



I N D E X

WITNESS	<u>Page</u>
John Hubbard	
Phillip Hoy	

1 P R O C E E D I N G S

2 9:05 a.m.

3 MR. MCGILL: John, how long were you the  
4 principal maintenance inspector with Alaska Airline?

5 MR. HUBBARD: Approximately eight and a half  
6 years.

7 MR. MCGILL: And then you retired?

8 MR. HUBBARD: In November of '99.

9 MR. MCGILL: In '99. Over those years, what  
10 was your training that you received with the FAA?

11 MR. HUBBARD: Specifically, MD-80 aircraft,  
12 Boeing 737 aircraft, Pratt Whitney engines, General  
13 Electric engines.

14 MR. MCGILL: What did you bring forth? What  
15 kind of experience did you have prior to coming with  
16 the FAA?

17 MR. HUBBARD: I had been PMI for Boeing and  
18 Tramco repair stations and Sal Air and other smaller  
19 operators before that.

20 MR. MCGILL: So how long, how many years total  
21 with the FAA?

22 MR. HUBBARD: About 15.

23 MR. MCGILL: When did you get you're a&P?

24 MR. HUBBARD: In October of '82, I'd say. No.  
25 Before that. I'm trying to remember when I retired  
26 from the Air Force. October of 1980.

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1           MR. MCGILL: And after that, did you come to  
2 the Seattle area?

3           MR. HUBBARD: Yes. I moved from -- I was  
4 living in Phoenix at the time and I was working for  
5 Garrett Turbine Engine Company. And then we came up  
6 here in 1982 and I went to work for the FAA in 1984 in  
7 Houston. I went to Houston for almost two years and  
8 then got transferred back to Seattle.

9           MR. MCGILL: And at Seattle, what did you do  
10 when you first got here?

11          MR. HUBBARD: When I first got here, I was  
12 working a little bit on Alaska Airlines' certificate as  
13 kind of an assistant, in and out.

14          MR. MCGILL: So you went from the Assistant to  
15 the Principal?

16          MR. HUBBARD: No. No, no. I went to several  
17 other jobs around after that. Like I said, back then I  
18 was -- Tramco, I guess, was the first big job I had as  
19 an assignment. I was in geographics for a couple of  
20 years before getting the Boeing and Tramco certificates  
21 and then I transferred from Boeing and Tramco  
22 certificates to Alaska.

23          MR. MCGILL: So for a number of years you were  
24 the principal and then you were here when the  
25 transition was made to go to the ATOS?

1 MR. HUBBARD: Yes, I was.

2 MR. MCGILL: Do you remember when that  
3 occurred?

4 MR. HUBBARD: That'S approximately a year and  
5 a half, I guess, before I retired.

6 MR. MCGILL: Can you explain about that  
7 transition, how that transpired, in how many words you  
8 want.

9 MR. HUBBARD: Well, it was a terrible  
10 transition. The first thing that happened was the  
11 geographic support that we were accustomed to getting  
12 totally disappeared. We ended up with three other  
13 offices supporting us geographically; airworthiness,  
14 avionics and an operations inspector from each region  
15 that Alaska operated into. And between them coming up  
16 here and getting training and ATOS training and  
17 learning how to understand the SAIs and all this stuff,  
18 they actually wasn't doing any surveillance. None of  
19 us were.

20 MR. MCGILL: Did you get training prior to  
21 when the airline actually was -- the ATOS system  
22 started? Did you have previous training up to that  
23 event?

24 MR. HUBBARD: You mean with the airline or --

25 MR. MCGILL: Yes. With the FAA.

1           MR. HUBBARD: I've been to most of the  
2 Oklahoma City courses but no technical training of any  
3 kind.

4           MR. MCGILL: So define technical training?  
5 What were you looking for?

6           MR. HUBBARD: Well, specific systems on an  
7 aircraft, sort of anything like that. I did go to a  
8 767 course a long time ago but I've never worked on a  
9 carrier that had 767s, so --

10          MR. MCGILL: Okay. So my records show that  
11 October 1 of 1998 was when the ATOS process started  
12 with the Alaska Airlines certification. So up to that  
13 time you went to Oklahoma City to take training in the  
14 ATOS?

15          MR. HUBBARD: No. Not in ATOS. We went to  
16 Dallas, I think, for our ATOS training. And that was  
17 actually after it kind of had gotten started. Before  
18 we could formally do anything, that was one of the  
19 prerequisites was to go to the ATOS training.

20          MR. MCGILL: A certificate management manager  
21 was assigned to the Alaska certificate at that time?

22          MR. HUBBARD: Well, we had a supervisor in the  
23 certificate management section.

24          MR. MCGILL: I was looking at the CMT member  
25 profile of the ones directly associated with the air  
26 carrier itself and I see a manager, I see a supervisor

1 and then these other assistants.

2 MR. HUBBARD: The manager was actually the  
3 office manager.

4 MR. MCGILL: Oh, that's an office manager?

5 MR. HUBBARD: The FSDO manager who was over  
6 the other complex there. And the CMS supervisor was  
7 here.

8 MR. MCGILL: What was your relationship with  
9 the principal operations inspector?

10 MR. HUBBARD: Okay.

11 MR. MCGILL: Did you all communicate?

12 MR. HUBBARD: Oh, yes.

13 MR. MCGILL: What about the principal aviation  
14 -- or avionics?

15 MR. HUBBARD: Avionics. Communicated with all  
16 of them. I happened to attend the first briefing the  
17 FAA gave to the NTSB on the ATOS model and I was trying  
18 to better understand the process where you did the  
19 surveillance continuously with the implementation, the  
20 evaluation, the analysis, so forth.

21 MR. MCGILL: Were you involved in these types  
22 of processes with the ATOS for the year and a half that  
23 you were here?

24 MR. HUBBARD: Yes.

25 MR. MCGILL: Did you see improvement in the  
26 oversight of the carrier?

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1 MR. HUBBARD: No. Deterioration, in my  
2 estimation.

3 MR. MCGILL: Specifically, why would it be  
4 less than it was previously?

5 MR. HUBBARD: We were too caught up with doing  
6 ATOS things to actually go out and do any surveillance,  
7 do the system evaluations. The goal of the first year  
8 was to complete all the SAIs, which to me was  
9 backwards. It seemed to me we should have done the  
10 EPIs and then, if they indicated that there may be a  
11 system deficiency, then do the SAIs. But that wasn't  
12 the way they wanted to do it.

13 MR. MCGILL: So you did the EPIs first and  
14 then the SAIs?

15 MR. HUBBARD: No. We did the SAIs first by  
16 direction.

17 MR. MCGILL: The SAIs first, by direction.  
18 Did you complete them all?

19 MR. HUBBARD: No.

20 MR. MCGILL: Did you get half through with  
21 them?

22 MR. HUBBARD: I doubt if we even got half.

23 MR. MCGILL: What about -- did you continue  
24 with the PTRS program?

25 MR. HUBBARD: For a short while, but again  
26 they put a stop to that. They wouldn't let any

1 geographic inspectors that weren't assigned to the  
2 carrier to look at the carrier. So we used to get PTRS  
3 reports regularly from all over the field out there.  
4 We had 13 places in Alaska the airlines was operated  
5 into and we had about nine officers that were giving us  
6 geographic support. And after ATOS, we ended up with  
7 about three officers, one in each region. And they  
8 were too busy doing all these complex SAIs and stuff.  
9 Nobody was out there looking at the carrier.

10 MR. MCGILL: When the last NASEP was completed  
11 in '95, did you all have reevaluation of all the  
12 significant items that were found during that  
13 inspection?

14 MR. HUBBARD: Yes.

15 MR. MCGILL: Were they taken care of?

16 MR. HUBBARD: Yes. I believe so.

17 MR. MCGILL: They had a DoD check in '98.  
18 Were you able to look at that and see how that  
19 transpired?

20 MR. HUBBARD: Yes. We had to follow up on DoD  
21 reports.

22 MR. MCGILL: Did you feel that the carrier at  
23 that time was -- the certificate was in good shape at  
24 the end of that DoD audit?

25 MR. HUBBARD: Yes. Yes.

1           MR. MCGILL: When I look at certain things on  
2 the ops specs that we had looked at, I see that the  
3 Director of Maintenance, one of the five positions, he  
4 had left, departed, in 5 of '98 and that position was  
5 vacant at the time of the accident. Was there any  
6 movement for the FAA to have this billet filled?

7           MR. HUBBARD: I'd been trying for all that  
8 time to get them to fill that position and they kept  
9 promising me -- yes, we're doing interviews, we're  
10 doing this. And it never --

11          MR. MCGILL: Was any explanation made of how  
12 these two other gentlemen that were delegated that  
13 position, how they were going to integrate and  
14 communicate, collaborate the duties that were required  
15 from the Director of Maintenance?

16          MR. HUBBARD: Well, both of them reported to  
17 the VP of Maintenance. And the reason that he couldn't  
18 be the Director of Maintenance is because you had to  
19 have a separation between inspection and maintenance.  
20 That's why I allowed them to have those guys there as  
21 an interim measure. Unfortunately, it turned into a  
22 lot longer than an interim measure.

23                 But by having Bill Weaver as the VP of  
24 Maintenance, he was over both sides. So these two  
25 guys, through him, coordinated the maintenance. But the  
26 Director of Maintenance officially has to be separate

1 from the Director of Quality Control.

2 MR. MCGILL: Did you see evidence that these  
3 two people could share that responsibility properly?

4 MR. HUBBARD: Well, they could share it.  
5 Properly? That depends a lot on the individuals. But  
6 there were problems from time to time where we'd have  
7 to get them together and discuss. But we had regular  
8 meetings on Tuesdays and we would have opportunity to  
9 talk to both sides.

10 MR. MCGILL: We were also noticing that the  
11 Director of Safety, the Director of QC, the Director of  
12 Training, had the same title. Did that -- was that  
13 normal or did you feel comfortable with that?

14 MR. HUBBARD: No. I went to great lengths to  
15 force them to get a full-time Director of Safety. One  
16 of the last things before I retired, matter of fact,  
17 was to formally advise them that they would have to do  
18 that or we'd have to take some action. In order to get  
19 the support from management, we had to have several  
20 meetings with all the hierarchy in Oakland and they  
21 talked to Washington. We got the lawyers' support. It  
22 was all based on the interpretation of the regulations,  
23 so I finally got their support.

24 MR. MCGILL: What is the FAA's position on  
25 that position of Director of Safety as you understand  
26 it or you have been trained?

1 MR. HUBBARD: As I understand it, it has to be  
2 a full-time position reporting to top level management  
3 and separate from any other organizational duties.

4 MR. MCGILL: Even reporting to Mr. Fowler,  
5 would that constitute the highest level of management?

6 MR. HUBBARD: No.

7 MR. MCGILL: The Director of Quality Control  
8 is over the Chief Inspector's position also?

9 MR. HUBBARD: Yes.

10 MR. MCGILL: Would there be any evidence that  
11 would be accepted there to be the Director of Safety  
12 and the Director of Quality Control, which is over one  
13 of these five positions, the Chief Inspector?

14 MR. HUBBARD: I wouldn't think so. No.

15 MR. MCGILL: So you think that's okay to have  
16 a --

17 MR. HUBBARD: No. I didn't think it was okay.

18 MR. MCGILL: Oh, you do not think that's  
19 normal.

20 MR. HUBBARD: No.

21 MR. MCGILL: Did they have a Quality Assurance  
22 at the time which you were --

23 MR. HUBBARD: They developed a Quality  
24 Assurance. And again, that was another function that  
25 was very overburdened for the number of people they  
26 had. They couldn't do a lot of things that they

1 probably should have been doing because there just  
2 wasn't enough of them.

3 MR. MCGILL: And that also fell under the  
4 Director of Quality Control. Is that correct?

5 MR. HUBBARD: Yes.

6 MR. MCGILL: Let's move around here a little  
7 bit. Let's talk about the training. The same person,  
8 by the way, was Director of Training.

9 What kind of training did you witness of  
10 Alaska Airlines with regard to mechanics?

11 MR. HUBBARD: Did I actually witness myself?

12 MR. MCGILL: Yes.

13 MR. HUBBARD: The only classes I ever sat in  
14 on was de-icing of planes.

15 MR. MCGILL: Did they have set curriculums?

16 MR. HUBBARD: Yes. They have set curriculums  
17 and a regular schedule. Some of my inspectors sat in  
18 on several of the different ones.

19 MR. MCGILL: It was structured and formal?

20 MR. HUBBARD: Yes.

21 MR. MCGILL: Were you given some sort of  
22 successful completion data on individual mechanics for  
23 tracking purposes?

24 MR. HUBBARD: Any time we asked for it, yes.  
25 We could ask for training records on anybody and we  
26 frequently did for one reason or another.

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1 MR. MCGILL: What about OJT?

2 MR. HUBBARD: They had an OJT program that  
3 appeared to be pretty effective.

4 MR. MCGILL: Were you here when they moved the  
5 heavy maintenance to Oakland?

6 MR. HUBBARD: No. That was in place when I  
7 became the principal.

8 MR. MCGILL: So that Oakland maintenance base  
9 was already in place?

10 MR. HUBBARD: Yes.

11 MR. MCGILL: Was the inspection between --  
12 under the chief inspectors, how was that communicated  
13 between the inspectors at Oakland and the ones in other  
14 locations, Seattle, whatever bases. How did they --  
15 did they come in to train?

16 MR. HUBBARD: Usually they'd go there to  
17 train, most of the classes. There were some, I guess,  
18 that they came up here to do. But --

19 MR. MCGILL: They went to the bases and did  
20 the training?

21 MR. HUBBARD: Yes. In most cases, yes. Some  
22 of their systems courses and stuff like that where they  
23 have a lot of aids and stuff, they'd come here and do  
24 it. But they did a lot of training on the road.

25 MR. MCGILL: Looking through the GMM, I  
26 haven't been able to see a lot of the procedures that

1 are used to perform heavy maintenance outside for these  
2 different bases that they had. Is that a requirement  
3 with the FAA that procedures would be set down how  
4 maintenance is to be performed?

5 MR. HUBBARD: Well, the general maintenance  
6 manual wouldn't have the procedures or tell them what  
7 to do, but actually most of the things were done either  
8 under the task cards or if something was wrong, under  
9 the manufacturer maintenance manuals.

10 MR. MCGILL: Did you go to Oakland very often  
11 to --

12 MR. HUBBARD: Not very often. I went down  
13 there a few times.

14 MR. MCGILL: Did you delegate that to another  
15 geographic inspector?

16 MR. HUBBARD: No. Well, eventually it was a  
17 geographic inspector because that's all we could get  
18 down there. I had, of course, appropriate managers for  
19 MD-80s and it was his responsibility. He used to go  
20 down there fairly frequently at one time. Eventually,  
21 I lost that particular inspector. They made a  
22 supervisor out of them and didn't give me a  
23 replacement. So I had to split one of my other  
24 assistants to do double duty and we batted around there  
25 doing the best we could. But --

1           MR. MCGILL: You were here from '96 upward  
2 where there was a very high fleet growth and  
3 utilization. Did you see significant increases in  
4 support that offset the utilization of airplanes,  
5 hours?

6           MR. HUBBARD: In the company, you mean?

7           MR. MCGILL: Yes.

8           MR. HUBBARD: Yes. They hired a lot of people  
9 but it didn't really keep pace. There were times when  
10 we had to get to them and -- you know, there was a lot  
11 of indicators that you could see that tells you that  
12 they're having problems. There were short-term  
13 escalations or increases. And I finally had to put my  
14 foot down on that and told them no more. And the next  
15 thing, I'll take your ops specs away if you don't get  
16 this thing in order.

17           They did a big program on that and hired a  
18 lot of new people; restructured a lot of things in  
19 order to achieve that. They also cut back on their  
20 schedule somewhat so that they could have more ground  
21 time to get these things done.

22           But you'd see other indicators at the out  
23 stations. You'd see them. They'd have delays or  
24 cancellations on their morning flights because they  
25 didn't get the A checks done. Those all tell you that  
26 you've got some problems out there.

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1 MR. MCGILL: Those are very obvious signs.

2 MR. HUBBARD: Yes.

3 MR. MCGILL: Does Alaska have specific  
4 instructions in their maintenance manual that tells  
5 them what changes must be made for FAA approval and  
6 which are accepted data? Do you remember?

7 MR. HUBBARD: Yes, pretty much. Basically,  
8 their reliability program had to be improved, the TCI  
9 changes to Chapter 5, which is an inspection program.  
10 But everything else is accepted, so --

11 MR. MCGILL: Let's take a quick look at that  
12 for the escalations.

13 MR. HUBBARD: Page 17.

14 MR. MCGILL: Thank you.

15 I see that the C check from '85 was at 2500  
16 hours and by 1988 they moved it to 13 months. Later it  
17 was moved to 15 months.

18 Was the FAA cognizant of the hours that was  
19 associated with this time frame?

20 MR. HUBBARD: Yes.

21 MR. MCGILL: So even though the intervals were  
22 based upon time, there was flight hours also involved.

23 I'm looking at roughly 2500 hours to 3200 hours.

24 Later it was changed to 15 months at that time. But  
25 does the FAA look at and evaluate both the time and the  
26 hours and utilization of the aircraft?

1 MR. HUBBARD: Absolutely.

2 MR. MCGILL: Did you feel that was appropriate  
3 at the time?

4 MR. HUBBARD: Yes.

5 MR. MCGILL: In '85, since we're interested  
6 somewhat on the jack screw, Acme screw nut end plate  
7 check, that was done on a 2C interval in '85, which was  
8 roughly 5,000 hours. By '96 that was escalated to 30  
9 months or 15 months C check but the time had gone to  
10 nearly 10,000 hours.

11 At that time, was there -- were you given  
12 supporting justification for these increases during  
13 that period of time?

14 MR. HUBBARD: Yes.

15 MR. MCGILL: And did you feel that was  
16 acceptable?

17 MR. HUBBARD: Yes.

18 MR. MCGILL: Along with the end plate checks,  
19 was the lubrication. Does the FAA as a principle, do  
20 you periodically look at the MRB that is the FAA's --  
21 their control document?

22 MR. HUBBARD: Yes. Well, either myself would  
23 go through it but the fleet manager, normally he does  
24 that. But yes, we use him or we can.

25 MR. MCGILL: I'm noticing that during the  
26 lubrication process those times change may times. Each

1 time these increases were made by the air carrier, did  
2 you receive justification for these changes?

3 MR. HUBBARD: They only changed once during my  
4 time when it went from 13 months to 15 months.

5 MR. MCGILL: 1985, lubrication was done on a  
6 2B interval and at that time a B was 350 hours. '87,  
7 the B interval escalated to 500, so 2B -- and they  
8 moved it to a 1B.

9 So from March of 1987, lubrication on the  
10 stabilizer was accomplished at 500 flight hours. By  
11 '96 when it was removed and put on a time control card  
12 at eight months, that was approximately 2550 hours.

13 Did anyone look at that? Was that felt  
14 comfortable?

15 MR. HUBBARD: I didn't personally look at it.  
16 I assumed that my MD-80 guy did.

17 MR. MCGILL: Well, you're talking about the  
18 MD-80 person that's on this team now at this point?

19 MR. HUBBARD: Well, the team wasn't in place  
20 at the time that you're talking about in '96.

21 MR. MCGILL: That's right. So who does this?  
22 Who did that at that time? When you said and MD-80 --

23 MR. HUBBARD: Well, I had a guy who was  
24 assigned to the MD-80 fleet.

25 MR. MCGILL: And he had gone to school and he  
26 knew the airplane?

1 MR. HUBBARD: Yes. I'm trying to remember who  
2 it was. That's a long time ago.

3 MR. MCGILL: But when this supportive data is  
4 sent to the FAA, it's looked at, evaluated and  
5 accepted?

6 MR. HUBBARD: Yes. Well, it's ultimately  
7 approved by approval of the escalation in the time. He  
8 would sign that off at the ops specs. The data is  
9 accepted but the times aren't approved.

10 MR. MCGILL: In January of 1998 when they  
11 moved from the Mobil 29 to the Aero Shell 33 on their  
12 lube card, were you aware of that justification?

13 MR. HUBBARD: I wasn't aware that they even  
14 did lubes.

15 MR. MCGILL: You're saying that you were not  
16 given any justification by Alaska Airlines?

17 MR. HUBBARD: No, I wasn't. No, I wasn't.  
18 Now whether or not the program or fleet manager had any  
19 knowledge of it, I don't know. But I certainly didn't  
20 know.

21 MR. MCGILL: I'm having a more difficult time  
22 understanding. You're bringing in these other people.  
23 Program managers and so forth. I go back a long time  
24 and I'm an old guy but I kept thinking the man that I  
25 dealt with years ago, the principal maintenance  
26 inspectors, they virtually knew everything about that

1 carrier's maintenance, ops, knew about ops. You're  
2 bringing in some other factors and people.

3 MR. HUBBARD: I certainly know about the  
4 program but I'm not going to say I know every detail of  
5 everything that they do.

6 MR. MCGILL: But was data sent in to people  
7 other than you?

8 MR. HUBBARD: Yes. To our office.

9 MR. MCGILL: This office here?

10 MR. HUBBARD: Yes. And my assistants, one of  
11 them was the Boeing fleet and one of them was the MD-80  
12 fleet. And they dealt with all of those details.

13 MR. MCGILL: Do you all get together and have  
14 meetings to --

15 MR. HUBBARD: Yes.

16 MR. MCGILL: -- see.

17 MR. HUBBARD: But I wouldn't say that we sat  
18 in the meetings and discussed every detail.

19 MR. MCGILL: But would that be considered  
20 important, changing a spec on the lubrication?

21 MR. HUBBARD: I think it would be, yes.  
22 Absolutely. And I don't know that we knew about it or  
23 approved it either one. I don't know.

24 MR. MCGILL: Would you have had to approve it  
25 or just accept it?

1 MR. HUBBARD: Well, we would just accept it  
2 because they're just changing a work card. But had we  
3 been aware of it, we probably would have or should have  
4 asked for some justification for it.

5 MR. MCGILL: When a word card is changed, they  
6 send a revision to you and --

7 MR. HUBBARD: Yes.

8 MR. MCGILL: So you would have had to receive  
9 something on this new work card that indicated to  
10 another -- they were changing the material grease;  
11 right?

12 MR. HUBBARD: Well, they would have sent us a  
13 work card showing the new one. I would hope that the  
14 inspector noticed that they changed it.

15 MR. MCGILL: That was done January 1<sup>st</sup> of 1998,  
16 that word card.

17 MR. HUBBARD: Yes.

18 MR. MCGILL: But you don't recall any  
19 justifications or anything or asking about that --

20 MR. HUBBARD: No.

21 MR. MCGILL: -- for the lubrication.

22 Were you aware of what grease was used on the  
23 Boeing airplanes?

24 MR. HUBBARD: Not entirely.

25 MR. MCGILL: Do you periodically look at the  
26 OAMP of either airplane, MD-80 or Boeing airplanes, or

1 do principals normally keep abreast of these changes  
2 they might be making?

3 MR. HUBBARD: Yes.

4 MR. MCGILL: Let's talk just a little bit  
5 about tooling, the calibration. Did you have some  
6 process to clarify that tools are recalibrated at some  
7 periodic time?

8 MR. HUBBARD: Yes. Normal surveillance you  
9 observe any tools that should be calibrated and checked  
10 that they had been calibrated. There's a sticker on  
11 it.

12 MR. MCGILL: How often do you do that?

13 MR. HUBBARD: How often?

14 MR. MCGILL: Yes.

15 MR. HUBBARD: Practically any time we walked  
16 around the place. If you see something like that, you  
17 take a look. So it's not some regular scheduled thing  
18 but it's something you just automatically do.

19 MR. MCGILL: If they made repairs to any of  
20 these tools, is there a process for monitoring how  
21 those repairs are accomplished?

22 MR. HUBBARD: No, I don't -- we would never  
23 know. We only look at the ones that are in service.  
24 If they're calibrated, they're calibrated.

25 MR. MCGILL: How would you determine what  
26 instruments need to be calibrated? For instance NDT

1 type equipment?

2 MR. HUBBARD: Well, a lot of times the spec  
3 will call out whether or not it requires any  
4 calibration.

5 MR. MCGILL: How often does one look at the  
6 specifications of a tool like that? Is this something  
7 you would probably do every now and then?

8 MR. HUBBARD: You're talking about NDT now  
9 though.

10 MR. MCGILL: Yes. I'm talking about NDT  
11 tooling.

12 MR. HUBBARD: The process has to be done by a  
13 mill spec. Periodically you'll have surveillance where  
14 you'll take particular note of that.

15 MR. MCGILL: What about in-house tools, tools  
16 per ops spec?

17 MR. HUBBARD: Yes. They're supposed to be  
18 made to the manufacturer's standards. And basically,  
19 they're supposed to get approval for any that they  
20 manufacture that aren't by a particular company. But  
21 nobody has ever asked us for approval of their tools.

22 MR. MCGILL: I can only relate to when I was  
23 certified to do maintenance on a particular airplane, I  
24 had to go through the task cards and denote every tool  
25 that I would be using and produce that documentation to  
26 the FAA showing that I had that tool to be able to do

1 that particular check.

2                   Did Alaska Airlines have such a list to the  
3 FAA?

4                   MR. HUBBARD: I don't know that they had a  
5 list but if an inspector was doing surveillance out  
6 there and somebody was doing the task card, they'd look  
7 at the task card and verify that they had the  
8 appropriate tool for the task card.

9                   MR. MCGILL: Do you know if anyone ever looked  
10 at the tooling for that end plate check?

11                   MR. HUBBARD: I have no idea.

12                   MR. MCGILL: You never did.

13                   MR. HUBBARD: No. I never did.

14                   MR. MCGILL: Was there any way of determining  
15 if what tools are used were in fact tools required by  
16 the task card or tools that were in-house tools?

17                   MR. HUBBARD: I would imagine the only by the  
18 part number. That's the only way you could tell  
19 because it wouldn't be legal for them to put a Boeing  
20 part number on their own parts. I would assume that it  
21 was identified some other way.

22                   MR. MCGILL: But you could put an Alaska part  
23 number on the tool and there should be some sort of a  
24 cross reference to a manufacturer's number.

25                   MR. HUBBARD: You should be able to trace it,  
26 yes.

1 MR. MCGILL: Does Alaska have a cross  
2 referencing library or document of what the tools were  
3 in fact?

4 MR. HUBBARD: I don't know. I didn't know  
5 they were even manufacturing any of their own tools.

6 MR. MCGILL: Any out-source maintenance? Did  
7 you go to or did any audits of these vendors?

8 MR. HUBBARD: Yes.

9 MR. MCGILL: Heavy checks or component repair?

10 MR. HUBBARD: Well, the new requirement for  
11 the substantial maintenance was that we had to verify  
12 it, their audits. We could either do that in person or  
13 request geographic assistance or in the worst case,  
14 review the company audit and go from that.

15 The problem often being that we had no money  
16 to send anybody anyplace. And then if I had the money,  
17 I probably didn't have anybody to send anyway.

18 MR. MCGILL: I was just noting that one of the  
19 aircraft that our group looked at was 973 and the last  
20 C check was done in Phoenix from a company there. Do  
21 you know if anyone was sent on that?

22 MR. HUBBARD: On that particular one? When  
23 was it?

24 MR. MCGILL: It was at the end of October of  
25 '99.

1 MR. HUBBARD: I don't know.

2 MR. MCGILL: When aircraft are out-sourced  
3 like that, are they represented by the airline? Are  
4 representatives from the airline -- go to the repair  
5 facility to monitor their aircraft?

6 MR. HUBBARD: Yes.

7 MR. MCGILL: How many?

8 MR. HUBBARD: Well, that varies sometimes.  
9 Sometimes it was one but most times it was at least  
10 two, sometimes three.

11 MR. MCGILL: Per airplane?

12 MR. HUBBARD: Per airplane. But they always  
13 had one at least and they maybe figured that was  
14 sufficient.

15 MR. MCGILL: What is your observation of  
16 maintenance controllers' training?

17 MR. HUBBARD: I didn't really see much  
18 training of maintenance control.

19 MR. MCGILL: Did you see any training?

20 MR. HUBBARD: No, not formal training as it  
21 pertains specifically to maintenance control. They had  
22 to have certain qualifications before they were  
23 selected as a maintenance controller.

24 MR. MCGILL: Did you come every day to the  
25 carrier? Did you make daily trips?

1 MR. HUBBARD: No.

2 MR. MCGILL: When you did come, did you look  
3 at maintenance logs that were performed the previous  
4 day?

5 MR. HUBBARD: Sometimes, yes.

6 Well, previous day? Usually they weren't  
7 there from the previous day. It takes them longer than  
8 that to get into the records.

9 MR. MCGILL: But at least there was a review?

10 MR. HUBBARD: Yes. If there were airplanes in  
11 the hangar, for instance, looked through the log book  
12 going back through it to see what had been going on.

13 MR. MCGILL: What about just normal flight?  
14 Did you ever take a stack of the last weeks flying with  
15 aircraft and do any type of audits or reviews of all of  
16 these discrepancies written up in the log books?

17 MR. HUBBARD: Yes. I would usually do two to  
18 three months at a time on one airplane and go back  
19 through all the logs when I'd do a records check.

20 MR. MCGILL: Did you see anything that would  
21 indicate any kind of -- anything unusual?

22 MR. HUBBARD: Often. Yes. You'd often see  
23 problems in there.

24 MR. MCGILL: What kind of problems?

25 MR. HUBBARD: You can see that maybe a guy  
26 forgot to sign something off or didn't sign it off

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1 right. There would be many things that would come up  
2 and then you'd question them. Our process was to make  
3 a copy of it and carry it down to the Director of  
4 Quality Control and we'd get an answer or explanation  
5 or whatever. Sometimes they couldn't provide those and  
6 it would turn into violations and sometimes they'd come  
7 up with a satisfactory answer for it.

8 MR. MCGILL: Should that duty technically be  
9 an internal audit by their company itself to find these  
10 problems?

11 MR. HUBBARD: Well, sure. That's a Quality  
12 Assurance function. I know that they were looking at  
13 them on a regular basis but whether they catch  
14 everything or not, that's -- I don't know. But we  
15 never audited the auditors, so to speak, but certainly  
16 we'd find things that often we felt they should have  
17 found.

