicles how the company parlayed a tiny collection of launches into the dominant tug fleet on Puget Sound.

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Assignment San Diego

Rainier Shipyard Production Manager Tony Silva, who has risen quickly through the ranks since joining the yard as a laborer, is on a two-year assignment with Foss sister company TOTE. He is an owner's representative in San Diego, where TOTE is building two new containerships.

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Foss Mourns Passing of **Engineering Director**

Engineering Director **Doug Wolff** was only at Foss for two and a half years, but his dedication to the company and his team cemented his position as an important part of the organization.

Delivering Value and Service to Our Customers

Scott Merritt

"We seek out and respond

to opportunities to bring

value to our customers..."

- SCOTT MERRITT

By Scott Merritt Senior Vice President, Harbor Services and Regional Towing

Our approach to the harbor service business is as simple today as it was

125 years ago when Thea Foss started renting rowboats in Tacoma. We seek out and respond to opportunities to bring value to our customers, and then we work diligently to provide those services better than anyone else.

Over time, however, our customers' needs have become much more complex, and we must employ an

ever higher level of technology, experience and knowledge to meet their growing

expectations.

From rowboats. steam launches and single-screw Miki-Miki tugs to the tractor tugs of today, we have evolved to remain a leading provider of harbor services in every major port on the U.S. West Coast as well as in Alaska

and Hawaii. Foss operates more than 30 tractor tugs and performs more than 1,500 tanker escorts and more than 20,000 ship assists annually.

We also have a goal of operating

with zero injuries and zero environmental incidents. In 2005, Foss embarked on an Operational Excellence program to move our safety, quality and environmental performance to the next level, matching

that of our most sophisticated international customers.

Through the hard work of our employees and a commitment to

> our core values, we have made continued progress toward these goals and meeting 100 percent of our customer

expectations. All of this leads to meeting our shareholders' expectations for safety, honesty, ethical dealings and best-in-industry operations.



To submit articles for *Tow Bitts*, please contact Bruce Sherman, editor, sherman.b@comcast.net, or Tina Wissmar, coordinator of production, tina@foss.com. The Tow Bitts graphic designer is Barbara Hoberecht. Tow Bitts is published six times a year by Foss Maritime for employees, customers and friends. Changes to the Tow Bitts mailing list should be referred to Colleen Liman, (206) 281-3988 or colleen@foss.com.

Saltchuk Named One of World's Most Ethical Companies

Foss parent company Saltchuk, one of the nation's leading freight transportation and distribution companies, has been recognized by the non-profit Ethisphere Institute as a 2014 World's Most Ethical Company.

This is the first time that Saltchuk has been considered for this award, which recognizes organizations that raise the bar on ethical leadership and corporate behavior. Saltchuk is one of only three companies in the transportation and logistics industry honored this year.

"The more than 6,500 employees of Saltchuk companies deserve the real honors," said Saltchuk President **Tim Engle.** "They live our values each day and take to heart that the communities and customers we serve rely on us. A culture of ethics requires each employee to make a personal commitment to live up to our organizational standards."

The Ethisphere Institute is an independent center of research promoting best practices in corporate ethics and governance. The award was presented to Saltchuk at a ceremony in New York City in late March.

"The entire community of World's Most Ethical Companies believe that



Representatives from Saltchuk and TOTE attended the presentation in New York City. From left are **Michael Holt** (TOTE), **Chris Coakley** (Saltchuk), **John Hoerster** (Saltchuk), **Mark Tabbutt** (Saltchuk chairman), **Anthony Chiarello** (TOTE), Rear Adm. **Phil Greene, Jr.**, (TOTE), **Tim Erblich** (Ethisphere), **Evie Wentink** (TOTE) and **Alex Brigham** (Ethisphere).

customers, employees, investors and regulators place a high premium on trust and that ethics and good governance are key in earning it," said Ethisphere Chief Executive Officer, Timothy Erblich. "Saltchuk joins an exclusive community committed to driving performance through leading business practices. We congratulate everyone at Saltchuk for this extraordinary achievement."

The World's Most Ethical Company assessment is based upon the

Ethisphere Institute's Ethics Quotient framework, developed to assess an organization's performance in an objective, consistent and standardized way.

Scores are generated in five key categories: ethics and compliance program (25 percent), reputation, leadership and innovation (20 percent), governance (10 percent), corporate citizenship and responsibility (25 percent) and culture of ethics (20 percent).

NEW BARGE WILL IMPROVE FOSS 'CONNECTIONS' TO ARCTIC

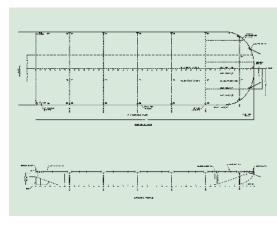
Foss Maritime is building a new ocean-going barge that will give the company an additional asset to transport large modules both domestically and internationally.

