

UNITED STATES OF AMERICA

NATIONAL TRANSPORTATION SAFETY BOARD

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Investigation of: *

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KRISTIN ALEXIS/BARGE MR. ERVIN *

ALLISION WITH THE SUNSHINE BRIDGE * Accident No.: DCA19FM003

DONALDSONVILLE, LOUISIANA *

OCTOBER 12, 2018 *

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Interview of: Damon Judd
President, Marquette Transportation Co., LLC

Lamar Dixon Expo Center
Gonzales, Louisiana

Saturday,
May 11, 2019

APPEARANCES:

CDR MATTHEW MESKUN, Lead Investigating Officer
United States Coast Guard

CWO4 [REDACTED] [REDACTED] Investigating Officer
United States Coast Guard

LT [REDACTED] [REDACTED] Hearing Recorder
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(On behalf of Marquette Transportation, Gulf-Inland)

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P R O C E E D I N G S

(2:19 p.m.)

1
2
3 CDR MESKUN: We'll now hear testimony from Mr. Judd. Please
4 remain standing and LT [REDACTED] will administer your oath and ask
5 you some preliminary questions.

6 (Whereupon,

7 DAMON JUDD

8 was called as a witness and, after being first duly sworn, was
9 examined and testified as follows:)

10 LT [REDACTED] Please be seated. Please state your full name
11 and spell your last into the microphone, sir?

12 THE WITNESS: Sure. Damon Judd. Sorry. It would help if I
13 turned it on, I guess. You'd think after watching, I would have
14 figured that out. But Damon Judd, last name is J-u-d-d.

15 CDR MESKUN: Good afternoon, Mr. Judd.

16 THE WITNESS: Good afternoon.

17 CDR MESKUN: Thank you for your patience. I know it's been a
18 long week. Biting your tongue, the whole time, probably.

19 As you've heard many times, you know, if you don't understand
20 the questions we're asking, please ask us to rephrase, or if you
21 don't know, just please state that you don't know the answer to
22 the question.

23 EXAMINATION

24 BY CDR MESKUN:

25 Q. Can you please describe for us what your position is, how

1 long you've been with the company, and job description and
2 whatnot?

3 A. Sure. So I am president of Marquette at the parent company
4 level. So as Mr. Garsaud explained, I have primary oversight of
5 him and his team within the Gulf-Inland operations, but I also
6 have broader responsibilities on a corporate-wide basis.

7 And I know we have some information where we walk through to
8 clarify, you know, the company for you in terms of the last line
9 of questioning. But in my role I report directly to our CEO and
10 then also I have a very active dialogue with our board of
11 directors, in addition to -- you know, we're a big company but
12 we're still an entrepreneurial company, so I engage on a daily,
13 weekly, monthly basis very actively with our teams across all of
14 our divisions.

15 Q. Great. Thank you. And can you just describe a little bit
16 for us your background, experience, that kind of thing?

17 A. Sure. I apologize. I forgot to hit on that in the opening
18 remarks. But so, my history with Marquette team goes back about
19 12 years, but I've been in a day-to-day role for just about 3½
20 years.

21 I was initially actually a member of the company's board from
22 the spring of 2007 through, I believe it was September of 2013. I
23 have, as a background, more of a finance and leadership
24 background, than I do maritime.

25 I'll save the questions. I don't hold any maritime licenses

1 and I have no formal training as it relates to, you know, a
2 maritime education.

3 Q. Great. Thank you for that. And then I understand you have a
4 PowerPoint that you maybe wanted to walk us through to kind of
5 describe the company and the operations?

6 A. I thought it might be helpful, if the panel is willing to let
7 me spend a few minutes on that, just to provide a little bit of
8 perspective on Marquette as a whole and how the Gulf-Inland
9 business fits into our company and also to talk a little bit about
10 our history to the extent that's appropriate.

11 Q. Please, go ahead.

12 A. Thank you, sir. So, Marquette was founded in 1978 in a small
13 town up on the Upper Mississippi, Cassville, Wisconsin, by a
14 gentleman by the name of Ray Eckstein. Ray is actually John
15 Eckstein's, our CEO's father.

16 He had been in the business in the '40s and '50s, and then
17 reconstituted the company and founded Marquette in the late '70s.
18 And Ray, was a, you know, primary executive in charge of the
19 company until about the early '90s, where his -- when his son,
20 John, our current CEO and chairman, came back into the business
21 and took over day-to-day operations.

22 At that time we were a single-division company operating
23 about, what'd we say, seven boats, but I think if you ask John,
24 he'd tell you about five of them were truly operable. In the
25 early '90s it was a pretty tough time in our industry.

1 And John successfully has grown the business from kind of a
2 single division, a five to seven boat company, into what we are
3 today, which is a three-division business with approximately 131
4 boats operating across our River, Gulf-Inland and Offshore
5 Divisions.

6 John moved the headquarters of our company, which is co-
7 located with our River Division, in Paducah, Kentucky right after
8 -- you know, in the early '90s as well.

9 Our Gulf-Inland Division has a similar background but a kind
10 of simultaneous path, if you will. Our Gulf-Inland Division was
11 founded with the January 2007 acquisition of a business called
12 Eckstein Marine Services, which coincidentally, or non-coincidentally,
13 was founded by John's older brother in 1978, the same year
14 Marquette was founded. At the time of the acquisition of that
15 business, Gulf-Inland was operating -- or Eckstein Marine Services
16 was operating about 25, 26 vessels, and as highlighted on the
17 PowerPoint today, there's 67 towboats within the Gulf-Inland
18 Division. You will note that that number will be a little
19 different than some of the numbers on some of the other documents
20 because there are some vessels that are bare-boated out of that.
21 So when we talk about, from a safety management system, the
22 vessels we are operating within Gulf-Inland, I believe the number
23 you'll see is 62, 63, and it moves a bit.

24 But today we are a three-division company operating 131
25 boats; 55 of those boats are within our River Division, line

1 boats, ton mile boats, a lot of different ways the industry
2 describes them. Those range in horsepower from 4,000 to 9300, so
3 large tows in the Mississippi River system, Ohio River system,
4 Upper Miss, Illinois River, some work on the Tenn-Tom.

5 Our Gulf-Inland Division, where Marcel is the SVP of
6 operations, is headquartered in Harahan, operates 67 boats really
7 in the Lower Miss and east and west across the -- along the canal.
8 And again, the three -- I believe Marcel explained this, but we've
9 really got three different types of things we do with our assets
10 in that division: We provide towing to owners of liquid tank
11 barges on both a unit tow and ton-mile basis; we move various dry
12 cargo commodities; and then we have the boats involved in the
13 fleeting operations, as was the *Kristen Alexis*.

14 The third division, which is headquartered in Lockport,
15 Louisiana -- I actually just moved there from Larose -- is our
16 Offshore Division. That's nine smaller, model bow tugs. We
17 operate in and around the Gulf of Mexico, Eastern Seaboard,
18 Caribbean. Right now, we're going back and forth actually to
19 Mexico and we do some up-river towing with those boats as well,
20 but it's more a portion of what we do, primarily specialty cargo,
21 dredge support work, things of that nature.

22 And if you flip, I believe to the next slide, it gives you a
23 little bit of a visual, which may be helpful relative to some of
24 your earlier conversations. Those red lines represent the areas
25 of our primary operation. So on the upper left, you're going up

1 to Minneapolis, St. Paul; we're actually the largest operator on
2 the Upper Miss. And actually, if you look, St. Louis and above,
3 as a company, about 25 percent of the barges that go through Mel
4 Price Lock, northbound and southbound, are in front of a Marquette
5 boat.

6 So, the Upper Miss and the Illinois River, we're significant
7 players there. Significant players through St. Louis,
8 consolidating tows down to the Gulf. And then across the bottom
9 there, that is where our Gulf-Inland operation would be operating,
10 including up into the river on the Lower Miss.

11 I know that part of the purpose of today or of this week's
12 proceedings are to give the public a little bit of a perspective
13 on the event. If it's okay with you, I also thought it might be
14 helpful to just give a little bit of a context on our industry as
15 a whole, and I think a lot of activity occurs in the river
16 systems, and the public may not have full awareness of that.

17 Q. It's a very busy and dynamic river system.

18 A. Yes, sir.

19 Q. I see value in it.

20 A. If you wouldn't mind flipping to the next page. First, I
21 think this is also important context, and if you keep your mental
22 image of the prior page -- and this is not a perfect dataset.
23 There's a footnote on the bottom in terms of our source of it, and
24 I believe it may not include all the bridges below Baton Rouge,
25 but just counting above Baton Rouge, there's about 800 barges on

1 the system -- or 800 barges -- 800 bridges on the systems we
2 navigate.

3 So as you look at -- this is a very unfortunate incident, but
4 for us as a company and us as an industry, we as a company alone
5 are safely navigating several hundred bridges a day in our normal
6 course of operations, and I think that's an important point for
7 people to understand. And I'm not trying to belittle the fact
8 that this is a very unfortunate incident and we are taking it very
9 seriously as a company, but there is an overall perspective of,
10 you know, how our inland waterways operate and the hazards to
11 navigations our mariners are dealing with on a daily basis.