18 MR. MCGILL: Over the eight years, about how  
19 many LOI's did you initiate?

20 MR. HUBBARD: I couldn't even guess. Seemed  
21 like sometimes there'd be a lot and sometimes you'd go  
22 for a while without doing any. A number of them,  
23 anyway.

24 MR. MCGILL: Were they properly addressed by  
25 the company? Did you feel comfortable with their  
26 responses?

1           MR. HUBBARD: In most cases, yes. In most  
2 cases. In the cases where we didn't, we pushed them up  
3 and did some substantial findings on them. But  
4 normally they were very responsive and quick to fix.

5           MR. MCGILL: Did they in fact fix the fix  
6 further down the road or did they just fix that  
7 particular --

8           MR. HUBBARD: Well, my way of doing things  
9 with them was that I wanted a fix for a route cause and  
10 a lot of the violations that I filed wouldn't end up in  
11 administration action primarily because I could get  
12 them to go back in and fix the route cause, not just  
13 the surface elements. And as long as they did that, I  
14 was satisfied with that way of doing business.

15          MR. MCGILL: Did you communicate with the  
16 Director of Safety, as that title?

17          MR. HUBBARD: On a regular -- well, not as  
18 that title. Only on a couple of occasions, although we  
19 specifically talked about that many times, that I  
20 didn't feel that he could function as both. For one  
21 thing, his quality control duties as the Director of  
22 Quality Control.

23          MR. MCGILL: And when he put on the safety hat  
24 for whatever reason --

25          MR. HUBBARD: I never actually seen him do  
26 that, to tell you the truth.

1           MR. MCGILL: So you didn't really see him in  
2 that role. The FAA did not interact while he was in  
3 that role of safety.

4           MR. HUBBARD: No. They used to have their  
5 internal evaluation board, as they called it. And of  
6 course, as an internal evaluation board, they're  
7 entitled to exclude us from those processes unless they  
8 decide to self disclose something. I mean, that's the  
9 whole idea of an internal evaluation.

10           So that was how they were accomplishing their  
11 so-called Director of Safety business. They had this  
12 kind of three-headed billy goat they called their IEB.

13           MR. MCGILL: How high up did you frequently  
14 communicate with? Did you communicate as high as the  
15 Vice President of Maintenance, Mr. Weaver?

16           MR. HUBBARD: Oh, yes.

17           MR. MCGILL: Mr. Fowler?

18           MR. HUBBARD: And Fowler. Yes.

19           MR. MCGILL: Did you voice concerns on  
20 different things with these gentlemen?

21           MR. HUBBARD: Absolutely. Notably the  
22 Director of Maintenance position and the Director of  
23 Safety position. Long and loud. Many times.

24           MR. MCGILL: And yet it continued nearly two  
25 years.

1 MR. HUBBARD: Yes.

2 MR. MCGILL: What reasons would they give that  
3 they would not fill these positions?

4 MR. HUBBARD: Well, they just had a different  
5 interpretation about the Director of Safety position.  
6 It just became finally that I just said, well, you've  
7 just got to have it. That's all there is to is. They  
8 still fought it even then.

9 The Director of Maintenance position was --  
10 they just kept telling me, we're recruiting this guy,  
11 we're talking to this guy and they never turned out.  
12 And it just went on and on. But they always indicated  
13 that they had every intention of filling that position  
14 as an Assistant VP position but it never happened.

15 MR. MCGILL: Do you think real maintenance  
16 decisions were made at the Director of Maintenance  
17 level?

18 MR. HUBBARD: Maintenance decisions? Well,  
19 yes. I'm sure a lot of them were. The way that  
20 they're organized, they were pretty separate and clear  
21 organizations. The basic maintenance person is the  
22 line maintenance. And I'm sure that Mr. Weaver, being  
23 over both of them, was probably pretty much acting as  
24 the Director of Maintenance when it came to those kinds  
25 of decisions where one or the other couldn't or  
26 wouldn't or they disagreed or whatever.

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1 MR. MCGILL: Did Mr. Fowler also make  
2 decisions in those areas?

3 MR. HUBBARD: I'm sure he did.

4 MR. MCGILL: Did you see any of these  
5 decisions while you were with the FAA?

6 MR. HUBBARD: Could I see them?

7 MR. MCGILL: Could you sense --

8 MR. HUBBARD: I couldn't directly attribute  
9 them to him but I'd say there were several times when I  
10 talked to the Director of Quality Control and he would  
11 agree on something in principle and then eventually  
12 turned around, but the company decided they was going  
13 to do something else. So I can only assume that that  
14 was made at a higher level than the Director of Quality  
15 Control.

16 MR. MCGILL: Why don't you ask a few questions  
17 and let me rest here a little.

18 DR. BRENNER: I was interested in your  
19 comments about ATOS and I come from a human performance  
20 background so I'm not directly part of the maintenance  
21 records group so it's maybe a slightly different  
22 perspective. And I was interested in your views about  
23 ATOS. And if you could help me, do you think that once  
24 the learning curve is passed that it will be an  
25 effective form of oversight?

1 MR. HUBBARD: No.

2 DR. BRENNER: Why is that?

3 MR. HUBBARD: There are some good things about  
4 it. The systems approach I think is good. The action  
5 after the evaluation to get things fixed I think is  
6 good. The whole concept of having people out here in  
7 different offices who you have absolutely no control  
8 over, that don't work for you, you can't supervise  
9 them, you're at the mercy of if they feel like doing  
10 something, they do it. If they don't, they don't.

11 It's never going to work. The whole  
12 geographic concept which was never really very good,  
13 but when it went to ATOS, it just was shut down. There  
14 was no more geographic surveillance.

15 DR. BRENNER: Have these types of comments or  
16 concerns been related to the FAA?

17 MR. HUBBARD: I've told everybody I know in  
18 the FAA in a lot stronger terms than I'm to you, too.

19 DR. BRENNER: And what's the response?

20 MR. HUBBARD: My response was, when I retired  
21 I sent out a little e-mail to everybody and said I've  
22 been ATOS'd. This is it. That was basically the last  
23 straw for me was ATOS.

24 DR. BRENNER: And do you think there's  
25 sympathy for these views among your colleagues?

1           MR. HUBBARD: Absolutely. All of the ATOS  
2 principals. We used to have meetings a couple of  
3 times a year and communicate back and forth pretty  
4 regularly. I think that was pretty much shared by all  
5 of them.

6           Matter of fact, Bill Crowe retired for the  
7 same reason I did.

8           DR. BRENNER: Thank you. Appreciate that.

9           And you also said that you felt the company  
10 may have had a different interpretation of the Director  
11 of Safety position. That was part of the reason?

12          MR. HUBBARD: Yes.

13          DR. BRENNER: What was their view?

14          MR. HUBBARD: Their view was that they had a  
15 chairman of this IEB and that each of these sections of  
16 theirs, customer service and operations and maintenance  
17 had a designee to this thing and that they would do  
18 their internal audits and then get together and share  
19 them and all that. That met the intent of the Director  
20 of Safety position.

21           Of course, they said, well, we do have a  
22 full-timer. He's the Director of Safety all the time.  
23 I said, no, it's not the same thing.

24          DR. BRENNER: Is there a specific instance in  
25 your area where you felt a Director of Safety would  
26 have acted and been more effective than --

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1           MR. HUBBARD: I think several times. We  
2 periodically get anonymous complaints and whatnot.  
3 Particular, Oakland is a good example where people  
4 would give us things and we'd go look into them. And  
5 it's very hard sometimes to find any substance.  
6 There's always enough there to get you to look but it's  
7 very hard to find anything of real substance.

8           But I pointed out to them many times that if  
9 they had an independent Director of Safety and a  
10 challenged communication, that these guys would go to  
11 him instead of coming to us, for one thing. And the  
12 company certainly is in a lot better position to fix  
13 those kind of problems than the FAA because when the  
14 FAA comes, everybody shuts up. The company can work  
15 with it and solve those problems.

16           DR. BRENNER: And it helps us to have specific  
17 instances or at least more specific. What time period  
18 are we talking about?

19           MR. HUBBARD: The whole time I was assigned to  
20 them. Periodically you would give these things. They  
21 would come out of Portland, out of Los Angeles, out of  
22 Oakland. And of course, the Oakland thing escalated  
23 into a lot more.

24           DR. BRENNER: You're talking about the law  
25 enforcement issues that then came about?

1 MR. HUBBARD: Well, ultimately that's where  
2 they went. But I think a lot of that could have been  
3 prevented.

4 DR. BRENNER: You overlapped with Mary Rose  
5 Diefendorfer.

6 MR. HUBBARD: Yes.

7 DR. BRENNER: I've seen that on the operations  
8 side. Could I just have your view -- I'm not sure if  
9 it's relevant or not relevant to this investigation but  
10 it would help us to have your view on just what was  
11 going on and what lessons came out of that.

12 MR. HUBBARD: You mean between her and  
13 management?

14 DR. BRENNER: Yes.

15 MR. HUBBARD: Frankly, they were like a bunch  
16 of school children. I'll take my ball and go home.  
17 Never heard so much crying and bellyaching in my life.

18 DR. BRENNER: I guess there was one theme from  
19 a distance, perhaps from her perspective, that the FAA  
20 management, senior management, was discouraging any  
21 strong enforcement action. Would that be valid?

22 MR. HUBBARD: She never said it to me. I  
23 could only speak for myself in that regard. This has  
24 been posed to me in the past and the operations folks  
25 always claimed that they had a lot of pressure on them  
26 to do this and they were talking to the company and

1 back and forth and all this stuff. I frankly never had  
2 that kind of problem. I wouldn't have put up with that  
3 kind of problem to start with.

4 DR. BRENNER: And I guess there's also  
5 criticism that the management here rotated. That the  
6 senior managers rotated rather than placing -- and that  
7 that could be involved in the criticism. Can you help  
8 me with your view on that?

9 MR. HUBBARD: Well, yes. That's pretty much  
10 what they do. Yes. They go from one section to the  
11 other.

12 DR. BRENNER: Did that pose difficulties for  
13 you in your work?

14 MR. HUBBARD: No.

15 DR. BRENNER: There's possible comments we  
16 here that the company grew too fast, maybe from '96  
17 particularly. Is that fair or unfair? What's your  
18 sense?

19 MR. HUBBARD: Well, there certainly were times  
20 when we really had to kind of rein them in and say,  
21 wait a minute. You've got to stop and look here. And  
22 there was one time when I absolutely felt that the  
23 schedule was driving the maintenance. And I said, no,  
24 you can't do that.

25 Matter of fact, I pointed out to Mr. Fowler  
26 specifically that the FAA was there to make sure that

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1 they complied with the regulations and if they couldn't  
2 comply with them, then they could get an exemption or a  
3 deviation or maybe get them changed. But by God, I  
4 didn't care if they never flew an airplane. They were  
5 going to be in compliance when they did.

6 DR. BRENNER: When did that happen?

7 MR. HUBBARD: That was probably back in about  
8 '97, somewhere along in there.

9 DR. BRENNER: And what led to your action?

10 MR. HUBBARD: Well, like I'm saying, there  
11 were a lot of these indicators that were coming up,  
12 short-term escalations and all these kinds of things.  
13 You just know that there's problems out there because  
14 of what you're seeing. And I just showed them and  
15 said, you know, we've got to do something here. Your  
16 utilization is wonderful but you've still got to do  
17 your maintenance. I don't care. You can't fly for 11,  
18 12, 24 hours a day. You've got to put them down and do  
19 the maintenance.

20 DR. BRENNER: What was Mr. Fowler's response?

21 MR. HUBBARD: Well, he scaled things back to  
22 get something going. Sometimes he hired more people.  
23 He did various things and got things back on track.

24 DR. BRENNER: Okay. Can you help me out. How  
25 would you characterize the strengths of the Alaska  
26 Airlines program, maintenance wise. What would you

1 especially commend them on?

2           MR. HUBBARD: Well, generally they had a very  
3 good attitude. I'd bring something to their attention  
4 and normally they would fix it right away. They'd get  
5 to the bottom of it. Like I say, there were occasions  
6 when we didn't see eye to eye but generally speaking  
7 they had a very positive attitude.

8           DR. BRENNER: And do you think -- I guess  
9 towards the end when you retired, do you think they  
10 were handling their growth at that time appropriately?

11           MR. HUBBARD: Well, they were -- yes. They  
12 were getting ahead of themselves again. They continued  
13 to go on and hire more people. And just periodically  
14 it would cycle around. And you'd say wait a minute.  
15 You've got another 20 airplanes now but you've got no  
16 more maintenance people than you did when you didn't  
17 have them. We've got to do this. And we had them do  
18 manpower studies for us and give us a breakdown of  
19 everything, where they were. And we'd kind of push  
20 them along until they'd get some more workforce.

21           MR. HAMILTON: I really -- I think I just have  
22 one question. The question was asked what you thought  
23 the positives of the Alaska program were, and I'm just  
24 curious what you thought the real weaknesses of that  
25 program were.

1           MR. HUBBARD: Quality assurance, for one  
2 thing. They didn't have enough people to do a lot of  
3 the things that they probably needed to do in the  
4 company. They had some good auditors there and they do  
5 work hard and fill their squares, but there was just a  
6 lot of times when they didn't have the time to dig into  
7 things and sort them out.

8           MR. HAMILTON: So you thought it would have  
9 made a big different just if they had more people?

10          MR. HUBBARD: Well, I do. Yes. I often  
11 suggested that.

12          MR. HAMILTON: I think that's it for me right  
13 now.

14          MR. PAPE: Kevin Pape from Alaska Airlines.

15                 I've only got one question, John, as far as  
16 from a LOI standpoint.

17                 Do you feel there was any outside influences  
18 on your decisionmaking process when the LOI was issued,  
19 from within Alaska Airlines as such from the director  
20 level or any management level.

21                 MR. HUBBARD: You mean undue influence?

22                 MR. PAPE: Undue influence.

23                 MR. HUBBARD: No, not at all. I wasn't  
24 subject to get influenced very much.

25                 MR. PAPE: I know that personally. I just  
26 wanted to see if any other management level would have

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1 undue influence on your decisionmaking process for an  
2 LOI.

3 MR. HUBBARD: No. There's never been any  
4 attempt to.

5 MR. PAPE: As far as the surveillance  
6 oversight once ATOS was implemented, you showed a  
7 concern that there was some surveillance issues on  
8 which they weren't adequate. Was there oversight  
9 during the day to day process from the FAA when the  
10 interface with Alaska -- like on Tuesday there was an  
11 FAA meeting that was conducted on a regular basis?

12 MR. HUBBARD: A regular basis. Yes.

13 MR. PAPE: Would that fall under the oversight  
14 category?

15 MR. HUBBARD: Not really. Basically, when  
16 we're talking about oversight, it's sending people out  
17 to look at what's really going on in the system on the  
18 airplanes, using the cards, whatever. A lot of the  
19 oversight we do is reviewing the MIS reports and MRRs  
20 and all of those kinds of things. That's what we call  
21 oversight.

22 But the meetings we had were I think valuable  
23 to both sides to get a lot of things accomplished a lot  
24 quicker because we'd keep focused on them.

25 MR. PAPE: Would you classify that an  
26 extension of the oversight?

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1 MR. HUBBARD: Yes. Sure it is. It's a tool.

2 MR. PAPE: A tool that was very useful?

3 MR. HUBBARD: (No audible response.)

4 MR. PAPE: As far as the ATOS system, was  
5 there quite a few ATOS EPIs that were conducted at  
6 Alaska?

7 MR. HUBBARD: Yes. There were quite a few.  
8 Not near as many as I would have liked to have done  
9 because they were doing the SAIs, which are the systems  
10 --

11 MR. PAPE: The system attributes you  
12 mentioned?

13 MR. HUBBARD: Yes.

14 MR. PAPE: Were they done with individuals  
15 from Alaska to where you interfaced with --

16 MR. HUBBARD: Yes. Just about all of them  
17 required you to look at the -- well, the SAIs  
18 particularly require you to talk directly with the  
19 individual responsible for the whole thing. The EPIs,  
20 you're kind of looking at different things that tell  
21 you whether or not that system is working.

22 MR. PAPE: During the NASEP inspection that  
23 was conducted in '95 and the DoD inspection that was  
24 conducted in '98, was there FAA involvement on an  
25 active level during the entire process? Let's say the  
26 NASEP inspection of '95. Was there somebody assigned

1 from the certificate --

2 MR. HUBBARD: From my office? No. We  
3 couldn't do anything unless they asked us.

4 MR. PAPE: What about the DoD inspection in  
5 '98?

6 MR. HUBBARD: That's different. We were very  
7 much close with the DoD contract.

8 MR. PAPE: Was there follow-ups from either  
9 one of those?

10 MR. HUBBARD: Yes. Both.

11 MR. PAPE: And I think Frank touched on this.  
12 There was successful completion as far as the long-  
13 term comprehensive fix that addressed the root cause  
14 that you feel?

15 MR. HUBBARD: Yes.

16 MR. PAPE: That's all I have.

17 MS. VON KLEINSMID: Kristen Von Kleinsmid.

18 John, I have a couple of questions I to ask.  
19 What are the requirements to become PMI? Is there any  
20 type of job description posted on the computer in terms  
21 of what you have, years of experience in aerospace?

22 MR. HUBBARD: Most times it's done through the  
23 bid process. That you've got some experience doing  
24 something and the bid comes out and you bid on it and  
25 they evaluate who they've got and pick the best of the  
26 litter.

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1 MS. VON KLEINSMID: So you did the bid on the  
2 PMI in Oakland?

3 MR. HUBBARD: In my particular case, no, I  
4 didn't. It was a lateral move. They just swapped PMIs  
5 from one position to another.

6 MS. VON KLEINSMID: Who did they swap?

7 MR. HUBBARD: Ralph Peterson.

8 MS. VON KLEINSMID: Where'd he go?

9 MR. HUBBARD: He took my job at Boeing and  
10 Tramco.

11 MS. VON KLEINSMID: So you were the PMI at  
12 Tramco at the time?

13 MR. HUBBARD: Yes.

14 MS. VON KLEINSMID: And how long had you been  
15 PMI at Tramco prior to coming to Alaska?

16 MR. HUBBARD: About a year.

17 MS. VON KLEINSMID: And in comparison between  
18 the two jobs -- now, Tramco, that's the maintenance?

19 MR. HUBBARD: Yes. A large maintenance  
20 facility. It's known as BF Goodrich now.

21 MS. VON KLEINSMID: Size wise, how did the two  
22 compare between Alaska Airlines and Tramco? Is there  
23 any comparison that could be made between the two?

24 MR. HUBBARD: Probably. They've got 700 and  
25 some mechanics at Alaska Airlines and they had 700 and  
26 some at Tramco.

1 MS. VON KLEINSMID: And you mentioned when we  
2 talked about ATOS about -- frustrated about the lack of  
3 training. Can you emphasize that? Are you talking  
4 about training for FAA personnel along with Alaska?  
5 Exactly what do you mean that you didn't get any  
6 training on ATOS?

7 MR. HUBBARD: Well, we got training on the  
8 ATOS process.

9 MS. VON KLEINSMID: From whom?

10 MR. HUBBARD: From the ATOS group, whoever  
11 they are. And that was formalized training. That was  
12 before they could actually kick the program off, which  
13 was several months later than they intended to kick it  
14 off because of getting the training done and  
15 everything.

16 MS. VON KLEINSMID: And they trained FAA  
17 people at Alaska or just FAA?

18 MR. HUBBARD: No. Just FAA.

19 MS. VON KLEINSMID: Then when we talked about  
20 no training, what were you referring to?

21 MR. HUBBARD: He was asking me about my  
22 technical training.

23 MS. VON KLEINSMID: Okay.

24 MR. HUBBARD: To qualify me for Alaska  
25 Airlines, such as MD-80 systems or Boeing 737. I said  
26 I had none.

1 MS. VON KLEINSMID: And when you discussed  
2 about the vacancies in the Director of Maintenance  
3 position and also in the Director of Safety position,  
4 you mentioned that you kept telling higher up  
5 management about it. Can you specifically state -- I  
6 think later on you named some names, but who were you  
7 speaking with regarding the Director of Maintenance  
8 vacancy?

9 MR. HUBBARD: In the company?

10 MS. VON KLEINSMID: In the company.

11 MR. HUBBARD: John Fowler primarily and Jim  
12 Trimbürger.

13 MS. VON KLEINSMID: And in the company -- in  
14 the FAA?

15 MR. HUBBARD: No. That's the company.

16 MS. VON KLEINSMID: I mean within the FAA now.

17 MR. HUBBARD: Within the FAA, Phil Hoyt.

18 MS. VON KLEINSMID: And that's as high --

19 MR. HUBBARD: And Marlene when she was the  
20 office manager.

21 MS. VON KLEINSMID: And for the Director of  
22 Safety, the same two individuals?

23 MR. HUBBARD: Jim Trimbürger is the Director  
24 of Safety.

25 MS. VON KLEINSMID: Right. Well, the Director  
26 of QC Training and Safety.

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1 MR. HUBBARD: Right.

2 MS. VON KLEINSMID: So he was the one you were  
3 speaking to?

4 MR. HUBBARD: He was the titled person. Yes.

5 MS. VON KLEINSMID: Frank emphasized what the  
6 C check spans were in March of '85 to July of '88 to  
7 April '96. And in essence, in almost all the examples  
8 we talked about, lubrications, we talked about C checks  
9 and A checks. What you really have from '85-'87 time  
10 frame to '96 is a doubling in almost everything, in  
11 hours, aircraft hours.

12 During the same time period, you've mentioned  
13 your frustrations as PMI in terms of them not catching  
14 things. What was their justification for allowing them  
15 to double their time between maintenance inspections  
16 when they're expanding at this rate and they've got  
17 obvious manpower shortages? What did they provide  
18 justification wise to get approval for that?

19 MR. HUBBARD: Well, you're talking about a  
20 long period of time there from '85 to --

21 MS. VON KLEINSMID: Right. And I know you  
22 weren't there as PMI for this entire period.

23 MR. HUBBARD: Yes. I can only speak to what  
24 we did, which went from 12 months to 15 months.

25 MS. VON KLEINSMID: Until the change in April  
26 of '96 when it went to the two months.

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1           MR. HUBBARD: The high utilization, of course,  
2 accounts for the hourly increase, not the calendar time  
3 but the high utilization. But in the same calendar  
4 period, they put a lot more hours of them than they  
5 had. But anyway, what was provided was significant  
6 summaries of their past inspection findings and all of  
7 that type of data, which was evaluated. And of course,  
8 the things like the MRB recommendations and whatnot  
9 were all taken into account.

10           Matter of fact, when they went to some of  
11 those, I can remember specifically when they wanted to  
12 escalate originally we wouldn't allow them to do  
13 certain things. They had to take them separately.

14           The lubrication, I don't know how that was  
15 looked at specifically. I really wasn't aware that  
16 they got out of it because in my recollection, I was  
17 thinking that actually all the lubrication cards were  
18 separate. Sometimes they would do a short-term  
19 escalation and we'd say okay, but you have to do your  
20 lubrication cards even though you escalate the actual  
21 check for anything else.

22           So, --

23           MS. VON KLEINSMID: Did you express concerns  
24 entirely within the FAA about the request to extend  
25 maintenance and the growth? I mean, what was your --

1           MR. HUBBARD: No. I dealt with those as best  
2 I could and the company was responsive in most cases.  
3 But what I was concerned about in the FAA was I didn't  
4 have enough people to do all the things that we needed  
5 to do. And I certainly spoke to everybody that would  
6 listen in the FAA. And all I got was, well, when you  
7 get 100 airplanes, you can get some more people.

8           So our method of management, if you'd like,  
9 is just nuts if you want my opinion.

10          MS. VON KLEINSMID: I don't know what the  
11 fleet size is but I believe Alaska was for the most  
12 period, under 100 aircraft?

13          MR. HUBBARD: Yes.

14          MS. VON KLEINSMID: So had they hit 100  
15 aircraft then you would have gotten additional FAA  
16 support?

17          MR. HUBBARD: Oh, yes. You automatically --  
18 now you can have program managers. You can have  
19 assistants for your program managers. I can have power  
20 plant program managers. All kinds of things you can  
21 get when you get the 100 airplanes.

22          And the grade premise, for instance, both my  
23 assistants are FG-13s. A guy on American Airlines, for  
24 instance, that has a fleet of 20 airplanes, is a 14.  
25 He's only got 20 airplanes and both of my guys have got  
26 40. So, you couldn't get the grade for them.

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1           And you've got an opening and you put out a  
2 bid and nobody over there in geographics, for instance,  
3 would bid it because they sit over in geographics and  
4 do nothing. Why the hell would they want to take a job  
5 with the same pay and have to bust their butts.

6           So we couldn't even get people to bid the  
7 damn positions. They wouldn't raise it. They wouldn't  
8 listen to any degree of reason at all. So you get what  
9 you get. You do what you can do with what you've got.

10           MS. VON KLEINSMID: Frustrating, it sounds  
11 like.

12           We briefly talked about maintenance control  
13 and talked about missed training, as far as you saw.  
14 What about MEL items? Did you come across a higher  
15 than average finding of items continually being MEL'd  
16 or offset?

17           MR. HUBBARD: No. As a matter of fact, I  
18 think Alaska is probably one of the lowest MEL rates of  
19 many of the carriers I've had anything to do with.

20           There were periods in which they would go up  
21 but that was another one of those indicators that you  
22 see.

23           MS. VON KLEINSMID: But what carriers are you  
24 comparing them to?

25           MR. HUBBARD: Well, any of them that I've done  
26 NASEPs on or done end routes on or anything else.

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1 MS. VON KLEINSMID: Do you're comparing them  
2 like to Northwest, American that you've done  
3 inspections.

4 MR. HUBBARD: Yes. Tower Air, Portal Airways.

5 MS. VON KLEINSMID: I think that's it for me  
6 right now.

7 MR. SEYER: Hello. I'm Lance Seyer . I'm with  
8 AMFA. As long as we're talking about accelerated  
9 flight schedule, I have a few questions for you.

10 The longer utilization of the aircraft means  
11 that the ground time at night to do the maintenance is  
12 shorter. Was there any concern that the shorter ground  
13 time and possible delays throughout the day, building  
14 into the aircraft getting into a maintenance station  
15 later and later at night through the operational day,  
16 was that any concern of the FAA as far as continuing  
17 keeping up on maintenance?

18 MR. HUBBARD: Yes. There were times when we  
19 raised those issues simply because we'd see delays or  
20 cancellations because they couldn't get out of the A  
21 check in time or whatever. Periodically, we'd hear  
22 grumbling from the troops down there that they don't  
23 have enough time or enough people to put on and we've  
24 addressed those issues. In each case they've  
25 ultimately resolved them.

1           MR. SEYER: Do you track rescheduled  
2 maintenance? The planning department assigned jobs  
3 throughout the day for the aircraft at night,  
4 maintenance planning, the number of items that are  
5 rescheduled every night due to manpower, parts  
6 unavailability or one thing or another? Do you guys  
7 track that?

8           MR. HUBBARD: No, we haven't. We could but we  
9 haven't.

10          MR. SEYER: Would that be an indicator of  
11 possible problems?

12          MR. HUBBARD: It probably would. It would  
13 just bolster the indicators we already had.

14          MR. SEYER: Okay. Were you there when they  
15 went from B checks to the -- A checks?

16          MR. HUBBARD: I believe that was done before I  
17 came on.

18          MR. SEYER: So you don't know if any  
19 consideration to the lube requirements that were in  
20 place when they went from the B checks to the A checks,  
21 were they pushed out or -- you don't have any  
22 information on that?

23          MR. HUBBARD: No, I really don't know. The  
24 only thing I know is that in the process, they took  
25 some of the B check items and put them into the --  
26 either every A check or in some cases A2 or A4,

1 whatever. And then spread them around. But in concept  
2 at least they weren't supposed to change any of the  
3 actual times. They just put them in different places  
4 with the A checks.

5 MR. SEYER: And sometimes were these A check  
6 hours extended also like the C check hours were?

7 MR. HUBBARD: Yes. We did extend them but I  
8 frankly can't say what the period was.

9 MR. SEYER: We have a program called walk  
10 around checks that we do when they fly through a  
11 maintenance base. A mechanic will do a walk around of  
12 the aircraft and sign off the log book. And with this  
13 new program, an aircraft could theoretically be outside  
14 of a maintenance station for several days before it  
15 actually returns back to a maintenance station to get a  
16 service check or an A check. Is that true?

17 MR. HUBBARD: That's true.

18 MR. SEYER: From my understanding right now,  
19 the way it stands, all the aircraft except the 737-700  
20 could basically go indefinitely. There's no calendar  
21 days that they have to have a service check with the  
22 exception of the 700. I understand that that's once  
23 every five days.

24 MR. HUBBARD: Yes. That's probably true. But  
25 in evaluating that and letting them go to that, we made  
26 them do -- I think it was a 90-day study to show us

1 that none of them would exceed seven days. And  
2 basically, as I recall, the data revealed that none of  
3 them ever exceeded five days.

4 MR. SEYER: Okay. You were talking about the  
5 Director of Safety position also being shared with the  
6 same person, the Director of Quality Control and  
7 Director of Training all being the same person. And  
8 you stated that you pretty much, whenever you dealt  
9 with this person, Mr. Trimbürger, that you really never  
10 talked to him as the Director of Safety. If you  
11 brought a safety issue up to him, the reply would come  
12 back through some other channel.

13 MR. HUBBARD: Well, basically, most of the  
14 things we were bringing up, even though they may  
15 involve safety, were primarily maintenance concerns.  
16 And so he's our liaison to maintenance.

17 Now, internally, he could treat them as the  
18 Director of Safety and Director of Quality Control or  
19 whatever he wanted.

20 MR. SEYER: You said that the FAA had accepted  
21 the paperwork, whatever, from Alaska Airlines  
22 concerning Aero Shell 33 grease, but never accepted it.

23 MR. HUBBARD: I'm not personally familiar with  
24 them actually doing it. What I said was the task card  
25 itself wouldn't have been approved. It would have been  
26 accepted. The program was approved by ops specs by

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1 saying that you could do this or that. But changing  
2 the type of grease on one work card, I don't know that  
3 anybody caught that or noticed it or bought off on it  
4 or looked into it at all.

5 MR. SEYER: Could you explain the difference  
6 between accepted and approved as far as the FAA is  
7 concerned? An airline submits a change to you. Can  
8 you explain the difference?

