



# **Quarterly Newsletter**

November 2007

"Providing world class services that exceed customer expectations on each and every contract with uncompromising accuracy, timeliness, and attention to budget requirements."



# From the Desk of Bill Arterburn Chief Executive Officer

It's that time of the year again when we close the books in Anchorage and get ready for the auditors

to show up. BSE's revenue showed a slight increase during the past year, and every indicator points to a pretty solid 2008 for the company revenue wise. Getting numbers to the bottom line is a more difficult task than earning the revenue, and, as always, it requires everyone's efforts.

The best thing employees in the field can do to contribute to the bottom line of the company is, first and foremost, to work safely. The costs of employee injuries on the job, from the smallest to the largest, have incredible impacts financially to the company. BSE currently pays out significant sums of money to keep everyone insured against loss of life and limb. We expect that, as sometimes we are engaged in business lines that are traditionally hazardous. When injuries are sustained regularly, the underwriters protect their own risk by raising rates and hedge factors. When injuries are infrequent, the rates go down, and the company's bottom line gets a boost. At the risk of sounding like the proverbial broken record, I again emphasize to employees that we need you to do your part, and work, think, eat, and sleep, safety on the job. It's good for all

Hand in hand with working safely, is care and regard for the company's equipment. BSE probably has over \$6.0M (depreciated value) in equipment distributed out there among the various divisions and working groups, from small tools to large excavators. I am sometimes amazed that employees take the equipment for granted assuming that it someone else's responsibility for maintaining the equipment, or the repair shop's job, or it just gets replaced. The equipment is what allows us to get our job done, and if you are operating

it or using it, treat it as though it is your own. We typically finance that equipment, as we don't always have cash to purchase everything outright. When equipment gets paid for over time, and still produces for

the company after being paid for, it becomes a money maker for the company, and keeps paychecks coming and benefits intact. We may live in a throw away society, but BSE is not a "throw away" company. Please respect the equipment as it is intimately tied with your ability to produce value for the customer, and revenue and profit for the company.

Finally, in terms of the bottom line, the best way employees can help is by always remembering that **the customer is the priority and the reason** for your presence on the job, and good customer service and happy customers almost always lead to increased revenue and profits. This simple but powerful truth is always in play whether you are in the commercial or government arena.

Hawaii's office is finally complete and we will be dedicating it early next month. See the pictures in this edition. My thanks go out to the patient and hardworking Hawaii employees who have endured nearly four years of temporary office space to get to this new facility. We hope that the new quarters meet the needs and requirements and become a happy workplace for BSE Hawaii for many years to come.

I had a great visit back east last month for a TSD planning session, and a short visit to the TSD Seymour-Johnson and Langley sites. Strong effort from those groups greatly assisted in BSE's achieving an ISO 9001 certification for TSD. This certification should pay great dividends in the out years for BSE in terms of performance, customer satisfaction and new business.

Finally, let me gratefully extend our best and warmest Thanksgiving wishes to all BSE employees and families, as we celebrate and give thanks during the coming holidays.

Bill Arterburn, CEO

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#### Old Fashioned Quality

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Quality, like progress, can be intimidating, especially when people start getting into your

business—probing you about your processes,

and bugging you about metrics; as if this

wasn't bad enough they're expecting you to

be part of a workgroup, and do everything

through a computer. Now they've got this new

Dunder-Mifflin website you have to use-oh

**Progress—Old Fashioned Quality**James Storch, Quality Manager

It's sometimes difficult and it can be overwhelming, but if you keep hold of your old fashioned commitment to getting things done the best way you know how you're going to be just fine. Succeeding in the 21st Century doesn't have to mean a gadget. You don't have to be that person talking to yourself with that thing in your ear, but sometimes these kinds of things actually help you. When 20 people become 200, or 5 jobs become 50 your ability to automate your tools can be the difference between success and failure.

Things don't have to be complicated. Something comes in, you do something to it, and you send it out. The trick is getting what

you need when you need it, having the time, tools, and skills to do what needs to get done, and getting your product out to where it needs to go to, the way it needs to be, at the time it needs to be there.

