

The Echo

August 2008

Quarterly Newsletter

"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**

"Creating customer value" is a phrase we often hear in government services talk, but also within the wider everyday market of buying and selling goods and services. Every company or product has a "value proposition". The implication, from an advertising perspective, is that by using this or that company, the customer will receive "increased value" or "enhanced value."

If you view "value" from a contracting officer's point of view, it often means significant, relevant, and current past performance at a fair and reasonable price. This is a time tested and tangible means of assuring the CO, that the government will get valued services for the fees that it must pay. But we all know, if only by reading the papers or listening to the news, that formula doesn't always produce the best results, or the most timely results.

So what does it really mean? How can we at BSE define customer value in terms that we can understand and apply to the jobs that we are tasked with performing? I have heard it said that you can't talk about "value" or create "value" by saying it, or saying that you provide it. So value is something formulas will not create for you, nor is value something that you create by fancy presentations and slick brochures. Being the "best we can be", or the "best business on the planet", may or may not get us what we want in terms of new business or customers.

Upon reflection, it's actually pretty simple. For me "value" is best determined or grows from a defined need. If I as an individual consumer have a specific need, value for me will be found in the product that meets that need. If I apply this to the environment in which BSE operates, it means that if we at BSE set out to meet the needs of our customers, our business will grow and evolve into something of value. No gimmicks required.

OK, so how do we do that? Our customer puts out Statement of Work which describes what

they need, but they often are vague and difficult to understand. Which is why CO's rely on proven past performance when all else fails. Performance work statements are a refinement of the SOWs that seek to describe the net results of the intended work. Both are attempts to define value from the customer's perspective. Here are a couple of suggestions from Jill Konrath in her Sideroad blog for getting a better grasp on the value proposition that we aspire to:

The first means involves thinking and group discussion about what we do, who we are working for, and what we are supposed to be achieving for our customer. If, upon review and analysis of the above, you conclude that, we have a "terrifically efficient system" for performing our contracted duties, try this value assessment technique suggested by Jill Konrath in her Sideroad blog. Ask the question "so what"? So what if we have an ISO quality system? So what if our equipment is better? So what if our database for reporting is better? The answers to these kinds of questions will be revealing in terms of the "value proposition" for BSE.

The second suggestion is so simple, it is astounding. Talk to your customer about the value you bring. Your customer's perception of your value may provide you with insights into the value proposition that is represented by your services. Not always the easiest thing to do, but a suggestion that might bring new insight to you about the job at hand.

In the end, the value proposition that we bring will define our success in this business. It's worth a few minutes each week to think and reflect a bit about what we mean when we say "Performance without Compromise."

Bill Arterburn, CEO

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We've Been Under Surveillance

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Technical Services Division braved a multi-part Surveillance Audit conducted by an external auditor; this was part of an ongoing periodic review of our Quality Management System. The purpose of the audit was to ensure Technical Services Division continues to meet ISO 9001:2000 requirements.

Three Air Combat Training System program locations were visited by the surveillance team, where personnel, equipment, facilities, and infrastructure were assessed for conformance in eighteen primary areas. Auditors reviewed documentation, inspected site equipment and material, observed work processes, and interviewed site personnel (including government personnel – our customer) over a two week period.

BSE personnel distinguished themselves at the Program Management Office in Newport News, as well as operating locations at Shaw AFB, and Eglin AFB. The Audit result — No discrepancies, no nonconformities, no findings! Technical professionals at Shaw and Eglin endured the added scrutiny while putting us "over the top" in what can be a very rigorous operational environment. Congratulations to all on a job Well Done! Shaw AFB: Arthur Macon, Gregory Stewart, James Eubank, and David Johnson. Eglin AFB: Walter Smith, Calvin Walker, Dave Goldsberry, Mark Scardina, Bill Lockney, and Gregory Rengert



Small Steps In Alternative Energy

BSE Fiber and Cable Division has been subcontracted to provide the communications and fiber optic install for TDY Power's wind turbine project at Tin City, Alaska. The project services an Air Force long range radar site at the remote Tin City on the Seward Peninsula near Wales, Alaska. On a clear day, men of the 710th AC&W Sq. at Tin City AFS can look across the Bering Strait and see the Siberian mainland only 48 miles away. Tin City's position, on the tip of the Seward Peninsula northwest of Nome, is closer to Russian territory than any other installation on U. S. soil. Tin City AFS is named after a nearby ghost town, the site of a tin mining operation during World War I. The operation was abandoned after the war, when government assistance was stopped. It's now a ghost town. The wind turbine will provide 250KW of alternative energy power during windy periods (most of the time), thus saving costly and expensive diesel powered operations. The system is hybridized as on St. Paul Island where the wind generated power is continuously adjusted and fed into the diesel backup system thus maintaining continuous and uninterrupted operations. Rick Viveros of BSE will be in charge of the install team.