9 MR. HUBBARD: Well, basically the difference  
10 is if it's an approved thing, you have to submit it to  
11 the FAA for review and approval prior to you publishing  
12 it. In accepted manuals, they go ahead and make the  
13 change, publish it, and send you a copy and you read  
14 it. And if you have any objection to it, notify them in  
15 writing that you have objections. If you don't tell  
16 them, then it's accepted.

17 MR. SEYER: Is there testing that is required  
18 prior to you accepting these changes, that they have to  
19 substantiate, well, we want to do this. Do we have to  
20 prove it to you before you even accept sometimes?

21 MR. HUBBARD: Yes. Well, not before we accept  
22 it because they can do anything they want as long as  
23 it's not contrary to the regulations. That's why we  
24 have some things that have to be approved, I think,  
25 that they are exceptions to the rule.

1 MR. SEYER: We'll go back to training again.  
2 You were mentioning that maintenance control, other  
3 than perhaps their basic schools, system schools,  
4 whatever, they -- do you know if they had recurrent  
5 training? Do you know if they had any training once  
6 they got into the maintenance control positions?

7 MR. HUBBARD: Other than the OJT, I don't know  
8 of any formal training they had as controllers.

9 MR. SEYER: Do you know what training is  
10 required of new technicians that are hired on to the  
11 company, what training is required?

12 MR. HUBBARD: Well, I know they have a company  
13 in docket. I guess depending on their background, they  
14 may or may not require systems training or whatnot.

15 MR. SEYER: Right. Do you know -- is there  
16 any requirement that these technicians, when they're  
17 hired on at Alaska, have any systems schools or  
18 anything other than OJT to work at Alaska Airlines?

19 MR. HUBBARD: There's no regulatory  
20 requirement.

21 MR. SEYER: Do you know of other airlines  
22 perhaps that when they hire on new technicians they put  
23 them through systems schools prior to letting them out  
24 on the line and working on aircraft?

25 MR. HUBBARD: So do and some don't. It  
26 depends primarily on their background. If you've got a

1 guy that's been a 737-700 mechanic for somebody else  
2 for 10 years, I don't see what you're going to achieve  
3 by sending him to a system school.

4 MR. SEYER: In the past at Alaska Airlines  
5 they had recurrent training through the different  
6 system schools even for veteran mechanics. That seems  
7 to be a thing of the past.

8 Do you know the reason for this?

9 MR. HUBBARD: No.

10 MR. SEYER: What's your opinion? Have you ever  
11 been over to the Training Department, the Technical  
12 Training Department?

13 MR. HUBBARD: Yes.

14 MR. SEYER: What's your opinion of their  
15 facilities, staffing, programs?

16 MR. HUBBARD: Well, the last time I was over  
17 there, it was pretty good. They've gone through some  
18 ups and downs, too, as I understand it, so I don't know  
19 what kind of shape it's in now.

20 MR. SEYER: In the general maintenance manual  
21 it has a chart in there for preferred greases on both  
22 the Douglas and Boeing aircraft. It lists the  
23 preferred grease for flight controls as Mobil 28, but  
24 on the work cards, it specifies Aero Shell 33 and  
25 there's no mention of Aero Shell 33 in the GMM as far  
26 as being appropriate for the Douglas aircraft.

1           Are you familiar with that?

2           MR. HUBBARD: I'm familiar with the chart  
3 you're talking about, not necessarily the specific  
4 grease that's in there, but basically, it still comes  
5 back to the manufacturer's recommendations. If you're  
6 using something that they haven't approved for use on  
7 their airplane then you're asking for trouble  
8 obviously.

9           MR. SEYER: Does the work card override the  
10 GMM as far as these grease issues?

11          MR. HUBBARD: It shouldn't override anything.  
12 And then the GMM don't override the manufacturer's  
13 instructions either. So anybody who saw the disparity  
14 should have raised it.

15          MR. SEYER: There was recently a white glove  
16 FAA audit at Alaska Airlines. Do you know of any  
17 pervious audits of this type while you were the PMI  
18 there?

19          MR. HUBBARD: None, other than the NASEP and  
20 DoD inspection.

21          MR. SEYER: That's all I have.

22          MR. CRAWLEY: I'm Dave Crawley with ALPA.

23          John, we've talked about the intervals  
24 between these checks, and specifically about the  
25 extension of the C check from 13 months to 15 months.  
26 And I guess I have a question about why it's based on

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1 calendar months rather than hours.

2 MR. HUBBARD: Alaska Airlines originally did  
3 that for scheduling purposes. It was easier to  
4 schedule a calendar time than it was an hourly time.  
5 And that was done before my tenure as well.

6 MR. CRAWLEY: Did you have any thoughts about  
7 --

8 MR. HUBBARD: That is, the calendar time.

9 MR. CRAWLEY: Do you have any thoughts about  
10 that or concerns about that?

11 MR. HUBBARD: Well, frankly, I've never liked  
12 it because it may be easier for the airlines but it  
13 also allows for a lot of flexibility. One airplane may  
14 be utilized a lot and one may not be utilized so much,  
15 so you're going to get some disparities between the  
16 airplanes, obviously.

17 MR. CRAWLEY: And during this time when it was  
18 increased from 13 months to 15 months, it was also, you  
19 said, at a time when we were increasing hours on the  
20 airplane.

21 MR. HUBBARD: I don't think they were  
22 increasing then. They had already raised their  
23 utilization well before that and it somewhat leveled  
24 off. But they had increased their utilization from  
25 about eight and a half probably to close to 10. There  
26 were peaks in there where they got close to 11.

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1           MR. CRAWLEY: I don't want to beat a dead  
2 horse here but the data that you were provided which  
3 justified that you said was based on previous checks  
4 and failure rates and replacement of parts and so  
5 forth.

6           MR. HUBBARD: Some it. Yes.

7           MR. CRAWLEY: I'm not sure I completely  
8 understand that logic. Is the idea to take it out to  
9 an interval to where you start seeing replacement of  
10 parts and failures and then back up from there or what  
11 is the logic? How can you justify it in your mind when  
12 you're making that kind of a decision?

13           MR. HUBBARD: Well, there's a lot of things to  
14 look at. Whoever is looking at the program is going to  
15 first of all say, okay, you've done this many checks and  
16 we haven't found anything wrong at 13 months. Then  
17 they'd look at a lot of other added to it, including  
18 the MRB. What are other airlines doing.

19           So, you'd kind of make an overall decision.  
20 And actually, a lot of these checks Alaska Airlines has  
21 always been pretty conservative compared to some of the  
22 other airlines. So, we didn't have any reason to not  
23 let them go to 15 months, although it took them a long  
24 time to get that.

25           They asked us for a year or so before we ever  
26 granted it to them.

1           MR. CRAWLEY: I think the reason we do all  
2 these checks is because parts wear out. Is there any  
3 method of tracking the wear rates on various parts at  
4 the airline?

5           MR. HUBBARD: Some parts there are. That's  
6 why we have different maintenance processes. We've got  
7 on condition parts which indicates that at some point  
8 you can do a quantitative test to tell how it's wearing  
9 or if it's wearing. On other ones it's condition  
10 monitored. That's basically operate them until they  
11 fail.

12           MR. CRAWLEY: So the stabilizer jack screw  
13 would be an example of a part that's monitored that  
14 way, would you say?

15           MR. HUBBARD: Yes. If it required periodic  
16 measurement that would be an on condition type item.  
17 Yes.

18           MR. CRAWLEY: Are you familiar with how often  
19 that measurement is done?

20           MR. HUBBARD: No, I'm not. Only what I've  
21 read in the newspaper. And I don't know whether to  
22 believe that or not.

23           MR. CRAWLEY: In order to determine a wear  
24 rate, what would you have to look at? They do this end  
25 plate check. What would you have to look at to see if  
26 wear was excessive?

1           MR. HUBBARD: They give you a quantity of  
2 measurement in the maintenance manual. And if it's  
3 within tolerances, it's fine. If it exceeds  
4 tolerances, it's not.

5           MR. CRAWLEY: What about the rate of wear?

6           MR. HUBBARD: I don't know as rates are  
7 concerned normally. It either meets tolerances or  
8 don't. And the tolerances are based on design. Saying  
9 that, okay, this thing is designed to wear but it  
10 shouldn't wear more than this. And when you get to  
11 this tolerance, you can't make it to the next check or  
12 whatever, or possibly can't.

13          MR. CRAWLEY: Those intervals are based on  
14 normal wear rate, though; right?

15          MR. HUBBARD: Well, not necessarily on the  
16 normal wear rate. Boeing doesn't base anything on  
17 normal. They go to the tenth power and all this kind  
18 of stuff, all these formulas they've got figuring this  
19 stuff out.

20          MR. CRAWLEY: I guess what I'm getting at is  
21 if a part had an abnormal wear rate and it wasn't  
22 detected, it might not make it to the next check. Is  
23 that safe to say?

24          MR. HUBBARD: That's a possibility.

25          MR. CRAWLEY: The end plate measurement on the  
26 task card is not recorded when it's done at every other

1 C check. Were you aware of that, that the measurement  
2 is not recorded?

3 MR. HUBBARD: No.

4 MR. CRAWLEY: Would you need those  
5 measurements in order to determine a wear rate?

6 MR. HUBBARD: The vendor determines the wear  
7 rates.

8 MR. CRAWLEY: When a part reaches its maximum  
9 wear, the value stated that it's at its maximum, does  
10 it have to be replaced?

11 MR. HUBBARD: Not unless it exceeds it.

12 MR. CRAWLEY: So it has to exceed it?

13 MR. HUBBARD: As long as it's within  
14 tolerance, it's good.

15 MR. CRAWLEY: So it's okay for it to exceed  
16 the tolerances between the checks then? Obviously if  
17 it's at its maximum it's not going to make it to the  
18 next one.

19 MR. HUBBARD: That's right. The engineers  
20 have established the tolerance to the mile for that.  
21 They're saying that as long as it hasn't exceeded this  
22 tolerance it's good. Yes. Until the next time you  
23 check it.

24 MR. CRAWLEY: Assuming a normal wear rate?

25 MR. HUBBARD: Well, assuming it. Whatever  
26 they -- however they've considered that. I don't know.

1 I'm not an engineer.

2 MR. CRAWLEY: You mentioned that the QA  
3 department at Alaska Airlines didn't do what they  
4 should have been doing. And you mentioned that a big  
5 part of that seemed to be that they weren't staff  
6 appropriately.

7 If they had been staffed appropriately, what  
8 are the things that you think they should have been  
9 doing?

10 MR. HUBBARD: I always thought that they ought  
11 to be out actually looking at a lot of the work that's  
12 going on and evaluating the effectiveness of their  
13 program. But largely, they're stuck with putting out  
14 little fires or looking through past records, things  
15 like that. Pretty much like we do.

16 MR. CRAWLEY: Auditing?

17 MR. HUBBARD: Yes.

18 MR. CRAWLEY: Should they be looking at things  
19 like tear down reports and --

20 MR. HUBBARD: Sure.

21 MR. CRAWLEY: Engine failures, for example.  
22 As far as you know, does Alaska Airlines look at tear  
23 down reports and go back over? Do they have any  
24 databases that they maintain to --

25 MR. HUBBARD: Their whole reliability program  
26 is based on that.

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1 MR. CRAWLEY: So that's all looked at?

2 MR. HUBBARD: Yes. Through the reliability  
3 program.

4 MR. CRAWLEY: What about other components?  
5 Those are all -- component failures. Are those  
6 monitored through the reliability programs? And do  
7 they do a good job with that?

8 MR. HUBBARD: Best I can tell. My experience  
9 was that the reliability program is there so that they  
10 can actually extend times on an lot of things without  
11 approval because the reliability program allows them to  
12 do that. And in fact, they've closed and de-escalated  
13 times more than they extended them through the  
14 reliability program.

15 MR. CRAWLEY: What about parts reliability?  
16 How is their parts reliability or how has it been in  
17 the past?

18 MR. HUBBARD: They've had some parts that  
19 they've had problems with but their reliability program  
20 detects that. So they'll get alerts and their program  
21 will go look at them and figure out what's the problem.  
22 Sometimes they've had problems with vendors and  
23 overhauls.

24 MR. CRAWLEY: Do they get most parts tested  
25 after their overhaul?

1           MR. HUBBARD: Yes. It's an overhaul  
2 requirement to test.

3           MR. CRAWLEY: Is there any kind of a reporting  
4 system in place either at Alaska Airlines or any kind  
5 of reporting system in the FAA for reporting premature  
6 component failures or excessive wear rates?

7           MR. HUBBARD: Yes. They have MRRs that they  
8 can fill out any time they want to.

9           MR. CRAWLEY: And that kind of thing is picked  
10 up through the reliability program?

11          MR. HUBBARD: Yes. There's specific  
12 regulatory requirements when they have to but other  
13 than that, they can do it any time they do the program.

14          MR. CRAWLEY: Now, Mr. McGill asked you about  
15 checking the tools for proper calibration and to make  
16 sure they were certified by the manufacturer or the  
17 FAA. If a mechanic at Alaska Airlines picks up a tool,  
18 how does he know that that tools, assuming it's a  
19 company provided tool, how does he know that that tool  
20 is currently calibrated.

21          MR. HUBBARD: It has a label on it with the  
22 date on it and what the calibration due date is.

23          MR. CRAWLEY: And that's one of the things  
24 that you check on your inspections?

25          MR. HUBBARD: Yes.

1 MR. CRAWLEY: I think that's all I have.

2 MR. LASLEY: Mike Lasley. Could you confirm  
3 what I think I heard is that you never received a  
4 request for an alternate -- what we'll call a  
5 restraining fixture, which is the tool for doing the  
6 end plate check.

7 MR. HUBBARD: Not to my knowledge, no.

8 MR. LASLEY: Boeing provided no technical  
9 objection to Alaska for the use of Aero Shell 33  
10 grease. That was an opinion based on information that  
11 we had at the time and not an approval to use the  
12 grease outright.

13 Part of it was a recommendation to monitor  
14 where the grease was used for adverse effects. If they  
15 come to you with this NTO and a request to use this  
16 grease, how would you respond to them? What other  
17 information might you require, and so on?

18 MR. HUBBARD: If Boeing didn't approve it, I  
19 wouldn't let them use it. Because any time Boeing says  
20 no technical objection, that means we're subject to  
21 liability here if we say yes. That's enough for me to  
22 say no.

23 MR. LASLEY: Would you entertain your  
24 initiation of some manner of in-service evaluation,  
25 limited usage to see how it might work out?

1 MR. HUBBARD: With Boeing's approval.

2 MR. LASLEY: Thank you.

3 MS. VON KLEINSMID: You talked about -- Dave  
4 asked about the questions of switching from hours to  
5 calendar months. And then you said you didn't really  
6 care for it but it was easier for the planning  
7 schedule.

8 What about other airlines from your  
9 experience in doing inspections? Are they on an hourly  
10 or a calendar basis?

11 MR. HUBBARD: Some are on calendar and some  
12 are on hours.

13 MS. VON KLEINSMID: And do you know what  
14 company Alaska Airlines used to overhaul the jack  
15 screws?

16 MR. HUBBARD: No, I don't.

17 MS. VON KLEINSMID: And you talked about on  
18 ATOS, you would have preferred doing EPIs first and  
19 then the SAIs?

20 MR. HUBBARD: Yes.

21 MS. VON KLEINSMID: But you were directed to  
22 do the other?

23 MR. HUBBARD: Yes.

24 MS. VON KLEINSMID: Who directed that? I  
25 mean, whose decision was that?

1 MR. HUBBARD: It was headquarters.

2 MS. VON KLEINSMID: Headquarters? ATOS  
3 headquarters?

4 MR. HUBBARD: Yes.

5 MS. VON KLEINSMID: And on delay problems that  
6 you saw that were creeping up on the A check system,  
7 you said you talked to someone about that. Again, who  
8 was that you were venting your frustrations about the  
9 delays increasing?

10 MR. HUBBARD: Well, at various times. At one  
11 time it was John Fowler before he got too lofty over  
12 there. After that, Phil Weaver and Mr. Trimbürger.

13 MS. VON KLEINSMID: Okay. Now I'm done.

14 MR. RODRIQUEZ: John, I'm Dick Rodriguez with  
15 the Safety Board.

16 I was wondering if you could go back to the  
17 very beginning here. You were talking about the  
18 implementation of ATOS and you lost geographic support.

19 Is there in your mind a value that you could  
20 ascribe to the support you were receiving, say in  
21 manhours or in some way over what you now receive or  
22 what you subsequently received under ATOS?

23 MR. HUBBARD: Well, I've always believed that  
24 the FAA presence was a big part of our job, just being  
25 out there and being visible. With the advent of ATOS,  
26 not only we didn't have guys incidentally going by and

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1 seeing what was going on. They were forbidden from  
2 going out there and seeing what the carrier was doing  
3 unless they were assigned to that carrier.

4 MR. RODRIQUEZ: Well, what I asked was a  
5 quantitative assessment on your part. Are you saying  
6 it dropped 100 percent? It disappeared?

7 MR. HUBBARD: Basically, yes.

8 MR. RODRIQUEZ: Now, in the accomplishment of  
9 your job -- and I'm more familiar with the operations  
10 side. The principal inspector is supposed to be  
11 qualified in the equipment that the carrier is  
12 operating. And that's on the operations side.

13 On the maintenance side, it doesn't make any  
14 difference?

15 MR. HUBBARD: Apparently not.

16 MR. RODRIQUEZ: And if you had an assistant, I  
17 guess you'd called it an assistant PR, could you  
18 characterize for me the difference between -- there  
19 could be an assistant PMI versus a aircraft program  
20 manager?

21 MR. HUBBARD: Yes. Originally, the two guys I  
22 had were assistant PMIs. I eventually got their job  
23 titles changed to program manager.

24 MR. RODRIQUEZ: Why?

25 MR. HUBBARD: Because they're not going to  
26 assign them a fleet of airplanes and say, okay, this is

1 your fleet of airplanes.

2 I can send them to school to learn all they  
3 could about the airplane, the engine, whatever.

4 MR. RODRIQUEZ: And that's not possible as a  
5 PMI, an assistant PMI?

6 MR. HUBBARD: It's harder because no direct  
7 assignment. We've got some freaky training things that  
8 you have to do and all this stuff. If a guy doesn't  
9 have a direct assignment to be responsible for  
10 something, it's very hard to give him specific training  
11 in it.

12 MR. RODRIQUEZ: So then they went to school on  
13 the equipment?

14 MR. HUBBARD: Yes.

15 MR. RODRIQUEZ: Now as I remember it without  
16 looking through my notes here, somewhere you either  
17 lost a person or one of your program managers, as I  
18 understood you to say, was a partial assignment or  
19 something to you. Were you sharing him with some other  
20 activity?

21 MR. HUBBARD: Tim Miller was my MD-80 guy and  
22 he went over on a temporary assignment to do some  
23 supervisory work in the FSDO. And during that time,  
24 Tim Bennett, who was my actual assistant PMI, I had to  
25 share his duties. He was also taking care of the  
26 propulsion duties and now he had to take over the MD-80

1 as well.

2                   And then ultimately the decision was made  
3 after 90 days and I was supposed to get him back that  
4 he was going to stay. And that was the beginning of my  
5 reassessment of my future with the FAA.

6                   MR. RODRIQUEZ: So I guess we didn't get  
7 clear, at least in my mind. When we entered this  
8 scenario with your affiliation with Alaska Airlines,  
9 you were the PMI. You had I thought two assistant PMIs  
10 and you made each of them an aircraft program manager.

11                   MR. HUBBARD: Yes.

12                   MR. RODRIQUEZ: One a 737 and one an MD-80.  
13 Where does this assistant PMI show up from?

14                   MR. HUBBARD: After I got that effectively  
15 done, --

16                   MR. RODRIQUEZ: After you did that, you also  
17 had an assistant PMI?

18                   MR. HUBBARD: -- now I've got an assistant.  
19 Yes.

20                   MR. RODRIQUEZ: And with the reassignment or  
21 the sharing or the detailing of your MD-80 aircraft  
22 program manager, you then had to assign that duty to  
23 your assistant PMI who was focusing primarily on  
24 propulsion?

25                   MR. HUBBARD: Propulsion. Yes.

1 MR. RODRIQUEZ: And do you have or can you in  
2 rough estimates tell me how much activity you received  
3 through geographic support under this whole system?

4 MR. HUBBARD: We used to get our PTRS reports.  
5 Every Monday we'd have them run out.

6 MR. RODRIQUEZ: The surveillance activity by  
7 the maintenance area, what percentage of that was done  
8 by the certificate management of the section versus  
9 geographic support?

10 MR. HUBBARD: Probably 80 percent by  
11 geographic; 20 percent by us.

12 MR. RODRIQUEZ: Now as I understood in your  
13 earlier testimony you made a comment about the nine  
14 offices helping 13 locations. Is that accurate?

15 MR. HUBBARD: Yes.

16 MR. RODRIQUEZ: What are the 13 locations?  
17 Were those repair stations or were those maintenance  
18 facilities of Alaska?

19 MR. HUBBARD: No. They are stations that  
20 Alaska operates in and out of. Thirteen airports.

21 MR. RODRIQUEZ: Thirteen airports.

22 MR. HUBBARD: Yes.

23 MR. RODRIQUEZ: And would include maintenance  
24 facilities such as Oakland?

25 MR. HUBBARD: Yes.

1 MR. RODRIQUEZ: And after ATOS then you had  
2 three offices. These are where your team, your  
3 certificate management team is located?

4 MR. HUBBARD: Yes.

5 MR. RODRIQUEZ: What three offices were those?

6 MR. HUBBARD: For maintenance it was Oakland,  
7 Anchorage and Portland.

8 MR. RODRIQUEZ: How many people were on the  
9 team, the ATOS team constructed for Alaska?

10 MR. HUBBARD: In avionics and maintenance from  
11 each one of those locations.

12 MR. RODRIQUEZ: How many? How many people,  
13 bodies?

14 MR. HUBBARD: Six.

15 MR. RODRIQUEZ: Six?

16 MR. HUBBARD: Six maintenance. Yes.

17 MR. RODRIQUEZ: And tell me how many of those  
18 had other duties?

19 MR. HUBBARD: All of them.

20 MR. RODRIQUEZ: All of them.

21 You functioned in this ATOS arrangement for  
22 over a year and a half?

23 MR. HUBBARD: Yes. About a year and a half  
24 that actually it was implemented.

25 MR. RODRIQUEZ: What I'm looking for is I  
26 want to know about these maintenance inspectors and I

1 want you to characterize for me the difference between  
2 the geographic support maintenance inspectors that you  
3 had doing things under the PTRS system and these six  
4 maintenance inspectors that were assigned to you, as I  
5 understand it, assigned to you on the ATOS program.

6           MR. HUBBARD: They were assigned to Alaska  
7 Airlines, not to me and I had no control over them. I  
8 could say here's your work program. I'm going to  
9 assign you to do these SAIs or whatever as part of this  
10 team and they'd do it. How they did it, when they did  
11 it, where they did it, I had absolutely no control  
12 over.

13           MR. RODRIQUEZ: So long as it was within a  
14 year?

15           MR. HUBBARD: They didn't even get it done  
16 within a year. That was desirable but --

17           MR. RODRIQUEZ: What control did you have over  
18 geographic support then?

19           MR. HUBBARD: Well, I didn't have any control  
20 over them. But the difference was that any inspector  
21 out of any office that was walking around the ramp and  
22 saw something going on, could stop and look at it and  
23 would frequently. He would do two things. One, he  
24 would give the FAA a presence on the line, and the  
25 other one was if he found something that was wrong,  
26 he'd put in a PTRS or give me a phone call or both and

1 I'd be on top of it right away.

2 MR. RODRIQUEZ: Who runs the ATOS team  
3 assigned to Alaska Airlines?

4 MR. HUBBARD: That would be a good question.  
5 I don't know that anybody runs it. This is a train  
6 with no engineer.

7 MR. RODRIQUEZ: What is the relationship  
8 between the chief or supervisor or whatever he's called  
9 of the certificate management section of the office and  
10 that team of people assigned to that ticket?

11 MR. HUBBARD: All he ever did was coordinate  
12 with the other offices when we was going to have a  
13 meeting where we could get them all together and  
14 everybody would more or less vote for when they was  
15 going to be free. And we'd set up a week that they  
16 could all come here and get together. Apart from that,  
17 --

18 MR. RODRIQUEZ: How many times did you meet?

19 MR. HUBBARD: Twice like that actually. Once  
20 was for the formal training with the company and to  
21 develop our work plan.

22 MR. RODRIQUEZ: So one meeting was for formal  
23 training and setting the agenda -- I mean, setting  
24 development --

25 MR. HUBBARD: Yes. Development plans.

1 MR. RODRIQUEZ: Then what was the next  
2 meeting?

3 MR. HUBBARD: Then probably six or seven  
4 months later we had another one because the plan wasn't  
5 getting done very effectively and we got everybody  
6 together to say we've got to --

7 MR. RODRIQUEZ: Who called that meeting?

8 MR. HUBBARD: Well, Phil Hoyt, the CMS  
9 supervisor.

10 MR. RODRIQUEZ: Who attended the first  
11 meeting? Who did not attend the first meeting?

12 MR. HUBBARD: I think all of the assigned  
13 inspectors were there except one, and I think he came a  
14 day later.

15 MR. RODRIQUEZ: And the second meeting?

16 MR. HUBBARD: I think we had them all except  
17 for vacant positions, which had to be the same guy, as  
18 I recall. It was the avionics guy from Portland.

19 MR. RODRIQUEZ: In your training, did they  
20 express to you who was going to engineer this training?

21 MR. HUBBARD: No. I raised the question to the  
22 engineers.

23 MR. RODRIQUEZ: What did they say?

24 MR. HUBBARD: The brakemen or some other  
25 stupid answer. I don't remember what it was.

1 MR. RODRIQUEZ: Do you remember the name of  
2 the individual who gave you your training?

3 MR. HUBBARD: There was a whole bevy of them.  
4 The instructors would rotate through.

5 MR. RODRIQUEZ: Well, from the description of  
6 it, your description of the training, you said that you  
7 got it at Dallas/Ft. Worth.

8 MR. HUBBARD: Yes.

9 MR. RODRIQUEZ: Was this an ATOS headquarters  
10 group that came to Dallas to teach a whole bunch of  
11 carriers?

12 MR. HUBBARD: Yes. Well, no. A whole bunch  
13 of FAA guys assigned to carriers. There were some  
14 carrier people there, too.

15 MR. RODRIQUEZ: I want to distinguish between  
16 -- were you going to Dallas because that's where  
17 American Airlines is and American already had ATOS and  
18 so the guys that had been submerged in it were going to  
19 teach you or was this a team from headquarters who had  
20 been designed to go out and train all of the field  
21 personnel?

22 MR. HUBBARD: Exactly. I think the reason  
23 they chose Dallas is because it's a more central  
24 location. But yes, they were there specifically to  
25 teach the initial cadre of ATOS folks and it primarily  
26 consisted of selling us the program, first of all, and

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1 then doing a lot of computer work so we could figure  
2 out how to put this stuff in and get things out and  
3 whatnot.

4 MR. RODRIQUEZ: Was there a manual?

5 MR. HUBBARD: Yes. Appendix 6 to 8400.10.

6 MR. RODRIQUEZ: Did the manual identify who  
7 was going to run the training?

8 MR. HUBBARD: Not really. It kind of just  
9 laid out here's who's going to be on the team and all  
10 that. And I guess the assumption was that everybody  
11 was going to do their little bit and nobody was going  
12 to need any process.

13 MR. RODRIQUEZ: Explain to me in your initial  
14 meeting where you developed your agenda for -- I assume  
15 that's specific -- I call it an agenda -- specifically  
16 for Alaska's certificate; right?

17 MR. HUBBARD: Correct.

18 MR. RODRIQUEZ: Was it a committee of the  
19 whole developing these are the things that we really  
20 need to look at?

21 MR. HUBBARD: Yes.

22 MR. RODRIQUEZ: Were these people familiar  
23 with Alaska or had they been pulled off of other  
24 tickets?

25 MR. HUBBARD: They come off of other tickets  
26 but they were now being assigned. Part of this three

1 day meeting was the company specific training. And the  
2 company actually conducted that. We went through their  
3 manuals and all of these things. So we got the company  
4 oriented and then we drew up the process. We answered  
5 all these silly questions in ATOS and we put them in  
6 and they'd come back and give all your risk assessment  
7 values and whatnot. That's what you then developed  
8 your program based on your risk assessment factors.

9 MR. RODRIQUEZ: Well, then, was there  
10 disagreement within the group as to how much should be  
11 spent on various activities?

12 MR. HUBBARD: No, no.

13 MR. RODRIQUEZ: Everybody was unanimous?

14 MR. HUBBARD: We laid them out and we had the  
15 program and the manual that we were talking about says  
16 that the PMI or the POI and the PAI is responsible.  
17 But nowhere in there does it give us any authority.  
18 And you know what happens when you have responsibility  
19 and no authority.

20 So, they all sat here and said, yes, we'll do  
21 this and we'll do that. We've got the whole plan  
22 together. All the people assigned. And then they went  
23 off on their merry way and get back to their office.  
24 Now their priorities are set by their home office.

25 So guess what happened to our plan?

1 MR. RODRIQUEZ: Well, didn't that happen with  
2 your PTRS geographic support request as well?

3 MR. HUBBARD: No. Matter of fact, most of the  
4 offices were very good if we went to them with a  
5 special request. Under the old NPG they had a certain  
6 amount that they had to do based on the carriers'  
7 operation in and out of their area. But any time that  
8 we had a special request to heighten surveillance at  
9 any one particular place or whatever, they were very  
10 good about responding to that.

11 But once ATOS came along, they wouldn't touch  
12 it.

13 MR. RODRIQUEZ: Who was the chief of the  
14 certificate management section at that time?

15 MR. HUBBARD: Phil Hoyt.

16 MR. RODRIQUEZ: Back up in time. Why did you  
17 switch to Alaska from Boeing Tramco?

18 MR. HUBBARD: I was directed to.

19 MR. RODRIQUEZ: Why was that?

20 MR. HUBBARD: At the time, Tom Howard was the  
21 division manager and he had a policy that no PMI would  
22 stay on a certificate more than five years. And Ralph  
23 had been on a certificate five years, so they just did  
24 a lateral swap. That way they didn't have to bid it or  
25 promote anybody or anything.