12 If you'd flip to the next slide.

13 And then I think as you think about scale, it's probably
14 worth noting as well -- this is not stuff produced by Marquette,
15 but this is stuff produced by the American Waterways Operator.
16 There's a tremendous amount of volume that moves on our river
17 systems. So a single dry-cargo barge represents about 70 tractor-
18 trailers, down there at the bottom of the page, and about 16
19 railcars.

20 So our largest boats typically will take in good water
21 conditions, which we haven't had in a while, 42 barges south. So
22 that's the equivalent of just shy of 3,000 truckloads moving in
23 front of one boat. And as you think of -- you know, you compound
24 that across our 131 boats as a company, it is not uncommon for us
25 to have from a cargo-carrying perspective, in a reference point

1 that's probably more relevant for the public, over 110,000
2 truckload equivalence, if you will, in front of our boats.

3 We generate in terms of capacity moves on an annual basis,
4 just within Marquette, about 75 billion ton-miles of activity on
5 an annual basis. Next slide, please.

6 And it's a substantial -- you know, this is again an industry
7 study -- but 785 million tons in total in terms of annual cargo,
8 and so I think it's worth also noting that a substantial portion
9 of that, I don't have the exact number, is either cargo destined
10 for really the ports of Louisiana or originating from the ports of
11 Louisiana. So, you know, for us as a company and us as an
12 industry, it's -- this will sound superficial, but it's very
13 sincere that Louisiana and the citizens of Louisiana are a very
14 important part of what we do every day. And we take the safety of
15 the public in Louisiana very seriously. We are -- our industry is
16 tied to this state, you know, deeply tied to this state.

17 Next slide, please.

18 And this is just as it relates to safety from a public
19 standpoint. You probably need to blow those up so I can read them
20 from here. Thank you, sir.

21 And this again is an industry study. For every 16 injuries
22 to the public that result from barge traffic, there's 104,000 that
23 result from truck traffic. And if you scroll down it covers
24 fatalities. For every six fatalities associated with inland
25 marine business or industry, there's over 4,000 fatalities related

1 to trucking.

2 And again, I want -- I'm providing this as context in the
3 spirit of kind of the public observation of this process, and I
4 don't want anyone to construe that I'm trying to say that -- you
5 know, a significant bridge strike is one too many, but there is a
6 context of what our industry is doing and the fact that we firmly
7 believe, and I know the other leaders in our industry believe,
8 that all the data shows that inland marine transportation is, you
9 know, the safest, greenest, most efficient way of moving bulk
10 commodities. Next.

11 The other thing I thought, if you'll allow, that might be
12 worth providing perspective on, on the front end of this
13 conversation is stop work. It's gotten a ton of conversation, and
14 if you look back at when I came on day-to-day within Marquette, I
15 came in the middle of a transition around this, and so there's an
16 evolution to what we've been trying to accomplish as a company
17 that I think is an important framework to the discussions that
18 have been had over this week.

19 So when I started in late 2015, we had stop work authority,
20 and a lot of people have thrown it around as stop work authority
21 in the conversations and the questions. In 2016, I can't give you
22 an exact date, but in the spring of 2016, we reinitiated the
23 program and relaunched the cards with stop work responsibility,
24 because as we started having conversations around safety and
25 safety culture -- we've got 131 boats out there running every day.

1 The eyes and ears of our mariners are, we believe, the most
2 important tool we have to driving safety operations of our
3 vessels. So we made a concerted effort to step back and, really
4 with momentum, put our shoulder behind a program to communicate
5 that we didn't view this as window dressing, that we meant this
6 and that it wasn't just, you know, your authority, it's your
7 responsibility. And if you flip to the next slide, I can provide
8 a little more.

9 So in the fall of 2016, and this is just context of the
10 evolution of this program for us that I thought might be helpful
11 for the panel, we actually hired a third party to do a blind
12 survey of our entire team because we wanted people to know that we
13 weren't going to be able to see who said what, because I believe
14 you don't get good feedback if you do that. And it was quite an
15 undertaking because you have to manage your way through -- there's
16 been a lot of conversations around how do you manage your way
17 through crew changes and making sure you hit different people. So
18 we kept it open from August of 2016 and we wrapped it up in
19 December of 2016. And we received just shy of 800 surveys as a
20 company.

21 A significant focus of that survey -- and partially for me as
22 a new manager within the company, was we had just launched this
23 program, we wanted to know are we just saying it and is it just
24 feeling good or are we really getting traction on this, but was
25 soliciting responses on what our mariners were telling us about

1 our safety culture as a company. And, you know, you can read the
2 statistics up there, but 88% said, they'd report their concerns,
3 87% responded "I believe Marquette cares deeply about my safety
4 and the safety of other Marquette employees."

5 Spent a lot of time actually designing the survey,
6 accentuating those words, because if you just ask does Marquette
7 care, as the science tells you, you're going to get a lot of yeses
8 and you're not going to get the value out of it. So we really
9 wanted to put this concept of, beyond the superficial engagement,
10 do people believe that we care about their safety and the safety
11 of our equipment and the safety of the environment.

12 And then within our Gulf-Inland Division, 94% of the mariners
13 that responded said, if I see an unsafe situation or condition, I
14 will use stop work responsibility.

15 So that's 2016, we're in the fall of 2018 -- and we're
16 talking very openly this week about we believe stop work
17 responsibility -- and there's a lot of other policies and things
18 we covered in a lot of detail. If there's one single thing that
19 I, as president of Marquette believe was the most important thing
20 and the most disappointing thing, it was the failure of someone to
21 use stop work responsibility.

22 And there's been an evolution since this -- so this was a
23 data point. As we rolled into 2018, there's been a lot of
24 conversations around near misses and, you know, we went from
25 pushing this to requiring this. And not requiring with a quota,

1 but we actually, in 2018, changed our near miss submission forms
2 to actually call out, have the individuals submitting them, have
3 them designate if it was something where they used stop work. And
4 we had, I believe the number is 256 specific stop work incidents
5 reported to our Gulf-Inland team in 2018.

6 And that's culturally within Inland Marine -- and trust me,
7 it's not that that only happened 256 times. It's that -- I viewed
8 that as significant traction that we are actually getting people
9 to hold up their hand and write in and send in a form saying, I
10 used my stop work and I'm proud of it and I want you as the
11 leaders of the company to know it.

12 Beyond that, we integrated into our near miss program, and
13 there's been a lot of conversation around that as well, that I
14 think some things are getting lost in that just in terms of the
15 actual scale of that program. Within Gulf-Inland last year, we
16 had 1,054 near miss submissions.

17 So there's this context of some of this volume that I believe
18 is -- you know, I'm excited -- let me put it this way. I'm very
19 excited to have a direct conversation around some of the things
20 that I believe you all on the panel are trying to get deeper on
21 and I'm excited to be able to address them directly with you.

22 Q. Thank you for that. I appreciate it. If you could just
23 clarify one thing. As we were going through the presentation, I
24 don't know if you mentioned it, how long had Marquette had the
25 third division, the Offshore Division, and how was that acquired?

1 A. Sure. The Offshore Division was formed August 31 -- I
2 remember all these dates because I was involved on the other side
3 -- August 31, 2007.

4 Q. And that was an acquisition as well for you?

5 A. That was as a result of an acquisition of an entrepreneurial
6 company. Actually, the founder of that business was friends with
7 Randy Eckstein, who was the founder of the Gulf-Inland Division.

8 Q. Okay. Thank you for that.

9 A. Yes, sir.

10 CDR MESKUN: Mr. Kucharski?

11 BY MR. KUCHARSKI:

12 Q. Good afternoon, Mr. Judd, and thank you for being here. I
13 know it's been a long process. Thank you.

14 A. Yes, sir.

15 Q. Thank you. While these slides are up, the lost time
16 incident --

17 A. Oh, I'm sorry. We should hit that because I didn't.

18 Q. Yeah, there we go.

19 A. Thank you.

20 Q. Yep. Number 9, this lost time incident rate -- and this is
21 of the Gulf-Inland fleet?

22 A. Yes, sir.

23 Q. So give us a sense of, when we say lost time, how many, what
24 percentage of these are slip and fall type accidents or personal
25 injury type accidents?

1 A. They're all -- these are personal injuries, and I guess I
2 included this in the materials because I wanted to provide --
3 incidents as it relates to navigation are largely -- can be
4 heavily influenced by the conditions you're dealing with.

5 So there's plenty of press over the last 12 months, and as
6 you hear it outside right now, we're dealing -- we've dealt with
7 record rainfall in this country, which means, you know, record
8 conditions for us as an operator of marine equipment on a very
9 dynamic system.

10 What I was hoping to provide through this is just I wanted to
11 give you a -- give everyone a sense of, you know, the commitment
12 we have as a company of driving continuous improvement and the
13 commitment we have to safety culture.

14 So I'm a believer that, if you don't have your employees
15 looking out for their own personal safety, you're never going to
16 have the culture on the vessel where the master of that vessel's
17 going to look out for the safety of the environment and the safety
18 of the equipment. And I recognize that it's not a perfect, you
19 know, a perfect corollary, but I think as it relates to a cultural
20 barometer, it's something that I place a significant emphasis on
21 as a leader within the business.

22 Q. Do you have any idea if the trend over the same period for
23 non-injury type accidents at Marquette is on a downward slope also
24 for Gulf-Inland?