Oh the good old days... I got to print, walk, copy, walk, distribute, walk, and file; now I have to save, drag, and drop. It wears me out. I loved the taste of envelope glue in the morning, or the feel of a paper cut when I was refilling the copier.

I think it's great when I can make tools work for me. I have room for my pictures, plants, my elbows, and a big huge monitor, because we don't need rows of file cabinets. I have to admit there are draw-backs; the other day I had to wait two minutes for a report to come in from across the country. I don't know what was going on with the server.

### "AANG" (Aleut for Welcome)

BSE would like to take this opportunity to welcome all of its new employees that have joined our team these last few months. We appreciate you and your services as we grow as a world class service company



wait that's another story.

Achieving a Goal
BSE's Security Program
Elary Gromoff, Executive Vice President/Facility Security Officer
Rodney Rush, Security/JPAS Manager



Your Security Department's article this quarter is a little different from past articles. We have a goal and we would like to convey this goal to you in hopes that all of you will make it your own. Within the next three years the Security Department would like for BSE to win the JAMES S. COGSWELL Outstanding Industrial Security Achievement Award.

"The Cogswell award, established in 1966,

is named in honor of the late Air Force Col. James S. Cogswell, who was the first chief of the unified office of industrial security within the Department of Defense. Col. Cogswell was responsible for developing the basic principles of the Industrial Security Program, which include an emphasis on the partnership between industry and government to protect classified information, which ultimately helps to ensure the protection of the U.S.

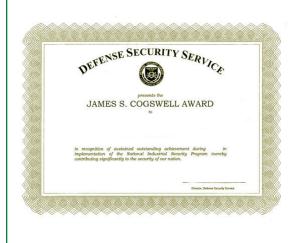
war fighter. The Cogswell Award is the most prestigious honor Defense Security Service may bestow on a cleared facility and is presented annually."

BSE is growing and as it continues to grow so will our security requirements and responsibilities. However, we would like to win this award while the company is still small. The Cogswell award is typically won by your larger companies. This is not to say that the task is impossible, but it will require some innovative thinking along the lines of security education and awareness training. We already believe BSE has one of the finest security programs among other small

finest security programs among other small companies, plus we have two "SUPERIOR" ratings to back that thought process up. However, to win this award we need your help. We look forward to hearing any inputs or ideas you may have.

Contact Information Elary Gromoff - (907)278-2311 ext 2141 email - egromoff@bseak.com

Rodney Rush - (757) 223-1446 email - rrush@bseak.com





 $https://www.dss.mil/portal/ShowBinary/BEA\%20 Repository/new\_dss\_internet/about\_dss/press\_room/07 cogswell.html.$ 



## Where in the World is CVS? BT Smith, Technical Services Division Director

I have had numerous people at our Anchorage offices ask me about the three letter identifiers I use for all of our P5 sites, so I thought I would take a minute to explain to everyone where those three letter identifiers actually come from.

I know that most of you have traveled by commercial air, and when you travel both your departure and arrival locations will have three letter identifiers. Three letter identifiers identify each and every airfield in the United States. These three letters are the identifiers for the Tactical Air Navigation (TACAN) or VHF Omni-directional Range Tactical Air Navigation (VORTAC) at each airfield. These TACANs provide pilots with continuous bearing and range to a particular location via radio waves. This allows a pilot to tune in particular location (just like tuning a particular station on a radio), which is called Tune, then Identify it as the three letters are continuously broadcast in Morse Code and then Monitor his position from the desired TACAN. This process is called TIM, tune, identify, and monitor. When the TACAN system was installed these navigational aids were placed approximately every 50 miles throughout the United States. You can easily identify of these pieces of equipment, as you can see from the picture below.