1 MR. RODRIQUEZ: We've talked about a NASEP  
2 inspection in '95. Are you sure that's the year? Are  
3 you familiar with any NASEP activity in '94?

4 MR. HUBBARD: I don't remember the years for  
5 sure but they had two while I was PMI. But I'm not  
6 sure which year it was.

7 MR. RODRIQUEZ: Because I don't have a report  
8 of the '95 inspection. I'd sure like to have that.

9 MR. HUBBARD: But you have one for '94? Well,  
10 it wasn't both. There may have been another one in  
11 '96.

12 MR. RODRIQUEZ: Specifically, May 23<sup>rd</sup>, '94  
13 through June 2<sup>nd</sup>, '94. Were you here then?

14 MR. HUBBARD: Yes. And there was another one  
15 after that, I believe.

16 MR. RODRIQUEZ: In '95?

17 MR. HUBBARD: Yes. Because it was done in  
18 August, I'm sure.

19 MR. RODRIQUEZ: Okay.

20 MR. HUBBARD: And there's two years between  
21 them.

22 MS. VON KLEINSMID: It's got to be '96.

23 MR. HUBBARD: Should be '96. Yes.

24 MR. RODRIQUEZ: You mentioned there had been a  
25 Director of Maintenance at Alaska when you left in May  
26 of '98. Why is that? Do you know?

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1           MR. HUBBARD: Well, he went to TWA, I know  
2 that, as their Director of Maintenance.

3           MR. RODRIQUEZ: Did you know him personally?

4           MR. HUBBARD: Yes.

5           MR. RODRIQUEZ: Did he leave voluntarily? Was  
6 that a promotion or --

7           MR. HUBBARD: Yes. Well, apparently he  
8 thought it was a better job.

9           MR. RODRIQUEZ: You mentioned to Frank that  
10 you had gone to great lengths, is what I wrote down  
11 here, about this Director of Safety and the absence of  
12 the director positions and yet they went two years,  
13 probably more than that now. Maybe they've been filled  
14 since the accident. But if these are required  
15 positions according to regulations, how long can a  
16 carrier go without having positions filled?

17           MR. HUBBARD: The positions were filled. It's  
18 just that they were filled by two people and they had  
19 split responsibilities. This happens in operations  
20 even more frequently because they all have different  
21 things for airplanes so they may have two chief pilots.  
22 So it's not unprecedented but it's not a real  
23 desirable way to do things.

24           MR. RODRIQUEZ: You mentioned -- and I may  
25 have misunderstood, but you made some reference to  
26 coordinating with lawyers to I guess press the issues

1 that you had difficulty with or something. Do you  
2 recall making that comment?

3 MR. HUBBARD: Yes. That was concerning the  
4 Director of Safety position and the interpretation of  
5 the regulations.

6 MR. RODRIQUEZ: So you were talking about  
7 General Counsel's office in Washington?

8 MR. HUBBARD: Well, our local counsel,  
9 regional counsel.

10 MR. RODRIQUEZ: Oh, regional counsel?

11 MR. HUBBARD: Yes.

12 MR. RODRIQUEZ: And how did that resolve  
13 itself? Did they agree with you?

14 MR. HUBBARD: Yes. Eventually.

15 MR. RODRIQUEZ: Do you know when that was?

16 MR. HUBBARD: Just before I retired they  
17 finally all agreed. And I wrote a letter saying that  
18 they had to fix it within 30 days. Unfortunately, I  
19 was retired within 30 days so I don't know what the  
20 result of that was.

21 MR. RODRIQUEZ: Apparently they didn't fill it  
22 in 30 days.

23 MR. HUBBARD: Apparently not. I understand  
24 they have now.

25 MR. RODRIQUEZ: Was most of your -- I'll call  
26 it pressure or persuasion to get these positions

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1 filled, was that done formally or informally? Was it  
2 verbal or did you write letters?

3 MR. HUBBARD: It was mostly informally up  
4 until I was running out of time, then I made it formal.

5 MR. RODRIQUEZ: There was a question about  
6 your five inspectors and Director of Quality Control.  
7 What kind of a relationship would you prefer to have in  
8 this area as a PMI?

9 MR. HUBBARD: I'm not sure I understand what  
10 you're asking me.

11 MR. RODRIQUEZ: They asked you a question and  
12 I understood there was a difference between -- you were  
13 dealing exclusively with the Director of Quality  
14 Control instead of individual inspectors or something  
15 of that nature. Do you recall?

16 MR. HUBBARD: Well, I don't remember exactly  
17 what brought that up, but yes. It was customary for us  
18 to primarily deal with the Director of Quality Control  
19 and regulatory matters and stuff.

20 MR. RODRIQUEZ: At Alaska?

21 MR. HUBBARD: Yes. At Alaska.

22 MR. RODRIQUEZ: And how would you have  
23 preferred to deal?

24 MR. HUBBARD: That worked fine.

25 MR. RODRIQUEZ: That's the way you wanted it?

26 MR. HUBBARD: Yes. I had no problem with that.

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1           MR. RODRIQUEZ: I believe you said the only  
2 classes or training that you observed at Alaska was on  
3 de-icing?

4           MR. HUBBARD: Yes.

5           MR. RODRIQUEZ: Were you required to observe  
6 that?

7           MR. HUBBARD: No.

8           MR. RODRIQUEZ: There wasn't a directive or an  
9 inspector's bulletin or something directing you to do  
10 that?

11           MR. HUBBARD: No. But it was my own personal  
12 policy. I wanted everybody to go out and go through  
13 it. Matter of fact, we did it every year, went through  
14 the recurrent with the company at the various  
15 locations.

16           MR. RODRIQUEZ: Could you tell me what your  
17 concept of maintenance training should be for  
18 mechanics?

19           MR. HUBBARD: That's pretty difficult. The  
20 regulations pretty much stipulate that any time  
21 something significant changes that you have train your  
22 people to make them aware of it. Unlike the regulations  
23 concerning operations, they have required curriculums  
24 and numbers of hours and all that stuff. The  
25 maintenance side doesn't have anything like that.

1           It's pretty much industry practice to give  
2 those who need systems training that training but they  
3 also count any experience you have with other carriers  
4 or whatever. So, that pretty much dictates what kind  
5 of training from what your experience level is.

6           MR. RODRIQUEZ: Do you think that's good?

7           MR. HUBBARD: I think it should be more along  
8 the lines of the ops folks in spelling out exactly what  
9 training is required and how you should get it.

10          MR. RODRIQUEZ: You also said that you had an  
11 assistant PMI that you asked to monitor the Oakland  
12 base.

13          MR. HUBBARD: The MD-80 program which includes  
14 the Oakland base.

15          MR. RODRIQUEZ: That was the aircraft program  
16 manager?

17          MR. HUBBARD: That was in the absence of my  
18 program manager. My assistant had to pick up that  
19 duty.

20          MR. RODRIQUEZ: An assistant PMI. I thought  
21 you said Tim Bennett.

22          MR. HUBBARD: Yes. Tim Bennett was my  
23 assistant.

24          MR. RODRIQUEZ: Was he the guy you gave that  
25 to? That function?

1 MR. HUBBARD: Yes.

2 MR. RODRIQUEZ: When was that? Ballpark.

3 MR. HUBBARD: Probably about a year ago.

4 MR. RODRIQUEZ: '99?

5 MR. HUBBARD: Yes.

6 MR. RODRIQUEZ: Well, why don't we talked a  
7 little bit about -- I call them turkey tracks that you  
8 got on delays, et cetera, at out stations and felt  
9 there should be some corrections made at the company.  
10 Do you remember that conversation?

11 MR. HUBBARD: Yes.

12 MR. RODRIQUEZ: What corrections did they  
13 make?

14 MR. HUBBARD: They made several actually.  
15 They put together a team that sat down and analyzed a  
16 lot of their maintenance and down times that they would  
17 require to get these things done. And an outcropping  
18 of that was that they reduced the schedule somewhat so  
19 that they had a spare airplane once in a while. And it  
20 allowed more down time for the checks to get done.

21 They increased their manpower at some  
22 stations.

23 MR. RODRIQUEZ: Were there specific hot spot  
24 stations or just stations in general?

25 MR. HUBBARD: Los Angeles had a lot of  
26 problems with getting them done on time.

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1 MR. RODRIQUEZ: So LAX would be one of the  
2 places where they increased manpower?

3 MR. HUBBARD: Yes. They also reinstituted  
4 their maintenance at Oakland, which other than the base  
5 maintenance, they didn't have any maintenance there.  
6 And they started picking up some of the A checks there.

7 MR. RODRIQUEZ: Line maintenance?

8 MR. HUBBARD: Yes.

9 MR. RODRIQUEZ: I'm always struck when you're  
10 in a position of responsibility with the confidence of  
11 the individual. This is an obvious question. How much  
12 correspondence or communication do you have with other  
13 PMIs of like carriers?

14 MR. HUBBARD: Well, I'd say we used to have a  
15 meeting twice a year and we'd communicate on the phone  
16 and e-mail and whatnot. Sometimes we'd get a concern  
17 that the other ones might have as well and we'd kind of  
18 shoot that out and get everybody's feedback.

19 MR. RODRIQUEZ: Who were your principal  
20 confidants or who did you communicate with most for  
21 problems you were having or, hey, what are you doing on  
22 this situation or that kind of thing?

23 MR. HUBBARD: Bill Crowe, Barry Bass.

24 MR. RODRIQUEZ: Name the carriers.

25 MR. HUBBARD: American and Delta and  
26 Southwest, Continental, TWA, America West.

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1 MR. RODRIQUEZ: You actually called these guys  
2 ten times a year or every month or so?

3 MR. HUBBARD: Yes.

4 MR. RODRIQUEZ: Frequently. Were you usually  
5 in consonance, all of you?

6 MR. HUBBARD: Most of the time. Matter of  
7 fact, there was a few issues that we actually got  
8 headquarters to change their mind about. We voiced our  
9 opinion.

10 MR. RODRIQUEZ: On what subject?

11 MR. HUBBARD: Some handbook bulletins that  
12 they sent out in draft form for one guy to evaluate and  
13 we all talked about it.

14 MR. RODRIQUEZ: But not on ATOS?

15 MR. HUBBARD: Oh, yes. We talked about ATOS a  
16 lot.

17 MR. RODRIQUEZ: Did you get them to change  
18 their mind on anything?

19 MR. HUBBARD: They gave us a lot of promises  
20 but none of them had been fulfilled by the time I  
21 retired.

22 MR. RODRIQUEZ: Were they of like mind as you  
23 on the ATOS issue of training and inability of  
24 geographic support and that kind of thing?

25 MR. HUBBARD: Most of them. Absolutely.  
26 Especially on geographic issues. We had proposed a

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1 plan whereby these people who were assigned to a  
2 carrier's certificate would be assigned to you to  
3 supervise them and you could actually direct and  
4 control what they did. But they never did do that.  
5 They talked about it.

6 MR. RODRIQUEZ: Now Frank asked you about the  
7 extension of times between checks and I think several  
8 of the folks here have come back at it. What I would  
9 like to know is specifically what form justification of  
10 extension of times did you receive from Alaska Airlines  
11 as they extended the times between checks and that sort  
12 of thing?

13 MR. HUBBARD: They originally asked for that a  
14 year before we gave it to them. And during the course  
15 of that year, they would report to us --

16 MR. RODRIQUEZ: What year was this?

17 MR. HUBBARD: I'd say probably '97 or  
18 somewhere in there.

19 MR. RODRIQUEZ: '97 they requested it?

20 MR. HUBBARD: I think so, yes.

21 MR. RODRIQUEZ: And around '98 you granted it?

22 MR. HUBBARD: Sometime in there. Yes. And  
23 during that period of time we reviewed the findings of  
24 most of the checks and what was done. We looked at  
25 PMRB to see what other carriers were doing and looked  
26 at a lot of things closely. But probably not

1 everything.

2 MR. RODRIQUEZ: Would this have been a subject  
3 of conversation between you and American, Delta,  
4 Southwest, Continental, TWA, those type of things?

5 MR. HUBBARD: Yes. I asked a couple of them  
6 that had like equipment what they were thinking about  
7 it.

8 MR. RODRIQUEZ: And based on the intervals  
9 that Alaska was proposing, where did you fall?

10 MR. HUBBARD: Pretty much on the conservative  
11 side.

12 MR. RODRIQUEZ: On the conservative side?

13 As I understand it, and I'm a dumb pilot, the  
14 guidelines for establishment of intervals for an MD-80  
15 are expressed in MSG-2 in hours, months, whichever  
16 comes first. And in MSG-3, hours, months, whichever  
17 comes first. But the Alaska Airlines program says 15  
18 months.

19 I think somewhere, without looking through my  
20 notes, you said that you thought it was a criteria of  
21 whichever came first.

22 My question is how come Alaska only has  
23 calendar and not hourly, whichever comes first?

24 MR. HUBBARD: Because they gave them that  
25 before I was the PMI.

1 MR. RODRIQUEZ: You can't reverse it?

2 MR. HUBBARD: I suppose I could but I'd  
3 certainly have to justify it. You can't just say, well,  
4 you've got a new PMI and now you've got to change your  
5 program. The FAA approved it. They issued ops specs.  
6 The FAA is bound by the ops specs the same as the  
7 carrier is. So the onus would be on me to justify why  
8 they had to change it.

9 MR. RODRIQUEZ: And the MSG or everybody else  
10 does it is not sufficient?

11 MR. HUBBARD: Well, MSG-2 and MSG-3 are just  
12 maintenance processes for determining a start-up  
13 carrier's program. It was never intended to take a  
14 carrier with long time experience and say that you have  
15 to stick to those things.

16 MR. RODRIQUEZ: If you were on the high end of  
17 a standard in collaborating with your fellow PMIs, what  
18 would it take to cause you concern and you might want  
19 to reduce the standard?

20 MR. HUBBARD: Some sort of failure trends that  
21 a reduction in the standard would reverse. But without  
22 something like that there wouldn't be anything  
23 necessarily you could do. In most cases their  
24 reliability program would lose out.

25 MR. RODRIQUEZ: In this time frame of '97 to  
26 '98, as the escalation of aircraft utilization was

1 going on, was there any concern by anyone?

2 MR. HUBBARD: Not that was given me to worry  
3 about.

4 MR. RODRIQUEZ: Through this time frame, how  
5 stable was your workforce?

6 MR. HUBBARD: Apart from the MD-80s, it was  
7 stable. I had some movement in and out of there the  
8 whole period of time.

9 MR. RODRIQUEZ: And do you know if the  
10 increased utilization was across the fleet of Alaska?

11 MR. HUBBARD: Yes.

12 MR. RODRIQUEZ: So the 737 utilization also  
13 went up in this time frame?

14 MR. HUBBARD: Yes.

15 MR. RODRIQUEZ: You mentioned reviewing  
16 paperwork of two or three months at a time. How long  
17 did it take to do something like that?

18 MR. HUBBARD: Probably two hours, primarily  
19 looking at the log papers for three months at a time.

20 MR. RODRIQUEZ: And you were doing this as the  
21 PMI?

22 MR. HUBBARD: Yes.

23 MR. RODRIQUEZ: That's something that the PMI  
24 in your opinion should do periodically?

25 MR. HUBBARD: Yes.

1           MR. RODRIQUEZ: Were the fleet managers,  
2 aircraft program managers, doing this same kind of  
3 thing?

4           MR. HUBBARD: Yes.

5           MR. RODRIQUEZ: Was there a system to how you  
6 selected the aircraft you were going to look at, other  
7 than the aircraft program manager would look at a MD-80  
8 if that's his program.

9           MR. HUBBARD: Well, yes. You'd kind of  
10 randomly selected them but once you've done one, you  
11 didn't look at it again probably for a year or so.

12           MR. RODRIQUEZ: Did the aircraft program  
13 manager know, hey, I looked at 973 --

14           MR. HUBBARD: Yes. Everyone is reported on a  
15 PTRS. We always knew which ones had been looked at.

16           MR. RODRIQUEZ: I think in the process of this  
17 you said that you did discover from time to time some  
18 discrepancies or what have you. And I wanted to dwell  
19 on this investigation and enforcement activity.

20           Did you say that generally speaking you were  
21 supported by management on letters of investigation  
22 that you processed?

23           MR. HUBBARD: I never had any problems with  
24 management.

25           MR. RODRIQUEZ: Does that mean they supported  
26 the letters of investigation or does that mean they

1 persuaded you not to issue them?

2 MR. HUBBARD: They couldn't do that.

3 MR. RODRIQUEZ: They couldn't?

4 MR. HUBBARD: No.

5 MR. RODRIQUEZ: So then they supported you?

6 MR. HUBBARD: I didn't ask them. I did them.

7 I wrote them. I sent them out. And I'd give them a

8 copy so they could look at it.

9 MR. RODRIQUEZ: What happens after you send  
10 out a letter of investigation?

11 MR. HUBBARD: I give them 10 days to respond  
12 and if they respond, then we evaluate what we have and  
13 do further investigation if it's warranted. If  
14 everything is satisfactory, we can close it with no  
15 action or I could process it to the hilt.

16 MR. RODRIQUEZ: At the point that you send it  
17 out, did you discuss it with the chief of the  
18 certificate management section? You gave him his copy?

19 MR. HUBBARD: Sure, if he wanted to discuss  
20 it.

21 MR. RODRIQUEZ: And generally speaking, he  
22 concurred with you sending out the letter?

23 MR. HUBBARD: I don't know if he even read  
24 most of them.

25 MR. RODRIQUEZ: When you got the response back  
26 from the carrier and it was satisfactory, did you

1 discuss that internally in the CMS?

2 MR. HUBBARD: With my group, yes.

3 MR. RODRIQUEZ: With your group, but not with  
4 the chief of the CMS unit?

5 MR. HUBBARD: (No audible response.)

6 MR. RODRIQUEZ: If the response was  
7 unsatisfactory in your view, collectively or  
8 individually, did you then discuss that with the chief,  
9 CMS?

10 MR. HUBBARD: We compiled a copy. If we were  
11 going to send it up to legal for further action, I had  
12 to go through him on the way to the region, and the  
13 office manager.

14 MR. RODRIQUEZ: So basically as a PMI with  
15 respect to investigation enforcement and that sort of  
16 thing, you operated relatively independently from the  
17 CMS itself?

18 MR. HUBBARD: I'd certainly make them aware of  
19 what we had going on but, no, I didn't ask their  
20 permission if I could slap Alaska's hand.

21 MR. RODRIQUEZ: And when you made the decision  
22 to process from a letter of investigation to some kind  
23 of enforcement activity, tell me how that happens?  
24 Then you send some memo up through or do you do it  
25 yourself?

1           MR. HUBBARD: Well, you do a whole package, a  
2 work packages, and it's got all the items of proof in  
3 it. You've got a summary of the whole thing. And that  
4 goes through your section supervisor to the office  
5 manager and who has to sign off on it. Then it goes up  
6 to the region to legal.

7           MR. RODRIQUEZ: And did you ever have any  
8 problem in that process? Did you ever have any that  
9 you initiated that were rejected by management?

10          MR. HUBBARD: No.

11          MR. RODRIQUEZ: When the enforcement activity  
12 reaches the General Counsel, Regional Counsel, it is  
13 then transmitted to the carrier?

14          MR. HUBBARD: At some point they will send  
15 them a letter proposing a civil penalty or whatever and  
16 offering the opportunity for an informal. We normally  
17 sit down then and I would attend all the informals with  
18 legal and counsel from Alaska Airlines.

19          MR. RODRIQUEZ: And you never received what I  
20 would classify as political pressure to drop any of  
21 those situations?

22          MR. HUBBARD: No.

23          MR. RODRIQUEZ: I made a comment here. I  
24 guess this must be within the company, Alaska, that  
25 several decisions with the Director of Quality Control  
26 were reversed at higher levels. That's what I got out

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1 of what you were saying.

2 MR. HUBBARD: I wouldn't say reversed  
3 necessarily but they were certainly modified or toned  
4 down or whatever. And he now had to take a somewhat  
5 different position than our initial conversation.

6 MR. RODRIQUEZ: What does this mean to you as  
7 a PMI?

8 MR. HUBBARD: It means somebody's running the  
9 train up there and it's not him.

10 MR. RODRIQUEZ: Did any of them involve  
11 safety?

12 MR. HUBBARD: No, not in that context. But  
13 they were policy type things.

14 MR. RODRIQUEZ: Who was the Director of  
15 Quality Control?

16 MR. HUBBARD: Jim Trimbürger.

17 MR. RODRIQUEZ: As I understood it, in  
18 response to Dr. Brenner, you retired because of ATOS?

19 MR. HUBBARD: That was kind of the final  
20 straw. Yes.

21 MR. RODRIQUEZ: What would you have done if  
22 you had not been eligible for retirement?

23 MR. HUBBARD: I don't know. Just glad I was.

24 MR. RODRIQUEZ: The interpersonal  
25 relationships or the office politics had no bearing on  
26 your decision to retire?

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1           MR. HUBBARD: I can't say it didn't have any  
2 bearing on it. I'd been fighting to get more people  
3 and all these things. It was very frustrating that you  
4 can't do anything. And the basic FAA philosophy is --  
5 well, the way I always put it is I've never seen a  
6 management decision in the FAA made because it was the  
7 right thing to do. It's always been because it  
8 protected somebody's grade or they're creating  
9 somebody's job or something of that nature.

10           MR. RODRIQUEZ: And also to Dr. Brenner you  
11 said -- I call it the musical chairs syndrome or people  
12 are changing positions in management but it's basically  
13 the same people. You said that was no problem to you.

14           What was the view of your management people  
15 with respect to ATOS?

16           MR. HUBBARD: They all seemed to be sucked up  
17 in it.

18           MR. RODRIQUEZ: The chief of the management  
19 section or certificate section and the chief of FSDO  
20 thought it was good?

21           MR. HUBBARD: I guess so.

22           MR. RODRIQUEZ: They never expressed an  
23 opinion in the meetings?

24           MR. HUBBARD: They were real careful about  
25 expressing opinions around me because when they  
26 expressed an opinion to me, it opens me to give them an

1 opinion or two.

2 MR. RODRIQUEZ: They didn't express any  
3 opinions around you that this was a poorer system than  
4 what we had before?

5 MR. HUBBARD: No. I was usually piping that  
6 up the other way.

7 MR. RODRIQUEZ: Did you in this time frame of  
8 increased expansion and you said you had to get the  
9 maintenance done, specifically, discussions with  
10 Fowler, as I understood, did you find any specific  
11 unairworthiness issues?

12 MR. HUBBARD: No. It's just that there were a  
13 lot of indicators there that they either didn't have  
14 enough people or enough time to do the maintenance or  
15 whatever. But they would get it done because they  
16 wouldn't release it until it was.

17 MR. RODRIQUEZ: What kind of indicators would  
18 you have other than delays? The airworthiness wasn't  
19 an issue?

20 MR. HUBBARD: Well, the MELs would go up  
21 because they would have less time to work them and  
22 you'd see some delays or cancellations because of the A  
23 checks or whatever overnight maintenance didn't get  
24 done on time. It would get done but they wouldn't  
25 release the airplane until it was. But a lot of those  
26 things, you just put them all together and you know

1 that they're struggling out there.

2 MR. RODRIQUEZ: But I understood you to say  
3 somewhere that the MELs were not excessive but just  
4 increasing?

5 MR. HUBBARD: Generally, Alaska Airlines was  
6 very good about keeping their MELs down. That's why it  
7 was such a good indicator. When they started going up,  
8 you knew something was a problem.

9 MR. RODRIQUEZ: You don't have any knowledge  
10 of the recent NASEP, do you?

11 MR. HUBBARD: This last one? No. Don't know  
12 anything about it.

13 MR. RODRIQUEZ: Who was involved in the '95  
14 NASEP? Do you recall?

15 MR. HUBBARD: You mean the team?

16 MR. RODRIQUEZ: Yes, sir. I understood you to  
17 say it wasn't local. Is that correct?

18 MR. HUBBARD: No. NASEPs never are. And they  
19 come from outside your region.

20 MR. RODRIQUEZ: There would still be a NASEP  
21 involving -- outside the region?

22 MR. HUBBARD: Yes.

23 MR. RODRIQUEZ: If there was to be a NASEP  
24 involving primarily or at least over half the people  
25 from either the certificate management section or the  
26 Seattle FSDO, what would be your reaction to that?

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1 MR. HUBBARD: I'm not sure I understand what  
2 you're asking.

3 MR. RODRIQUEZ: Well, if they came from this  
4 region or specifically from this FSDO --

5 MR. HUBBARD: I'm saying that a NASEP can't do  
6 that. The rules prohibit anybody from this region. But  
7 they also do RASEPs which are regional inspections  
8 which is made up of people in your own region.

9 MR. RODRIQUEZ: Would you comment on the  
10 effectiveness, the relative effectiveness of a NASEP  
11 versus a RASEP?

12 MR. HUBBARD: I don't think either one was  
13 worth a damn. I sound like I'm contradicting myself  
14 but I'll tell you all the things that are wrong with  
15 NASEP. Because these inspectors would come in. They'd  
16 sit down for two days and read all the company's  
17 manuals and then go out and try to do an inspection on  
18 them. And frankly, they didn't know or understand their  
19 procedures or anything. And the pressure to get the  
20 thing done within a specific time frame and get all  
21 these references put together, my experience tells me  
22 that about half the time, half the write-ups in a NASEP  
23 are just invalid or bogus or opinions or whatever.  
24 They weren't very effective.

25 MR. RODRIQUEZ: Would you have a means in your  
26 mind of how to evaluate the effectiveness of a

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1 certificate management office if you were -- if I  
2 dubbed you Administrator and you were going to evaluate  
3 all the certificate management offices, how would you  
4 do it?

5 MR. HUBBARD: That would be interesting. I'm  
6 not sure. I'd have to give that some thought. I think  
7 there's probably a lot of places that could use  
8 something like that. I'm not sure just how you would  
9 go about it. But they do. The region does these  
10 office evaluations every couple of years or so and  
11 supposedly they come down and do that. But that's  
12 pretty much a walk in the park.

13 MR. RODRIQUEZ: I know what I wrote here but I  
14 just want to get your reaction. I put down here in  
15 your comments to Kristen, the FBI here, that you felt  
16 the company generally responsive but there was no  
17 support from FAA. Is that with respect to staffing  
18 exclusively?

19 MR. HUBBARD: Yes.

20 MR. RODRIQUEZ: So you're adding to what  
21 you're saying now.

22 MR. HUBBARD: Yes. Staffing, training, funds  
23 to send people where you needed to send them to look at  
24 what was going on.

25 MR. RODRIQUEZ: Staffing, travel funds and  
26 training?

1 MR. HUBBARD: Right.

2 MR. RODRIQUEZ: Are you familiar with a  
3 standard that the FAA developed some time back with  
4 respect to inspections of carriers that involved  
5 expansion? That that was one of the routes or  
6 equipment or personnel and that sort of thing?

7 MR. HUBBARD: Yes. It kind of addressed this  
8 rapid expansion but they never defined what that was.

9 MR. RODRIQUEZ: And that did not -- that  
10 obviously did not impact your personnel needs here?

11 MR. HUBBARD: No.

12 MR. RODRIQUEZ: Did you ever point to that as  
13 an example?

14 And the answer was?

15 MR. HUBBARD: The book says you can only have  
16 this many until you get 100 airplanes.

17 MR. RODRIQUEZ: Is that in a writing  
18 someplace?

19 MR. HUBBARD: Yes.

20 MR. RODRIQUEZ: Do you know what the paragraph  
21 is?

22 MR. HUBBARD: No, not off hand. But I've  
23 researched it and written letters on it. I've  
24 addressed it a million times. But it's basically a  
25 book on manning and manpower and whatnot.

1 MR. RODRIQUEZ: What time frame was this  
2 Alaska recurrent training for mechanics?

3 MR. HUBBARD: Well, some of them were  
4 annually.

5 MR. RODRIQUEZ: I mean in history, '95, '97,  
6 last year.

7 When did they have this program?

8 MR. HUBBARD: For recurrent training? Well,  
9 they've had it all along.

10 MR. RODRIQUEZ: I understood that they don't  
11 have it any more.

12 MR. HUBBARD: That's news to me.

13 MR. RODRIQUEZ: When you left, they still had  
14 it as far as you knew?

15 MR. HUBBARD: As far as I know, yes. Well,  
16 some form of recurrent training. I'm not going to say  
17 that they got every mechanic in and ran them through a  
18 school, but --

19 MR. RODRIQUEZ: I understand. We'll be  
20 talking to Alaska. I was just curious. I thought it  
21 was interesting.

22 And when we were discussing greases, I  
23 gathered from what you said that your establishment of  
24 priority would be the manufacturer, then the  
25 maintenance manual, then the work card, if you were to  
26 select the order of authority.

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1 MR. HUBBARD: Yes.

2 MR. RODRIQUEZ: There's a comment in the  
3 latest -- I'll call it NASEP for want of a better --  
4 I'm not sure what they classify it as. But there's a  
5 comment that the GMM does not include how to procedures  
6 regarding heavy check planning and/or production  
7 control.

8 Was this true at the time -- do you  
9 understand the comment? Was this true when you were  
10 here?

11 MR. HUBBARD: Yes. Probably true. It wasn't  
12 for maintenance control either, although I was getting  
13 close to getting them to do that.

14 MR. RODRIQUEZ: How does that compare with the  
15 industry? Do you know? With your buddies that you  
16 call?

17 MR. HUBBARD: We never got down to discussing  
18 that particular aspect.

19 MR. RODRIQUEZ: Another comment they made is  
20 spot checks of Alaska's shelf life program for  
21 consumables revealed numerous discrepancies with  
22 expiration dates that were exceeded or mislabeled.

23 Did you ever run into those kind of  
24 complications or problems?

25 MR. HUBBARD: I think you'll find that just  
26 about everywhere you go. Shelf life is always a

1 problem for the storage people to keep up with.

2 MR. RODRIQUEZ: And did you comment or maybe I  
3 was drifting or writing behind the curve. Could you  
4 comment about your surveillance of the Phoenix  
5 facility?

6 MR. HUBBARD: I understood. I couldn't  
7 remember. I know I sent somebody down to Phoenix a  
8 couple of time. But that particular one they were  
9 asking me, they were talking about a particular window  
10 and I couldn't remember if that was the time frame or  
11 not.