25 A. It is. I mean, it would be more episodic because incidents

1 by their nature tend to be episodic. But as you look at overall
2 frequency relative to the days of vessel operations, yes, it's a
3 trend that's down and to the right.

4 Q. You mentioned the evolution and where you want to be at
5 Marquette, I think starting in 2016 or '15, somewhere in there.
6 Are you there now where you want to be?

7 A. No. I mean, our goal as a company is to drive continuous
8 improvement and I don't think that you ever get there. But as you
9 look at it from a safety and environmental standpoint, I mean our
10 mission is zero and it's a steady march to try to get to zero.
11 But we've got to challenge our self to get better as a company,
12 you know, really every day, every week, every month, every year.

13 Q. So do you believe in this trend, all accidents are
14 preventable?

15 A. I believe that people like to say that and I believe that
16 yes, in theory. In theory, if you break something down on paper,
17 you'll typically find, you know, that there was a mistake made
18 along the way. But I believe that, you know, there is a huge
19 element of human error in what we do and in the execution of our
20 business on a daily basis. And so, do I believe that in the near-
21 term we as a company or we as an industry will get to zero? I
22 believe that's a pretty tall order, but I think it's our, you
23 know, our responsibility as leaders within the industry and as
24 managers within the company to push our organizations to continue
25 to march towards zero.

1 Q. Have you attended any root-cause analysis type training to
2 see root cause, what --

3 A. So I haven't specifically, other than my background -- I've
4 served on boards of a number of organizations involved in, you
5 know, aerospace transportation, niche manufacturing, and I've got,
6 what I'd say is a -- I actually like to use on just a root cause,
7 a very simple concept, you know, in terms of for me, it's about
8 the five whys. We have investigators within the company that we
9 do send and get certified on TapRoot, and we do more thorough
10 investigations. But for me, the goal of any process is getting
11 down to why and then trying to develop something that helps
12 prevent why from occurring again in the future.

13 Q. And do you know if in root cause, it tends to go to the
14 organization as opposed to the individual?

15 A. I do, and I understand the theory of that, and that's why
16 we're here today. Right? It's not just our organization, but
17 it's our industry and it's our regulatory bodies, and we're here
18 to try to figure out, you know, how we drive a safer environment
19 going forward.

20 I do -- I would also say, you know, I think there's a number
21 of studies the Coast Guard had done in terms of, in partnership
22 with AWO and otherwise, where within our industry, you know, human
23 error ultimately ends up being a big category of -- I'm not as
24 technical as you are, sir, on root cause, so excuse my layman's
25 term, but of -- you know, as you actually walk through what

1 happened, human error -- I've seen studies, I believe from the
2 Coast Guard that show 80% to 90% of what happens is human error
3 and not necessarily a policy issue, not necessarily an equipment
4 issue.

5 But we do view our safety management system as a company as a
6 living, breathing document that we try to enhance to help prevent
7 the risk of human error, if that makes sense. So I'm not trying
8 to avoid your question and I understand that theory, and we take
9 that responsibility seriously, but I do believe that when you get
10 from the textbook to the operating environment, there's a lot of
11 decisions that get made in the field that ultimately lead to an
12 event like this transpiring.

13 Q. Thank you for your candor in that answer. Thank you. I'm
14 going to go into a couple of questions along what was asked a
15 little bit earlier.

16 This grant-based training that we heard about and, I
17 apologize, we just heard about it recently. It may have been out
18 there, but we didn't realize that was sort of there.

19 For your marine personnel, how is this actually communicated
20 to the crew members on the boats?

21 A. So, I will admit, I don't know the exact way it gets
22 communicated within the Gulf-Inland team. I would tell you that
23 it's just one thing that we do around training. There's a
24 significant amount of on-the-job training within our business and
25 our industry.

1 So as you look at on a holistic basis, the investments we
2 make to post people, to train people, to put extra deckhands on
3 when they're starting, and on a cumulative basis, those dollars,
4 setting aside things we do with simulators and Seaman's Church in
5 terms of bridge resource management programs -- you had
6 individuals who were focusing on things, they hear the word
7 training, I think that may have been overemphasized relative to
8 our holistic approach on training as a company.

9 Q. Okay. So, and I guess where I was sort of looking at this
10 is, your -- you know, we've asked repeatedly about Rose Point
11 training.

12 A. Yes, sir.

13 Q. You know, and pretty much most didn't have formal training in
14 it. You know, a lot of on-the-job type training or how you pick
15 it up. And your safety management system talks about now in
16 plotting the routes on Rose Point. Okay? So are you comfortable
17 knowing that all your vessel personnel can plot all those routes
18 on Rose Point?

19 A. When you use an absolute phrase, it's -- I mean it's hard for
20 me to see -- we have 1,300 mariners as a whole. Am I going to sit
21 before you and say that every single one of them is perfectly
22 plotting in Rose Point? No. Am I comfortable that there is a
23 strong general awareness and understanding of how to you Rose
24 Point as one aid to navigation? Yes.

25 Q. Okay. And I guess where I'm sort of looking, you know, like

1 ask about, you know, your training people, your training manager
2 and your port captains, they suggest any training? I mean, how do
3 you know what you need if you don't know, you know?

4 A. And that's the continuous journey. One, we've talked about
5 some of the personnel changes within Gulf-Inland. The manager of
6 training actually has a background in Rose Point training, so I
7 know he is looking at are there ways that we can expand upon what
8 we've been doing. You know, I can't tell you the specifics of
9 everything he's thinking about or looking at as it relates to that
10 though.

11 Q. And I saw you shaking your head over there or either side to
12 side or up and down about TSAC, and had asked if you were a
13 member. You're a member now of TSAC; is that correct?

14 A. Yes. So currently Chris Myskowski, who won't show up on your
15 org charts because he's the senior vice president of operations
16 within our River Division, and I believe he's in his second year
17 term within TSAC, but he is the first individual from our company
18 that has been formally appointed to that -- I don't know if board
19 is the right word.

20 Q. Yeah. I did a little search on that, so I knew the name. I
21 was just -- couldn't go back far enough to the study time to see
22 if Marquette was a member of TSAC. But they were not, back when
23 the study came out?

24 A. Not that I'm aware.

25 Q. And so after this TSAC, these recommendations came out, can

1 you speak to any -- you know, the company looking at these
2 particular recommendations, and now that you've had a chance to
3 study them, give us your candid opinion here?

4 A. Sure. So I can't speak directly to what the company did then
5 because I started in a day-to-day role in October of 2015. I can
6 tell you that as a company, I mean we are members of AWO --
7 actually, one of our individuals, Darin Adrian is a board member
8 there. He's actually now chairman of REDIF (ph.).

9 We are members of WCI. We send people to the industry groups
10 where this -- that try to distribute this information. I believe
11 -- and again, I'm not the compliance expert -- but looking through
12 this there are, you know, there are clearly things that didn't get
13 adopted, probably broadly within the industry and I don't believe
14 actually got adopted within Subchapter M, the way they were
15 originally construed. But that's me looking through a rearview
16 mirror, honestly, seeing this document as part of preparation for
17 this week.

18 Q. Well, you mentioned Subchapter M and all these regulations.
19 Do you look at them as a ceiling or a floor? Is that a baseline
20 in that you --

21 A. It's absolutely a floor, in that -- but it's a significant
22 undertaking that's being -- that's occurring within our industry,
23 and not just for us but the Coast Guard. But as you look at -- I
24 think the most important thing about Subchapter M, we went from --
25 I'll screw up the name -- but the bridging strictures, voluntary,

1 physical inspections of towboats. And I believe that Marquette,
2 within the larger players within our industry, when that program
3 came out, was the first company to get all of its boats
4 certificated. We've always taken these these programs very
5 seriously.

6 What I like about Subchapter M and how its envisioned is, in
7 concept, it's not just an asset inspection. It truly is the Coast
8 Guard, you know, directly and through the TPO trying to drive
9 safety management systems, trying to drive a safety culture and
10 trying to ultimately, you know, improve the safe operation of
11 vessels on the waterways as a result of a regulatory framework.

12 It's been a big undertaking for everyone involved and we're
13 in the early days, but I think one for the industry that excites
14 me. And I will tell you -- you heard people talk about ISM and
15 our election to go with the ISM route as it relates to our
16 Subchapter M program; that was a decision we made about 2 years
17 ago knowing this was coming. And the conversations we were having
18 as a leadership team is, we are going to have to do incremental
19 work; how do we view this as an opportunity to make ourselves a
20 better company? And that's truly been the spirit with which we've
21 approached the implementation of Subchapter M.

22 Q. Just back to a little bit on the structure of Marquette
23 Transport. Is Marquette -- MTC, Marquette Transportation Company,
24 are they part of a larger organization?

25 A. So, I can walk you through the legal org chart if that's

1 helpful. Marquette Transportation Company, LLC, which is also our
2 River Division, the assets of that division are located there.

3 We actually operate under three separate DOCs with the Coast
4 Guard because we believe, you know, there are unique attributes to
5 what we do across each division and we wanted to make sure we
6 could provide our teams the ability to focus on those within their
7 safety management systems, versus a one-size-fit-all approach.

8 That entity owns Marquette Transportation Gulf-Inland, LLC,
9 which houses our Gulf-Inland Division, and the Marquette
10 Transportation Company entity also houses a legal LLC that holds
11 our Offshore Division. Those entities are ultimately held by a
12 holding entity called Marquette Transportation Company Holdings,
13 LLC, which is held by private investors, including members of
14 management and the Eckstein family.