The 360-foot long by 120-foot wide by 20-foot deep barge will soon be under construction in the Portland, Ore., shipyard of Gunderson Marine. Delivery is expected in late 2014.

"This barge will further connect us to the shallow draft regions of the Arctic," said **Gary Faber**, Foss' president of global services. "It allows us to move modules and cargo more safely, almost anywhere in the world, which adds tremendous value to our existing fleet."

The barge's first Foss job is expected in early 2015, when the company will perform a second sealift of oil and gas infrastructure to Point Thomson on Alaska's North Slope. The barge will likely be towed from South Korea by the first of three Arctic-class tugs that are being constructed at the company's Rainier, Ore., shipyard.

"With increased activity on the North Slope we continue to add to our Alaska capabilities," said Faber. "Along with our new Arctic-class tugs, this barge will add yet another valuable asset."



Gunderson Marine in Portland is building the new ocean-going barge.

Foss Joins with Prestigious National Laboratory On Promising Hydrogen Fuel Cell Research

Foss Maritime and one of America's most prestigious national research laboratories are joining in a project aimed at producing cleaner air, less costly fuel and a healthier environment.

Seattle-based Foss and its Hawaiian subsidiary, Young Brothers Ltd., are partnering with hydrogen researchers at Sandia National Laboratory. They are building a portable, self-contained hydrogen fuel cell for testing at the Port of Honolulu beginning in 2015 for six months. The prototype can be installed on barges, provide power to refrigerated containers on the dock or be transported wherever it is needed to generate electricity.

"The hydrogen fuel cell is exciting new technology," said Paul Stevens, CEO and president of Foss Maritime. "It underscores once again our company's willingness to innovate and find solutions to decrease emissions from our operations. The entire maritime industry stands to benefit from the work we'll be doing with Sandia's hydrogen researchers."

Last year Sandia scientists completed a study confirming hydrogen fuel cells' ability to provide additional power to docked or anchored ships. The unit will be designed and built to comply with U.S. classification society and regulatory requirements.

"No one has ever built this kind of custom unit for this purpose," said Sandia's **Joe Pratt**, who led the previous study and serves as project manager. The unit, he said, will fit inside a 20-foot shipping container and consists of four 30-kilowatt fuel cells, a hydrogen storage system and power conversion equipment.

The completed system will be deployed by Young Brothers, Ltd., which barges goods throughout the Hawaiian Islands. The unit is undergoing detailed engineering and design through mid-2014 and, after construction and an additional month



The hydrogen fuel cell will be deployed by Young Brothers, which barges goods throughout the Hawaiian Islands.

of training for Young Brothers operators, will be operational in a six-month test phase in early 2015.

Glenn Hong, Young Brothers president, welcomed the partnership with Sandia: "Environmental stewardship is an important aspect of Young Brothers' business, so we're pleased to be part of this clean-energy initiative."

The Hawaii project is jointly sponsored by the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy and by the U.S. Department of Transportation's Maritime Administration. Two other companies are involved in the project: Hydrogenics Corp. will build the prototype unit and provide fuel cells; and, Hawaii Natural Energy Institute will provide assistance with the availability of hydrogen.

Armed with optimistic results from the 2013 study of various west coast ports, Sandia followed up with an analysis that looked in more detail at Young Brother's shipping operations. Like many operators, the company often uses diesel generators to provide auxiliary power.

"We compared the efficiencies of their diesel engines versus fuel cells, studied hydrogen costs and tried to pinpoint the cost savings and reductions in emissions that would be realized if they were to convert to a fuel cell-centered operation," said Pratt.

Following the six-month deployment of the fuel cell system, Pratt said the project team will carefully analyze the successes and challenges. "Lessons learned" might range from key technical issues related to the system itself, or operational findings that won't be known until the deployment is completed.

Pratt said the best-case scenario would be continuous, reliable operation of the prototype fuel cell system at the pier and on a barge, an operation which would save Young Brothers money and lower emissions.

The long-range goal, he said, is to develop a commercial product that can be widely used at ports worldwide. Hydrogenics Corp., he pointed out, sees a strong market need and desire for a "fuel cell in a box" product, not only at ports but also for other applications such as providing power to users not connected to an electric grid.

"All of the project partners believe in the commercial viability of this work and believe this will become much bigger than a one-off deployment," Pratt said.

SAFETY CORNER | Why is Safety Important?

By Al Rainsberger Director of Health and Safety

If someone were to ask you why safety is important, how would you respond? You may "know" that it's important to keep safety in mind as we go about your daily activities, but how would you explain the reasons why this is the case?

When a workplace is safe, we feel more comfortable and confident when we are in that environment. You want to strive to be the best at what you do in your daily tasks. In doing so, safety should always be automatically incorporated into the task at hand.