Tactical Air Navigation (TACAN) equipment

Anyway, I find is much easier to write MOU rather than Mountain Home, AFB ID. So here is a list of P5 sites with their three letter identifiers:

- LFI Langley AFB, VA
- GSB Seymour Johnson AFB, NC (Goldsboro)
- SSC Shaw AFB, SC
- VPS Eglin AFB, FL (Valparaiso)
- · CVS Cannon AFB, NM
- · MOU Mountain Home AFB, ID
- NNC Newport News, City Center Office (this identifier is not used by the TACAN system so we stole them for our Divisional offices)
- · ANC Anchorage, AK
- · SMF Sacramento, CA

# P5CTS/P4RC Contract Update

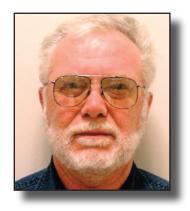
The installation and acceptance of the P5 Combat Training System continued this past quarter with Mountain Home receiving their new equipment in early October, however actual flight acceptance was delayed until 29 October, due to an Operational Readiness Exercise.

The one thing that has remained the same is the increase complexity of the system and the resultant higher failure rates. The actual complexity of the system has almost quadrupled the amount of time spent inspecting, trouble-shooting, and repairing the system. In-fact we have submitted more Technical Change Orders under the P5 system in ten months than we did in three years with the older and simpler P4RC system.

There have been several personnel changes over the last quarter and a couple that will take place in the next two months.

Steve Morrison has assumed duties as the Site Manager at MOU (please see the article Where in the World is CVS?) and we have added an additional technician Edward Kelly.

Tim Bondy will move from SSC to MOU, to take over for Mike Larabee who will retire on 1 January. Congratulations and good luck to Mike on his next adventure in life!



Mike Larabee

### **Technical Services Division Planning Session**

The Technical Services Division just completed a Divisional specific planning session with our beloved CEO, Bill Arterburn presiding. In attendance were Elary Gromoff, EVP, Dean Hughes, COO, and Mike Taylor, Contracts Manager. This was very worthwhile as we did a 1-3 year look at where we would like to head and then a 3-5 year and finally a 5+year look. Probably one of the most valuable things we accomplished

was to identify what we believe to be our core competencies are for the entire division.

- Computer Operation
- Computer Maint. Hardware & Software
- · Electrical Engineering
- · Electronic System Technology
- Industrial Security Program Mgmt
- · Graphic Design
- Database Development and Mgmt
- · Website Design & Management

- Training System Development
- Technical Writing
- Quality System Management
- Off Aircraft Maintenance
- Military Aircraft Weapon Loading
- Technical System Program Management
- Instrumented Training Range OM&S

Again, this was a very beneficial session and I would suspect that other Divisions will see similar planning sessions in the near future.

# P5CTS/P4RC Employee of the Quarter



Calvin Walker Field Engineer Eglin AFB, FL

Mr. Walker has proven to be a valuable asset for not only BSE but also for the Air Force. His outstanding

performance this past quarter as field engineer for the P5CTS System Contract has earned him Employee of the Quarter. Here are just a few accomplishments from this past quarter.

- Supported 2445 P5CTS sorties and 117 P4RC sorties—25% more total sorties than any P5CTS site and 32% more than any P4RC site!
- Submitted 29 AFTO Form 22 Technical Order changes for P5CTS
- Found discrepancy in screw lengths holding several Line Replaceable Units (LRUs) incorrect screw lengths specified by the T.O.s would result in LRU damage
- Researched changes to the battery replacement procedures which now includes an illustrated parts breakdown
- Designed and conducted training for all BSE technician personnel on P5 battery replacement. Over 20 technicians are now certified to accomplish battery replacement

 Identified and located soldering stations that would allow local battery replacement, saving the government over \$150 per replacement

Mr. Walkers determination to improve himself should not go unnoticed either. He has recently completed six classes toward his Masters of Science Degree in Electronics and intends on completing his MS degree within the next 18-24 months.

Mr. Walker also involves himself in improving his community by volunteering to work with a Gang Rescue Prison Ministry ,engineered sound systems for several local churches and devotes himself to his own parish by being their sound engineer. Congratulations on a job well done.



#### **Human Resource Reminders**

Connie Bergo, Human Resources New Email address: cbergo@bseak.com

It's almost the end of the year again and I wanted to pass along some important reminders

Please remember to send in a new W4 form for 2008 and any address changes to ensure you receive your W2 for 2007.