12 MR. RODRIQUEZ: So to your knowledge, that  
13 facility was inspected in your reign perhaps twice?

14 MR. HUBBARD: Yes.

15 MR. RODRIQUEZ: And what would be the nature  
16 of that? How would you characterize that? As a spot  
17 check?

18 MR. HUBBARD: Basically to validate the audit  
19 that the company had made. And to spot check of course  
20 what's going on with the airplanes.

21 MR. RODRIQUEZ: There's a comment of decisions  
22 about major/minor repair left up to an individual  
23 mechanic according to the maintenance manual.  
24 Engineering will not always have to get involved with  
25 this decisionmaking process.

1 Do you understand that comment?

2 What is the industry standard in that regard?

3 What would your background tell you? Is this good,  
4 bad or --

5 MR. HUBBARD: In their GMM they have a very  
6 precise procedure for determining whether it's major or  
7 minor. The thing is --

8 MR. RODRIQUEZ: I mean, the mechanic makes  
9 that judgment?

10 MR. HUBBARD: My question is what difference  
11 does it make who makes the determination? The only  
12 difference between doing minor maintenance or a minor  
13 repair or a major repair is whether or not you have to  
14 have approved data. That's the only difference.

15 MR. RODRIQUEZ: Approved data?

16 MR. HUBBARD: Yes. If it's a major repair,  
17 you have to have FAA approved data.

18 MR. RODRIQUEZ: I'm in over my head, Frank. I  
19 don't see where data is going to fix an airplane.

20 MR. HUBBARD: Well, it's not. But that's what  
21 you have to use to fix it. That's the only reason for  
22 determining if it's major or minor. Because if it's  
23 minor, you can deviate from the manual with an  
24 engineering order or whatever. You can take typical  
25 repairs and say, okay, we can do this. But if it's a  
26 major, you cannot deviate. You have to do it precisely

1 as stated in the manual.

2 MR. RODRIQUEZ: Well, let me ask it this way.

3 Do other carriers allow mechanics to make this  
4 distinction between a major or a minor repair?

5 MR. HUBBARD: Sure.

6 MR. RODRIQUEZ: Does it have anything to do  
7 with the size of the engineering department?

8 MR. HUBBARD: No.

9 MR. RODRIQUEZ: If this is what the industry  
10 standard is, why would a NASEP or a special inspection  
11 of any carrier cite that as a finding?

12 MR. HUBBARD: Did they give you a reference?

13 MR. RODRIQUEZ: 121, 369.

14 MR. HUBBARD: That's a piss poor reference, at  
15 best.

16 MR. RODRIQUEZ: Is it?

17 MR. HUBBARD: Yes. But it's fairly typical of  
18 NASEP reports.

19 MR. RODRIQUEZ: I've never done one so I don't  
20 know.

21 MR. HUBBARD: Well, that's a regulation that,  
22 you know, one shoe fits everybody.

23 MR. RODRIQUEZ: Do you know if the addition of  
24 the new 700s and 900s constitutes an expansion of the  
25 existing fleet for a type of aircraft?

1           MR. HUBBARD: The way I was trying to treat  
2 that, because I was trying to rearrange how we were  
3 going to have fleet managers, in that I wanted to treat  
4 them as new generation and old generation aircraft and  
5 have separate program managers for those two fleets.  
6 So the 600, 700, 800, 900 would be under one manager.  
7 The 200s and 400s would be under another manager. That  
8 met with the same response I got with everything else.  
9 You can't do that.

10           MR. RODRIQUEZ: One moment.

11           (Pause.)

12           Thank you very much, John.

13           MR. MCGILL: John, Frank McGill again. Just a  
14 couple of questions that Dick has brought up that I  
15 wanted to talk about. Just a couple real quick here.

16           '97 and '98 you said, even though the  
17 expansion and so forth was going on, there was no large  
18 FAA concern at that point. The ATOS came in in October  
19 of '98. There was this latest special inspection that  
20 came out in June of this year in which the air carrier  
21 assessment tool, they called it, labeled the critical  
22 baseline areas and they denoted this SEA-10 areas of  
23 concern, one being aircraft airworthiness requirements,  
24 the maintenance program itself, inspection program,  
25 RIII, MELs, AD management, control of calibrated tools  
26 and testing, the engineering, with major repairs and

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1 alterations, the CAST program and maintenance training  
2 requirement programs.

3           That seems like a very large number from  
4 going from starting this program in October of '98 to  
5 whenever they -- I don't know how long they actually  
6 took to do this but the assessment came out in June, a  
7 few months ago.

8           How did it get so bad so quickly?

9           MR. HUBBARD: I'm not sure that it did. It  
10 was significantly different. If you look at the ACAT  
11 that I did when I was here, it was very much the same.  
12 Because areas of concern are just somebody's opinion.  
13 And then they're stuffed into a computer and you come  
14 out with a risk assessment based on everybody's  
15 opinion.

16           So then the process is that where you have  
17 areas of concern, you go out now and you look at them  
18 and see are they really a concern or not.

19           MR. MCGILL: I'm still having a hard time,  
20 even though Mr. Rodriguez got into this thing. There is  
21 a managerial, there's a supervisor here, there's these  
22 principals here. Who's in charge of this CMMT concept?  
23 Who's making these --

24           MR. HUBBARD: I'll tell you one more time. The  
25 principal inspector is responsible by the book but the  
26 book gives him no authority whatsoever.

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1           MR. MCGILL: Then the principal would not make  
2 these areas of concern a baseline --

3           MR. HUBBARD: Those are principally based on  
4 his opinion and his opinion is based on a number of  
5 factors. You look at them and say, you know, have you  
6 had any LOIs. So your subjective answer is yes.  
7 Checkmark. Once you get a checkmark it becomes an area  
8 of concern.

9           MR. MCGILL: You said you have questioned  
10 things in the past about the ATOS system. You refer to  
11 the word they in Washington who makes these decisions.  
12 Who is they?

13           MR. HUBBARD: Well, they develop the program.

14           MR. MCGILL: Who's in charge? Is there a name  
15 of this person in Washington that I could talk to?

16           MR. HUBBARD: The ATOS CMO or whatever they  
17 call him. The ATOS office. And these guys develop the  
18 policy.

19           MR. MCGILL: So they listen to concerns of  
20 these 10 carriers who have been running by these  
21 certificate management teams across the country. They  
22 listen and then they make these decisions?

23           MR. HUBBARD: Well, they acted like they  
24 listened but I never saw anything significantly change  
25 other than rewriting the job aids for the EPIs which  
26 you couldn't even make sense of them originally. I

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1 understand that they rewrote those and that they're  
2 better. But I haven't worked with them, so I don't  
3 know. But the other issues, I haven't seen any change  
4 in that that I know of.

5 MR. MCGILL: You mentioned Bill Crowe. We  
6 held a forum in Chicago last year in which I co-hosted  
7 and I asked Mr. Crowe about the ATOS system and which  
8 he talked about. You said you communicate with him on  
9 various things. Was he kind of in agreement with what  
10 you were -- the areas of concern that principals were  
11 having with these 10 carriers trying to --

12 MR. HUBBARD: Yes.

13 MR. MCGILL: The first day that the NTSB, like  
14 I say, I think it was like January of '98 when we were  
15 first briefed and I brought up one area. When those  
16 first 10 carriers were chosen, why chose the first 10?  
17 Why not the next 10 or 20 below it because many areas  
18 sometimes were of concern to those carriers.

19 Did you ever understand why they chose the  
20 top ones?

21 MR. HUBBARD: It appeared to me that somebody  
22 hatched a plan back there to make the FAA look like  
23 they're doing something different. Basically what they  
24 kept repeating to us is that what we've been doing is  
25 good but it's not good enough so we've got to do  
26 something different. And that was their different way

1 to do it.

2           And like I say, in theory some of it was very  
3 good. The systems approach is good. The solutions  
4 approach is good. But the mechanics of the thing is a  
5 train with no driver in it.

6           MR. MCGILL: But yet you also said that NASEPs  
7 and RASEPs, OSEPs and so forth --

8           MR. HUBBARD: They had their problems, too.

9           MR. MCGILL: That's right. You said about 50  
10 percent of those write-ups were invalid.

11           MR. HUBBARD: Yes. And this was one. The  
12 basis for the ATOS concept was that every inspector  
13 assigned to the carrier would now know the carrier's  
14 procedures and all that. And that's fine. There's  
15 nothing wrong with that. The problem is when they  
16 said, okay, nobody else in the world can touch this  
17 carrier that's not assigned to it now. That's when the  
18 problems started.

19           So now you've got a few people looking that  
20 are very knowledgeable about the carrier but they ain't  
21 got time to go look because they're too damn busy doing  
22 the ATOS crap.

23           MR. MCGILL: Was there problems about -- just  
24 looking at the list like this. And people are coming  
25 and going off of that list dramatically. How does one  
26 get to where they're knowledgeable on a particular

1 carrier like this?

2 MR. HUBBARD: That's another one of the  
3 problems. Like you say, Alaska Airlines' CMT probably  
4 had less problems than some of the other ones did  
5 because they couldn't keep a guy. They'd get him in  
6 there and get him trained and three weeks later he was  
7 off doing something else and now they had to train a  
8 new one. And the problem was, according to the rules  
9 in this interim period, he can't do anything until he's  
10 had the training.

11 He's got to go to the formal ATOS training.  
12 He's got to have the company specific training before  
13 he can do anything.

14 So when you got a vacancy, even when they put  
15 somebody in it, doesn't do you any damn good because  
16 you still can't use them.

17 Wonderful system. I love retirement.

18 MR. MCGILL: You mentioned that normally about  
19 five years they would change out the principals.  
20 That's how you got this job. But yet you stayed here.

21 MR. HUBBARD: They must have been in love with  
22 me. I don't know why the policy changed.

23 (Crosstalk.)

24 That's what I'm talking about. The regional  
25 division manager was the one that had that policy.  
26 Although at one time I understand it was a policy in

1 the Southwest Region as well when I was down there. So  
2 I don't know why it changed.

3 MR. MCGILL: Are there different rules for  
4 different regions for principals?

5 MR. HUBBARD: I'm not sure there's any rules.

6 MR. MCGILL: I've done other areas where the  
7 principals were. You're saying that you needed to  
8 appoint project managers under you so they could get  
9 training in the airplanes or the engines or whatever if  
10 needed. Looked like you would need training.

11 MR. HUBBARD: Well, the system, when I first  
12 became principal, I was a supervisory PMI. That was  
13 how I managed to get their job titles changed to  
14 program managers. When they went through all their  
15 cutting down their supervisory force, they wanted like  
16 10 inspectors for one supervisor or whatever their goal  
17 was. One of the first things they did was to make the  
18 PMIs non-supervisory.

19 So now -- that's how they met their goal. So  
20 now under the rules that are out now, as a supervisor,  
21 which I was originally, I'm not entitled to go to  
22 school because I'm not responsible. The program  
23 managers are responsible and they're entitled to go to  
24 school.

25 It specifically says that you can't send  
26 supervisors to technical training.

1           That's another good one, a hot project, a  
2 good program.

3           MR. MCGILL: Do we have any more question?

4           MR. SEYER: I have one more.

5           MR. MCGILL: State your name.

6           MR. SEYER: Oh, Lance Seyer.

7           Is it normal for the PMI to be a manager,  
8 supervisor, from the airline they're currently  
9 overseeing? Is that a normal --

10          MR. HUBBARD: If we had 100 airplanes it would  
11 be a requirement. You would be a supervisory PMI and  
12 that's why you'd get all these extra people and  
13 assistance. But 100 airplanes is the magic number.

14          MR. SEYER: But my question is if you were the  
15 PMI over Alaska Airlines, is it normal for the person  
16 in that position, the FAA PMI, to be an ex-Alaska  
17 Airlines manager or supervisor?

18          MR. HUBBARD: It's not abnormal. The only  
19 restriction is that -- well, actually there's two  
20 things to consider. They want you to be more than two  
21 years since you had worked for them and that your  
22 departure was not animositous (sic) in nature or  
23 something. But other than those factors there's  
24 nothing wrong with it.

25          MR. SEYER: No FAA requirement. And is it  
26 normal to have a large percentage of FAA inspectors

1 from the airline that you're currently overseeing being  
2 supervised as managers from the airline, coming to work  
3 for the FAA and then going back and inspecting the same  
4 airline? Is that a normal policy with the FAA?

5 MR. HUBBARD: It's not a normal policy but in  
6 fact they say that to not give the appearance of a  
7 conflict of interest, it should be two years.

8 MR. SEYER: But after two years, --

9 MR. HUBBARD: After two years, there's no  
10 restriction.

11 MR. SEYER: You could have all ex-Alaska  
12 Airline management and they're currently FAA inspectors  
13 under you and there would be no conflict of interest as  
14 far as the FAA is concerned?

15 MR. HUBBARD: Not as far as the outlines that  
16 I'm aware of.

17 MR. SEYER: Okay. That's all I have.

18 MR. HAMILTON: Let me ask one more thing. And  
19 this is just clarification.

20 Can you talk just a little bit about -- Dean  
21 Hamilton. Just a little bit about the differences of  
22 NASEPs, RASEPs and OSEPs? I took it that maybe Rich  
23 didn't understand why you would do each of those.

24 Do you understand my question? Where the  
25 people come from, et cetera.

1 MR. HUBBARD: Yes. OSEP is simply within your  
2 FSDO. You'd generate a team to go out and look at an  
3 operator.

4 MR. HAMILTON: Why would you do that?

5 MR. HUBBARD: You may have some concerns that  
6 you want to go out and resolve and erase that. Of  
7 course, as you get resources from the entire region and  
8 they basically all use the NASEP guidelines. And of  
9 course, the NASEP is -- you cannot have anybody within  
10 your region on the team.

11 MR. HAMILTON: Thanks.

12 MS. VON KLEINSMID: Kristen Von Kleinsmid.

13 You mentioned that you had spoken with your  
14 general counsel of the region about the safety issue,  
15 the Director of Safety. Who was that? Was that Earl  
16 Baldwin who's your general counsel?

17 MR. HUBBARD: No. He's in Western Pacific  
18 Region.

19 MS. VON KLEINSMID: Who's your general  
20 counsel?

21 MR. HUBBARD: Well, I talked to Peter Leyland.  
22 He's not the chief up there but --

23 MS. VON KLEINSMID: Peter Leyland?

24 MR. HUBBARD: Peter Leyland. Yes.

25 MR. MCGILL: Well, John, we thank you very  
26 much for your time. We greatly appreciate it.

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1 MR. HUBBARD: You're welcome.

2 (Witness excused.)

3 MR. MCGILL: Phil, could you tell us your  
4 background prior to coming with the FAA?

5 MR. HOY: Before I was with the FAA, I was --  
6 started out in general aviation as a pilot flight  
7 instructor, a taxi pilot, and pilot for a commuter air  
8 carrier in the Southern California area. So I had  
9 pilot experience.

10 MR. MCGILL: How long have you been with the  
11 FAA?

12 MR. HOY: I've been with the FAA since January  
13 of 1973 so for 27 years.

14 MR. MCGILL: Do you have an A&P license?

15 MR. HOY: No.

16 MR. MCGILL: A pilot license?

17 MR. HOY: Yes.

18 MR. MCGILL: Your position here now is -- what  
19 is your official title?

20 MR. HOY: I'm the supervisory of the air  
21 carrier section in the Seattle Flight Standards  
22 District Office.

23 MR. MCGILL: Prior to that, what was your  
24 position?

25 MR. HOY: Supervisor of the certificate  
26 management section, Seattle Flight Standards District

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1 Office.

2 MR. MCGILL: That's when it first became under  
3 the ATOS system? Is that when you took that position  
4 in '98?

5 MR. HOY: No. I was in that position from  
6 approximately April of 1994 until May of 2000.

7 MR. MCGILL: Same position?

8 MR. HOY: Yes.

9 MR. MCGILL: So even though it went from the  
10 PMIs, PAIs and so forth to the ATOS system, your  
11 portion stayed the same?

12 MR. HOY: My title stayed the same. My  
13 oversight remained the same when ATOS was introduced.

14 MR. MCGILL: And who is your boss?

15 MR. HOY: The manager of the Seattle Flight  
16 Standards District Office, and that has changed over  
17 the years that I held the position, the six years  
18 approximately that I held the position.

19 MR. MCGILL: Who is it now?

20 MR. HOY: It's Samuel Aaron.

21 MR. MCGILL: And before that?

22 MR. HOY: It was Bob Hill.

23 MR. MCGILL: Okay. Let's talk just a little  
24 bit if you would about after starting October 1<sup>st</sup> of  
25 1998 when Alaska Airlines went under the ATOS system.  
26 Can you tell me how that transition was accomplished

1 and what was done in that time frame?

2 MR. HOY: Well, before it became effective  
3 there were various work groups that worked on putting  
4 together the system. I participated in one of the work  
5 groups as what they call an extended member. That is, I  
6 wasn't a core member working on it full time. There  
7 were several of us from around the nation that had  
8 various input into those work groups.

9 It was finally launched in October of '98.  
10 As you indicate, there was training that was provided  
11 at the national level to all of the inspectors who were  
12 key members of the certificate management teams of the  
13 10 carriers that were to fall under ATOS. And that was  
14 a tutored training session? I'm not sure.

15 MR. MCGILL: Where was that located at?

16 MR. HOY: That was in Dallas, at Dallas/Fort  
17 Worth area. And over the course of several weeks, all  
18 of the inspectors who were to deal with ATOS went  
19 through that course.

20 MR. MCGILL: Have you ever been a principal  
21 ops POI or any --

22 MR. HOY: Yes. For a period of time I was the  
23 acting principal operations inspector on Alaska  
24 Airlines. Before that, the assistant principal  
25 operations inspector.

1 MR. MCGILL: Acting and the assistant.

2 MR. HOY: The acting POI and the assistant.

3 MR. MCGILL: What time frames was that?

4 MR. HOY: In the mid '80s. Approximately '85  
5 to '87 time frame, I'd say.

6 MR. MCGILL: What kind of training have you  
7 had?

8 MR. HOY: What kind of training?

9 MR. MCGILL: For the FAA to -- you were with  
10 Alaska, you said. Did you have other -- were you  
11 principal with other carriers?

12 MR. HOY: Well, I've spent time in the  
13 regional office as a staff specialist. I spent time in  
14 other FSDOs and international field offices as an  
15 operations inspector. I have not had POI experience  
16 specifically other than with Alaska Airlines.

17 As a general aviation operations inspector, I  
18 guess I was doing the same thing then as what they call  
19 POIs now in dealing with general aviation operators.

20 MR. MCGILL: We were just trying to get a feel  
21 of what the FAA -- what kind of training they have that  
22 qualifies their people to be supervisors like yourself  
23 and so forth. Have you had aircraft training, engine  
24 training, system training and so forth?

25 MR. HOY: Of course, any inspector that comes  
26 into the FAA goes through a certain amount of core

1 training, indoctrination training. And then  
2 periodically there are formal training courses that  
3 that inspector will go to. That process has become  
4 refined over time so that it's done in a more organized  
5 manner now than it once was.

6           But there is not a formula per se that will  
7 qualify a person for a particular job.

8           MR. MCGILL: You don't necessarily have a type  
9 rating in any large aircraft?

10           MR. HOY: I do. But that was not -- I do have  
11 various type ratings. I'm not saying that that would  
12 qualify me as a supervisor per se, although typically  
13 in the years that I've been in the FAA, those senior  
14 inspectors with the most experience will gravitate  
15 toward supervisory positions. But again, there's not  
16 any formula that spells that out that I'm aware of.

17           MR. MCGILL: So it would be on a carrier that  
18 flies -- Alaska had 727s and 737s, MD-80s. Have you  
19 ever been qualified on any of those three airplanes?

20           MR. HOY: Yes. I'm type rated in the DC-9 and  
21 I was before I came to this region and became  
22 associated with Alaska Airlines. During my tenure as  
23 the assistant POI, I received a 727 type rating.

24           MR. MCGILL: Are you familiar with -- are the  
25 other principals trained likewise, the mechanic  
26 portions?

1 MR. HOY: On the other side, on the  
2 maintenance side of the house, you try to get  
3 inspectors a systems course in at least one of the  
4 types of aircraft. But again, that's not a mandatory  
5 thing. We try to get the operations people trained in  
6 one of the aircraft that the carrier flies.

7 MR. MCGILL: Prior to the ATOS changeover in  
8 October of '98, what is your recollection of the  
9 oversight of Alaska Airlines? Did you feel it was  
10 adequate at that time?

11 MR. HOY: I think that the amount of  
12 surveillance that we have done that we have done since  
13 the introduction of ATOS has probably generally  
14 decreased. Was it adequate before? We could have 100  
15 inspectors out there and that's a very relevant term.  
16 I'd find things for 100 inspectors to do.

17 So to say whether it's adequate or not is  
18 difficult. I didn't feel particularly uncomfortable  
19 with the amount of surveillance that was occurring but  
20 I came from a paradigm where that's just the way we'd  
21 done that for several years.

22 MR. MCGILL: Do you think the staffing was  
23 adequate up to that time for oversight of the carrier?

24 MR. HOY: No. I don't think it was.

25 MR. MCGILL: Was request made to increase the  
26 staffing?

1 MR. HOY: At various times, at various forums,  
2 yes.

3 MR. MCGILL: We've heard about 100 airplane  
4 type of number before increases. Is that part of the  
5 FAA's philosophy that a carrier must reach 100  
6 airplanes before extra manpower or whatever is  
7 directed?

8 MR. HOY: No, not necessarily. There is a 100  
9 airplane magic number for determining grades of certain  
10 positions among the certificate management team, but it  
11 does not necessarily equate to an increased staffing  
12 per se.

13 MR. MCGILL: When the ATOS started in '98, can  
14 you explain a little bit about the SAIs and the EPIs  
15 and how that process was started?

16 MR. HOY: How it was started on  
17 implementation?

18 MR. MCGILL: Yes. Here at Alaska.

19 MR. HOY: Well, in accordance with the design  
20 of the system, we as the other nine certificate  
21 management teams for the other carriers, convened an  
22 annual surveillance planning meeting including all the  
23 certificate management team members, including the  
24 people here in this building as well as the geographic  
25 inspectors who are assigned to that certificate  
26 management team, and went through the planning cycle

1 that included developing a comprehensive surveillance  
2 plan using certain tools that were designed to be used  
3 in a standardized manner on the various CMTs.

4           And out of that meeting eventually a  
5 comprehensive surveillance plan was formulated by the  
6 principal inspectors. And that plan included  
7 addressing certain SAIs and EPIs, with emphasis on  
8 various areas, depending on how that surveillance  
9 planning process went.

10           It largely included the judgment inputs of  
11 the principal inspectors.

12           MR. MCGILL: So you initially probably did  
13 more SAIs than EPIs?

14           MR. HOY: Yes. The first year as I recall,  
15 the emphasis -- especially as the year unfolded, the  
16 emphasis was to accomplish the SAIs under the theory  
17 that we wanted to know how the carrier through this  
18 process of accomplishing SAIs, how the carrier intends  
19 to accomplish its business before we launched into the  
20 EPIs to see just how -- if in fact the carrier was  
21 accomplishing their business as they said they would.

22           MR. MCGILL: How many do you think, percentage  
23 wise, was accomplished?

24           MR. HOY: A fairly low percentage. I don't  
25 have the numbers at my fingertips but various  
26 inspectors, various CMT members were assigned as team

1 coordinators on various SAIs and they weren't  
2 accomplished at a rate that we expected to or  
3 necessarily in a manner, I guess, that we'd like to  
4 accomplish these things.

5 I was not personally involved in  
6 accomplishing any of these SAIs or EPIs but the  
7 feedback that I was getting was that the job aids used  
8 to define how these inspections would be accomplished  
9 were difficult to work with and confusing and in some  
10 cases inspectors really just didn't understand what was  
11 expected of them.

12 MR. MCGILL: Do you think Alaska Airlines  
13 during this period of time would have had the same  
14 oversight that they would have had prior to ATOS?

15 MR. HOY: During ATOS did they have the same  
16 oversight?

17 MR. MCGILL: Yes. Had there been no ATOS  
18 during that period, do you think it might -- I've  
19 looked at all the SAIs and EPIs. It just looks like  
20 not too many of them were fulfilled. There were still  
21 a large amount.

22 MR. HOY: Yes.

23 MR. MCGILL: My next question would have been  
24 if they're not going to get them all done, was somebody  
25 still looking at that carrier from a large perspective  
26 and was there proper oversight of the carrier during

1 this period?

2           MR. HOY: Well certainly there was some  
3 oversight. We weren't accomplishing the plan as we'd  
4 envisioned. It seemed that we were getting bogged down  
5 in trying to make the process work, in trying to  
6 accomplish the job aids as they were originally  
7 intended to be accomplished. And a lot of time and  
8 energy was spent in trying to understand how to make  
9 the job aids work efficiently.

10           So, as a result, I would say there was less  
11 surveillance. I don't have any quantitative analysis  
12 of that. But I'd say that there was less surveillance.

13           But under ATOS it was designed to be less  
14 surveillance and it was designed to be a high quality  
15 of surveillance and target the particular areas of  
16 concern that emerged out of this plan that was  
17 developed through the comprehensive surveillance annual  
18 planning.

19           MR. MCGILL: I noticed that when glancing  
20 through the special inspection of Alaska that was done  
21 -- the report came out in June of 2000 this year, where  
22 the air carrier assessment tool or airworthiness,  
23 looking at the critical baseline areas and then areas  
24 of concern. As I looked down through there, aircraft  
25 airworthiness requirements, maintenance program,  
26 inspection programs, RIII, MEL, AD management,

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1 calibration of tooling, engineering, major repairs, so  
2 forth, continuous analysis, surveillance, CAST system,  
3 training program. All of these were checked. They were  
4 areas of concern.

5           And so these are very major areas. And so it  
6 looked like maybe the air worthiness area was not as  
7 well -- the oversight of it was not as well done as  
8 maybe --

9           MR. HOY: Again, the concern has always been  
10 or focused on the airworthiness side of the house. I  
11 believe that we're understaffed on the airworthiness  
12 side. I believe we're still understaffed on the  
13 airworthiness side. And I would agree. It would have  
14 been --

15           MR. MCGILL: What is being done about that?  
16 What was done? Did you make any kind of requests or  
17 did someone -- who's tried to make changes over that?

18           MR. HOY: I think collectively quite a few  
19 people have. I for one have. I made various requests.  
20 One was in writing.

21           MR. MCGILL: Where do you send the requests  
22 to? Who do you make it to?

23           MR. HOY: I made it to our division manager.  
24 There was a request -- I don't know if I have an exact  
25 date, but the October-November time frame, I believe.  
26 We were hurting for people on the airworthiness side.

1 It felt like we were just drinking from a fire hose all  
2 the time. And I don't believe that they were doing the  
3 amount of surveillance that we needed to do.

4 MR. MCGILL: Do you get to listen to a lot of  
5 the concerns from the airworthiness side from the  
6 different PMIs or whatever? Are you part of that  
7 process that listens to and tries to make adjustments  
8 or --

9 MR. HOY: Yes. I, coming from an operations  
10 background, do not have the technical expertise on the  
11 airworthiness side of the house so I rely heavily on  
12 the technical input from the principal inspectors and  
13 assistant principals. And that's what I was hearing.

14 MR. MCGILL: We interviewed Mr. Hubbard this  
15 morning and he voiced some concerns that over the years  
16 that he was here. Would he have directed those  
17 concerns to you or who?

18 MR. HOY: Yes. I think that he -- I mean, we  
19 talked quite frequently. I think I understood many of  
20 his concerns. I don't know. There were also some  
21 conversations of course that he had in the technical  
22 arena with people outside of this office, the regional  
23 office and so forth. So I'm not -- I wasn't a conduit  
24 for everything that was said by him.

25 MR. MCGILL: Does the regional office, do you  
26 have communications frequently? Do they come down here

1 and you go there?

2 MR. HOY: There's communications frequently on  
3 various issues. You know, them coming here and us  
4 going there, not so much. I mean, the physical  
5 location of these people are not --

6 MR. MCGILL: Is there a chain of command? The  
7 ATOS is run out of Washington, D.C. but would you go  
8 through the regional if you had concerns before you  
9 take it to --

10 MR. HOY: Frequently but not always. We try  
11 to keep the regional office apprised before we work  
12 with various technical issues. They were very often  
13 the conduit we used to go to national. But once that  
14 link was made between a person in the AFS complex in  
15 Washington, D.C. and us, if there were particular  
16 elements of an issue that needed to continue to be  
17 worked over time, there was frequently direct  
18 conversations between the inspector here and the person  
19 in Washington headquarters.

20 MR. MCGILL: Would you be aware of other  
21 concerns with the other nine carriers that were under  
22 the ATOS system? Did you communicate with some of  
23 these people, people of your position?

24 MR. HOY: We did. Sometimes one on one by  
25 calling up various certificate management team members  
26 of other ATOS carriers. That's much like we did before

1 ATOS. Sometimes on a more formal basis where we would  
2 actually gather in a meeting of all principal  
3 inspectors to compare notes.

4 MR. MCGILL: Could you then see a general  
5 consensus if there were areas from the other nine just  
6 like there were on Alaska that needed to be better  
7 addressed?

8 MR. HOY: Yes.

9 MR. MCGILL: Was this information then sent to  
10 Washington, D.C.?

11 MR. HOY: Actually, there was a meeting in  
12 Atlanta in -- I believe it was about March of '99 --  
13 where all of the principals of the 10 ATOS carriers got  
14 together, along with representatives from Washington,  
15 some division managers, supervisors. I was included in  
16 that. Where we expressed concerns. And I think I can  
17 say that by and large those concerns were common among  
18 most if not all of the 10 CMTs with respect to how ATOS  
19 was working.

20 MR. MCGILL: Let's back up just a second.  
21 Since you were here earlier since the oversight changed  
22 during this period, what we have would have been some  
23 NASEPs, RASEPs, whatever. I understand there was one  
24 in '94 and one in '95, a DoD in '97, along in there.

25 MR. HOY: Yes.

1 MR. MCGILL: Are you familiar with what the  
2 outcomes of all of these were and were these issues --

3 MR. HOY: Well, the '94-'95, I know there was  
4 some inspections done. More specifically, I remember  
5 the DoD inspection because it was more recent. And  
6 there were very few substantive findings.