Here are some things to think about:

Just as athletes are professionals,

mariners and mechanics are professionals in their trade skill sets. Watch professional athletes warm up and stretch before a game. They stretch out for long periods of time to make sure that they are not injured. Our flex-and-stretch program is tailored to allow you to be flexible and limber prior to performing your duties and to avoid an injury.

Your family depends on you to work safe and to come home in good condition. Use all of the safety tools you have and constantly communicate your observations and concerns. If you see or encounter something that is out of the ordinary, you should report it so it is dealt with promptly.

That, in a nutshell, is why safety is important in the workplace. We all

want to do our job in a safe environment so that we can concentrate on doing the best job possible. We all understand that a safe work-



Al Rainsberger

place improves the company's bottom line.

There are advantages to running the business in a safe manner, no matter which way you look at it. Our customers notice our safe work practices, programs and commitment. It fosters repeat business together, new contracts and new customers. All because you value your safety and the safety of your co-workers. Always Safe, Always Ready!



FIVE SAFE YEARS IN THE CSR

Columbia-Snake River Region marine employees were presented with inflatible work vests on Feb. 5, in recognition of passing five years without a lost-time injury. At a gathering where top executives of both Foss and parent company Saltchuk congratulated them for their safety achievement, the mariners also were treated to a catered lunch. In the photo, CSR Regional Operations Manager Dustin Johnson, right, presents a vest to deckhand Fred Snaza.



LADDER SAFETY

Foss mariners in the Columbia-Snake River Region saw a video on safe use of ladders during their quarterly Regional Safety Committee meeting recently. The video included information on how to select the right kind of ladder, inspect it and use it safely.

Foss Becomes the Dominant Tug Firm on Puget Sound

(Editor's Note – This is the second in a series of Tow Bitts articles about the history of Foss Maritime to commemorate the company's 125th Anniversary.)

The proliferation of automobiles and bicycles and the end of the sailing-ship era brought a decline in Foss' launch and rowboat business. The company faced the prospect of dying or changing.

But as **Arthur Foss** put it in a 1939 interview to mark the company's 50th anniversary, "The history of the company is that of adapting ourselves to changed conditions... so we naturally drifted into the towing field."

Adhering to its philosophy of approaching new endeavors with caution, Foss rigged most of its launches with towing bitts to tow logs and used its larger launches to assist ships in and out of the harbor.

In 1916 Foss purchased its first tug, a five-year old 37-footer, which it renamed the *Foss 9*. The venerable little tug remained in active service until 1968, setting a longevity record for the company.

With the success of the *Foss 9* in log towing, Foss soon hired designer/builder **Robert Crawford** of Gig Harbor to build the company's first new tug, the 43-foot *Fire 12*, which was also equipped with water pumps and became Tacoma's first motorized fireboat.

The Innovative 'Teardrop' Hull

In 1916, Crawford built the company's third tug, the 45-foot, 40-horse-power *Foss 6*, which with its teardrop-shaped hull designed by **Andrew Foss**, was unlike any other tug afloat. With this tug, Andrew demonstrated his ability as a vessel designer as well as being a master craftsman with wood.

About the time the *Foss 6* was entering service, it was apparent that a reorganization was required. Elder son



The Foss No.9, acquired in 1916, was the first tug purchased by the company and remained in service until 1968.

Arthur was already company manager and Andrew was listed as president. Middle son **Wedell**, a Tacoma attorney, had limited involvement, and youngest son **Henry**, who had been in business school at Stanford University, returned to Tacoma to work for the company.

With the tow-boating business growing rapidly, the company looked for ways to expand the fleet fast enough to meet market opportunities, particularly in the log-towing business. Three steam tugs were bought from Olson Tug Boat Company, and business continued to boom, in no small part because of the buildup of maritime commerce to support the Allies in Europe at the start of World War I.

Continuing to expand, the company in 1920 purchased the Seattle-based Rouse fleet of several small tugs. In the meantime, the name of the company was changed from Foss Launch Company to Foss Launch and Tug Company. That was the company name until 1986, when it was changed to Foss Maritime Company.

In less than a decade, Foss had become Tacoma's leading tugboat operator and was now poised to become the premier tugboat company on all of Puget Sound.

Becoming the Dominant Tugboat Company on Puget Sound

Wedell Foss led the Rouse fleet purchase. He had been a prominent Tacoma attorney before World War I, when he served as a lieutenant aboard the battleship *USS South Dakota*. When the war was over and he returned from sea, he apparently had so much salt in his blood that he couldn't stay away from the water.

In 1922, the combined Tacoma and Seattle operations — with Arthur Foss as president, Wedell Foss as vice president and Henry Foss as secretary-treasurer — was of sufficient size and had the management and operating personnel expertise to become the Puget Sound area's major towing company.