15 Q. Are you a member of the board of any of those?

16 A. So I used to be a member of the board of holdings. I got out
17 of that. They top graded the board and brought in more
18 sophisticated people than me. I believe I'm a member technically
19 of the board of the subsidiaries. I know I'm an officer of them.
20 Rather than me speculate, I'm happy to provide that as a follow-
21 up.

22 Q. No, that's fine. Getting a basic idea. So earlier when I
23 was asking Mr. Garsaud about accidents across different fleets or
24 divisions, maybe that was a bad -- you know, I -- using the word
25 fleet. And then within the divisions, you have, I hate to say

1 different fleets, but I -- that's what you call them. You have
2 your fleeting operations, then you have your river operations, or
3 I should say, canal. Sorry. And I had asked about if there's
4 someone there at the company that looks at the different ones to
5 see -- you know, you throw out figures like ton-miles and all
6 that. I mean, I've seen that in many industries, and we've seen
7 that passenger miles or things like that.

8 So have you looked at your different divisions, we have the
9 three -- forget about Offshore. Small number of assets. Nine,
10 right? And comparable size, you have your Rivers, which are your
11 line boats? Yes?

12 A. Yes, sir.

13 Q. And then your Gulf and Inland, which are your canal and
14 fleet. Did I get that right?

15 A. So --

16 Q. I got it right?

17 A. -- everyone uses different words around line boat. Let me
18 just make sure. So within the Gulf-Inland fleet -- let's talk
19 about horsepower and then we'll talk about job scope because
20 that's probably the better way to define it.

21 Gulf-Inland has 1,000 to 2,000 horsepower. So canal boats
22 but boats that also operate -- when I say, canal, for us the lower
23 end of the Lower Miss, we include when we talk internally in kind
24 of our -- we would call that the Gulf. There are a few of those
25 vessels that occasionally move upriver, run the Tenn-Tom or run up

1 to the Lower Ohio as well, and we've got some vessels that are Z-
2 drives and have the capability to operate in those areas.

3 Our River Division is exclusively Mississippi River and
4 upriver tribs, so the Upper Miss, the Illinois, some work on the
5 Ohio, occasionally on the Tenn-Tom. But that's the cargo or --
6 you know, originating typically north, moving south, or bringing
7 cargo north out of the Gulf.

8 And then within -- but within our Gulf-Inland Division there
9 are three, what I view as distinct trades, and we actually, at the
10 beginning of 2018 -- you heard members of our team talk about
11 vessel management teams? We used to have vessel management teams
12 that crossed over between different things we were doing and we,
13 at the -- actually the conversation started in late 2017. We
14 focused our VMTs around these specific trades, because there are
15 nuances to being a fleet boat; there are nuances to being a liquid
16 boat. So, for us, that's predominantly a unit towboat. And then
17 our dry cargo operation -- and this is why I'm providing the
18 clarification -- within the Gulf, that is a ton-mile operation, if
19 you will, where we are moving, you know, one to six barges either
20 through a charter arrangement or on a spot basis. So we view that
21 as ton-mile or a line haul boat. It just happens to be typically
22 a 2,000-horsepower boat.

23 Q. And the river section, the line, you mentioned 1,000 to 2,000
24 horsepower for the Gulf and Inland; is that correct?

25 A. Yes, sir.

1 Q. And then where does the line pick up? On the rivers, is that
2 2,000 --

3 A. 4,000 and 9300, and they're actually rated at 10,000 but we
4 run them at 9,300.

5 Q. Okay. So two things relating to that. I'll go back to the
6 accidents. But I asked about pay to the captains and that, I was
7 told, was experience level, generally speaking. Do you also
8 compensate based on horsepower?

9 A. It's typically more based on trade than horsepower. So let's
10 just focus on Gulf-Inland because that's what we're here to
11 discuss, unless you want me to talk about River, because that's a
12 whole --

13 Q. Yeah. I'd like you to compare the River, you know, a captain
14 from a river boat. Okay. Are they paid more than, say, you know,
15 a Gulf and Inland boat or a fleet boat? That's what I'm just
16 trying to get at.

17 A. Okay. So, within the industry paradigm, typically your
18 captains who can handle full tows out of St. Louis are your
19 highest paid wheelmen within the industry.

20 From there, folks who operate on the Upper Miss and Illinois
21 River, and this is consistent for us, too, experience and
22 capability rolls into this, so it's not absolutely but I'm giving
23 you directional. Upper Miss and Illinois Rivers, so we would call
24 that a lock and river captain is typically kind of the next in
25 line.

1 And then the Ohio River, since it's more of a pool river,
2 typically within kind of the larger horsepower boats, that would
3 be your, kind of your next threshold from a pay standpoint.

4 So if you think about your heavy tow captains, they're at the
5 top of that paradigm, typically on pay within kind of the 4,000
6 and up horsepower category, your Ohio River captains may be at the
7 bottom. Not absolutely but on the general basis.

8 Within the Gulf, there are -- so experience does matter and
9 we have programs like longevity pay and then experience. I think
10 part of what Marcel was hearing from you and maybe embedded in
11 your question, I mean a captain gets paid differently than a
12 relief captain then a pilot. Within the Gulf, we compensate
13 people who operate our Z-drives at the top of the echelon. The
14 people who are doing our dry cargo ton-mile and taking six packs,
15 I think you heard Mr. Crutcher, which can be Z-drive boats as
16 well, those are -- within the Intracoastal environment, those are
17 the hardest wheelmen to find who have that boat handling
18 capability.

19 And then your unit tow and your fleet guys, I think the wages
20 there can be fairly in line as it relates to the wheelhouse pay.
21 There are differences though between sometimes live aboard and
22 lunch -- what we call lunch bucket, and you would -- I mean,
23 because we're paying for food and other things. It's just a
24 different cost structure of operating those vessels.

25 But within the fleets and across our company, I won't say

1 that we're the absolute top on pay, but we've been a mariner-
2 focused company and we try to be on the top end of where we view
3 fair pay. And I think we are viewed as, you know, a relatively
4 high payer as it relates to our operations.

5 Q. Great. Thank you. Thank you for that information. So, but
6 the Gulf and Inland captains and wheelmen, let's just concentrate
7 on that. In the 1,2,3 -- you know, you talked about the pay based
8 on trade route, the St. Louis boats, number 1, Upper Mississippi,
9 lock and river; and then the Ohio 1, 2, 3. Where do the Gulf and
10 Inland fall into the 1, 2, 3 there? Are they -- can you give --

11 A. So on the upper end of Gulf-Inland, probably more in line
12 with the Ohio River. They're also dealing with different scale
13 and different crew management. I mean, our river boats are
14 typically managing a boat with 10 people on board. Our Gulf-
15 Inland vessels have, you know, five or six people on board. So
16 there is a different level of expectation as well, just in terms
17 of what that job entails.

18 Q. Okay. Great. Yeah, that's what I wanted to see, you know,
19 compared to -- so your river boats have, you have roughly the same
20 size, 62, I think it is, and then 67 for the -- or maybe vice
21 versa?

22 A. Uh-huh, 55 in the river, 67 in the Gulf, and 9 offshore.

23 Q. Okay. Right. Okay. So now back to the question that I had
24 asked Mr. Garsaud, which I think you were shaking your head over
25 there about, is, so between -- let's not look at the Gulf and

1 Inland alone with the three different groups that you mentioned in
2 there, you know, the unit tows, the red flag type stuff, and then
3 the fleet -- you know, see, I talk about fleets. But you know,
4 the fleet operations. But in comparing your Gulf and Inland say
5 to your river, have you compared accidents and incidents on both
6 of those to get a feel for --

7 A. We look at -- so you get into what are you normalizing for,
8 because they are very different areas of operation. In general,
9 from a frequency standpoint, I would say, and I'm speculating a
10 little but I'm close to the data. I didn't bring the data with
11 me. In general, the Gulf boats have a lower frequency of incident
12 than the river boats.

13 Q. You said the Gulf boats have a lower frequency?

14 A. Yes, sir, on a per op day basis. On a per mile basis, it
15 would probably be the opposite of that. I mean, the river boats,
16 you know, you're traveling over 2,000 miles to go all the way up
17 to Minneapolis-Saint Paul. So those boats are operating in a much
18 broader -- they're by definition the more distance you cover in
19 our industry, the more risk you assume. You've got drift, you've
20 got bridge passing, you've got sandbars, you've got groundings.
21 There's just a lot that goes on.

22 I know you've worked in very dynamic environments as well.
23 For those who haven't spent time on a towboat, whether it's in the
24 ditch or in the river, I mean, it is a very dynamic environment.

25 Q. So, and I promise not to belabor this, but -- and, you know,

1 I -- and I won't mention any names of boats, but we've had three
2 incidents, okay, with fleeting boats. And that's why I'm asking
3 these questions. So even though then Gulf and Inland overall, you
4 say is less frequency, have you seen any kind of a trend here in
5 Gulf and Inland with increased incidents?

6 A. 2018, we had a worse year within Gulf-Inland, for sure. But
7 we've also been faced seeing an operating environment that has
8 been, you know, severely more risky than a typical operating
9 environment. But yes.