Welcome to Roxanna Kashatok, in the Shared Services Division. Roxanna process the payroll for Bering Sea Eccotech and Bering Sea Environmental as well as the Cape Flattery. If you have any questions with your timesheet or payroll, she can be reached at 907-278-2311 extension 1145.

If you have to fax any new hire paperwork, PANs,

benefit enrollment forms, please fax to my attention at 907-278-2316 which is located on the fourth floor, please do not send new hire paperwork to the second floor fax anymore. Fax your timesheets and perdiem requests to payroll on the second floor at 907-278-2350.

Another very important reminder, Christmas and New Years is just around the corner, these two holidays fall on a Tuesday. ADP is closed on those days, so everyone needs to have their timesheets submitted to Payroll no later than Monday, December 24th and December 31, 2007.

#### **BSE Hawaii Welcomes New Office Facilities**

Bill Arterburn, Chief Executive Officer

A little over three and a half years ago, BSE Hawaii lost a very favorable lease facility due to a change in business plans from the landlord. Within a month's time, the entire Hawaii operation had relocated to a vacant piece of land that BSE purchased in a new industrial park located near BSE customers in the Kapolei area of Oahu. The land was immediately fenced and secured to protect property; however, there was no office at the site. BSE arraged to bring in temporary office facilities (modular buildings), and operations continued, awkwardly, but without much disturbance.

BSE began planning and designing its new office facility almost at once, and while design was completed early on, the permit process seemed to go on forever. Finally in January of this year, BSE Board of Directors was able to give the go ahead to construct the new offices. The decision was made to build the facility using BSE Construction teams, as it was the judgment of the Board and management that substantial savings would occur by keeping the project force account. In April, Merle Beeter and Mike Hargrave of BSE's Construction Division began pricing and identifying local Hawaiian



New Hawaii Office Foundation Under Construction



New Hawaii Office Building Nearing Completion

subcontractors and BSE also obtained a Hawaiian Electrical Administrators authorization to use our in house electrical capabilities. Construction began in May.

Construction brought continuous disruption to the by now normal use of the BSE lot in Kapolei, but, with good cooperation and communication, work arounds were developed for every situation, and James Directo's BSE Hawaii operation continued to grow despite the daily disruption of a construction project. The patience and assistance of the BSE Hawaii operation, coupled with flexible construction management, resulted in a successful project.

In December, BSE's Board of Directors will be on site to celebrate the success of the project and dedicate the new building. Our new building is the talk of the neighborhood in the Campbell Industrial Park, and reflects the Board's confidence in the successful Hawaii operations that began in 2000, with the purchase of few pieces of industrial cleaning equipment.

BSE's long suffering Hawaii employees will now have high quality new and modern facilities to support their particular high quality type of customer support. We hope it proves worth the wait and serves its purpose for many years to come.

#### **BSE Continues work for NOAA on St. Paul Island**

In late July, BSE received word that NOAA had additional work on the island from its Pribilof Islands Restoration Program. Specifically two more buildings would be removed and unspecified amounts of contaminated soil would have to extracted and removed to the land farming operations near the Weather

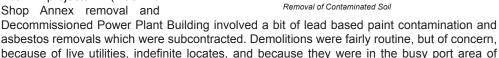
Project Site Prior to Contaminated Soil Removal



Taking Soil Samples at Project Site

Service. BSE used Larsen Engineering for project design and engineering, Tutka, LLC for on-site testing and evaluation and its own in house team for project estimates and service delivery.

Both projects (Machine Shop Annex removal and



St. Paul Island. Both projects went smoothly and we were able to use our concrete cutting equipment to facilitate removal of some particularly deep and hard to handle slabs and generator foundations. BSE crews also continue with the rewiring and restoration of House 102, which should finally be completed by Thanksgiving. Additional work from NOAA is not anticipated as this effectively ends the Pribilof Islands Restoration Program, which started in 1997, with BSE cleaning up the Government "Boneyard" Dumpsite.