Rouse had been primarily involved in towing and storing logs, but with Arthur and Wedell both moving to Seattle, the operation quickly expanded into other harbor services and regional towing. By then, Foss was one of the largest towing firms on the Pacific Coast and had the largest number of barges and scows (more than 90) on the coast.

Also in 1922, Foss made its first trip to Alaska via the mostly protected Inside Passage. The 72-foot Foss 19, with Andrew Foss aboard, came back to Seattle towing a barge loaded with 350,000 board feet of spruce. The trip from Wrangell took 11 days of non-stop running at an average speed of about three knots. By comparison, today's tugs could perform the same tow in about 80 hours.

Charting a New Course with Offshore Tows

The company charted another new course in 1924 with its first offshore tows. Foss was awarded a contract by Washington Pulp & Paper Company to tow barge loads of pulpwood from the Quillayute River on the Olympic Peninsula to the company's Port Angeles mill.

Assigned to the job was the Foss 21 (formerly the Fearless), which the company purchased and spent \$20,000 on a complete rebuild and conversion from steam to diesel power. The conversion paid off handsomely. In 1926, the tug consumed only 48,000 gallons of fuel in 4,000 hours for a total operating cost of just \$9.04 an hour.

In 1927, the Foss Shipyard in Tacoma built its first sizable tug, the Foss 11, a 52-footer assigned to tow barges from Seattle and Tacoma to the Hoh River on the coast, carrying equipment and supplies for construction of Highway 101 between Grays Harbor and Port Angeles.

In that same year, company founder **Thea Foss** died, preceding her husband's death by 10 years. Her funeral was the largest ever seen in Tacoma at the time, with hundreds of people gathering to pay their respects to "Mother Foss," and the company's green and white tugs flying their flags at half mast.

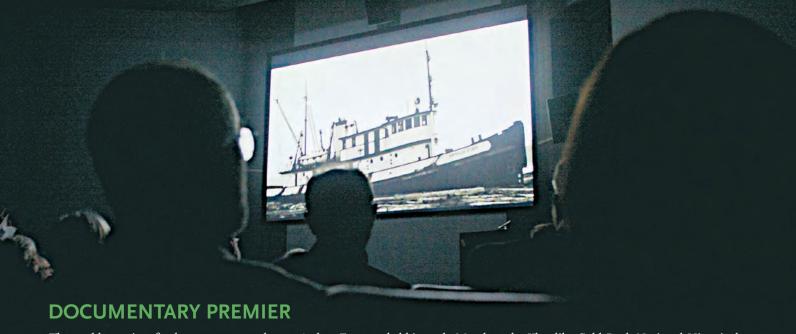




Thea Foss died in 1927, and her funeral was the largest ever in Tacoma at the time. Hundreds gathered to pay their respects to "Mother Foss."

"The history of the company is that of adapting ourselves to changed conditions... so we naturally drifted into the towing field."

- ARTHUR FOSS, 1939



The world-premier of a documentary on the tug Arthur Foss was held in early March at the Klondike Gold Rush National Historical Park in Seattle's Pioneer Square District. The 13-minute documentary was produced as a project by students at the Art Institute of Seattle. The Arthur Foss, a national historic landmark, is observing its 125th anniversary this year, as is Foss Maritime Company. The tug, which gained fame as a star in the 1934 movie "Tugboat Annie," had a 59-year career with Foss until it was retired in 1968. Foss donated the vessel to a non-profit group now called Northwest Seaport, which continues to operate it as a museum based on Seattle's Lake Union.

AIDING ANCHOR-DRAGGING GRAIN SHIP EARNS TOP MARINER AWARDS FOR PJ CREW

The captain and deckhand on the Portland-based tug *P.J. Brix* are receiving Top Mariner awards for helping to avert a potential disaster when a 751-foot grain ship was dragging an anchor recently in strong currents on the Columbia River near Foss Rainier Shipyard.

Capt. **Greg Bain** was working in the pilothouse of the tug at the dock when he noticed the South Korean-registered ship *Sunny Young* had broken lines leading to a stern buoy and its remaining anchor was dragging along the bottom.

He rousted deckhand **Dustin Everson**, they moved the *P.J.* to the

Sunny Young and began pushing at full power as the ship drifted toward the shipyard and a public marina. Minutes later, the Shaver tug *Willamette* arrived to assist.

"They pushed until they couldn't push any longer," said Foss Columbia-Snake River Regional Operations Manager **Dustin Johnson**, noting that heavy recent rains had the river moving swiftly. "They were setting downstream toward a float house in Rainier, and the tugs needed to place themselves out of danger."

Luckily, the combination of the tugs' power and the ship's engine slowed the ship enough to enable its



Greg Bain



Dustin Everson

anchor to dig in and prevent the ship from continuing to drift.