What is a Security Review?

BSE's Security Program

Elary Gromoff, Executive VP/Facility Security Officer

Rodney Rush, Security/JPAS Manager



So what is a Security Review? It is a periodic inspection conducted by Defense Security Service (DSS) of a cleared contractor facility to ensure the contractor has established sufficient safeguards to protect all classified information that the contractor has been entrusted with.

Our DSS representative determines the frequency of our security reviews. Normally, however, they will be conducted every 18 months. This is because we have no classified holdings and the risk factor for the possible compromise of classified information is low. We are also required to continually perform our own security reviews, which are called Self-Inspections. We conduct these self-inspections at intervals consistent with the company's risk management.

When DSS conducts security reviews they assign a security rating at the conclusion of each security review. The security rating is your DSS representative's overall assessment of the effectiveness of your security program. Your security review can be rated at the following ¹:

- **Superior:** A Superior rating is reserved for contractors who have consistently and totally employed the requirements of the NISPOM in an efficient manner resulting in a superior security posture, compared with other contractors of similar size and complexity. The facility must have documented procedures that heighten the security awareness of the employees and that foster a spirit of cooperation within the security community.
- **Commendable:** A Commendable rating is assigned to contractors who have fully implemented the requirements of the NISPOM in an effective fashion resulting in a commendable security posture, compared with other contractors of similar size and complexity. This rating denotes a security program with strong management support, the absence of any serious security issues and minimal administrative findings.
- **Satisfactory:** Satisfactory is the most common rating and denotes that a facility's security program is in general conformity with the basic requirements of the NISPOM. This rating may be assigned even though there were findings in one or more of the security program elements. Depending on the circumstances, a Satisfactory rating can be assigned even if there were isolated serious findings during the security review.
- **Marginal:** A Marginal rating indicates a substandard security program. This rating signifies a serious finding in one or more security program areas that could contribute to the eventual compromise of classified information if left uncorrected. The facility's size, extent of classified activity, and inherent nature of the problem are considered before assigning this rating. A compliance security review is required within a specified period to assess the actions taken to correct the findings that led to the Marginal rating.
- **Unsatisfactory:** Unsatisfactory is the most serious security rating. An Unsatisfactory rating is assigned when circumstances and conditions indicate that the facility has lost, or is in imminent danger of losing, its ability to adequately safeguard the classified material in its possession or to which it has access. This rating is appropriate when the security review indicates that the contractor's security program can no longer preclude the disclosure of classified information to unauthorized persons. A compliance security review must be conducted after a specified interval to assess the corrective actions taken before the contractor's security rating can return to the Satisfactory level.

In January 2008, DSS changed its notification process for Marginal and Unsatisfactory Security Ratings and Facility Clearance Invalidation. Previously, DSS notified its government customers after notifying the cleared firm. Their new process notifies the Under Secretary of Defense then the government customers before contacting the cleared firm.

As you can see from the ratings and the notification process receiving a substandard rating is bad news. It could really be the beginning of the end to any contractor working on a classified contract. The good news with BSE is we have achieved two Superior ratings on our last two security reviews. But most importantly, our Security Program was recognized as having strong management support, which is viable for our continued success.

¹ Reference Defense Security Service web site: www.dss.mil

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TSD Update
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In the last newsletter it was announced that BSE was competing for the maintenance contract that will support the F-15SG aircraft that Boeing is supplying to the Singapore Air Force. We had originally anticipated contract award on or about the 1st of July, unfortunately Air Combat Command is still reviewing the Source Selection Package and must provide their approval. What does that mean, that when we win this contract there will be very little time to set-up operations, hire qualified individuals to begin operations on the required 1 October 2008 date.

You may recall that BSE was a member of the Lockheed Martin Team (referred to as the Warrior Shield Team) that won the right to compete with three other winning teams on future task orders as part of a \$100M IDIQ effort, yes that is correct, \$100M. Anyway, we put together a team that included individuals from both BSE and TDXNet to work an installation, test, training and sustainment effort for the Navy at their Emergency Operations Center (EOC) on the island of Guam. We are currently working with the Warrior Shield Team to integrate the construction requirement with our parts prior to submitting our Team's final proposal to the Navy. This effort requires us (BSE & TDXNet) to run communications lines, fiber optics, install and test communications and VTC equipment,

install uninterrupted power supplies, along with installing new LAN drops. Additionally we will be developing the training packages and providing training to the government employees and accomplishing all required sustainment requirements.