This was a seminal project in the history of





Project Site After Contaminated Soil Removal and Remediation

### **Food Guide, Sumter South Carolina**

By Arthur Macon, Shaw AFB Site Manager

Welcome to Sumter South Carolina. Population: 39,643

I was tasked to present the unofficial BSE restaurant quide for Sumter for the newsletter. In order to accomplish this I assigned the guys to give their unofficial ratings on area eateries. After careful study and research here is our official unofficial These were selected from locally owned establishments. Sumter also offers the usual list of chain restaurants like Red Lobster, Outback Steak house, IHOP and Golden Coral. The local news station uses a "pig" rather then the Star method of rating restaurants, so the more pigs the better. Bon Appetite y'all!

#### Italian Restaurants:

#### 1. Stellatos Family Restaurant

2320 Peach Orchard Rd, Sumter, SC 29154 This is a nice family establishment with a small bar. They offer good traditional Italian food at reasonable prices. Open for lunch and dinner located just off the side gate to Shaw AFB.

#### 2. Sambinos

401 Miller Rd, Sumter, SC 29150

A family owned and operated, primarily take out orders. Pizza, stuff shells and lasagna are all the rave here on base. Don't be surprised to see the owner's kids running the cash register.



Not worth crossing the road

🖼 🗃 👅 😈 Good enough to wallow in

#### Country and Local South Carolina Restaurants:

#### 1. Redbone Alley

1336 Broad Street, Sumter, SC 29150

The best of what is called low country food. Low country refers to the area east of Sumter. Many southern dishes such as quail on dirty rice, or shrimp with grits or sausage and cheese grits, yep grits go with everything here. The only place in town with a real ambiance, with seating built around the streets of old Charleston. A separate bar area is located inside.

#### 2. Buster's Bakery & Grill

1102 Broad St. Sumter SC 29150-1908 An old fashion dinner with a small dinning area. Family owned and the food is good old Southern style, put meat on your bones, kind of place. Yes if you want it fried and good this is the place. By far the best Southern fried chicken you have ever tasted with your collard greens, mash potatoes and brown gravy!

#### Oriental Restaurants:

#### 1. FOO Garden

1059 Broad Street Sumter, SC 29150 Recently renovated this is a very unique place. They have a full buffet with a Mongolian grill. If you like the unusual then this is the place. Squid, frog legs, crawfish or sushi you name it they got it. Prices are reasonable for the family, and very friendly service. Not sure why the Mongolian grill guy speaks Spanish and looks Mexican but hey he cooks a mean squid and fried rice.

### 2. Kobe Japanese Steakhouse & Sushi Bar

1121 Broad St Ste 13. Sumter, SC 29150 One of our all time favorite places with the typical dinner show presented by real Japanese chefs at your table. Nice bar area in the front and very friendly people. Kobe is a bit pricey for Sumter but well worth it for a nice night out on the town.

#### Mexican Restaurants:

#### 1. Mariachis



1072 Broad St, Sumter, SC 29150 By far the best rated Mexican place in town. Nice bar area with open veranda seating outside, more food than you can eat and reasonably priced. The big claim to fame here is the margaritas, served just right with lime and sea salt. The building is showing age and the dining area needs a rework but after a few margaritas who cares!



# **BSE Fiber & Cable Division Update Dean Hughes, Chief Operations Officer**

During the week ending November 10th, BSE did its initial installation for new customer GCI in Anchorage Alaska.

Walter Shane, and Electrical Group Manager Rick Viveros deployed a small passive optic network (PON) at one of the GCI warehouses. The project was done in 35 degree weather, and included Walter deploying a small run of approximately 160 feet of 12 strand fiber running to a fiber hand hold out side of the ware house and Rick installing approximately 50 feet of inter-duct running from the hand hold to a GPON station inside of the warehouse. This was the first installation of Micro Duct in

Alaska. BSE hopes to install in excess of 20 miles of Micro Duct in Anchorage this coming summer, with a possibility to deploying the product in Fairbanks as well as the state capital Juneau.

BSE is also marketing installations in Japan, as well as Vietnam, Guam, and other Pacific countries in our relationship with Sun Global, these opportunities come on the heels of a marketing trip by Bill Arterburn and Dean Hughes to Tokyo to seek opportunity in that region. The response was much greater than originally anticipated. A follow up trip is in the planning stages as this article goes to press.