10 And I'm happy to talk directly about -- I mean, I know there
11 are a lot of questions around Gramercy. I mean, if it's helpful,
12 I can give you some context around the timeline of that event and
13 what I believe may be your ultimate question on, if this happened
14 a few weeks before, or, you know, roughly a month-and-a-half
15 before the Sunshine Bridge, you know, was there an opportunity for
16 the company to prevent the Sunshine Bridge from occurring?

17 MR. KUCHARSKI: I have to -- Commander, it's not my, it's not
18 my hearing, but I have no objection to that.

19 CDR MESKUN: Please go ahead.

20 THE WITNESS: Okay. And I think, because there's context
21 around all of this and I think that's important. I'm going to
22 cheat with notes just because the timeline's not one that I have
23 memorized because it is a little complicated.

24 So first, I might ask, Lieutenant, would you mind pulling up
25 the Notice to Mariners that talks about the vessel air draft as

1 critical?

2 So, in the second paragraph about -- stop right there. Do
3 you mind just putting your cursor over the 205 incidents? So the
4 first point of contexts I think that is important to understand
5 is, that -- I think that says, and this is per the Coast Guard
6 data, over the last 11 years, I'm paraphrasing, there were 205
7 overhead bridge strikes. During that period, we as a company had,
8 had one. It involved an offshore boat that was towing on a
9 towline a big tank that hit a navigational light on a bridge on
10 the Ohio River. And actually, the bridge owner got fined
11 penalties for the lights not operating.

12 And I've challenged our teams, because I've asked the same
13 question you're asking, and as far as I have been able to
14 determine, and I will admit that our corporate records going back
15 as a small entrepreneurial company aren't perfect, but we've got
16 some people who are really good at remembering these things. No
17 one can think of one other single overhead bridge strike that we
18 had as a company. And you can look at that two ways. I guess,
19 one, you can say, you had one; alarms should have been going off
20 because they don't happen very often.

21 The flip of that is you can say, you know, as you think about
22 all the places you're going with your questions around trending
23 and observations and how do you disseminate information, this was
24 an isolated incident for us as a company at the time it occurred.

25 And then, and I know there's been bits and pieces around

1 this, and this is why I suggested, let's just talk directly about
2 it -- you know, hindsight's 20/20. It is. But there was noise
3 around this incident that is important to the context and the
4 context with which this incident is getting raised as part of
5 these proceedings.

6 So, August 30th, they picked up the crane barge, nothing
7 reported to us. August 31, we get a call from the Coast Guard
8 saying, as I think Marcel testified, that there was a complaint
9 from the customer that there was damage to the crane.

10 It is not uncommon in the maritime industry for customers to
11 say there's damage to something that you didn't actually cause or
12 that they don't know where it caused. There's a chain of custody
13 that there's normally an investigation that happens.

14 We very quickly said, we have a customer saying one thing; we
15 have a captain saying another thing. And again, hindsight's
16 20/20. In a situation like that, as a company, we typically
17 involve legal counsel because we feel like that's the most
18 disciplined process to try to really do a thorough investigation
19 around what we think transpired.

20 So, on September 1, there were interviews. They denied. We
21 interviewed not only the captain but the deckhand, and I'll
22 paraphrase, but the deckhand remembers, I believe, and stated in
23 their interviews that they were in the galley. They felt
24 something and they thought they might have hit a log or a sandbar,
25 but they believed it was after they had passed through. The

1 captain was adamant that he had plenty of air draft and did not
2 make contact with the bridge.

3 I think there was some documents going back and forth between
4 us and the Coast Guard on the 3rd. In there -- I missed the date,
5 sorry -- we actually had -- so the captain who was under watch
6 left that vessel. This is a lunch bucket vessel. Another
7 wheelman brought that same crane back through the bridge. At that
8 time, though we weren't aware of the fact that the alleged
9 incident at that point in time was in the non-channel span. And
10 we asked him on his way through, can you look up, can you look
11 around, can you see, you know, whether or not you see any evidence
12 of something having occurred.

13 Well, he did his -- he came through, but he didn't realize --
14 we weren't were he could have been able to see. We actually then
15 sent a vessel on the 4th, the *Mary Kay* -- someone correct me if --
16 I didn't write the vessel names; if that's the wrong boat, I
17 apologize -- specifically through, and even though that's not a
18 channel span, it is a legal span to navigate. It's just not
19 marked as a channel span and I don't believe -- this boat was not
20 carrying a crane, but went through and we asked him, can you take
21 some pictures? You know, we're trying to figure out whether or
22 not we actually made contact here. Pictures were taken. We
23 couldn't see any evidence of any fresh damage to the bridge as a
24 result of that passing.

25 So we are required within 5 days to submit a 2692 to the

1 Coast Guard. And you will -- you noted and appropriately so, I
2 mean, it's vague because the very honest answer is at that point
3 in time all we had heard was captain saying he didn't, deckhands
4 are saying, you know, they felt a bump but they thought it was
5 something underwater, not something above water, and they thought
6 it was through the bridge.

7 And, you know, we've made two attempts to try to get some
8 visual eyes on it, if you will, and neither of them had confirmed
9 to us that there was indeed damage. I believe simultaneously, as
10 the gentleman from the DOTD testified earlier this week, that they
11 were undertaking, you know, stuff on their end as well.

12 So, we submitted a 2692, which was displayed, I believe,
13 yesterday evening, based on the facts we knew. We had to submit
14 it then because we are required to submit it within 5 days. We
15 did not update the 2692. That is not an industry practice I'm
16 aware of and I don't believe there's an obligation to do so. But
17 I just want to demystify this. You know, we had an ongoing
18 investigation. We submitted a 2692 in good faith based on the
19 facts that we knew at that point in time. And yes, we learned
20 more facts as this timeline continued to roll forward.

21 So we then get some information from the LA DOTD, I believe
22 on the 7th, that had pictures that -- I'm a layperson -- you know,
23 almost looked like a cat scratch, if you will, underneath. Didn't
24 see any significant damage. We hired -- as a result of that, we
25 made the decision, we wanted to get some more detailed pictures,

1 because again, at that point it definitely could have been
2 attributed to us but we didn't have anything that we're sitting
3 there saying this is really clear what happened. And we hired a
4 surveyor who hired a drone. I don't know if he hired or if he had
5 the drone. But in any event, we tried to schedule a drone survey.

6 That drone survey was delayed several times as a result of
7 weather. They finally flew under on the 27th. Our counsel sent
8 us the high-resolution videos and photographs from that drone
9 survey on October 11th.

10 We terminated the captain for failure to report on the 28th
11 of November. And there's a significant gap of time that occurred
12 there but we are not, you know, IBM. We are not an enormous
13 organization, and you know the things that happen the night of the
14 12th, and you probably imagine where our operational focus was,
15 you know, from that point going forward.

16 And so again, hindsight is absolutely 20/20. You know, and I
17 get why this is a focus of the conversation, but as we were
18 sitting there in time and as our teams try to assess and we get a
19 lot -- I think I mentioned, we have over 1,000 near misses that
20 were submitted last year in Gulf-Inland.

21 I'm not at all trying to sit here and say that we are perfect
22 in terms of digesting which ones are the most critical ones we
23 send to the fleet and how we distribute them. But I will tell you
24 that we have people who make a concerted effort on a weekly basis
25 to go through, read them, digest them, talk as a team and submit

1 ones that we think are higher value.

2 And then the fact that this ended up in a -- more of a legal
3 investigation process because we had a wheelman who continued to
4 deny, we probably did not have the appropriate linkage of -- from
5 Marcel and Harvey and our operational teams. I oversee legal, as
6 well in my role, so, you know, if anyone's to blame for lack of
7 communication on that, I mean ultimately it's got to be me. But
8 it's not as a result of the fact that we don't take very seriously
9 trying to learn from incidents that occur and that we don't take
10 proactive efforts to distribute information on a timely basis to
11 our fleet.

12 Is that helpful? Is that kind of the gist of some of the
13 conversation?

14 BY MR. KUCHARSKI:

15 Q. Sure. And I think we understood some of that in the
16 beginning. But you said you manage legal.

17 A. Yes, sir.

18 Q. Okay. Are you an attorney?

19 A. No, sir.

20 Q. Okay. Just asking. Full disclosure here.

21 A. You are, I believe, though?

22 Q. Yeah. So, you know, looking over the 2692, it was filled out
23 by your claims manager. Is that typical for Marquette to do?

24 A. Yes. We try to -- I'll say typical; I can't tell you that
25 100 percent of the time. But yes. Our claims teams handle that

1 process. The operation environment, it's not perfect again, but
2 we deal with a lot of things operational on a daily basis, and so
3 if there were things that have explicit timetables around them,
4 you know, someone focused on that in claims, we found, is the best
5 way to make sure we're meeting those deadlines and our
6 responsibilities.

7 Q. Okay. So I want to make sure you answered this, and I'm not
8 really sure. So the fleet boats, again back to the fleet boats.
9 Let's not concentrate on the bridge strikes. Okay?

10 But did you look at your fleet boats -- when I say, fleet,
11 you know, in fleeting operations, those divisions in different
12 fleets, type of thing. So fleeting operations, have you looked at
13 that to see if there's any trend in increased accident on --
14 accidents on them? I said I wouldn't mention other vessels, but
15 the fleeting operations in general.