In other news Mr. Rodney Rush has finally taken the leap and gotten married and with that taken a position with the United States Air Force Europe. He will be leaving us later this month and headed to England. The house he has arranged for has 6 or 7 bedrooms and he has graciously invited any BSE, BSEN, TDX or TDXNet employee that is headed to England, on business or pleasure, to be his guest (phone number and address to follow (sure!)).



With Rodney leaving BSE, that opens the way for us to welcome Mr. Melvin Johnson to the Team and specifically to the Technical Services Division as the new Deputy Facility Security Officer.

Mr. Johnson just completed a 29 year career in the USAF where he retired as a Chief Master Sergeant. His final assignment was as the 1FW Security Forces Manager. He is looking forward to getting his feet wet, and feels he is up to the challenges that lay ahead as we prepare for our third Security Inspection, which will take place in October. His only question was "BT what is the rating just above Superior?" I like his attitude!! Welcome Melvin!

BSE P5CTS Shop Trains with Indian Air Force
 Steve Morrison, Site Manager Mt. Home AFB, Idaho



An Indian Air Force SU-30K aircraft touched down at Mountain Home Air Force Base, along with F-16 aggressor aircraft from Alaska, and F15 aircraft from Eglin AFB on July 17 to train with Mountain Home Air Force Base Airmen before participating in the Composite Force Exercise Red Flag at Nellis AFB, Nev., which begins Aug. 9. This is the first time in history the Indian Air Force has been on American soil to train with U.S. fighters. They will be taking advantage of Mountain Home's vast air space and multiple ranges to better prepare their aircrews for future flying missions.

The P5CTS pods will be flown on the SU-30K for the first time. The Indian Air Force



converted 12 Mig-27 launchers, adapting them to fly on the SU-30K to carry the P5CTS pods. The cargo aircraft transporting the launchers arrived two days late, delaying the load crew training. After the first launcher was downloaded from the cargo aircraft the P5 load crew received loading instruction and became familiar with the different launcher and electrical connections. The first loading and test flight of the P5 pod went flawless showing the vast capability of the system. A total of six P5 pods were converted to be flown on the SU-30K.

The exercise was a complete success for both aircrew and maintenance personnel. It provided first hand experience for all aircrews for combat tactics from foreign aircraft as well as aid to foreign relations.

Technical Services Division
Employee of the Quarter



Barry Merrill
Information Tech. Manager
 City Center Newport News, VA

Job Performance

- Provided Web Site Design and Maintenance for the following: Bering Sea Environmental, BSE Range Team, Bering Sea Eccotech, Aleut World Solutions
 - Performed duties as Document Control Coordinator – Uploaded crucial documents need for ISO 9001:2000 which contributed to error free re-certification
 - Provided Logo Design for the following: Bering Sea Group- New Logo Development, Bering Sea Environmental – redesign of logo, required rework of all forms, advertisements and entire Human Resource documentation packages – Huge effort! FiberDuct Solutions Ltd – designed a logo from scratch – lauded by management
 - Provided binder artwork, organizational charts & proofing – RSAF proposal
 - Developed graphics for contract proposals for both UXO VACAPES and UXO Naval Facilities Engineering Command Southwest
 - Complete graphic redesign for the Bering Sea Environmental company brochure
 - Modified maps for web site to provide clients with office location for BSE and BSEN
 - Developed a standardized resume template to be used in all future proposal efforts
 - Provided Newport News office management duties – responsible for consolidating weekly timesheets supporting efforts in three states, trouble shot telephone and internet issues
 - Research allowed BSE to obtain Canadian news video on MicroDuct installation Barry edited video and embedded controls so it could be shown during presentations providing an excellent marketing tool
 - Edited and published BSE corporate newsletter superior means for communicating with entire BSE population and with all share holders
 - Assisted with Safety Program Development
- Self Improvement**
- Completed self paced refresher courses: Adobe Flash Professional 8, Adobe AfterEffects 6.5, Adobe Dreamweaver 8
- Community Involvement**
- Actively involved with teaching Divorce Care for Kids (DC4K) Program at Local Church
 - Provides Web Site Management & Monthly Bulletins for local Lions Club
 - President of Metal Detecting Club, Hampton Roads Recovery Society (HRRS) – worked with city officials & Corps of Engineers to get beach reopened after munitions found
- Congratulations on a job well done!



AWS Wins Army \$49.9M Contract

Mike Taylor, Contracts Manager
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Aleut World Solutions (AWS) an SBA approved 8(a) joint venture managed by Bering Sea Environmental has received a contract from the Army Sustainment Command at Rock Island for the provision of technical support services. AWS is comprised of Bering Sea Environmental an Alaska Native 8(a) corporation, Visionary Solutions, LLC, a SBA approved 8(a) firm and New World Environmental, a Native American owned small business. The SBA approved small business joint venture was created in 2007 to support commercial and government remediation programs focused on the remediation of contaminated sites and facilities and the disposition of hazardous and

radiologically contaminated materials.