"If Capt. Bain and Everson had not responded so quickly and made the right decisions, the float house and the Rainier Boat Launch would have been destroyed," Johnson said.

"If Capt. Bain and Everson had not responded so quickly and made the right decisions, the float house and the Rainier Boat Launch would have been destroyed"

- DUSTIN JOHNSON

Rainier Manager Joins TOTE Shipbuilding Team, Plans to "Soak Up" Knowledge at San Diego Shipyard

Rainier Shipyard Production Manager Tony Silva is on a two-year assignment with Foss sister company TOTE, working as an owner's representative during construction of two new LNG-powered containerships in San Diego.

Silva will oversee steel inspection for TOTE, working side-by-side with representatives of the Coast Guard and the American Bureau of Shipping, examining steel as it is fabricated to make sure the work complies with design and regulatory requirements.

The 764-foot vessels, the world's first LNG-powered containerships, are being built at the General Dynamics NASSCO shipyard. They are said to be the most advanced, environmentally progressive vessels of their kind. When finished, they will be based in Jacksonville, Fla., to serve the Puerto Rico trade.

"It's nice to be involved with a project like this," said Silva, who started his new assignment in early March. "More than anything, I'll be gaining experience in how a larger yard works to produce a huge-scale ship in a short amount of time."

Though the Rainier yard is much smaller than the NASSCO facility, Silva said he expects to learn construction techniques that he can bring back to Foss.

"Steel is steel," he said. "I'm going to soak things up like a sponge."

Coincidentally, Silva is a native of San Diego. He moved to the Northwest with his future wife in 1990. He got a job as a laborer at the Rainier Yard in 1998, became a welder/fitter and then began a series of promotions to lead man, foreman, superintendent, and then to production manager last year. He is 44.

The Rainier Shipyard was primarily a repair facility until 2003, when it went into the new-vessel construction business. Its new vessels



Tony Silva at the NASSCO shipyard.



The new TOTE ships will be the world's first containerships powered with LNG.

have included 10 Dolphin-class tugs, nine of which are currently operated by Foss.

The yard is now building the first of three Arctic-class ocean-going tugs for Foss, the most complex vessels it has taken on so far.

The new "Marlin-class" TOTE ships will deliver substantial environmental benefits with clean-burning LNG, reducing emissions below even the world's most stringent standards. Sulfur dioxide will be cut by 98 percent, particulate matter by 99 percent and nitrous oxide and carbon dioxide by 71 percent less than the emissions of TOTE ships currently operating in the Puerto Rican trade.

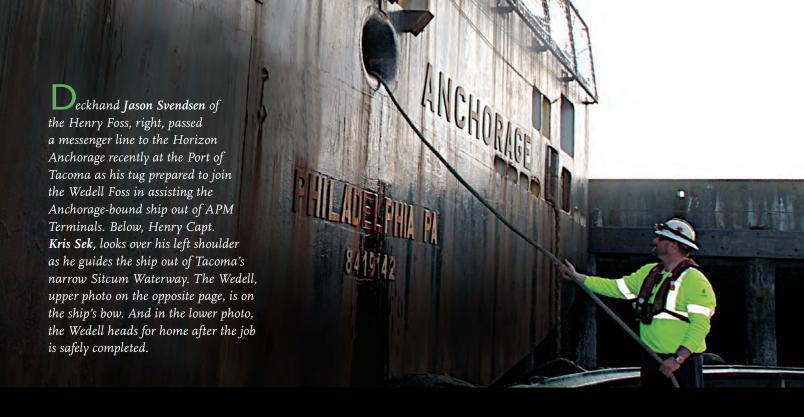
TOTE also is converting the two

ships it operates between Tacoma and Anchorage to LNG.

At a ceremony in late February in San Diego to mark the start of construction of the new ships, Saltchuk Chairman Mark Tabbutt said, "The move to LNG fuel is no less significant than the evolution from sail to steam. The Marlins represent the start of a new age in American Maritime."

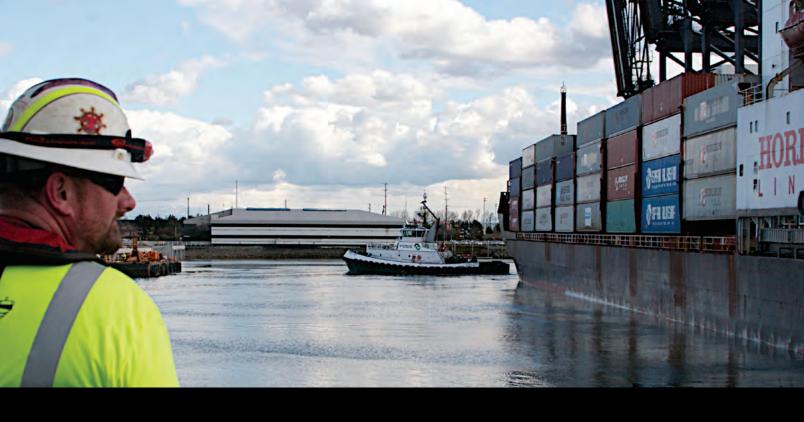
Saltchuk is the parent company of both TOTE and Foss.