16 A. So we -- and we should probably get into some of the process
17 around this as well. We hold -- Mr. Crutcher talked about the
18 safety review board meetings we have within Gulf-Inland. That was
19 -- that is a monthly process today. That used to be a quarterly
20 process.

21 We hold quarterly meetings with our River team as well. I
22 sit in those, and my attendance isn't 100% but it's probably 95%
23 plus. And we also have cross-divisional people sitting in on each
24 of those in terms of both operations compliance and safety. As
25 part of that, we go through, we trend, and we try to analyze and

1 disseminate information around what we're seeing.

2 Within our fleet boats, actually on an overall dollar, you
3 know, exposure basis, up until 2018 it was probably on the lower
4 end of our experience within Gulf-Inland, but as I know you're
5 aware, I mean we had -- and this incident included, you know, you
6 have a couple high dollar incidents and that changes that in a
7 hurry. But that is a recent trend, not an ongoing trend.

8 As you think about injuries and risk to people, fleet work is
9 hard work. I actually spent a night last summer working on the
10 deck of a fleet boat at 164, the Lady of Perpetual Help. You
11 know, they are touching a lot of equipment. They're moving a lot
12 of rigging. I wanted to get out there and see what it was like
13 because we were seeing, you know, some flare-ups in terms of our
14 injury rates on fleet boats and I wanted to go out there and see
15 it firsthand as an executive within the company.

16 So we monitor those, but again, not all these trades are
17 apples to apples. So you have to -- we try to take, I should say,
18 some judgment around, you know, what is the dynamic of the
19 situation they're in. A company pushing liquid unit tows with
20 winches where they never break up tow, is going to have a lower
21 incident rate, injury rate, than we do where we're building tow,
22 working line boats, touching a lot of equipment around the fleet.
23 There's just a different risk profile of that operation.

24 Q. Okay. And I don't mean to be argumentative, but we talk
25 about injuries, you know, as opposed to accidents. You know, and

1 so looking --

2 A. In the fleet, it's not uncommon to have, you know, a barge
3 cover gets damaged. But in general, they're working in the same
4 area, so their awareness, their operational awareness of where
5 they're working -- as you look at incidents where you have a
6 grounding or something like that, because they're transiting more
7 area or we also include within our claims data, which probably
8 muddies this a little bit, you know, if we pick up something in
9 the wheel, you know, if we have an underwater strike, have a
10 rudder strike. Fleet boats in general are a -- have historically
11 been, up until 2018 and this incident, a lower risk part of our
12 operation on a relative basis.

13 Q. And as part of what you look at -- you've seen risk
14 assessment tools?

15 A. Yes, sir.

16 Q. Yeah. Do you also do the same thing on a -- throughout the
17 different boats, do you see, I mean, you know, getting something
18 caught in the wheel or some kind of -- you know, you talk about a
19 hatch cover or something like that, as opposed to hitting a bridge
20 or a fire, you know, which have the highest risk or the most
21 propensity for loss of life or environment or, you know, they
22 talked about the bridge, that was shocking to me, could have come
23 down, you know. Do you look at things like that in your --

24 A. There was a lot --

25 Q. -- you know, overall in the --

1 A. There was a lot involved in that question. Do we look at
2 them as it relates to what specifically? I'm sorry. I just --
3 I'm not sure I follow.

4 Q. So do you -- you know, as far as these particular incidents,
5 we can do a single point incident that involves like a hatch cover
6 coming off or something that is considered an accident or an
7 incident, but the magnitude of it is a lot less than maybe having
8 an explosion or fire.

9 Do you then also have any way to correlate between those so
10 -- to mitigate the massive type losses or risk, or risk to human
11 life or to the environment?

12 A. So our approach to this is an evolution. We do look at
13 incidents, and as part of our -- even as it relates to near
14 misses, we -- so where we are going and where we were.

15 Where we were was probably a little more subjective, in all
16 candor, where we were selecting whether it's an incident or a near
17 miss and saying, hey, we want to run a formal investigation on
18 that. Use TapRoot, use the Five Why, drill down to the bottom of
19 that.

20 Where we are going, Mark and -- with part of his experience
21 has helped us develop more of a risk rating around the individual
22 incidents so that we can be more formulaic in our approach to
23 that, or systematic, I should say. But we operate -- I mean we
24 all have high awareness of what's going on within our vessels. So
25 I don't want you to think that this is a black box where if Mark

1 or his team aren't surfacing that information, it's not coming to
2 -- I get a daily report. If anything happened, you know, the
3 night before, I know it, you know, on my way to work.

4 We have weekly meetings with all of our divisions with the
5 leadership teams where we're reviewing very actively what's going
6 on out there because this is an operationally intensive business
7 that we're in and we feel like you have to have your fingers in
8 it.

9 So as it is disciplined and systematic as you may have seen
10 in a blue water company that has a more, has had more time
11 operating within ISM, no. It's not there yet. Is that where we
12 are marching to and have, we taken a concerted effort to try to
13 distribute high value-added information and investigate things?
14 Yes.

15 Q. Yeah. That's where I was, you know, asking the question, you
16 know, for the yes.

17 A. Yes, sir.

18 Q. Thank you. I just have a few minor questions. When you
19 asked the captain, I think it was a lifeboat going through the --
20 although I hate to say through -- it's like dropping the pilot;
21 you never want to say, dropping the pilot. Going underneath the
22 bridge there, the Gramercy Bridge and you said, look up, you know,
23 to look up. But he sort of didn't know, he or she didn't know
24 that it was the alternate span that they were supposed to look
25 for.

1 A. That's my understanding, yes.

2 Q. Okay. Does Marquette employ any tracking through AIS of your
3 vessels?

4 A. We do. So we -- you know, you can pull Trax on an incident
5 or an alleged incident. I don't know the timeline of when we got
6 Trax and what transpired.

7 Q. Okay. So, you didn't look at any --

8 A. I probably have it somewhere in my -- it was probably emailed
9 to me, but sitting here today, I can't tell you when that
10 information was pulled.

11 MR. KUCHARSKI: Okay. Thank you. I don't have any further
12 questions. Thank you.

13 CDR MESKUN: Mr. [REDACTED]

14 MR. [REDACTED] I don't have any --

15 CDR MESKUN: I think I have a few questions revolving around
16 people, pilots and captains and whatnot.

17 BY CDR MESKUN:

18 Q. How do you hire and recruit pilots and captains?

19 A. So, mariners, especially captains, I mean, are the life blood
20 of our business, and they really are -- I view these as floating
21 factories. And so, we talk a lot about, you know, our journey, if
22 you will, from a safety excellence standpoint is about leadership.
23 And as important as shore-based leadership is, there's nothing
24 more important than vessel-based leadership. And I've got a
25 tremendous amount of respect for the individuals who operate our

1 boats.

2 What we have done, and this really dovetails into why Captain
3 Harvey was the one who was recruiting Captain Picquet. We, as a
4 company, have taken the view that that port captain to captain
5 relationship is the single most important relationship within our
6 business. And so, we've aligned around these vessel management
7 teams. And so, the port captain -- we want the port captains to
8 have an intimate role and an intimate role in soliciting, finding
9 talent through their networks, but also then the ongoing
10 relationships.

11 So yes, we post, but the bulk of the people who come join
12 Marquette are a port captain referral, them reaching out to their
13 network, them trying to have an understanding through people
14 they've worked with, because this community of mariners is very
15 tight within our industry. And so, the best way to get a sense of
16 what someone's capabilities are, are pinging your network.
17 There's not a Coast Guard site where we can go to and say, you
18 know, has this guy hit a bridge? Has this -- you know, that is
19 our frame of reference for understanding who we hire, and we feel
20 like a direct personal relationship there is critical. So that is
21 embedded within our operations teams, supported by our HR teams.

22 And yes, we will get applications through HR that then port
23 captains will interview, but I would say, more than half -- I'm
24 guessing a little bit there, but probably significantly more than
25 half of our wheelmen are coming in as either a direct or a close

1 second relationship through a port captain.

2 Q. And how about the treatment of a captain? And by treatment,
3 I mean are they treated as company management?

4 A. Well, they are. I mean as you look at the safety management
5 system, the master of the vessel has responsibilities. We have
6 responsibilities as a company in terms of providing them the tools
7 and, again, I'm going to be above -- over my skis as it relates to
8 the ISM language. But the master of the vessel is the master of
9 the vessel and in his command -- is in command of that vessel and
10 is in charge of managing not only the people of those vessels, but
11 the operation of that vessel in compliance with all the regulatory
12 laws and requirements and our safety management system.

13 Q. So let's talk a little bit about promotion, if you will. So
14 we've heard some testimony that maybe somebody was ready, maybe
15 somebody wasn't ready, for upward progression or moving from one
16 canal zone to a different type of operation or whatnot. How does
17 somebody or how long does it generally take, if you can even
18 answer this, to go from like steersman to get the pilot job? And
19 then from pilot to get the -- I guess maybe the next logical
20 progression would be the relief captain. And then similarly, you
21 know, like based upon previous discussions with pay scale -- I'm
22 sorry for the long question here, but it sounds like the gold
23 standard is to be that heavy tow going down from St. Louis,
24 whatnot. How does that promotion system work within the company?