7 MR. MCGILL: So basically you were satisfied.  
8 It was not that bad. And maybe these items were  
9 addressed during that time frame.

10 MR. HOY: Well, not necessarily. I would take  
11 an inspection at face value, giving an airline a clean  
12 bill of health. There are always things that given the  
13 resources that you can get out there and uncover. All  
14 these problems are going to arise.

15 But relatively speaking, I thought based on  
16 the outcomes of the previous evaluations that there  
17 were no issues that were critical to safety.

18 MR. MCGILL: My little model here of the ATOS  
19 that was given out. The model itself after the  
20 surveillance and implementation, it picks up an  
21 evaluation, analysis, kind of makes a circle back  
22 around.

23 Do you know where Alaska would have fit in?  
24 Did you get all the way around or some portion in here?

25 MR. HOY: No. As we speak, some of those  
26 modules continue to be developed with respect to how

1 you execute it what the guidelines are for  
2 accomplishing those things.

3 MR. MCGILL: If they're still being -- this is  
4 from a briefing in January of 1998 and I was one of the  
5 first ones with the NTSB when they gave this briefing  
6 to us. But I took notes here about the quality  
7 assurance and anything that was non-punitive reporting  
8 and how the evaluation of the second level of quality  
9 assurance, how this was going to be developed.  
10 Initiate whatever changes and then if there was  
11 enforcement, would have taken that away.

12 It just looks like from the old system at  
13 least we had something in place where a principal could  
14 address these things immediately and do something other  
15 than now it looks like we've got to wait for a period  
16 of time.

17 MR. HOY: In my opinion, the biggest breakdown  
18 so far, the least developed area from my perspective is  
19 the analysis. We configured a certificate management  
20 team and we defined what that looks like. We've  
21 implemented the surveillance. We're not reporting  
22 this. It's being evaluated by the data evaluation  
23 program manager.

24 Those functions have worked, from my  
25 perspective, fairly well, although we haven't gotten a  
26 lot of it done. As you point out, the amount of

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1 surveillance that has been accomplished was  
2 accomplished the first year or the second year even, or  
3 up to now has not met expectation. But there's a  
4 process in place and some refinement that has taken  
5 place in those modules as we've gone through there.

6           What seems to be lacking is the analysis of  
7 that data. And initially, a required member of each of  
8 the certificate management teams would be an operations  
9 research analyst, which is not necessarily an aviation  
10 person but somebody who is trained to analyze data and  
11 draw information out of that to give back to the  
12 principals to say, here, I've analyzed this data, and  
13 here's what trends I'm coming up with and some things  
14 that you might want to look at.

15           As far as I know, that has not been developed  
16 to any great degree and we haven't gotten an analysis  
17 from data. Actually, we haven't had enough data input  
18 from our perspective to really analyze anything.

19           MR. MCGILL: Is that because there's not  
20 enough people out there doing that?

21           MR. HOY: Well, for whatever reason, we're not  
22 getting the volume of inspections that were originally  
23 envisioned. Whether that's because there's a lack of  
24 manpower or lack of an organized effort or guidelines,  
25 I don't know.

1           MR. MCGILL: Okay. Next question along those  
2 lines. Alaska Airlines starting the end of '96 and  
3 '97, along in there, experienced extra aircraft coming  
4 in. They increased their flight times. There was  
5 quite a bit of growth during this period and it  
6 continued right up.

7           Seems like at least the old system could have  
8 picked up maybe some of this growth and maybe found  
9 areas that needed change but it just sort of hit. And  
10 in '98 this model came up. And I don't know that  
11 Alaska overall, somebody was really looking at the  
12 broad picture of this carrier at a very critical time  
13 in their history where they experienced quite an  
14 enormous growth, in fact.

15           MR. HOY: I don't have the figures with me.  
16 Perhaps you've looked at them. But it doesn't strike  
17 me that they had any critical period of enormous  
18 growth. I mean, they have growth steadily over the  
19 years in terms of increasing their fleet size, their  
20 employees and so forth, introducing different programs.  
21 And it was frustrating for me as well as others I  
22 know. Even though our commitment of resources to  
23 maintain surveillance over that operation increased, it  
24 did not increase proportionately to the increase in the  
25 size of the airline.

1           So I don't think at any one point -- it  
2 doesn't strike me that there's any one point in time  
3 that there was all of a sudden this critical growth  
4 that occurred.

5           MR. MCGILL: But it was a quite steady growth.

6           MR. HOY: It was.

7           MR. MCGILL: Do we know that Alaska adjusted  
8 accordingly with their manpower and resources to  
9 accommodate that growth?

10          MR. HOY: I don't have those figures available  
11 to me. I don't know what they would look like. I can  
12 tell you what my perception is, is that they provided -  
13 - they devoted a lot of their resource, staffing and  
14 funding, to programs that -- technical programs to  
15 improve safety, to improve the aids to the pilots and  
16 so forth that other airlines weren't looking at.

17          In a lot of these programs they're on the  
18 leading edge of technology and my perception is that  
19 they were spending a lot of money and devoting a lot of  
20 staffing to things like -- oh, earlier on -- it's not a  
21 HUD but it's similar to a heads up display. More  
22 recently, the enhanced ground proximity warning  
23 systems. Those kinds of things that provided the  
24 pilots a lot more information and were able to operate  
25 in a safer environment it would appear.

1           So it didn't look to me like they were shying  
2 away from devoting resources to make things better.

3           MR. MCGILL: They were getting a benefit from  
4 each of those things. The ground proximity was an AD  
5 requirement. The HUD was to be able to lower minimums.

6           MR. HOY: True.

7           MR. MCGILL: In your position, do you look at  
8 the MRB for the type of airplane that a carrier like  
9 Alaska -- MRB for MD-80s or 737s? That's an active  
10 document. That's a living document.

11          MR. HOY: Right. I have as a supervisor not  
12 gotten involved in looking at that document.

13          MR. MCGILL: And the same way with the MSG-2  
14 type of guidelines for maintenance, the OAMP?

15          MR. HOY: No. I don't have the technical  
16 expertise and I have not been involved in reviewing  
17 those documents.

18          MR. MCGILL: But you have people in those  
19 areas that do look at that?

20          MR. HOY: Well, yes. I mean, to some degree  
21 or other. I can't say that a particular person is  
22 intimately familiar with any one document all the time.

23          MR. MCGILL: Is that left up to -- in the  
24 maintenance areas -- to the PMI? For instance, if a  
25 task has escalated the time interval between it, the  
26 type of tooling or the type of materials that are used,

1 lubrications or whatever, if guidance is coming from an  
2 MRB through an OAMP or a maintenance planning document,  
3 are these areas conveyed to the principal so that he's  
4 kept up to speed on what changes are being made on that  
5 particular aircraft that could be applied to the  
6 carrier itself?

7           MR. HOY: I can't say that there always is. I  
8 know that there is a good degree of interchange between  
9 the principal inspectors and the AEG and there is very  
10 frequent verbal and written communications, too, that  
11 go back and forth between those two offices.

12           So I'm assuming that there's some good  
13 interchange in that respect but I don't know that.

14           MR. MCGILL: Mr. Hubbard was a principal here  
15 for eight years, he said. Was he a good principal for  
16 Alaska Airlines?

17           MR. HOY: I think he was. I think he was. He  
18 has a reputation of not giving away things that  
19 sometimes carriers look for to get an economic  
20 advantage. And he was very -- my perception was that  
21 he was a very strict principal maintenance inspector.

22           MR. MCGILL: He left in November of '99, as I  
23 recall he said.

24           MR. HOY: October-November. Right.

25           MR. MCGILL: How long does it take to find  
26 another replacement generally?

1 MR. HOY: A couple of months.

2 MR. MCGILL: Is that position bid? I mean,  
3 after he left?

4 MR. HOY: Yes. Well, as soon as I found out  
5 he was leaving I was trying to put together an  
6 announcement to bid that job. I don't know what time  
7 frame we were looking at there. I think it was well  
8 documented. But there was a period of time during  
9 which there was an acting PMI who was serving -- at the  
10 time was the assistant PMI under Hubbard before the  
11 current PMI was put in position.

12 MR. MCGILL: And when was that? What month  
13 was the current --

14 MR. HOY: I'm not sure.

15 MR. MCGILL: It was after the accident  
16 sometime as I recall.

17 MR. HOY: It was. Yes. It was following the  
18 accident by at least several weeks.

19 MR. MCGILL: I have an order profile that I  
20 picked up somewhere, probably the FAA or someplace, but  
21 it just looks like there's lots of movement in here.  
22 People are going. What is your view? How can one  
23 understand a carrier and something like a maintenance  
24 program? I know you don't do that, but it's a very  
25 sophisticated area to understand. It just seems like  
26 there's lots of movement, lots of changes, lot of

1 people going in and out.

2           MR. HOY: With respect to -- there has been  
3 some movement certainly, but of course the biggest  
4 changes was John Hubbard retiring. Now, I'm trying to  
5 think about the changes as they actually occurred. The  
6 principal avionics inspector has been in place a long  
7 time. The principal -- or the -- at the time, the 737  
8 program manager had been in place a long time. Tim  
9 Bennett had come in. He'd been in place a couple of  
10 years, I would guess. So I don't have the sense that  
11 there has been a lot of change.

12           Now, there was a period after Bill Whitacker,  
13 the present PMI left the MD-80 partial program manager  
14 position and that was filled with Tim Miller, the  
15 present supervisor here, one of the supervisors in the  
16 CMS. So there was some turnover there. But are there  
17 other changes?

18           And I don't have the sense that there's been  
19 a high turnover. There was a turnover in that one  
20 critical position certainly. Some of the geographic  
21 inspectors -- well, the geographic inspectors have been  
22 pretty stable as well, I think, until recently, and now  
23 there's been some changes there.

24           But is there turnover in other personnel that  
25 you're referring to?

1           MR. MCGILL: Well, not necessarily. I was  
2 just generally looking through. I was trying to  
3 understand a person that's -- how they would understand  
4 a maintenance program, which is I know different than  
5 an operational portion. I've been doing this like 40  
6 years. For each carrier it's quite difficult. And  
7 when I have to go in and take these programs apart,  
8 it's difficult for me even to understand what's  
9 happening sometimes.

10           I just see a lot of movement and I was just  
11 curious what kind of training they're going to be  
12 getting that qualifies them to be on these teams to do  
13 an oversight of a major carrier like that.

14           MR. HOY: The most uncomfortable time that I  
15 had with respect to that was immediately after John  
16 left because even though Tim Bennett had been around a  
17 few years by then or a couple of years anyway, I'd  
18 always had a lot of faith in John Hubbard's ability to  
19 function as the PMI and do the right things. Not that  
20 I didn't have a high degree of confident in Tim  
21 Bennett, but the fact that he had not had the same  
22 exposure that John had had was a source of concern for  
23 me.

24           I think, although I'm not technically  
25 qualified in the maintenance arena, my observation now  
26 is that in fact he has done a great job. I couldn't

1 ask more of him.

2 MR. MCGILL: Did you ever hear -- was there  
3 any feedback from Alaska Airlines themselves on their  
4 relationship with the FAA?

5 MR. HOY: Well, with respect to the  
6 maintenance side of the house, I got very little  
7 feedback. I know that John Fowler years ago had  
8 indicated to me that he thought that John Hubbard was  
9 pretty strict and various issues have come up since  
10 then appealing to me as the supervisor, asking for  
11 relief from something that they think they should get  
12 and John wasn't willing to give them. And I deferred  
13 back to John. I don't have that technical expertise.

14 So I've gotten that limited feedback from the  
15 carrier.

16 MR. MCGILL: Have you ever overrode a  
17 principal maintenance with Alaska Airlines, some  
18 decision?

19 MR. HOY: No. Not on the maintenance side.  
20 Again, I had complete faith in John to make the right  
21 decisions with respect to those maintenance issues.

22 MR. MCGILL: Do you deal with the top people  
23 at Alaska Airlines yourself in the different areas?

24 MR. HOY: Occasionally, yes.

25 MR. MCGILL: What is the FAA's relationship  
26 with the Director of Safety, in that capacity?

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1 MR. HOY: The FAA's relationship with that  
2 position?

3 MR. MCGILL: Yes. How often do you deal with  
4 the Director of Safety of Alaska Airlines? Do you ever  
5 have issues, a safety concern that needs to be  
6 addressed with one of these five people that's on a A-6  
7 ops specs?

8 MR. HOY: Yes. That was for most of my watch  
9 the Director of Quality Control and Training, as you  
10 know, Jim Trimbürger.

11 MR. MCGILL: But you wouldn't deal with him in  
12 that area because you're not that. But perhaps safety,  
13 overall safety of the carrier, involving operations or  
14 some other areas, you would have dealt with it?

15 MR. HOY: Yes. Now there was minimal  
16 interaction with us with respect to that.

17 MR. MCGILL: Why do you think that is -- or  
18 was? Have you talked to other people similar in our  
19 position on what their relationship was with say  
20 United's Director of Safety?

21 MR. HOY: No.

22 MR. MCGILL: Or U.S. Air or other carriers?

23 MR. HOY: No, I have not. Because he belonged  
24 to the maintenance organization, there was quite a bit  
25 of interchange between the Director of Safety and PMI  
26 and PAI, but not in his role as Director of Safety as

1 much as Quality Control.

2           There was -- and I'm not sure whether there's  
3 a board that Alaska Airlines has or had, the Internal  
4 Evaluations Board, that largely fulfilled the issues  
5 that came up under the safety umbrella. And with  
6 respect to my interaction with Trimburger as Director  
7 of Safety, it was minimal.

8           MR. MCGILL: Of course, that board you're  
9 referring to falls under the Director of Quality  
10 Control and it's isolated from the Director of Safety.

11           MR. HOY: Right.

12           MR. MCGILL: Has the FAA had any problems with  
13 the management of Alaska Airlines, the higher level  
14 management, say from Mr. Fowler downward? Do you  
15 remember Mr. Weaver, who was Vice President of  
16 Maintenance and Engineering?

17           MR. HOY: No. I wouldn't say that there were  
18 any problems per se other than John Fowler himself  
19 stating on a number of occasions with respect to  
20 various issues that he didn't believe that there was a  
21 level playing field. That Alaska Airlines was being  
22 held to a higher standard with respect to certain  
23 things than other carriers.

24           MR. MCGILL: When you said other carriers,  
25 you're talking about of the top 10 or the 40, the 30  
26 below the top 10?

1           MR. HOY: No. I think it was primarily  
2 directed with respect to the other major carriers.  
3 Probably the top 10 but certainly the major carriers.

4           MR. MCGILL: What kind of areas would he have  
5 a concern with?

6           MR. HOY: If there was an issue -- I can  
7 remember one issue on a de-icing, ground de-icing  
8 procedure. They thought that John Hubbard was holding  
9 them to a more strict standard with respect to ground  
10 de-icing procedures. And he specifically indicated  
11 there were certain other carriers -- I don't remember  
12 whether Continental or American or somebody that had  
13 procedures that were more lenient and why couldn't they  
14 have the same procedures.

15           It became an issue because it put them at an  
16 economic disadvantage.

17           MR. MCGILL: Do you remember the specific  
18 reason on the de-icing that there was a problem?

19           MR. HOY: I'd have to reach back.

20           MR. MCGILL: That was a 121AC that was  
21 published and I wrote that same program and I more or  
22 less copied the AC and we applied it to the airline  
23 that I was with at the time. I didn't find it was very  
24 difficult to do.

25           MR. HOY: I think this had to do with the MD-  
26 80 and de-icing of the forward part of the fuselage.

1 MR. MCGILL: That may be unique because of the  
2 Alaska area that they were flying out of? Fairbanks?

3 MR. HOY: I don't really think so. It really  
4 didn't involve that. It was an issue right here in  
5 Seattle that had come up. And they were part of the de-  
6 icing group dealing with the airplane. And whatever  
7 the other carrier was, either American or Continental,  
8 they didn't have to de-ice the fuselage under certain  
9 conditions forward of the leading edge of the wing  
10 roof. I don't remember.

11 MR. MCGILL: Mr. Fowler was also in charge of  
12 flight operations, too, was he not?

13 MR. HOY: Later he was. Yes. He held various  
14 positions in the company and most recently that's  
15 correct.

16 MR. MCGILL: I notice at the time of the  
17 accident he was over the pilot group also.

18 MR. HOY: Yes.

19 MR. MCGILL: Then from an operational  
20 perspective, did you ever deal with him on anything  
21 from an operational --

22 MR. HOY: Well, we talked about various  
23 things. Certainly my communication with him was  
24 frequent. But you're asking me for an example and --

25 MR. MCGILL: Did he come over here or did you  
26 go over there? Did you do it all over the telephone?

1 MR. HOY: Generally on the telephone or over  
2 there. He didn't come over here. I don't think he  
3 ever came over here. More frequently on the telephone.

4 MR. MCGILL: You don't remember of there was  
5 any operational problems between Alaska and the FAA?

6 MR. HOY: Well, when I got calls from him it  
7 was because he wasn't hearing the things that he wanted  
8 to hear from the principal inspectors, generally  
9 speaking.

10 MR. MCGILL: Who was the principal inspector?  
11 Who is the principal inspector?

12 MR. HOY: Principal maintenance inspector?

13 MR. MCGILL: No. Operational inspector.

14 MR. HOY: Dennis Hardy. Very few issues came  
15 up on the operations side with respect to problems.  
16 They were almost always maintenance issues that arose  
17 that triggered my communications with Fowler.

18 MR. MCGILL: Did you ever go higher than  
19 Fowler? Did you talk with Bill Acres?

20 MR. HOY: I had occasion to talk with him.  
21 Not necessarily about problems but we met. Both John  
22 Kelly, the CEO and Bill Acres met on occasion, not  
23 frequently. But it wasn't to resolve problems.

24 MR. MCGILL: It was all down lower in the --

25 MR. HOY: Yes. John Fowler basically had  
26 control of the day-to-day operations of that carrier

1 and he seemed to be the point man on any issues that  
2 involved operations at the company.

3 MR. MCGILL: He is not a pilot, is he?

4 MR. HOY: No. I don't believe he is.

5 MR. MCGILL: So he's really from a maintenance  
6 background?

7 MR. HOY: Right.

8 MR. MCGILL: Was there any -- did you sense  
9 any problems that could have occurred between  
10 operations and maintenance?

11 MR. HOY: There are always indications that  
12 they weren't necessarily talking to each other to the  
13 degree that we would have liked to have seen. The two  
14 sides of the house functioned largely independent of  
15 each other and it was a continuing source of concern.

16 They have a -- I can't remember his title. I  
17 think it's at the director level, regulatory  
18 compliance, Jim Winkle, who is really the main contact  
19 point on the operations side of the house. And our  
20 perception was there was sometimes not good  
21 coordination in developing programs that affected both  
22 sides of the house that needed to be developed jointly.

23 MR. MCGILL: When we look at a A-6 management  
24 personnel listing and the qualified people serving  
25 full-time in these positions are named, how is it that  
26 there was no -- they didn't have a Director of

1 Maintenance for two years?

2 MR. HOY: There was a Director of Maintenance,  
3 I believe. Now, I don't have my notes -- oh, maybe I  
4 do.

5 MR. MCGILL: I've got it here.

6 MR. HOY: When John Fowler was the Assistant  
7 Vice President of Maintenance, he was the DOM, I  
8 believe, at some point in the past several years ago.  
9 I don't have time lines. Well, I guess I do. He  
10 served as Director of Maintenance until February '96  
11 according to my notes.

12 MR. MCGILL: Yes.

13 MR. HOY: And then he was promoted out of that  
14 position. He was the Vice President of Maintenance or  
15 Engineering or something like that. And the DOM  
16 functions became shared between the Director of Base  
17 Maintenance and the Director of Line Maintenance.

18 And then in January '97 there was a new  
19 Assistant VP of Maintenance and he became the DOM. And  
20 that must have been Bill Weaver.

21 No, I guess not. Anyway, he was promoted in  
22 June of 1998 and again the DOM positions were split  
23 between the Director of Base Maintenance and Line  
24 Maintenance.

25 MR. MCGILL: I have a temporary revision was  
26 issued by Alaska to the FAA on May 5<sup>th</sup> of 1998.

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1 Temporary. They wrote it as temporary but it went two  
2 years.

3 MR. HOY: Right.

4 MR. MCGILL: Was there some problems here?

5 MR. HOY: No. It shouldn't have. I can't give  
6 you a good explanation for that. It was not an issue  
7 on the front burner at the time.

8 MR. MCGILL: Mr. Hubbard said that he tried to  
9 get that done but that I was just curious if any  
10 pressure had been put on him to try to get --

11 MR. HOY: No. That was not a position that I  
12 recall that I was actively dealing with. It was simply  
13 on the back burner and it was not something that had a  
14 lot of energy around it at the time with the other  
15 things that we were working.

16 MR. MCGILL: Why would not having a Director  
17 of Maintenance, why would that not be --

18 MR. HOY: Well, it wasn't that we didn't have  
19 a Director of Maintenance. It was not a full-time  
20 dedicated position as it should.

21 MR. MCGILL: You had two people. But did the  
22 FAA understand how they would communicate? How they  
23 would be -- if any issues came up, how they were going  
24 to be resolved? Was there a plan of how those two  
25 people were going to hold that responsibility?

1 MR. HOY: I don't know.

2 DR. BRENNER: Phil, your comments about ATOS  
3 are very helpful for us. What do you like about ATOS?

4 MR. HOY: I think the concept is good. The  
5 idea that we go out and look at carriers year after  
6 year looking at the same things, finding very little in  
7 the inspections that we have historically done, and  
8 just expending resources for the sake of what appears  
9 to be expending resources to show a mark on a bar at  
10 the end of the year for Congress or whoever is  
11 interested.

12 From that standpoint, I think the concept of  
13 ATOS is very valid. That is, we don't have unlimited  
14 resources to throw out there so how are we going to get  
15 the biggest bang for our buck.

16 We need to have some methodology defined  
17 where we determine the areas of concern and then we  
18 need to focus our resources in looking at those areas  
19 of concern. That is what ATOS is about.

20 So, the concept is great. Translating that  
21 into some real life implementation is tougher than it  
22 sounds.

23 DR. BRENNER: How far are we along the  
24 learning curve?

25 MR. HOY: I think we've progressed  
26 significantly. I think we've probably got a lot

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1 further to do and we've come so far. The idea of  
2 system safety is, although it's basic, is relatively  
3 new to all of us. Inspectors don't really have a good  
4 understanding of system safety. They're a compliance  
5 oriented bunch fo folks. That's the way they came up  
6 in the industry. You either comply with the regulation  
7 or you don't comply with the regulation.

8           So this idea of evaluating a system as a  
9 whole is a new concept that takes time to develop.

10           DR. BRENNER: In the special inspection  
11 report, the team used ATOS criteria and raised some  
12 criticisms or concerns about the maintenance side. Can  
13 you talk about that?

14           MR. HOY: In what report?

15           DR. BRENNER: The special inspection report.  
16 They just did it a few months ago. They raised some  
17 concerns about the maintenance side of the Alaska  
18 Airlines shop. Could you talk about that?

19           MR. HOY: Specifically, what kinds of  
20 concerns?

21           DR. BRENNER: One was about the signs of rapid  
22 growth.

23           MR. HOY: I'm not sure what that rapid growth  
24 is. I was not an author to that document so I really  
25 can't help you there. I think that Ed Hug was the  
26 primary author of that document with the input that he

1 got from various team members.

2           As I indicated to Frank earlier, I'm not sure  
3 that I agree with this idea of rapid growth.

4           DR. BRENNER: Have you had an opportunity to  
5 review the special inspection report?

6           MR. HOY: I have. I haven't reviewed it  
7 necessarily completely but I reviewed a large part of  
8 it.

9           DR. BRENNER: Did you find it helpful?

10          MR. HOY: Yes. I think that it did point to  
11 some areas that are valid areas. On the other hand --  
12 if you're going to ask me for an example, I'm trying to  
13 think of one. I'm not sure that it everything that it  
14 said was a revelation for us.

15          I'm getting into uncomfortable territory here  
16 because it's been months since I've read that report  
17 and I'm not prepared to give you examples.

18          DR. BRENNER: You mentioned the issue about  
19 the ground de-icing procedure that I guess John Fowler  
20 brought up. When was that? What year did that happen?

21          MR. HOY: I would say, a rough guess, in the  
22 '97 time frame.

23          DR. BRENNER: What was the resolution of it?

24          MR. HOY: That they were held to a different  
25 standard, in John's words, than other carriers were  
26 held to.

1 DR. BRENNER: How did the FAA resolve the  
2 difference between --

3 MR. HOY: I don't think it ever has been  
4 resolved. I'm not aware that it has been.

5 DR. BRENNER: This has been an ongoing area  
6 where the company has --

7 MR. HOY: Well, it hasn't been an ongoing  
8 controversy but the situation hasn't changed I don't  
9 believe. I'm not 100 percent confident that it hasn't  
10 but I don't believe it has changed.

11 DR. BRENNER: So in other words, you sided  
12 with your PMI though?

13 MR. HOY: That's correct, sir.

14 DR. BRENNER: Any other issues since that time  
15 in which John Fowler complained about your PMI being  
16 too strict? Any other examples?

17 MR. HOY: No, but I know they're out there.  
18 That one sticks in my mind but I know that there have  
19 been occasions since then that that allegation has been  
20 leveled.

21 DR. BRENNER: You mentioned leading edge  
22 programs by Alaska Airlines. Can you give any examples  
23 in maintenance like you gave examples on the operations  
24 side?

25 MR. HOY: I guess I see those as both -- I  
26 suppose they are largely initiated by operations but

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1 they certainly involve maintenance to a high degree.  
2 The FOQUA program is another program. Jumped right  
3 out. Seemed to participate fully in that program.

4           Let's see. I can't think of any others off  
5 hand.

6           DR. BRENNER: What do you see as the  
7 strengths, particular strengths? What do you  
8 especially like about the maintenance program at Alaska  
9 Airlines?

10           MR. HOY: What do I like about the maintenance  
11 program?

12           DR. BRENNER: Yes. What are the strengths.

13           MR. HOY: That's an interesting question. I  
14 don't know. I'm kind of at a loss as to how to answer  
15 that.

16           Until the accident, even though I knew that  
17 there were issues that we dealt with every day, there  
18 were problems, there were controversies, that certainly  
19 it was apparent that Alaska Airlines was not perfect.  
20 I thought that they had a pretty good maintenance  
21 department. They had a lot of seasoned people who have  
22 been around a long time. There haven't been any big  
23 issues that have arisen that would lead me to believe  
24 that they're simply not competent.

25           My perception is that they have and have had  
26 a pretty good reputation in the industry. So all of

1 this business that has transpired since the accident is  
2 an eye opener.

3           And again, I felt very confident in the  
4 ability of John Hubbard and relied very heavily on him  
5 to assure that we had a maintenance program out there  
6 that was appropriate.

7           DR. BRENNER: On the question of Director of  
8 Safety, I think John Hubbard referred to the previous  
9 arrangement as a three-headed billy goat, I think  
10 suggesting he saw the need for a single person.

11           Did you share that feeling at that time?

12           MR. HOY: I'm not sure where he gets the  
13 three-headed billy goat but --

14           DR. BRENNER: I think that was Trimbürger and  
15 his three functions.

16           MR. HOY: I see. Well, this issue became hot,  
17 if you will, around the September time frame where John  
18 had brought it to my attention, to our attention, that,  
19 listen, we've been dealing with this position and  
20 dealing with this position and not getting any results.  
21 We need to do something about it.

22           So there was some energy expended around that  
23 September-October time frame that we were really  
24 looking at taking some serious enforcement action  
25 against the company. And I had a conversation with  
26 John Fowler about that. I had written him a letter and

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1 indicated that this was just what you're going to have  
2 to do. We're finished fooling with this.

3           So that issue became ignited, if you will,  
4 about that time frame of the Fall of last year.

5           DR. BRENNER: What came out of that?

6           MR. HOY: We were moving along to resolve  
7 that. He had -- that is, John Fowler had indicated  
8 that -- had acquiesced if you will on that issue.  
9 Until then, his position, if I can accurately state it  
10 for him, is that they did meet the regulation because  
11 the person who was designated as the Director of Safety  
12 was in fact a full-time dedicated employee.

13           Of course, our position after John did some  
14 diligent research was that that's just not going to fly  
15 and you've got to have a different person doing that  
16 job.

17           And after looking at that issue and talking  
18 to John about it in the September time frame, it was  
19 very apparent to me that that in fact was the case. So  
20 we simply put it to Alaska Airlines that if they did  
21 not see it our way then we would initiate an  
22 enforcement action and they agreed to not contest that  
23 and to fill that position.

24           Subsequently, advertised for the job. Were  
25 in the process of reviewing candidates. I think  
26 there's a fair amount of documentation to show their

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1 progress on the selection process for that Director of  
2 Safety position. And then when the accident occurred  
3 on January 31<sup>st</sup>, it was kind of put on hold and other  
4 things were attended to.

5 DR. BRENNER: Thank you.

6 I have to go back to the Mary Rose time  
7 frame. In 1994 there was a national evaluation team  
8 evaluation of the FSDO office and I think the report  
9 criticized some of the management here. Are you  
10 familiar with that report?

11 MR. HOY: Yes.

12 DR. BRENNER: Could you tell us your view on  
13 it?

14 MR. HOY: It shook my confidence in the FAA  
15 and AFS-30 which was the organizational element that  
16 had conducted that review. That was a report that made  
17 some wild allegations without any supporting data. I  
18 know that Mary Rose had a good amount of input into  
19 that report.

20 Subsequent to that evaluation, one of the  
21 subjects of that evaluation requested a security  
22 investigation to prove or disprove those allegations  
23 and I don't believe that that security investigation  
24 was able to support any of those allegations in the  
25 report.

1 I wrote a letter back to AFS-30 which shortly  
2 thereafter had been disbanded, expressing my  
3 frustration, my lack of confidence in that whole  
4 process. And there was never to my knowledge a report  
5 issued to this office or any other element within the  
6 FAA except Mary Rose. She pressed the issue and  
7 several months later a report was written and released  
8 to her, and we got the report through her.