Said Silva, "I feel very privileged to work for an organization that has allowed me the opportunity to be involved with this project and further my career"



HORIZON





· · A S S I S T







Randy Kotka enjoys the challenge of troubleshooting and "trying to figure out why something fails or doesn't work."

Becoming a Mechanic was "A Natural" For Randy Kotka, New CSR Port Engineer

Meet **Randy Kotka**, the new port engineer for Foss in the Columbia-Snake River region (CSR).

Kotka joined the Foss predecessor company in the CSR, Brix Maritime in 1992 as lead mechanic at the Rainier Shipyard, where Brix maintained its fleet. Previously, Kotka had worked since his senior year in high school as a mechanic at Sparks Northwest, a distributor of Twin Disk marine transmissions.

"My dad was a mechanic, so becoming one was a natural for me," Kotka said recently. "I enjoyed it enjoyed the challenge of troubleshooting and trying to figure out why something fails or doesn't work."

In the floating shop at the Rainier yard, Kotka rebuilt auxiliary engines and transmissions and performed

other maintenance on ocean boats and boom boats. Foss acquired Brix in 1993, and Kotka moved to Portland as maintenance foreman in 1999.

He held that job until his recent promotion.

Kotka and his three-man crew, sometimes supplemented by Foss mechanics from California, have major projects to complete this year.

Among them are changing out the generators on the *Pacific Escort*, drydocking the *P.J. Brix* and bringing the two Tiger tugs, which Foss obtained from a company in Hawaii, up to Foss standards.

On one of them, the crew added a head and stateroom. The second will be a day boat. Other work on both included new electrical panels and wiring, adding framing under the decks to strengthen them and upgrading the winch brakes.

"Quite a bit had to be done — when we got them they didn't even have heat or windshield wipers," Kotka said. "The good news is that we've had good feedback from the crews. The tugs are agile and quick and pull indirect really well."

In his free time, Kotka is a motor-cycle enthusiast and last year made a 2,200-mile trip to Glacier National Park in Montana with his brother and brother-in-law.

"My wife would say I'm addicted to motorcycles," he laughed.



TIGHT SQUEEZE

The Foss tractor tug Pacific Escort nudged the Alaska state ferry Columbia into drydock at Vigor Industrial's Swan Island shipyard in Portland on Feb. 19. The tug Betsy L also participated in the assist. It was a tight fit, with only about 12 inches to spare on each side of the ferry. The 418-foot-long vessel services Alaska through the Inside Passage from Bellingham, Wash.



Dan Mullican





NEW SPACE FOR TRAINING

The Foss San Francisco Bay Area group will be conducting more hands-on training at the dock in a new training room on Barge 1, which serves as the group's headquarters building. Port Capt. Mike Harbarth (looking at the camera in the upper right of the photo) came up with the idea for the space, which frees Foss from having to use offsite hotels. In the photo, Foss captains attend a training session in mid-March, the inaugural gathering in the new space. The trainer is Kendra Nelson of Pacific Marine Institute, teaching a "rules of the road" refresher course.



FIREBOAT CONSTRUCTION HELPS BOOST SEATTLE SHIPYARD EMPLOYMENT

(Continued from the cover)

Maritime. And it is just finishing up a repowering job on a high-speed catamaran operated by the Alaska Marine Highway System.

All three of the yard's drydocks have been booked solid since last September, and the yard had to go off-site and rent a fourth drydock because of high demand.

"I wouldn't say we're bursting at the seams," Hie said. "We probably could do more. We've changed our approach to routine business so we can get more work through the yard."

That change has included moving vessels out of drydocks quickly when additional work can be completed dockside.

"In the past, someone might have said they needed three weeks in drydock, but now we're looking at, 'Can we give you two weeks and here's what we can offer,'" Hie said. "Maybe we can do some of that work while the boat is in the water."

He added, "We're taking more of a critical-path approach for work that happens on the drydocks. We're trying to be as flexible and creative as we can, and we have been successful at that.

"We had a pretty strong year last year, and we'll have another strong year this year if we keep up with our forecasts."



The house was mounted on Feb. 10 on a fireboat under construction at Foss Shipyard in Seattle for the Port of Long Beach. The boat is scheduled to be completed in June.

COOK INLET TUG AND BARGE COMPLETES 2ND RCP AUDIT, MOVES TOWARD ALIGNMENT WITH OTHER FOSS UNITS

Cook Inlet Tug & Barge, a unit of Foss Maritime, has completed the second of three annual safety and environmental audits required for full certification under the Responsible Carrier Program (RCP) of the American Waterways Operators (AWO).