The ten year, \$49.9M ID/IQ, task order contract awarded to AWS by the Army Sustainment Command at Rock Island Arsenal can be used to support any United States Government program charged with the disposition of hazardous and/or radiological components or material by contacting the Department of Defense Executive Agency at Rock Island. The AWS joint venture partners intend to provide 85-90% of all required services using internal resources with limited subcontracting for those task order requirements that fall outside of the members' core competencies.



As the managing partner, Bering Sea Environmental (BSE) provides corporate infrastructure from its Anchorage AK offices

along with construction, Unexploded Ordnance (UXO) operations and field support. New World Environmental (dba New World Technologies) provides health physics and field services including characterization, brokerage and radiological operations support. Visionary Solutions' role is to provide packaging and transportation services including rail and motor carrier selection, and transportation for remediation and material disposition projects.

"We are pleased to be the managing partner for this innovative and ground breaking concept. A joint venture comprised of three best in class 8(a) and small business firms with the experience and expertise necessary to respond to stringent customer requirements using our intrinsic capabilities represents a new way of doing business in these markets. We are confident that we will be able to provide the Army Sustainment Command and its customers with exemplary support for these critical remediation projects" said Bill Arterburn, President of Bering Sea Environmental.

Echo's from the Field Leadership

This quarter we would like to present a new column for our newsletter. Many times those in the field would like to offer their insight but the opportunity to do so is not always made readily available. This new section will allow several employees each quarter to answer a question and provide some insight to all of us. This Quarter's Question is:

"Leadership, What Does It Means To You?"

Stephanie Nojima Office Manager from our Hawaii Office Writes -

It takes more than knowledge of an industry to be successful in business. Successful leaders are able to communicate and motivate their employees.

A successful leader has the ability to inspire others and make those working for them fulfilling. The effective leader works with employees to attain a common goal, lead by example and deals with opportunities in a decisive but compassionate way. Anyone can manage a company, but it takes a special skill to lead effectively. Some effective leadership qualities are:

1. Clear, flexible communication skills
2. Ability to focus on making decisions quickly, then following through
3. Attitude; find a way to accomplish the objective, positively and with enthusiasm
4. Flexibility. Just because it has always been done that way, doesn't mean it always has to be done that way

A leader with vision has a clear, vivid picture of where to go, as well as a firm grasp on what success looks like and how to achieve it. As Lou Holtz puts it, "Ability is what you're capable of doing. Motivation determines what you do. Attitude determines how well you do it."

"A leader with vision has a clear, vivid picture of where to go, as well as a firm grasp on what success looks like and how to achieve it."

Brian Robinson Project Manager from our Newport News, Office in Virginia Writes:

We are all called on to be a leader, in some capacity, at one point in time or another in our lives. There are many good leaders and some not-so-good leaders.

Leadership (noun) is one who fills the position of a leader or having the capacity to lead.

Leaders have commanding authority or influence. Good leaders also have earned authority with subordinates, peers, and superiors, alike.

Good leaders take charge of or direct the activities, personnel, and resources under their control to ensure a positive outcome of a task or mission. Good leaders also guide others along the way by going in advance and leading the way. They are in or among the first. By being in the forefront and being the example they show others that "it" can be done. A Good Leader will bring out the best in others!!!

Mike Phipps Site Manager from Seymour Johnson, AFB North Carolina Writes:

Some may think leadership means being the boss, the person in charge or the guy that tells you what to do; leadership is a lot more than that. Warren Bennis says "Leadership is

the wise use of power. Power is the capacity to translate intention into reality and sustain it". To me leadership is motivating a group of people to accomplish a common goal. In order to do this you must involve and empower workers by allowing them to give input during the planning process and give them authority to make decisions necessary to complete the job; it's a way of developing teamwork.

There are a lot of factors in being a good leader; I believe the first thing is you must be a good follower, that's how it all begins. A leader should be accountable for his or her actions and take responsibility for the successes and failures of the organization.

People should see you as a leader so you should be a person of integrity and do the right thing even when it's not popular. You should be able to balance the needs of the work force along with the needs of the organization.

I think a good leader is a good listener one that is open to the ideas of subordinates, and is able to see or understand things from the workers point of view.

I believe you should treat workers like you want to be treated, with dignity and respect and you should be open and honest when dealing with subordinates. Ralph Waldo Emerson said "Nothing astonishes men so much as common sense and plain dealing", and I believe a good leader applies common sense to all decisions made.