9 DR. BRENNER: So you did not receive the AFS-  
10 30 report directly?

11 MR. HOY: No. And I don't believe it was  
12 written until Mary Rose asked for it to be written.

13 DR. BRENNER: Who was the report addressed to?  
14 I guess I'm confused on that.

15 MR. HOY: What was that?

16 DR. BRENNER: Who was the report addressed to?  
17 Who was it written for?

18 MR. HOY: I believe it was written for Mary  
19 Rose. It was not addressed to her.

20 DR. BRENNER: Were there any actions taken  
21 within the FSDO or concerning the FSDO as a result of  
22 that report?

23 MR. HOY: No, there was not, that I'm aware  
24 of.

25 DR. BRENNER: Not a possible criticism that  
26 might be made from that era or since then -- I guess

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1 you've been intimately involved -- is the rotation of  
2 management and a concern that perhaps this is not the  
3 most appropriate way to proceed. Can you comment on  
4 that?

5 MR. HOY: It's not the appropriate way to --

6 DR. BRENNER: That perhaps this was an  
7 inappropriate way to change management as opposed to  
8 perhaps bringing in different people.

9 MR. HOY: Well, certainly --

10 DR. BRENNER: Help us in this area.

11 MR. HOY: There are several of us that have  
12 been rotated through various positions within the FSDO  
13 and I was not personally always happy with those  
14 changes because they were direct moves. They were not  
15 something that I wanted necessarily or perhaps others  
16 wanted.

17 As far as the appropriateness of that, I  
18 don't know that I would want to say that it's  
19 appropriate or not. I could say I didn't necessarily  
20 like it but maybe it was appropriate. I don't know.

21 DR. BRENNER: These are the kinds of things we  
22 have to address. I'm not even convinced that they're  
23 relevant to the accident but I'd like to -- I  
24 appreciate your comments.

25 MR. HOY: Sure.

1 DR. BRENNER: In the same vein, a comment that  
2 the FAA management does not encourage strict  
3 enforcement. Again, a possible criticism that might  
4 come from that area.

5 MR. HOY: That is a recurring thing that has  
6 come up and that has been championed by Mary Rose and I  
7 think that that has been very adequately addressed in a  
8 number of proceedings, not the least of which was an  
9 arbitration proceeding that went very deeply into that  
10 subject. And as far as I know, all of the complaints,  
11 grievances and so forth that have been filed with  
12 respect to that issue and surrounding issues, that has  
13 never been supported. But I know it is an allegation  
14 that's been hanging out there for a long time and being  
15 repeated.

16 DR. BRENNER: And also, as long as we're  
17 cleaning up all this stuff, there's an allegation that  
18 you personally may have had a job outside of this job.  
19 Perhaps consulting for the airline industry.

20 MR. HOY: I have not. I have not.

21 DR. BRENNER: No outside interests then?

22 MR. HOY: No. And I don't know where that's  
23 coming from but I suspect that it is my brother-in-law  
24 has a FAA approved training center. They hold a Part  
25 142 certificate and it's called a training center.

1           They have worked with or are working with  
2 Alaska Airlines in that training center. I was not  
3 aware of that until it was brought to my attention by  
4 employees from within our office. I don't want to get  
5 into my personal life but my sister and my brother-in-  
6 law I have not seen or heard from in years and I had no  
7 idea that they had a training center or what the name  
8 of the operation was, what they were involved with,  
9 until I got it from employees from within the FSDO.

10           So I suspect it has something to do with  
11 that.

12           DR. BRENNER: Thank you.

13           On the same thing, there's an allegation  
14 about a different manager; that he may have been  
15 involved in criminal situations involving assault and  
16 that his bail was put up by a subordinate. Can you  
17 help us in this direction?

18           MR. HOY: I know second hand of that. What  
19 can I help you with?

20           DR. BRENNER: If this were true, would this  
21 raise concerns on the FAA side, either a manager who's  
22 involved in a criminal activity or secondarily having a  
23 subordinate --

24           MR. HOY: Well, first of all, I didn't know it  
25 was a criminal activity, if that in fact is what it was  
26 or is. I know that individual personally and I can't

1 imagine what went on there. But that's none of my  
2 business. And I guess what I'm trying to say is no, I  
3 really can't help you with that.

4 DR. BRENNER: Please understand there's been a  
5 little bit of a cottage industry of these things. As I  
6 said, I don't know that they're in any way related to  
7 the investigation, but I appreciate any insight you can  
8 help us with.

9 MR. HOY: I believe that that particular  
10 employee, in my mind, is above reproach. Very  
11 professional. What has gone on there in that criminal  
12 activity or whatever it is, I'm not privy to first  
13 hand. But I think that based on my relationship with  
14 that person professionally that I can't help but think  
15 that he's been victimized.

16 DR. BRENNER: Thank you.

17 MR. HAMILTON: I think actually I'm going to  
18 pass at this particular point. Maybe you'll come back  
19 to me at the end but right now I'll pass.

20 MR. PAPE: Kevin Pape, Quality Assurance with  
21 Alaska Airlines.

22 Phil, I've just got one question. The air  
23 carrier assessment that was conducted in the report  
24 from the National Safety Inspection Team that was here  
25 during May drew up some concerns over the air carrier's  
26 airworthiness inspection program, maintenance program,

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1 AD management, MEL, engineering, CAST system, and I  
2 think there were several more.

3           Do you feel that that was a fair assessment  
4 based on the amount of time that they spent with the  
5 air carrier? They were here approximately two weeks.

6           MR. HOY: Well, again, I hate to hide under  
7 this umbrella but I am not technically qualified in the  
8 maintenance arena, so I have to defer to how the  
9 technically qualified people are reacting to that  
10 report. And I will say that it was not endorsed by  
11 everybody as entirely valid. But at the same time, I  
12 think that there were some very valid issues that did  
13 surface as a result of that report.

14           I don't believe, even though they surfaced in  
15 the report, I don't believe that the report necessarily  
16 caused those issues to surface. I think that the  
17 accident and all of the investigation that was  
18 associated with that accident before that National  
19 Safety Inspection took place really began to find these  
20 areas that you talked about and that the National  
21 Safety Inspection, to a great degree, simply recorded  
22 some of that stuff that had already begun to surface.

23           I can remember specifically a meeting that  
24 took place, a week long meeting, among Alaska Airlines  
25 and FAA people, to talk about some of these programs.  
26 And there was a lot of information that surfaced with

1 respect to problems.

2 MR. PAPE: So a lot of these areas, Phil, had  
3 previously been identified?

4 MR. HOY: Yes.

5 MR. PAPE: They were in place and being worked  
6 at that time that the NSI team came up?

7 MR. HOY: Yes. I believe so.

8 MR. PAPE: That's all I've got at the present.

9 MS. VON KLEINSMID: Kristen Von Kleinsmid.

10 Mr. McGill asked you about training and I  
11 think he specifically asked you whether or not what  
12 training you had received, and you went on about the  
13 training program with Alaska. I don't know if you quite  
14 answered that question.

15 What training in your role as air carrier  
16 section and certificate management section supervisor  
17 have you received in the last six years plus?  
18 Actually, six years. Anything? Are you entitled to  
19 training or how does that work?

20 MR. HOY: Yes, but nothing specific to Alaska  
21 Airlines or the management of the certificate. Those  
22 are general training courses, general management  
23 training courses that are pretty much open to all  
24 supervisors and managers in the FAA. So nothing that  
25 would be directly relevant to the management of the  
26 Alaska Airlines section, certificate management

1 section.

2 MS. VON KLEINSMID: Do you receive complaints?  
3 Are you confident or happy with the training that your  
4 FAA inspectors and supervisors receive here in this  
5 office?

6 MR. HOY: Well, there's never enough training  
7 and it's not necessarily exactly what we would like to  
8 have. For instance, we can ask for 737 systems  
9 training and there is kind of a generic course on 737  
10 systems that the FAA offers sometimes through -- I  
11 guess it's through their contract organization. But  
12 for instance, Alaska Airlines is now preparing to put  
13 on 737-900. They were the last customer for that  
14 aircraft. We cannot get that training, 737-900 system,  
15 specifically. It's not that specific.

16 So from that perspective it is not as  
17 adequate as I would like to see it and our inspectors  
18 would like to see it. There are courses that  
19 inspectors regularly go to. For instance, principal  
20 inspectors every three to five years go back to a  
21 principal inspector course, recurrent training course.  
22 That usually occurs but may not occur depending on  
23 budgetary constraints. Although I have not personally  
24 been to that course, the feedback that I have gotten is  
25 that it's not necessarily the best use of an  
26 inspector's time for three days to listen to things

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1 that he may not be -- he or she may not necessarily be  
2 interested in.

3           So there are training issues within the FAA.  
4 The quality of the training that is offered by the  
5 Academy has long been a bone of contention. The amount  
6 of training is also a problem from time to time,  
7 depending on what the inspector's needs are.

8           So, generally, the training falls short of  
9 being entirely adequate in my opinion.

10           MS. VON KLEINSMID: I think Mr. Hubbard  
11 expressed a problem with the fact that certain -- I  
12 mean, if you're a supervisory level you couldn't  
13 qualify for training. You couldn't get assistant PMIs  
14 get into any training classes. He finally got them  
15 titled something else so they were able to go to  
16 training.

17           Did he express complaints to you? Do you  
18 remember him talking to you about problems of that  
19 nature?

20           MR. HOY: For supervisory --

21           MS. VON KLEINSMID: Yes. Like they couldn't  
22 get into classes. They wouldn't allow supervisors to  
23 go to training classes.

24           MR. HOY: I couldn't get into classes?

25           MS. VON KLEINSMID: Not you specifically, but  
26 PMIs, assistant PMIs.

1 MR. HOY: They were supervisors?

2 Well, here within the Alaska Airlines  
3 certificate management section we don't have any  
4 supervisory principal inspectors. We did at one time.

5 Now, on many other certificates the  
6 principals are supervisory. And I think that that's  
7 probably a problem. Supervisory people, whether they  
8 be principal inspectors or supervisors as myself or  
9 managers of an office are entitled to certain general  
10 management training.

11 I think that probably it's also available to  
12 supervisory PMIs, for instance, as well, but I don't  
13 know that it's of as high a priority as it would be for  
14 others.

15 I'm not sure I'm answering your question  
16 because I'm not sure that --

17 MS. VON KLEINSMID: It just came up a couple  
18 of times with Mr. Hubbard. It didn't seem to be quite  
19 as much as a problem with you. You know, we've got  
20 training. You may not have been as happy with the  
21 classes but you felt okay with it. I just think  
22 there's a difference of opinion with other people  
23 within the FAA. But if you don't recall, that's not --  
24 you can only say what you feel.

25 MR. HOY: Well, let's revisit this for a  
26 minute.

1 John is saying what now?

2 MS. VON KLEINSMID: I believe he said he came  
3 to you on more than one occasion about the lack of  
4 training and not being able to get his people into  
5 training classes.

6 MR. HOY: Oh, yes. All right.

7 MS. VON KLEINSMID: And that was a great  
8 frustration to him.

9 MR. HOY: It's a great frustration to me, too.  
10 Yes. It just goes back to what I was saying. The  
11 frequency of the training and the kinds of training  
12 that we would like are not always there. So I would  
13 agree. That was a source of frustration to him. I know  
14 that that was.

15 MS. VON KLEINSMID: Okay. The second question  
16 I had is an item regarding surveillance came up in  
17 terms of when you went to ATOS, the oversight  
18 surveillance. And I think your words were probably,  
19 generally, decreased; whereas, --

20 MR. HOY: Yes.

21 MS. VON KLEINSMID: Is that --

22 MR. HOY: The amount of surveillance? Yes.

23 MS. VON KLEINSMID: It just went down a little  
24 bit or greatly?

25 MR. HOY: Well, that's hard to measure. I  
26 can't give you the numbers on that. I don't have any

1 quantitative data in front of me. But my sense is that  
2 we spent more time in this office trying to figure out  
3 exactly what we wanted to do with respect to  
4 implementing this new surveillance system than we had  
5 previously. So I think that there was a decrease.

6 I don't think there was a drastic decrease  
7 but the amount of the surveillance is only part of it.

8 I think that the quality of the surveillance was  
9 probably better or on the road to being better because  
10 we were asking different questions and we were asking  
11 them from a systems standpoint rather than just a  
12 compliance based standpoint.

13 So we were looking at this differently, and  
14 that's very hard to measure.

15 MS. VON KLEINSMID: And then an issue  
16 regarding once you're at 100 aircraft. I think we were  
17 under the impression earlier today that extra  
18 inspectors started coming and you were able to get  
19 higher staffing. And I think you clarified that the  
20 grades for positions changed but not the staffing  
21 levels.

22 MR. HOY: Yes. There were only two positions  
23 that qualified for higher grades in the whole office  
24 here. It wouldn't necessarily mean greater staffing  
25 levels. It would just increase the grade of two  
26 individuals.

1 MS. VON KLEINSMID: Are you at full compliance  
2 in terms of up to your staffing levels? Do you have  
3 all your jobs filled and have you had the jobs filled  
4 within the last say five years?

5 Is there a problem getting people to come at  
6 lower grades to take jobs here?

7 MR. HOY: Well, that's not the problem. The  
8 problem is that there are only a certain number of  
9 positions allocated to the FSDO. And up until now or  
10 including now, actually, the Alaska Airlines  
11 certificate management section is one of four sections  
12 or five sections within the FSDO competing for  
13 positions.

14 So, in recent months there have been a shift  
15 of staffing into the CMS. Only slightly now. But there  
16 are grand plans to increase the staffing significantly.  
17 But where do those positions come from? To a certain  
18 degree it's coming from other sections within the FSDO  
19 and getting some dedicated positions from outside the  
20 FSDO as well.

21 Now, I've been away from the staffing issue  
22 here for a couple of months, so I can't tell you what's  
23 going on right now. But it's not a matter of people  
24 not wanting to be here. It's just a matter of you've  
25 got a certain number of positions that are allocated  
26 and you've competed for those positions and somebody

1 has agreed -- in this case, the manager of the FSDO  
2 said, okay, you can have these positions for this  
3 section. And this section will have this many  
4 positions and this section will have this many  
5 positions.

6           So generally, we don't have any trouble in  
7 inspectors wanting to be here. It's just that they  
8 can't be here because there's no position for them  
9 allocated here.

10           MS. VON KLEINSMID: So your staffing levels is  
11 enough to -- you can't talk about the last few months,  
12 but prior to that in your opinion were you staffed  
13 adequately?

14           MR. HOY: No.

15           MS. VON KLEINSMID: No. Were there openings?

16           MR. HOY: There were not openings in terms of  
17 positions that were identified that were vacant.

18           MS. VON KLEINSMID: No vacancies but a need.

19           MR. HOY: But there was a need. That's  
20 correct. And that was on the airworthiness side. I  
21 didn't ask for additional people on the operations  
22 side. Actually, I think what I'd asked for is five  
23 additional positions which basically would have doubled  
24 our airworthiness staff.

25           MS. VON KLEINSMID: And was this post-ATOS or  
26 prior to?

1 MR. HOY: The formal request was made in  
2 September or October-November time frame.

3 MS. VON KLEINSMID: Of?

4 MR. HOY: Of '99.

5 MS. VON KLEINSMID: '99.

6 MR. HOY: I'm sure somebody has that letter  
7 floating out there somewhere.

8 MS. VON KLEINSMID: And regarding -- I think  
9 you had six inspectors allocated for -- I'm still  
10 trying to get caught up to speed on this whole ATOS  
11 system, so all members of the ATOS team -- I think  
12 there were six, is what John told us, were allocated to  
13 go working and he had one vacancy. One person didn't  
14 show up or showed up late to the initial meeting in  
15 Dallas and then there was a follow-up meeting in June  
16 of last year, and that person again was not there.

17 And picking up from your conversation, I'm  
18 assuming that that person was your person that does the  
19 research analysis? Has that been a vacancy in this  
20 avionics --

21 MR. HOY: No. The PAI is the principal  
22 avionics inspector. The PMI and the assistant PMI, we  
23 have a MD-80 partial program manager, 737 partial  
24 program manager. So that's five. That's where we were  
25 for quite a while.

1 MS. VON KLEINSMID: What's a partial program  
2 as opposed to a complete program manager?

3 MR. HOY: Well, they effectively serve as an  
4 assistant although they aren't called that, to the PMI,  
5 with specific responsibility for an aircraft type. The  
6 PMI isn't going to know everything that needs to be  
7 known about both the 737 and the MD-80 in the case of  
8 Alaska Airlines, so they have a partial program manager  
9 which focuses just on the type aircraft; 737 PPM and  
10 MD-80 PPM.

11 Those positions were subsequently taken away  
12 a year and a half, two years ago, because it literally  
13 did not meet the requirements of the classification  
14 guide. Was that titled 100 airplanes? I can't  
15 remember. I'd have to look. But anyway, for whatever  
16 reason, we didn't meet the qualifications of the  
17 classification guide so those positions were converted  
18 to assistant PMIs.

19 Very shortly thereafter the MD-80 PPM or  
20 actually currently was transferred out of this section  
21 to another section in the office, so we effectively  
22 lost that position. And that left the 737 PPM as an  
23 assistant PMI along with the already existing PMI. So  
24 there were two assistant PMIs plus the PMI, so we  
25 effectively lost a position for a while there.

1 MS. VON KLEINSMID: And this operations  
2 research analyst, I mean, that's the one thing you  
3 asked about that you wished you had done more but you  
4 haven't had a chance. Is that a position that's not --

5 MR. HOY: That was a position we never really  
6 had allocated to this section. But when ATOS was  
7 implemented, each of the 10 certificate management  
8 teams for the top 10 carriers were to have an  
9 operations research analyst position dedicated to that  
10 team. That did not occur. For whatever reason, I'm  
11 not sure. But I'm sure that staffing was an issue.  
12 Where do we want to send these positions? Do we want  
13 to make them ORAs or do we want to make them  
14 inspectors?

15 Anyway, for whatever reason, nationally it  
16 was decided that the ORAs would not be dedicated to the  
17 individual certificate management teams. They did hire  
18 some ORAs nationally that served as a pool to help all  
19 the 10 CMTs. I think there were four or five of them  
20 that at least had collateral duties to help the CMT  
21 analyze their data.

22 We haven't seen much from that. Not because  
23 they're not effective necessarily but we really haven't  
24 had much data in there to analyze.

25 MS. VON KLEINSMID: I don't know if this is  
26 something you can -- well, I hope you can. But I'm

1 sort of confused. It goes back to the vacancies and  
2 having one person being responsible for critical areas  
3 -- more than one critical area, like not having a  
4 Director of Maintenance or Director of Safety. That  
5 individual is the director of Safety, Training and  
6 Quality Assurance. What I believe are three pretty  
7 important areas.

8           Yet at the same time, Alaska Airlines'  
9 mission statement goes on and on about safety being  
10 their number one concern and the customers and this and  
11 that. I mean, that to me seems to be two very -- their  
12 actions are not reflective of what their words are in  
13 writing.

14           What's your opinion on that? Did you ever  
15 have communication about your frustration in them  
16 blasting this mission statement out to the world, yet  
17 not acting upon it in reality?

18           MR. HOY: No. You know, the energy around  
19 this really didn't spark until -- from my viewpoint,  
20 until John Hubbard brought up this Director of Safety  
21 issue in the September time frame, last September that  
22 I mentioned. That's when it became a real focus of  
23 concern in that we needed to do something about that  
24 particular position.

25           These other positions, the Director of Safety  
26 position and the Director of Maintenance position were

1 never really issues of heightened concern. I mean,  
2 there was some occasional mention by John and others  
3 that this situation has to be changed and we need to  
4 continue working with the company on this and so forth.  
5 But there was never really any trigger to really move  
6 that issue along.

7           And in the scheme of things, with what was  
8 important on the plate at the time, that just wasn't an  
9 important issue.

10           In retrospect, it should have been, but it  
11 wasn't. And with respect to my feeling about Alaska  
12 Airlines stating that safety was their first concern,  
13 yes, I believe that there are some very, very dedicated  
14 individuals at all levels within that company that  
15 really are committed to safety. And maybe that doesn't  
16 fit with the fact that they were not willing to have a  
17 dedicated full-time director of safety, but it's not  
18 that they were completely ignoring it. They believed  
19 in this internal evaluation board process to satisfy  
20 many of the responsibilities of addressing safety. But  
21 the culture within the company apparent to me was that  
22 there were a lot of individuals from top management on  
23 down, all the way down, that were and are committed to  
24 safety.

25           So I don't think that the fact that those  
26 positions remained vacant necessarily are a valid

1 commentary that safety was not a concern within the  
2 company.

3 MS. VON KLEINSMID: And the last question I  
4 have is you made a statement that you felt pretty  
5 confident with the maintenance program; thought you had  
6 seasoned mechanics. It wasn't until the crash that  
7 things started coming out of the woodwork. Weren't  
8 there other issues? I mean, you started with the Mary  
9 Rose letter and I know there were other instances that  
10 occurred. I mean, was it really the crash that was the  
11 first sign that maybe we have some situations out  
12 there?

13 Did you ever go to the Oakland facility and  
14 check out the age or the seasoning of the mechanics out  
15 in Oakland?

16 MR. HOY: Yes. That was a hot issue for a  
17 while, quite a while before the crash. As you know,  
18 that whole investigation in Oakland broke in December  
19 of '98 or whatever it was. I think that's right.

20 And John and I made a trip down to the FBI  
21 office in Oakland and met with IG people from San  
22 Francisco and the FBI. And they laid out this slide  
23 show, a book and everything, laid out to show what they  
24 had.

25 And after that, John and I looked at that and  
26 said, well, what do we have. There are a lot of

1 allegations here. There is no evidence that was  
2 presented to us that there was any violation at that  
3 point. And at that point and since then, we've been  
4 screaming for evidence. Give us some indication, any  
5 indication that in fact we have a violation and we'll  
6 be on that like white on rice.

7           And there was a lot of interaction between at  
8 least the IG -- Steve Jackson, especially for the IG,  
9 and to a lesser extent Ron Chang with the FBI -- some  
10 communication with our office. But we never were able  
11 to ferret out any concrete information to indicate that  
12 there was a violation. And without that evidence of a  
13 violation, we don't have any horsepower. I mean, we  
14 just were dead in the water. And we were very  
15 frustrated.

16           At one point in December of this last year, I  
17 think it was Steve Jackson who came up here and talked  
18 to Tim Bennett who was the acting PMI at the time. I  
19 wasn't present at that conversation but I talked to Tim  
20 Bennett afterward. And one thing that caught my  
21 attention was an allegation that flight controls had  
22 been sabotaged on an aircraft.

23           Well, what does that mean? I mean, that  
24 sounds pretty serious. I mean, I heard that and I  
25 thought, holy cow. We've got to do something about  
26 this.

1           Tim Bennett had no details on that. The  
2 story that I got was that they could not communicate  
3 any of the details because it would compromise their  
4 investigation.

5           So we were not privy to exactly what it was  
6 they were finding, who was finding it, what the details  
7 were. But when I heard something regarding a sabotage  
8 of flight controls, I thought I had to do something at  
9 that point. So it was early January. I think it was  
10 January 7<sup>th</sup> that I called Hank Smedley who was the  
11 supervisor, Steve Jackson's supervisor down there, and  
12 I told him we need to be privy to what's going on here.

13           First of all, what is this sabotaging of  
14 flight controls. He said, well, I haven't heard  
15 anything about that. That is what Smedley said. I  
16 said, well, whether or not that's something that's  
17 actually happening or whatever the circumstances are,  
18 we need to be privy to what you guys are uncovering.  
19 We haven't been able. We've been frustrated for over a  
20 year now waiting for some concrete information to fall  
21 out of this investigation and we're not getting  
22 anything except somebody saying that the flight  
23 controls have been sabotaged.

24           That led shortly thereafter to identifying an  
25 inspector, FAA inspector out of the Western Pacific  
26 Regional Office in Los Angeles, being put on the so-

1 called C list, which made him privy to the information  
2 being developed by the grand jury.

3           And that inspector, although I haven't  
4 personally talked to him for months -- I don't know  
5 where we are with that now -- I know spent some time in  
6 Oakland working with the IG on the issue.

7           MS. VON KLEINSMID: I guess to back up, did  
8 you not have any proof? And I understand that part of  
9 it was very frustrating. But did you decide -- I mean,  
10 you talked to people who stated that they saw -- very  
11 rarely did they see FAA at the Oakland maintenance  
12 facility. Did you increase staffing? Did you increase  
13 visits? Did you take any type of proactiveness to go  
14 investigate how many items were -- the tail end of a C  
15 check or anything like that?

16           MR. HOY: Two inspectors in Oakland that were  
17 members of the Alaska Airlines certificate management  
18 team, geographic inspectors. There was a maintenance  
19 inspector and an avionics inspector who spent time in  
20 that facility. In fact, Tom Tessley, the maintenance  
21 inspector who's no longer part of the Alaska Airlines  
22 CMT, was involved up to his eyeballs with that  
23 controversy.

24           I can't tell you how much time he spent over  
25 there. I know that it was the focus of his attention  
26 for a long time and we talked with him regularly. But

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1 he had asked to not be involved in the Alaska Airlines  
2 certificate management team any more because he felt  
3 that he was ineffective. People knew him by face as he  
4 walked through the facility and he was unable to  
5 communicate with people, according to Tom. They would  
6 clam up and he was basically getting no information.  
7 So he asked to be reassigned, and subsequently was.

8           How much surveillance they did, I can't give  
9 you a quantitative number on the kinds and types of  
10 inspections. But I know that they were both involved  
11 looking at aspects of that operation. And in fact, Tom  
12 Tessley devoted a lot of time and energy in developing  
13 and enforcement investigative report against Alaska  
14 Airlines which subsequently was forwarded to the  
15 Regional Office.

16           MS. VON KLEINSMID: Thank you very much.

17           MR. SEYER: Lance Seyer. I just have a couple  
18 of questions.

19           You said that Alaska Airlines devoted a lot  
20 of operational resources to safety as far as the pilots  
21 were concerned, as far as putting in heads up displays  
22 and avionics things to help the pilots. And at the  
23 same time of rapid growth they were increasing their  
24 fleet size, increasing the utilization and the number  
25 of hours they were flying and also increasing the time  
26 period between checks.

1           Do you know of anything that Alaska Airlines  
2 did as far as devoting increased resources to safety in  
3 the maintenance department?

4           MR. HOY: I can't say that I do. There had  
5 always been a position, Director of Safety position.  
6 That was the same. I think again there was -- my sense  
7 was that there were a lot of dedicated professionals at  
8 all levels that felt that safety was very important but  
9 what overt signs can I identify that indicate that?  
10 Certainly there wasn't a full-time dedicated Director  
11 of Safety position as it should have been.

12           I don't think safety, consideration for  
13 safety, was absent certainly.

14           MR. SEYER: Going back to training, just one  
15 more question.

16           It's usually just the inspectors that are  
17 going out there and inspecting the carriers that get  
18 the -- we'll call them system schools or types of  
19 aircraft. Would it be possible from let's say an  
20 inspector down at Southwest and Dallas to transfer up  
21 here to Seattle with only 737 experience and no MD-80  
22 experience to be assigned to Alaska without having any  
23 system schools or any knowledge of an airplane to go  
24 out there and inspect Alaska's MD-80s? Is that the  
25 idea of ATOS and that's acceptable?

1           MR. HOY: Well, to use your example, I mean if  
2 someone in the Southwest certificate with 737  
3 experience wanted to come up here and be associated  
4 with the MD-80, they'd have to show some experience.  
5 They'd be competing with others who bid the position.  
6 Certainly a very important consideration in  
7 qualifications of those applicants would be their MD-80  
8 experience if we were trying to fill an MD-80 partial  
9 program manager job. And it certainly wouldn't make  
10 sense putting somebody in that position who did not  
11 have any experience.

12           MR. SEYER: Could it happen?

13           MR. HOY: Could it happen? Yes, it could  
14 happen. Sure. I mean, there's no rule that says they  
15 can't be. There's no hard stop to prevent that. It's  
16 the selecting official that decides whether or not that  
17 applicant would serve effectively in that position.

18           MR. SEYER: Under the old system before ATOS,  
19 was that much of a concern or under the old system were  
20 the inspectors generally already had systems schools  
21 and were already familiar with that aircraft type?

22           MR. HOY: Well, the introduction of ATOS  
23 really doesn't influence the aircraft -- well, I  
24 shouldn't say that. I'd say it doesn't influence the  
25 aircraft specific training. Actually, one requirement  
26 now under ATOS is that each for example maintenance

1 inspector assigned to the certificate management team  
2 must have aircraft specific training requested. Not  
3 necessarily have it. It has to be on request for that  
4 person to serve as a CMT member for that particular  
5 carrier. That was a new requirement.

6           Otherwise, the training issue really hasn't  
7 changed much since the introduction of ATOS.

8           MR. SEYER: So if an inspector requests  
9 training it could possibly be many years before they  
10 received this training?

11           MR. HOY: Yes. I mentioned that over the  
12 years the FAA has gone through a refinement of its  
13 training request process or training process. The  
14 kinds of courses haven't so much changed as the way we  
15 request those courses.

16           Now we employ a process called ONTA,  
17 Operational Needs Training Assessment, where it's not  
18 just arbitrarily decided that Frank will go to training  
19 and Malcolm won't this year. There has to be some  
20 priority of training assigned and it depends on what  
21 that inspector's job functions are, among other things.

22           So once these considerations are looked at in  
23 the ONTA process, then the training is requested in  
24 order of priority for inspectors.

25           So there's a method. And that's a national  
26 flight standards program for requesting training.

1 I don't know if that answers your question.

2 MR. SEYER: Just one more question. Alaska  
3 switched from using Aero Shell 28 grease to -- or Mobil  
4 28 grease to Aero Shell 33. Supposedly, according to  
5 Ron(sic)Hubbard, the FAA accepted it. If it ever got  
6 to the point where the FAA approved it, would you be  
7 the one who approved it?

8 MR. HOY: No, I would not. Again, I --

9 MR. SEYER: Who would do that?

10 MR. HOY: My knowledge of -- technical  
11 knowledge within the maintenance area you could put in  
12 a thimble. It would be the principal maintenance  
13 inspector that would be primarily responsible. I don't  
14 know anything about grease or didn't know anything  
15 about grease until the crash of Flight 261 and I don't  
16 suppose I'd be telling anybody anything about this Aero  
17 Shell 33 versus Mobil 28 that you all don't already  
18 know. But that has all just emerged since.