The first audit, completed in April 2013, covered company management policies, vessel equipment and human factors and was conducted to evaluate the company's commitment to safety and environmental policies and programs.

The second audit was conducted in February of this year by Jeff Slesinger of Delphi Maritime, a Seattle-based marine training and consulting company. After resolving non-conforming issues and a review by Foss Quality Assurance Manager Jim Peschel, Cook Inlet received its second certification on March 17.

"It's a good step to bring them into alignment with other Foss operating units," Peschel said. He added that AWO certification also will help



The Cook Inlet Tug & Barge tractor Stellar Wind plows through the ice in Alaska's Cook Inlet.

transition Cook Inlet into the Coast-Guard's inspected-towing-vessel program, which will require operators to have certified safety management systems.

Cook Inlet Safety Manager

Anneliese Roberts said their RCP

manual incorporates the company's
safety culture as it applies to both

management personnel and mariners.

"As a whole, we put safety first and

continue to strive to implement better and safer practices and procedures," Roberts said. "The goal at Cook Inlet is to have everyone maintain a zero-tolerance attitude towards accidents and injuries. The company remains committed to providing a work environment that is safe for all employees and to uphold safe behaviors."



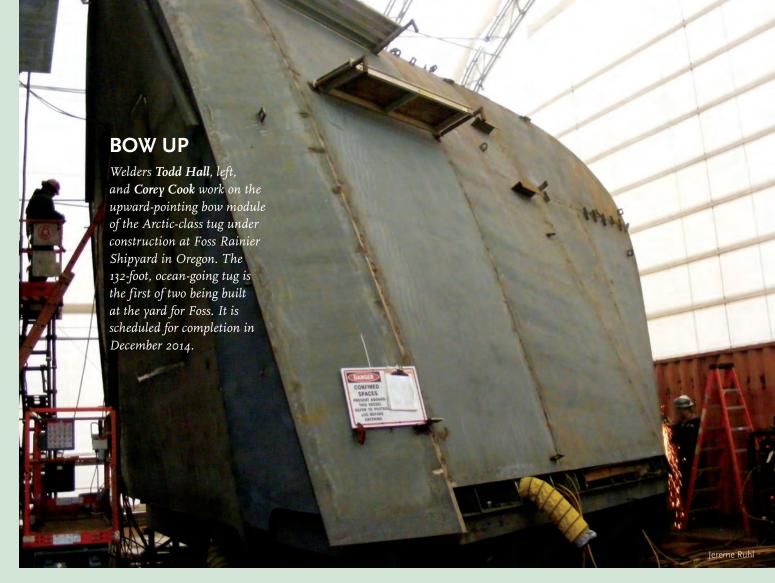
COMMISSIONER: 'FOSS IS DOING A GREAT JOB'

Alaska Department of Transportation Commissioner Pat Kemp, right, and Deputy Commissioner Reuben Yost paid a visit to Foss Shipyard in Seattle in February to check on the progress of the repowering project on the high-speed ferry Fairweather. In a Facebook posting, Kemp declared that Foss "is doing a great job." Jon Hie, director of shipyard operations, said the visit was "unprecedented, as the commissioners had never visited a shipyard to explore business development before, and they made this trip specifically to talk to Foss." He said he believes Foss is in a good position to continue its relationship with the Alaska ferry system, which is expected to begin a second repowering project soon. Work on the Fairweather will be completed in April.

DOUBLE DOCKING

The Stacey Foss, foreground, and Sandra Foss were being serviced simultaneously in Drydock No.2 at Foss Seattle Shipyard recently. Shipyard Operations Director Jon Hie said putting two boats up at the same time is a good example of the versatility of the shipyard and its flexibility to meet compressed schedules. The ocean tugs Stacey and Sandra, very close in design, are each 102 feet long and rated at 2,900 horsepower.







MAKING SPARKS

Shipfitter **Brian Johnson** created a light show as he used a grinder while doing maintenance work recently on a Manson workboat at Foss Shipyard in Seattle.





Tucker Tillman

BOUND FOR BALTIMORE

The ocean-going tug Corbin Foss departed the Columbia River in late February towing a barge loaded with 50 windmill tower sections ranging from 41 to 78 feet in length and weighing from 34 to 77 tons. The cylindrical pieces were loaded at the Port of Vancouver, Wash., and were bound for Baltimore. The trip via the Panama Canal was expected to take a month.