The opportunities in Japan as well as future Bell Canada deployments will make BSE an international contractor and will open new growth opportunities for current employees in the years to come.



Dean Hughes, Bill Arterburn, Edward Sun



# Advanced Fiber Training from Emtelle Don Lee, Project Manager

Two BSE employees, Don Lee and George Hart recently attended a training session at Emtelle's USA regional

office located in Scottsdale, AZ.

Emtelle is a privately owned European company, starting production of fiber blown ducting in 1980 and rapidly grew to largest UK supplier of "ducted networks." In 1996 Emtelle expanded it offices outside the UK, and today has offices in Europe, the USA, and Asia Pacific.

Emtelle is one of the largest suppliers of blown fiber tubing, and to date has deployed over 500 million metres worldwide.

"Air blown fiber" is very similar to Microduct used by Lite Access. Air blown fiber is a method of installing fiber optic cable that relies on the flow of compressed "clean" air, easing the cable down a tube all the way to its destination, sometimes thousands of feet. This has become the preferred method of deployment of fiber, offering flexibility, reliability, and is done in a more cost effective manner, over conventional fiber install.

The instructors for the course were Joseph Goodhart, Manager of their Design and Engineering Department and Scott McGinn, Senior Installer and Training Engineer.

The two days were packed with information on the many products and tools associated

with Emtelle's complete product line. After becoming familiar with their product line, the Design and Engineering portion covered the varied networks-city and metropolitan networks, access networks, local area networks, and in-building networks. The interactive instruction provided an overall perspective on how Emtelle's and fiber blown ducting can be designed to meet the rapidly growing needs of the consumer, worldwide.

Ultimately we were given a development plot and asked to design and layout the routing, provide a schematic for use of different Emtelle install products, determine delivery types and not only meet the initial requirements of the customer, but plan for future expansion, of the project area. BSE participants received a lot of good information from very experienced fiber engineers and installers.



#### BSE-Parsons Joint Venture continues work at Camp Pendleton, CA Dan Skrobialowski, UXO Services Division Director

On 20 September 2007, the BSE-Parsons Joint Venture Team was awarded a second contract, worth over

\$3M, to conduct range residue removal and both surface and sub-surface range clearance operations in support of the Marine Corps effort to modernize and rehabilitate AFA 17, Whiskey, and Zulu Ranges at Camp Pendleton. The modernization effort will include road improvements and the placement of new target sets on both the Zulu and Whiskey Ranges, and the construction of a new fire and maneuver area in AFA 17. The various ranges encompass over 60 acres; spread over 20 miles and ranging in elevation between 350 to 2250 feet above sea level. This phase of the project includes the clearing of the three target ranges and buffer areas of all ordnance and range debris. Additionally, our JV partner will conduct geophysical

surveying and data analysis for sub-surface debris in selected areas.

The preparatory work has already started with the writing of work plans, and site specific health and safety plans. An initial planning conference will be held 14 November 2007. Presently, it's anticipated that field work will commence in January 2007 and continue for approximately six months.

This is a continuation of an earlier BSE-P JV project, worth over \$2.4M, completed in June of 2007. The crew for the first phase, lead by Michaela Hayes, removed, recycled, demilitarize and disposed of almost 200 tons of range debris. Over 50 tons of the material processed was fired and discarded ordnance requiring specialized demilitarization and processing procedures. The superior work effort exhibited by the BSE-P team and the successful completion of the first phase of the project were key to the award of the second phase of work.

### **News from our Sister Company**

### Bering Sea Environmental wins AETC R3 Contract for Goldwater Range, AZ

On 30 September 2007, Bering Sea Environmental (BSEn) was awarded a five year contract (base year plus four option years) with the Air Education Training Command. This is an indefinite delivery indefinite quantity contract valued at \$5M for various range services to be performed on the Goldwater Range. The award was accompanied by a Task Order directing work to start in 2007. Initial work plans has started with field work scheduled to begin in December 2007.