25 A. So -- there is a lot embedded in that, so let me just think

1 about how to best attack the elements of your question to make
2 sure I'm answering appropriately. Can I set it aside just for a
3 second, that heavy tow, because --

4 Q. Yeah.

5 A. -- that is a -- you're -- there's a -- you're combining a lot
6 of things there. And even though that's the highest per day rate,
7 there's a lot of people, a lot of wheelmen out there who are very
8 happy not being a heavy tow, Lower Miss captains. It is -- it's
9 just a -- you know, everyone's got areas where they're
10 comfortable. So not everyone of our Gulf-Inland captains are
11 sitting there saying, I want to be a heavy tow captain and that
12 that's their goal within their career.

13 Part of it's just geographic. There are geographic
14 preferences and the communities they live in and where they're
15 from and where they want to work. And also, it's the mind-set of,
16 you know, what they've grown up around and their experience they
17 had on the deck.

18 So, while we do see people move up through the ranks and then
19 move across division as part of their upward progression, that's
20 not kind of a steady stream of wheelmen that's going from Gulf to
21 River and going from River, locking riverboats to heavy tow boats.
22 It happens but it's more static than that.

23 In terms of the absolute time frames, I mean I've always used
24 a rule of thumb. I think it takes -- if someone's really making
25 an effort at it, it still takes them 4 or 5 years to get, you

1 know, to get their license. I don't recall exactly what their
2 thresholds are in terms of how many days they have to have, and I
3 couldn't sit here and tell you that I know, you know, that I've
4 time-serialized out how long it took for someone to get from a pilot
5 to a relief captain, to a captain within our organization.

6 But this is an industry where there is a prolonged
7 apprenticeship, if you will, model around the training and
8 development of wheelman that typically starts with, you know, an
9 ambitious young man or woman who's coming out of -- you know,
10 coming off the deck and has an interest in learning how to drive
11 the boat and is making an effort to find companies who will help
12 steer them, help invest in them, help train them, help develop
13 them and find mentors in terms of experienced wheelmen out there
14 to help them with that career progression as well.

15 Is that kind of responsive?

16 Q. Yes. It was good. Thank you.

17 A. Okay.

18 Q. And you may not be able to speak to this, but I'm just going
19 to ask the question anyway. Do you know if there's any sort of
20 industry shortage or surplus of mariners? Is it hard to find
21 pilots and captains?

22 A. So, I mean, it's a skilled trade where, even beyond captains
23 and pilots, the mariners who work on our boats, a lot of them are
24 gone for 28 days at a time. So as you look at an economic picture
25 where we have, I believe it's 3.6 percent unemployment as a

1 country right now, is it hard to find, you know, people who want
2 to go leave their home for 28 days at a time, even though the pay
3 is good and even though we believe we're a good company to work
4 for? Yes.

5 As you look at specifically within in -- which I believe some
6 of your questions earlier may have been directed at this and I
7 think Marcel answered that we had seen some elevated turnover in
8 2018. Within the Gulf environment as a whole, and you can -- the
9 public company information on Kirby would help you piece some of
10 this together. The liquid tank barge market went through a couple
11 rough years. And so, there are companies out there that saw drops
12 in utilization, that then have seen rebounds in utilization in the
13 last 12 months. And so, there's been more pressure on our wages
14 within our Gulf -- and really across the board, but the Gulf
15 environment saw a bigger dip and then rebound from a utilization
16 standpoint.

17 Our utilization as a company has actually been fairly
18 constant around that, but wheelmen, high quality wheelmen is what
19 our business is about. So there's never enough of them because,
20 you know, you can always find -- you know, you should always have
21 a mind-set of how do you drive continuous improvement. But there
22 is a demographic around what has happened over the last 3 years
23 that made -- that added to some supply and demand imbalances, if
24 you will, around wheelmen.

25 Q. And again, I'm going to ask another similar question and you

1 may not know the answer to this and that's fine if you don't. But
2 do you notice any trends when it comes to these -- the captains
3 and the pilots specifically?

4 And I guess just the point that in a little bit closer, what
5 about like age? Like is the workforce that you have, is it a
6 young and less experienced workforce or is it more of like the
7 seasoned, getting close to retirement kind of thing?

8 A. So let's bifurcate between the deckhands and the wheelhouse,
9 and then within our River Division, engineers, cooks. I mean
10 we've got a lot of vessel-based employees.

11 The deckhand job is more of a young person's game, so that
12 is, you know, a young, entry-level position. Within the wheelmen
13 as an industry, there's been a lot of talk, you know, over the
14 last decade -- I've been around Marquette now for 12 years --
15 around the demographics within the wheelhouse and the fact that a
16 lot of the wheelmen, you know, are reaching retirement age. I
17 actually think that's a lot better as an industry. Everyone's
18 invested in training. I know we've made, you know, a number of
19 wheelmen through our steering and posting programs. And so yes, I
20 mean, you'll go on boats and you'll see a broad mix of people in
21 their late 20s, 30s, 40s and then, you know, people in their 50s,
22 60s navigating vessels.

23 But it's not -- I don't think there's a significant, as
24 significant of a demographic issue in the business from a
25 qualified captain supply standpoint as it relates to age, as there

1 was 5, 6, 7 years ago. And that's my opinion, so take it, you
2 know, for what it's worth. It's just my opinion.

3 CDR MESKUN: Thank you.

4 Mr. [REDACTED] any questions?

5 MR. [REDACTED] Yes.

6 BY MR. [REDACTED]

7 Q. So from the president's position, and I'm sure you did
8 internal investigations and everything that have been reported up
9 to you, what's your determination of the factors that caused this
10 casualty?

11 A. Sure. It's -- even this week I think has been enlightening
12 that, to see and hear testimony firsthand. So, you know, when
13 this happened, you wake up and you ask that question, and trust
14 me, you ask it repeatedly. We view ourselves as, and I think the
15 folks in the industry would tell you that Marquette is a high-
16 quality operator of towboats. So when something like this
17 happens, trust me, it's not without us taking significant note.

18 For me, and this is why I wanted to spend a moment talking
19 about it in terms of, you know, the stop work policy, I sit here,
20 and I say -- and I understand the questions. I'm okay. The
21 short-form voyage plan, it says, know your draft. Would it have
22 been better if it said, you know, know the draft of your tow and
23 your boat? It would have. I'm not denying that there's an
24 opportunity for us to improve that form or that process.

25 Would, you know -- but does the short-form voyage plan say,

1 if you use the short-form voyage plan, you don't have to follow
2 the bridge transit policy? No.

3 And did both wheelmen, even -- and I went back and, you know,
4 reread in preparation for this week, the interviews. Not just in
5 their testimony this week, but their testimony right after the
6 event, in laymen's term, they all said, if you go through a bridge
7 and you're carrying something big, it's as simple as you need to
8 know whether or not you're going to fit, and that's their
9 obligation as master.

10 So for me, I believe -- and again, take it for what it's
11 worth. I believe there was an evolution that began that had noise
12 around it, and that the single most important thing we could have
13 done to prevent it is what we preach in terms of stopping work.
14 Because Captain Smith made it very clear that he was uncomfortable
15 with the bucket. He made it very clear that from his perspective,
16 he thought lines were being released. We heard through the Cooper
17 testimony that actually a line broke. But as you think about the
18 vantage point of that, of what was unfolding, you had an evolution
19 set in motion. You had someone with concern who got very focused
20 on, we heard -- and whether it was in this week or in the
21 transcripts, I apologize, I'm probably blending the two -- but
22 Captain Picquet's -- you know, in one of those documents, whether
23 his testimony here or his testimony there, he describes that when
24 he came up to the wheelhouse, Captain Smith was just focused on
25 this bucket issue, that that had him -- aggravated is the wrong

1 word, but animated at the least.

2 And then Captain Picquet in his testimony here this week
3 described that not only did he take the alternate span as a result
4 of his concerns around visibility, but that he actually hugged the
5 pier because of his concerns around visibility.

6 In my view, hugged the pier with a tow that was not that wide
7 in a channel that's 720 feet wide, and I think by other
8 calculations if he had been towards the center of even the
9 alternate channel, you know, there's a pretty high probability
10 that this event wouldn't have occurred.

11 So all these things are from a technical standpoint, and
12 we've talked about our training policies, we've talked about our
13 check ride policies, we've talked about a lot of this stuff. And
14 not that there's not an opportunity for us to improve as a
15 company, but do I think -- and when you look at Captain Picquet,
16 he, I believe testified he moved 10 or 15 or 20 large crane
17 barges. For some wheelmen that's 30 years worth of experience,
18 moving large crane barges. It took him 5 years or plus to get his
19 license.

20 So I ultimately truly do believe if it's as simple as they
21 were uncomfortable with what they were doing, if they had stopped
22 and reassessed and called the port captain, this would have never
23 happened.

24 On the voyage form -- or I'm sorry -- on the GAR form, it
25 says, you know, if it's in the orange, call your port captain.

1 These are things that we're trying to do as a company to force
2 that conversation. And that didn't occur. And I can't answer all
3 the reasons why it didn't occur, but I can't sit here and say,
4 even though, yes, our bridge -- I mean, our bridge transit policy,
5 we had improved in March of last year. We actually revised it
6 three times since May of 2017. It's got the, don't do it because
7 of pride, don't do it for the wrong reasons. And he knew about it
8 and he was able to discuss it. But he didn't stop -- Captain
9 Smith didn't stop. Captain Picquet didn't stop. And neither of
10 them called Captain Harvey.