LAST VOYAGE FOR FORRESTAL

The Lauren Foss on Tuesday, Feb. 4, towed the 1,067-foot aircraft carrier Forrestal out of Philadelphia, where it had been mothballed. The tug and its tow were headed for All Star Metals in Brownsville, Texas, where the ship is to be scrapped. The Forrestal, which was the U.S. Navy's first supercarrier, was decommissioned in 1993 after more than 38-years of service. The Lauren was on the East Coast after completing a tow of a giant floating crane from San Francisco Bay to New Jersey for construction of a new bridge over the Hudson River.



Tax Specialist's Discovery Delivers Savings for Company

A Foss tax specialist was awarded a Top Mariner award recently for spotting a California property tax exemption that saved the company money for the 2013 tax year.

The exemption uncovered by **David MacMillan** applied to property tax on a crew boat and barges in Los Angeles, Contra Costa and several smaller California counties where the barges work.

California tax law, according to MacMillan, exempts vessels greater

than 50 tons that are engaged in transporting freight or persons for hire. Tugs, according to MacMillan, are specified as not exempt.

MacMillan also has applied for refunds for four previous tax years, the maximum allowed.

As part of the Top Mariner award, MacMillan received a bonus of \$500.

Foss General Manager for Harbor Services and Regional Towing John Marcantonio nominated MacMillan for the award. "Dave is a rare tax accountant," Marcantonio said. "Not only is he strong analytically, but also he is the most socially engaging tax accountant I have ever met.



David MacMillan

He wants to understand the business, and he strives to help everyone."

DOUG WOLFF: 'A POSITIVE ATTITUDE AND GENUINE KINDNESS'

Foss Director of Engineering **Doug Wolff**, 58, died on March 21 following a battle with cancer. He had been with Foss for just over two and a half years, but colleagues said his talent and dedication to Foss and his team established Wolff as an important member of the organization.

"His positive attitude and genuine kindness will stay with us for a very long time," said Human Resources Director **Lisa Sulock**. "He said to me that he was very appreciative of every day he had. And we, too, appreciated every day he was here."

Wolff brought 35 years of naval architecture and project management experience to Foss, including a combined 17 years at MARCO Seattle and Halter Marine. His most recent past job was with the Elliott Bay Design Group as the vice president of operations, and before that as chief naval architect.

A professional engineer, Wolff was registered in five states including Washington and Oregon. He was elected a Fellow of the Society of Naval Architects and Marine Engineers, and published numerous technical papers. Wolff graduated from Webb Institute of



Doug Wolff

Naval Architecture and had a masters of business administration from City University of Seattle.

PEOPLE NEWS

NEW EMPLOYEES

Pamela Boyd

Manager, Safety, Health and Compliance

George Harris

Estimator, Project Manager Seattle Shipyard

Carl Smith

Director, Sales and Marketing Seattle Shipyard

David Thorsen

IT Project Management Office Manager

PROMOTIONS

Charlene Brown

Buyer II to Senior Buyer

Blaine Wilson

Purchase Order Desk Buyer to Buyer I

PASSINGS

Doug Wolff

Director of Engineering



RETIREMENTS

Rick Austin

Deck Officer, PNW

Steve Dawson

Inside Machinist, Seattle Shipyard

John Kinzel

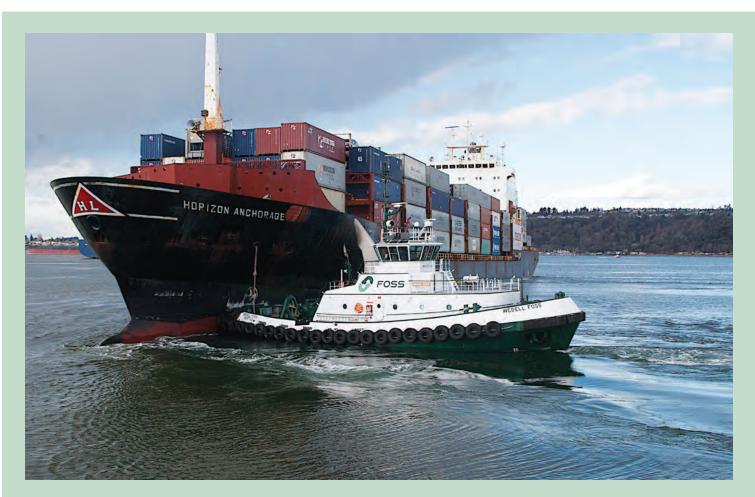
Deck Officer, PNW

Monte Roy

General Foreman, Steel Shop Seattle Shipyard



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SHIP-SPINNING PUSH

The tractor tug Wedell Foss pushed on the bow of the Horizon Anchorage recently in Tacoma's Commencement Bay, turning the ship seaward as it started it's run to the Port of Anchorage. The 695-foot D-7 class containership is one of three operated by longtime Foss customer Horizon Lines between Tacoma and Alaska. In addition to Anchorage, the line serves Kodiak and Dutch Harbor. More photos of the assist appear on pages 10 and 11.