11 And I have a very close relationship with the Gulf-Inland
12 operations team. Captain Harvey would have told that boat to
13 stop. There is not a single doubt in my mind about that. So
14 ultimately, that draws me to my belief is all these other things
15 are, yes, facts around what happened and facts around our policies
16 and procedures, but the commonsense fact of, you didn't know -- I
17 mean none of them, they didn't try to calculate it.

18 So how does the policy that tells them how to calculate it
19 change whether or not they did that? This evolution got set in
20 motion. They were uncomfortable with what they were doing. I
21 think they got tunnel vision on the wrong issue and it caused a
22 very unfortunate event. If they had stopped work, we wouldn't be
23 here today.

24 MR. [REDACTED] Thank you.

25 CDR MESKUN: Mr. Kucharski, anything else?

1 MR. KUCHARSKI: Well, yeah, I hear what you're saying, and
2 then the final would be to make sure that your personnel are
3 following the safety management system, doing the sampling and
4 auditing to ensure that they're doing it, is having the policy
5 there. Yes?

6 THE WITNESS: Yeah. I mean, the policy, as I describe -- the
7 way I view it, and again, I'm not an ISM expert, but the way I
8 think about it from a practical standpoint, it's our desire that
9 the safety management system helps protect us against the
10 propensity or the occurrence of human error, and that it's a
11 continuously evolving document because it's a business where you
12 learn. And as things happen, you try to evolve and you try to
13 close gaps. But there's a fine line around that as well, and you
14 know, you heard, our policy has ballooned from -- we go through
15 all these audits and everyone says, add this, add that. And we
16 actually think that in terms of driving safety excellence, there's
17 a balance between less is more as well. Common sense does
18 ultimately make a lot of sense in certain of these situations.

19 MR. MILLER: Can we take about a 5-minute break and we may
20 not have anything, but I just want to double check?

21 CDR MESKUN: Absolutely.

22 MR. MILLER: Thank you.

23 CDR MESKUN: We will take a quick recess and -- well, let's
24 do 7; we'll come back at quarter till. We're now in recess.

25 (Off the record at 3:38 p.m.)

1 (On the record at 3:45 p.m.)

2 CDR MESKUN: Time is now 3:45 and we're back on the record.
3 Mr. Miller?

4 MR. MILLER: Thank you. Bobby Miller on behalf of Marquette
5 Transportation Gulf-Inland.

6 BY MR. MILLER:

7 Q. Mr. Judd, we just have one thing I think we want to try to
8 clean up for the record.

9 I'd ask that Exhibits 59 and 82 be pulled up on the board?

10 Mr. Judd, I'd like you to take a look at both of those
11 exhibits once he pulls them up, and if you would, explain to the
12 Board the, kind of the chronology of how these documents were
13 prepared and what they mean?

14 A. Sure. So, as you look at the top of the page, it does talk
15 about corrective actions post-October 12th. And there's a box
16 around that language. And then as you scroll down, keep
17 scrolling, you will see another box around Selected Personnel
18 Actions.

19 In the line of questioning to Mr. Garsaud, it was asked why
20 he believed these were corrective actions. That was not the
21 intent of this document. This document was actually originally
22 prepared in connection with conversations we had with customers
23 and end-customers following the event. And it was more us
24 briefing them on certain personnel changes that we had also made.
25 But the intent here was -- I know it probably got submitted as one

1 document, but we were not trying to assert that the personnel
2 actions were necessarily corrective actions from a safety
3 management system standpoint.

4 Q. Now, Mr. Judd, on Exhibit Number 84 -- I mean, excuse me --
5 Exhibit Number 82, this is an April letter that sent by counsel
6 for Marquette to the Coast Guard that answered a question that
7 went through additional corrective actions it had taken, been
8 taken by Marquette. Is that in fact correct, based on your
9 knowledge?

10 A. That is, based on my knowledge.

11 MR. MILLER: That's all I have. Thank you.

12 CDR MESKUN: Thank you, Mr. Miller.

13 Mr. [REDACTED] any last questions?

14 MR. [REDACTED] No.

15 CDR MESKUN: Mr. Kucharski?

16 MR. KUCHARSKI: I'm not sure what the questions was? Could
17 you repeat that, the question you asked Mr. Judd?

18 MR. MILLER: Yes. I asked -- excuse me. I asked whether
19 Exhibit 82 represented a letter that counsel for Marquette sent to
20 the Board explaining the corrective actions that had been taken by
21 Marquette, and I asked him if that was in fact the correct
22 information. And he said, yes.

23 MR. KUCHARSKI: Okay. So, what you're saying is --

24 THE WITNESS: I think that was a subsequent submission versus
25 an initial submission. Is that what we're trying to clarify?

1 MR. MILLER: That is correct.

2 MR. KUCHARSKI: Yeah. Okay. Yeah. My microphone is going
3 to die, so.

4 MR. MILLER: Sorry.

5 MR. KUCHARSKI: I'll say it without so -- so the takeaway is
6 use 82 instead of 59?

7 MR. MILLER: That is correct.

8 MR. KUCHARSKI: Okay. Thank you.

9 CDR MESKUN: Mike, he didn't get any of that.

10 MR. KUCHARSKI: I know but it was (indiscernible) ask him so
11 we can get the key back. So, somebody shut the mic off and then I
12 go hit the mic.

13 So my question was, or my statement was then to use Exhibit
14 82 instead of 59 for the corrective action. Is that correct?

15 MR. MILLER: Right. Well, I think what you need to do is use
16 82 certainly for the corrective actions but also the -- Mr. Judd
17 made a point that the bottom part of Exhibit -- the other exhibit
18 dealt with personnel actions that had nothing to do with
19 corrective actions.

20 MR. KUCHARSKI: Correct, in Exhibit 59.

21 MR. MILLER: In 59, correct.

22 MR. KUCHARSKI: But if I use just 82, it obviates then the
23 need to go into 59. Right?

24 MR. MILLER: Correct. Correct.

25 MR. KUCHARSKI: Okay. Thank you.

1 CDR MESKUN: Mr. Judd, thank you for your testimony. You are
2 now released as a witness from this formal marine casualty
3 investigation. Thank you for your testimony and cooperation. If
4 I later determine that this joint investigation team needs
5 additional information from you, I will contact you through your
6 counsel. If you have any questions about this investigation, you
7 may contact the reporter, LT [REDACTED]

8 THE WITNESS: Thank you, Commander.

9 CDR MESKUN: Thank you. I will now just make some closing
10 remarks here.

11 Today the Coast Guard and NTSB investigations are
12 transitioning to the analysis phase. Although there's always a
13 chance that a short hearing session could be convened if new
14 witnesses are identified as the report is being written, I believe
15 we have gathered the factual evidence necessary to proceed with
16 our analysis. However, the formal investigation team will
17 continue to collect and review evidence submitted in the future,
18 including submissions to the accidentinfo@USCG.mil email address.

19 Gathering the evidence over the last 7 months was challenging
20 due to the wide scope of investigation. I'd like to take this
21 opportunity to sincerely thank the parties in interest, the
22 government agencies, maritime organizations, company
23 representatives, merchant mariners, and the individual witnesses
24 who dedicated their time and resources to this endeavor. The
25 collective expertise of those involved in the process has helped

1 to clarify numerous technical and regulatory matters that the
2 river industry grapples with on a daily basis.

3 On behalf of the entire joint investigation team, I'd like to
4 express our condolences to the members of the local community who
5 were impacted by this incident. Without the Sunshine Bridge,
6 there is no easy way to get from one side of the river to the
7 other, especially considering the highway system already being at
8 or beyond capacity. It is important for investigators to observe
9 this impact as it strengthens our resolve daily. I have also been
10 personally inspired by the solidarity and the selfless spirit
11 which has been clearly displayed throughout the investigative
12 process by those impacted by this incident. Your feedback and
13 suggestions have aided the overall investigation and your
14 commitment to preventing future recurrence of this type of
15 accident is noble and appreciated.

16 In closing, I want to emphasize that the members of this
17 joint investigation team are conducting this inquiry with a
18 profound sense of duty to identify the incident's causes and push
19 for any needed changes to enhance marine safety. Even though this
20 public side of the investigation is coming to an end, please rest
21 assured that we will work to continue in earnest as the report is
22 drafted and the recommendations are generated.

23 In the interim, I am confident that conducting the
24 proceedings in a public forum and making them available on the
25 internet has helped to raise awareness of the important safety

1 issues.

2 This hearing is adjourned. The time is now 3:52 and we are
3 off the record.

4 (Whereupon, at 3:52 p.m., the testimony was concluded.)

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CERTIFICATE

This is to certify that the attached proceeding before the

NATIONAL TRANSPORTATION SAFETY BOARD

IN THE MATTER OF: *KRISTIN ALEXIS/BARGE MR. ERVIN*
 ALLISION WITH THE SUNSHINE BRIDGE
 DONALDSONVILLE, LOUISIANA
 OCTOBER 12, 2018
 Interview of Damon Judd

ACCIDENT NO.: DCA19FM003

PLACE: Gonzales, Louisiana

DATE: May 11, 2019

was held according to the record, and that this is the original,
complete, true and accurate transcript which has been transcribed
to the best of my skill and ability.



Romona Phillips
Transcriber