19 MR. SEYER: So it would be the PMI that would  
20 usually accept or approve changes?

21 MR. HOY: Yes. And as I understand it, there  
22 would be -- well, I don't understand it.

23 MR. SEYER: I was wondering how far management  
24 has to go when the FAA approves something. Where does  
25 it end?

1 MR. HOY: At the PMI. It would be the PMI.  
2 And I'm not sure that he approved it.

3 MR. SEYER: He wouldn't submit it to you or --

4 MR. HOY: No, no.

5 MR. SEYER: That's all I have.

6 MR. CRAWLEY: Dave Crawley with ALPA.

7 Phil, you mentioned FOQUA and you said that  
8 this was another innovation that Alaska jumped right  
9 out and participated in. Could you say just a little  
10 bit, a brief description of FOQUA and the requirements  
11 for it?

12 MR. HOY: I know that it's flight operations  
13 quality assurance. That it's designed to report  
14 parameters on aircraft and be able to download that  
15 information for use other than what it's historically  
16 been used for, like accident investigations and so  
17 forth, to address safety concerns that arise out of the  
18 data that might show that there's a problem.

19 MR. CRAWLEY: Is there going to be a  
20 requirement -- is there a requirement date set when air  
21 carriers have to have FOQUA in place?

22 MR. HOY: Not that I know of.

23 MR. CRAWLEY: Do you know what the status of  
24 the FOQUA program is at Alaska Airlines right now?

25 MR. HOY: No, I don't.

1 MR. CRAWLEY: Do you know if they're analyzing  
2 data?

3 MR. HOY: I don't know if they are doing it  
4 now, no.

5 MR. CRAWLEY: We talked about the Director of  
6 Safety and his other two positions. Nobody's mentioned  
7 that we had also prior to the crash of Flight 261, also  
8 had a Director of Flight Safety. You were aware of  
9 that?

10 MR. HOY: Director of Flight Safety. Yes.

11 MR. CRAWLEY: What is the relationship between  
12 the Director of Flight Safety and the Director of  
13 Safety?

14 MR. HOY: I think the Director of Flight  
15 Safety was just an operations pilot oriented guy that  
16 dealt with issues, cockpit issues, more so than the  
17 Director of Safety obviously being filled by a  
18 maintenance person to deal with those types of issues.

19 MR. CRAWLEY: In your discussions with John  
20 Hubbard regarding this Director of Safety position, did  
21 you discuss the relationship between those two safety  
22 people at all as to what kind of an interrelationship  
23 they should be having?

24 MR. HOY: There was some discussions. I'm not  
25 sure that there was any resolution as to where we stood  
26 on that as to what relationship we thought -- we had

1 any vision of what that relationship would necessarily  
2 be.

3 MR. CRAWLEY: Did you see them operating  
4 independently of each other?

5 MR. HOY: Yes. I think largely so.

6 MR. CRAWLEY: And you were okay with that?

7 MR. HOY: No, not necessarily. Again, we  
8 talked about those things. With all of the things on  
9 the plate it just was not an issue that had a lot of  
10 energy at the time. But I wouldn't say we were okay  
11 with it. It was certainly an area out there that  
12 needed to be addressed. So I don't want to sound like  
13 we didn't care. We did care and we discussed it. But  
14 in the day-to-day things that needed to be done, it  
15 just didn't rise to the top of the pile.

16 MR. CRAWLEY: As far as safety issues arising  
17 or showing themselves at Alaska Airlines, would they  
18 generally come from the Director of Safety or from the  
19 Director of Flight Safety if you became aware of those  
20 issues?

21 MR. HOY: Of what kind of issues?

22 MR. CRAWLEY: Any kind of safety issues. Who  
23 did they mostly come from?

24 MR. HOY: I think probably from the Director  
25 of Flight Safety with respect to the operational  
26 issues.

1 MR. CRAWLEY: And what kind of a reporting  
2 system was in place? I'm talking about prior to the  
3 crash of Flight 261 as far as pilots, mechanics,  
4 employees reporting safety issues.

5 MR. HOY: What kind of reporting process was  
6 in place? That was before the hotline. I don't know.

7 MR. CRAWLEY: Did you discuss that with  
8 anybody about the reporting system?

9 MR. HOY: I know that there were some  
10 discussions. I was not intimately involved in those  
11 discussions. It's not something that I dealt with.

12 MR. CRAWLEY: So other people were dealing  
13 with it?

14 MR. HOY: I would expect that the principal  
15 inspectors were addressing those to a much greater  
16 degree than I would have or did.

17 MR. CRAWLEY: Are you familiar with Alaska  
18 Airlines Form 053? Have you ever seen one of those?

19 MR. HOY: Yes. Pilot irregularity reports.

20 MR. CRAWLEY: Right. That's kind of our way of  
21 reporting safety items.

22 MR. HOY: Right.

23 MR. CRAWLEY: And does your POI or his  
24 inspectors below him inspect those periodically?

25 MR. HOY: They have access to them. I don't  
26 know if they comprehensively look at those. That's

1 changed from time to time throughout history in  
2 certificate management. We used to look at those  
3 regularly and then as other things surfaced we may not  
4 look at them as closely. But I know that we get them  
5 on a fairly regular basis with respect to individual  
6 investigations that we're asking about. We rely  
7 heavily on that form for individual investigations.

8 I don't know that we get all of them any  
9 more. There was once a time when we did.

10 MR. CRAWLEY: Do you have access to all of  
11 them?

12 MR. HOY: I think we do, yes. I think the POI  
13 would be the person who would then be accessing that  
14 information. And I don't think he gets all of them but  
15 I think he has access to all of them.

16 MR. CRAWLEY: As far as those 053 hazard  
17 irregularity forms, what kind of a system is in place  
18 to address the things reported at Alaska Airlines to  
19 address and correct?

20 MR. HOY: If we see something in there that  
21 needs to be corrected, whether it be taking an  
22 enforcement action or it requires an ops spec change or  
23 a program change, I think all of those things,  
24 training, program changes, all of those things or  
25 potential changes could occur as a result of reviewing  
26 the 053s and they have historically proven valuable in

1 triggering changes of various kinds.

2 MR. CRAWLEY: By you or by the airline?

3 MR. HOY: Well, not by me but by the FAA, I  
4 think in collaboration with the carrier.

5 MR. CRAWLEY: If you were to review some of  
6 these now, what would you find as far as follow-up? If  
7 you picked one up, could you see from what was the end  
8 result, how it was followed up? Could you see that in  
9 their files if you were to go through them?

10 MR. HOY: I don't know. That would be a good  
11 question for the POI. I can't say. I would assume  
12 that we could see that because we have regularly asked  
13 for those and regularly got them without any  
14 resistance, as far as I know. I mean, I've seen  
15 several of them myself in just being briefed by the POI  
16 on what the issues were at the time.

17 MR. CRAWLEY: On those ones that you saw  
18 yourself, was anything attached to them that showed  
19 what was done about them?

20 MR. HOY: No. I can't say that I saw anything  
21 like that. There's been a cooperative relationship as  
22 far as I know between the two people that would  
23 normally look at those on the FAA side. It would be  
24 Dennis Harmon, POI, and then there's Jim Winkelman  
25 who'd provide us that information. And there's been a  
26 fairly free exchange of information with respect to

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1 those kinds of documents in the past.

2 MR. CRAWLEY: Do you know if any follow-up  
3 report goes back to the originator of an 053?

4 MR. HOY: You mean internally within your  
5 company, within Alaska Airlines? No, I don't know.

6 MR. CRAWLEY: I don't think I have any more  
7 questions.

8 MR. LASLEY: Mike Lasley. I believe you'd  
9 mentioned a question of grease substitution acceptance  
10 or approval. That's a PMI function and doesn't involve  
11 you.

12 MR. HOY: Yes.

13 MR. LASLEY: Does that also hold true to the  
14 escalation in time between end plate managements and  
15 lubrication of the jack screw as well?

16 MR. HOY: Yes. I mean, I would not normally  
17 be involved in that.

18 Now, I would not necessarily in all cases but  
19 I guess a perfect world I always would see any outgoing  
20 correspondence from the FAA to the company and I'd  
21 initial off on a grid sheet. Sometimes I would ask  
22 questions and sometimes I wouldn't, depending one on  
23 how much I knew, and two on how interested I might be  
24 in that particular -- I mean, if some things raises a  
25 little red flag, I might go to the PMI and say what's  
26 this and what does this mean. Other things look rather

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1 routine.

2           Time escalations can be a pretty routine  
3 function over the long term so I would not necessarily,  
4 even though I would see something in writing about time  
5 escalation it probably would not trigger anything  
6 particularly for me.

7           Now if I was still the Alaska Airlines  
8 section supervisor and I saw something about time  
9 escalations on jack screws. Yes. You could bet that  
10 I'd be asking plenty of questions about it.

11           MR. LASLEY: Thank you.

12           MR. RODRIQUEZ: Dick Rodriguez from the Safety  
13 Board.

14           I want to go back to the beginning and I'd  
15 like to get some information on your background.

16           What did you do prior to being the supervisor  
17 of the CMS within the FAA?

18           MR. HOY: I was the supervisor of the  
19 operations section with in the Seattle FSDO.

20           MR. RODRIQUEZ: Is that under the or above the  
21 air carrier office or not even related?

22           MR. HOY: No, it's a lateral, too. There are  
23 two sections within the same office. Neither one above  
24 the other.

25           MR. RODRIQUEZ: So the supervisor of the  
26 operations section is on a parallel with the supervisor

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1 of the air carrier office?

2 MR. HOY: Of the -- when you say air carrier  
3 office, are we talking about Seattle FSDO?

4 MR. RODRIQUEZ: What are you now?

5 MR. HOY: I'm the supervisor of the air  
6 carrier section. And yes, that's on the same level as  
7 the supervisor of the operations section. And as it  
8 exists today, the supervisor of the Alaska Airlines  
9 certificate management section.

10 MR. RODRIQUEZ: So in this four section  
11 organization, you held three of those positions?

12 MR. HOY: That's correct.

13 MR. RODRIQUEZ: How long were you at the ops  
14 section?

15 MR. HOY: Two and a half or three and a half  
16 years. I'd have to look.

17 MR. RODRIQUEZ: And how long -- well, you just  
18 got there.

19 I wrote down a question I don't understand.

20 Oh, I see. As a supervisor of the CMS, what  
21 would be your comparable level at Alaska Airlines?

22 MR. HOY: That's kind of a hard one. There's  
23 a lot of ways of viewing that. I can answer that any  
24 one of several ways depending on what we were trying to  
25 accomplish or what my role was at the time. But in  
26 terms of the person that I most frequently corresponded

1 with and talked to, it would probably be John Fowler,  
2 who is the Executive Vice President of Operations and  
3 Systems Control, whatever.

4           In terms of where I fit in the hierarchy in  
5 the FAA as compared to where John fits in the hierarchy  
6 of Alaska Airlines, he's here and I'm down here. So  
7 relatively speaking within the range, there's quite a  
8 difference between --

9           MR. RODRIQUEZ: In a practical sense, you  
10 would deal with Fowler and the PMI/POI would deal with  
11 Trimburger and Weaver?

12           MR. HOY: Yes, to a great degree. But that  
13 certainly would not preclude principal communications  
14 with Fowler.

15           MR. RODRIQUEZ: I understand. I was just  
16 trying to get a level of --

17           MR. HOY: More or less. Right. But also, I  
18 would have conversations with people at the director  
19 level, at the Assistant VP and the VP level. So it  
20 certainly wasn't -- my relationship wasn't confined to  
21 any one level. It's a hard question to answer.

22           MR. RODRIQUEZ: The reason I ask is if you had  
23 an issue that you chose to pursue and you were getting  
24 no satisfaction, would you have any problem dealing  
25 with certain levels at Alaska or would you need to get  
26 the muscle from the region or the FSDO or headquarters

1 or whatever.

2           MR. HOY: No. I could of my own volition go to  
3 any level within the company. Now of course regardless  
4 of the level that I went to, depending on the nature of  
5 the issue, I would keep my manager briefed, and he  
6 would probably want to keep the division manager  
7 briefed, especially if it was some issue with any  
8 volatility to it. But that would not preclude me from  
9 going to any level within the company.

10           Now, that would not preclude, of course, if I  
11 went to the Executive Vice President level for an  
12 issue, it certainly wouldn't preclude my manager or my  
13 division manager from going to that same level. And  
14 that would occur, too.

15           MR. RODRIQUEZ: And when you say manager, you  
16 mean the manager of the FSDO?

17           MR. HOY: Yes.

18           MR. RODRIQUEZ: Who was that?

19           MR. HOY: Right now it's Sam Aaron. Before  
20 that for a couple of years, for a few years, it was  
21 Marlene Levak. Before that, it was Sam Aaron. All of  
22 those -- both of those people served during the time  
23 that I was assigned to the Alaska Airlines certificate  
24 management section.

25           MR. RODRIQUEZ: Do you know roughly the time  
26 of service for Mr. Aaron? He had two tours?

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1           MR. HOY: Yes. He had two tours. And I have  
2 a little trouble with that. It was a matter of at  
3 least a couple of years that he served as the manager  
4 before the most recent.

5           MR. RODRIQUEZ: That's what I'm trying to get  
6 at. How long was Ms. Levak there?

7           MR. HOY: She was there --

8           MR. RODRIQUEZ: You're there six years.

9           MR. HOY: Yes.

10          MR. RODRIQUEZ: Were they two years apiece or  
11 split the difference?

12          MR. HOY: I can relate it to some events here.  
13 Let me think for a second.

14          I think it was April 1<sup>st</sup> of '97, April of '97  
15 that Levak --

16          MR. RODRIQUEZ: That was the 30<sup>th</sup> anniversary  
17 of the National Transportation Safety Board.

18          MR. HOY: Was it? Okay. Probably just a  
19 coincidence.

20          April of '97 until her departure. I guess  
21 it's been almost a year now, so --

22          MR. RODRIQUEZ: July of '98?

23          MR. HOY: I'd say a rough guess. Yes.

24          MR. RODRIQUEZ: July of '99?

25          MR. HOY: July of '99. Yes. So a little over  
26 two years. And then there was also Bob Hill who is now

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1 the supervisor here, who was acting -- well, he was  
2 more than acting. He was the manager of the office for  
3 a period of time after Levak left.

4 MR. RODRIQUEZ: So he'd be from July of '99 to  
5 when?

6 MR. HOY: Until he came here in May of 2000.

7 MR. RODRIQUEZ: That's basically three  
8 supervisors for the FSDO or for the management.

9 MR. HOY: Yes. Now there may have been -- I'm  
10 not sure when Sam arrived the first time. I believe he  
11 was in place when I arrived in the CMS in '94. The  
12 manager before that was Keith Zachary, who is now the  
13 manager of the Seattle AEG. But I believe that he'd  
14 already departed the FSDO by the time I was  
15 transferred.

16 MR. RODRIQUEZ: Why did you leave the  
17 operations section?

18 MR. HOY: Because I was directed to.

19 MR. RODRIQUEZ: It was not a bid job, it was  
20 directed?

21 MR. HOY: Yes.

22 MR. RODRIQUEZ: Is there a reason for that? I  
23 mean, obviously there was. Could you tell us what the  
24 reason was?

25 MR. HOY: It has not been expressed in so many  
26 words but I think it's -- my version anyway, is that it

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1 surrounded Mary Rose issues.

2 MR. RODRIQUEZ: Okay.

3 MR. HOY: The previous supervisor of the  
4 certificate management section had reassigned or caused  
5 Mary Rose to be reassigned out of the position as the  
6 POI for Alaska Airlines. And there was a move afoot to  
7 put her back in the position of POI.

8 Although as I arrived in the section, the  
9 CMS, as the supervisor, Mary Rose had not yet returned.  
10 Within an matter of a couple of weeks, as I remember,  
11 she came back into that section. I really didn't have  
12 any input into that. That was pretty much handled I  
13 think at the division level.

14 I know Brad Pierce, the acting division  
15 manager of the time, was involved very closely in that  
16 process. And given the relationship of the previous  
17 supervisor and Mary Rose, if she was going to be  
18 reassigned back into that position, they wanted another  
19 supervisor there. So I believe that that was the  
20 primary motivation behind that switch.

21 MR. RODRIQUEZ: At that time you were  
22 replacing who?

23 MR. HOY: Bill Baldwin.

24 MR. RODRIQUEZ: Bill Baldwin?

25 MR. HOY: Yes.

1 MR. RODRIQUEZ: And then you left the CMS in  
2 May 2000. Why?

3 MR. HOY: Again, there was not a specific  
4 reason stated but I don't think there had to be. The  
5 division manager indicated that he wanted Bob Hill in  
6 the position. And I believe that that was simply a  
7 vote of no confidence on the part of the division  
8 manager and he felt more comfortable with the  
9 management style of Bob Hill for that particular  
10 position.

11 MR. RODRIQUEZ: And where was Mr. Hill coming  
12 from?

13 MR. HOY: From the operations section.

14 MR. RODRIQUEZ: Where you had been?

15 MR. HOY: Yes.

16 MR. RODRIQUEZ: Did he replace you over there?

17 MR. HOY: Yes, he did.

18 MR. RODRIQUEZ: Now, let's talk a little bit  
19 about ATOS. I don't know that it's been asked in these  
20 terms but what I want to know is Alaska Airlines is an  
21 ATOS carrier and my perception of the ATOS program is  
22 that there's -- and I think you even hinted at but  
23 didn't say it directly -- is built on a premise of less  
24 FAA involvement in the carriers' operations. Is that  
25 correct?

1           MR. HOY: I guess you could say that. I  
2 wouldn't couch it in quite those terms because it  
3 sounds negative and really, in my view it does anyway,  
4 it's realizing that there are only a certain amount of  
5 resources that the FAA has and how could we best  
6 utilize the resources. So it's not less involvement  
7 but it's how do we get more bang for our buck with the  
8 resources that we have.

9           The realization we're not going to get  
10 substantially more resources in the foreseeable future,  
11 so what can we do to do our surveillance smarter.

12           MR. RODRIQUEZ: Okay. Now, with this limited  
13 resources and in our effort to get more bang for the  
14 buck, once the program, as conceived, is in place,  
15 who's going to direct this program?

16           MR. HOY: That's a good question. There was  
17 an ATOS program office formed nationally to oversee the  
18 implementation of ATOS and to guide it along, make  
19 course corrections, address issues that invariably  
20 people knew from the outset were going to arise from a  
21 substantially different program than previously. So an  
22 ATOS program office was formulated.

23           And then the AFS-40, which has got a long  
24 name that I don't always remember accurately,  
25 Continuous Audit Process Staff something, or words to  
26 that effect, was developed to check the health of ATOS,

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1 to audit the process of ATOS.

2 MR. RODRIQUEZ: These are the analysts, the  
3 phantom analysts?

4 MR. HOY: No, no. These are different. This  
5 is a different office within the AFS complex in  
6 Washington. A member of that office headed this  
7 national safety inspection that Alaska recently  
8 underwent.

9 Members of that office have attended our  
10 annual surveillance planning meetings to see how the  
11 process goes, see what the issues are, how effective --

12 MR. RODRIQUEZ: Before you get too far afield,  
13 are you about to tell me that AFS-40 is directing the  
14 ATOS program?

15 MR. HOY: No. They're auditing it. The ATOS  
16 program office is actually directing the program  
17 nationally.

18 MR. RODRIQUEZ: The national office is  
19 directing it?

20 MR. HOY: At the national level. But then  
21 there are various levels of involvement in this thing,  
22 including myself.

23 MR. RODRIQUEZ: When the wheel comes off the  
24 wagon of the ATOS team at Alaska Airlines, who puts it  
25 back on?

1           MR. HOY: There's a process defined for making  
2 that occur. And that process starts by national  
3 guidance and is implemented at various levels. And  
4 eventually, I put it back on if the resources can be  
5 identified.

6           MR. RODRIQUEZ: Well, would the national  
7 guidance direct you or would it let you put it back?

8           MR. HOY: It's in the form of a directive that  
9 says there's this Appendix 6, as it's called. You may  
10 have heard of that -- to the 8400-10 order that defines  
11 in broad national terms how this process works. And it  
12 says that -- well, I think it says -- I don't have a  
13 copy of it here in front of me -- there will be this  
14 CMT comprised of these people. And if there's a  
15 resource that is not available on this team, if we lose  
16 a resource, there is a method, a process that is  
17 employed to get a new team member.

18           So, it's defined nationally and implemented  
19 locally.

20           MR. RODRIQUEZ: Is that different from getting  
21 a team member on any other certificate? Do we have to  
22 jump through some more hoops?

23           MR. HOY: No. I wouldn't say that. What it  
24 does is -- I don't see that it encumbers the process.  
25 What it does is it defines who the CMT members will be  
26 and by that process enables me or whoever is looking

1 for that resource to go out and get that resource.

2 It's our authorization to staff that position.

3 MR. RODRIQUEZ: Do you put out the bid?

4 MR. HOY: It depends on the position. There  
5 are geographic positions within CMT and there are the  
6 other positions. Now if they're the geographic  
7 inspector positions, I'll go to the region that I have  
8 lost the geographic inspector from -- and indicate that  
9 I need to have a new geographic inspector assigned to  
10 CMT.

11 That region is responsible for assigning that  
12 spec. That doesn't necessarily mean that will happen.  
13 That region can say, I'm sorry. We don't have anybody  
14 to assign to you. You're going to have to do without  
15 right now. Which happens. I mean, there are CMTs  
16 without fully staffed teams right now.

17 MR. RODRIQUEZ: How was the Alaska team when  
18 you left?

19 MR. HOY: Actually, it was fully staffed  
20 according to allocations that we had available to us, I  
21 believe.

22 MR. RODRIQUEZ: And if the wheel coming off  
23 that wagon was lack of geographic support in Oakland,  
24 what did you have as a recourse to put it back on?

25 MR. HOY: I would have this guidance to refer  
26 to that says you'll have this geographic resource out

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1 of the Western Pacific Region. Maybe in Oakland, maybe  
2 somewhere else. We have them in Oakland because that's  
3 where the maintenance facility is for Alaska Airlines  
4 so it makes sense.

5           So there is some priority then with that  
6 guidance given by the Oakland office or by the Western  
7 Pacific Region to restaff that position, give us  
8 somebody else.

9           MR. RODRIQUEZ: And if they don't have it?

10          MR. HOY: If they don't have it, then there's  
11 a resource just not available. And that happens.

12          MR. RODRIQUEZ: Then what do you do?

13          MR. HOY: We do without until a resource comes  
14 available.

15          MR. RODRIQUEZ: Under the old system what  
16 would you do if you put out a -- I don't remember the  
17 titles but if you put out a request for geographic  
18 support and it's an R item or whatever, the  
19 classifications for surveillance in Oakland and Oakland  
20 FSDO or whoever it was that was to provide that  
21 geographic support said go pound sand, what recourse  
22 did you have?

23          MR. HOY: It was a little different system.  
24 If it was an R item, it wasn't assigned to us and we  
25 farmed them out geographically. That R item went  
26 directly to that geographic office and said you're

1 responsible for doing this on Alaska Airlines. So it  
2 was their baby from the beginning. It was not ours to  
3 unload onto somebody else.

4 MR. RODRIQUEZ: Let's back up. How did the R  
5 items get distributed or identified and distributed  
6 under the old system?

7 MR. HOY: There's a national program guideline  
8 that came out which is an order. Every year it was  
9 revised. It said, for instance, every region in whose  
10 geographic area a certain carrier operates, Alaska  
11 Airlines operates, will do at least two end route  
12 inspections as required inspections.

13 So if Alaska Airlines operates in the Alaskan  
14 Region, the Northwest Mountain Region and the Western  
15 Pacific Region. So in every one of those regions, each  
16 one of those three regions would be assigned to do at  
17 least two end route inspections under the old system.  
18 It was not a situation where they came to this office  
19 and then we went out and found the geographic resources  
20 to do that. It was theirs from the beginning.

21 And then that region would decide, well, what  
22 office could best do that. It could be the L.A.  
23 office, it could be the Oakland office, it could be any  
24 number of offices in the Western Pacific Region.

25 MR. RODRIQUEZ: And because they were in the  
26 program, the national program, those are R items?

1           MR. HOY: National program guidelines define  
2 the R items.

3           MR. RODRIQUEZ: Now under the ATOS we have a  
4 national program guidance.

5           MR. HOY: Well, yes, but not national program  
6 guidelines. Specifically the NPG, national program  
7 guidelines form of an order, still define the R items  
8 for the non-ATOS carriers. But for ATOS carriers they  
9 don't use that NPG document, that order.

10          MR. RODRIQUEZ: What says anybody's going to  
11 go look and audit Oakland?

12          MR. HOY: You mean before ATOS?

13          MR. RODRIQUEZ: No. Now.

14          MR. HOY: The comprehensive surveillance plan  
15 that is jointly defined by the entire CMT, including  
16 all of the geographic inspectors that have input into  
17 this thing.

18          MR. RODRIQUEZ: Let me understand. CMT. Is  
19 that all ATOS operator --

20          MR. HOY: CMT is certificate management team.

21          MR. RODRIQUEZ: Of all operators within the  
22 ATOS system or just Alaska?

23          MR. HOY: There's a certificate management  
24 team for Alaska Airlines and there are nine other  
25 certificate management teams dedicated to each of the  
26 other nine top 10 carriers.

1 MR. RODRIQUEZ: When you say this is a  
2 comprehensive plan, the CMT, you're talking about the  
3 Alaska team?

4 MR. HOY: That's correct.

5 MR. RODRIQUEZ: Now this CMT -- and that to me  
6 would be local because that's right here in River City.  
7 That's you; right?

8 MR. HOY: We'd bring our geographic inspectors  
9 in from Alaska and from the Western Pacific Region to  
10 participate in that.

11 Ultimately the principal inspectors will  
12 finalize this CSP, comprehensive surveillance plan.  
13 But the design is to have all inspectors get together  
14 in a meeting and provide their input so that the  
15 principal inspectors will have all of those concerns of  
16 all of the CMT members before they actually finalize  
17 the CSP. And that's done after the meeting.

18 And that defines what EPIs you're going to  
19 do, the SAIs that you're going to do, the priority of  
20 the SAIs, the team composition of the SAIs.

21 MR. RODRIQUEZ: And how do you resolve  
22 problems within that CMT working toward a CSP?

23 MR. HOY: The principal has the final say as  
24 to how that CSP will look. And he or she actually has  
25 the authority to finalize it.

1           Now I should say -- I should qualify that a  
2 little bit. There are actually two elements to the  
3 CSP. There's an airworthiness side where the principal  
4 avionics inspectors and the principal maintenance  
5 inspector have to jointly sign this CSP electronically  
6 to finalize it. And then there's the cabin safety  
7 inspector and the principal operations inspector on the  
8 operations portion of the CSP that jointly finalize it.

9           MR. RODRIQUEZ: And by review and corporate  
10 knowledge of the certificate, the principal inspectors  
11 identify those areas of work to be done?

12           MR. HOY: Well, in preparation for developing  
13 the CSP there are tools that are used to help the  
14 inspector, principal inspectors, or help the CMT more  
15 broadly define what should be in the CSP. There's the  
16 air carrier assessment tool, the ACAT, and the -- it  
17 slips my mind.

18           Dean, what is that thing called? The air  
19 carrier assessment tool and some other tool. They are  
20 electronic tools that kind of reveal through a process  
21 what is most important for that team.

22           MR. RODRIQUEZ: To short circuit my ATOS  
23 instruction, which I haven't got two days for, nor do  
24 you -- that would be unfair for you to do that. All  
25 I'm trying to get at is we've heard reports, not just  
26 from this office but across the country, that the

1 certificate management offices, sections -- whatever  
2 they are -- units, places -- have no control over the  
3 regional or geographic support people.

4 MR. HOY: Correct. That's absolutely correct.

5 MR. RODRIQUEZ: And that's patently clear on  
6 the surface when they explain the program to you  
7 because they still report to the regional -- I mean, a  
8 FSDO office.

9 MR. HOY: That was probably the primary -- at  
10 least one of the primary common concerns among all of  
11 the principal inspectors of all of the top 10 carriers  
12 that was revealed in this Atlanta meeting last March or  
13 a year ago March that we do not have control. The  
14 geographic inspectors are not working for the principal  
15 inspectors.

16 Their supervisors are still out there in  
17 their respective regions. We cannot control who is  
18 assigned as a geographic inspector.

19 The order says that there will be a  
20 geographic inspector assigned but that's assigned by  
21 the region. It's not assigned by the certificate  
22 management people.

23 MR. RODRIQUEZ: Okay. That's what I was  
24 trying to get at. Do you control this? You're not  
25 going to put that wheel back on.

1           MR. HOY: No, no. Okay. If that's what  
2 you're asking, no. I cannot say that I want X  
3 inspector in the Western Pacific Region to serve on the  
4 Alaska Airlines CMT. What I can do and what I would  
5 appropriately do is go to the Western Pacific Region  
6 and say we don't have a maintenance inspector from the  
7 Western Pacific Region assigned to Alaska Airlines.  
8 The order says we will. You've got to provide  
9 somebody.

10           It's up to them to identify the resource,  
11 where it's going to come from out of that Western  
12 Pacific Region. And that's the thorn that everybody  
13 has under the saddle that everybody has with this  
14 geographic program, geographic inspectors, is that we  
15 cannot select who those geographic inspectors are.

16           The certificate management folks do not have  
17 --

18           MR. RODRIQUEZ: Can you control with they do  
19 in terms of work?

20           MR. HOY: Yes. Because the principal  
21 inspectors assign the inspections to those CMT members,  
22 be they geographic inspectors or otherwise on this  
23 comprehensive surveillance plan.

24           MR. RODRIQUEZ: I'm still zeroing in on  
25 Oakland.

1 MR. HOY: Okay.

2 MR. RODRIQUEZ: And if the wisdom of the  
3 region -- but your control of what should be done in  
4 Oakland will be done by a Los Angeles FSDO inspector.  
5 But the Los Angeles FSDO has no travel funds. How does  
6 that get resolved?

7 MR. HOY: Well, up until recently  
8 anyway, I assume the situation is the same, there is a  
9 fenced funding for ATOS geographic travel. It's  
10 allocated to each of the certificate management teams.  
11 So Alaska Airlines certificate management team has an  
12 allocation of funding solely for the purpose of moving  
13 geographic inspectors around on Alaska Airlines work.

14 MR. RODRIQUEZ: How can that be done when you  
15 don't know exactly who's going to be doing it? That's  
16 kind of a -- there's a big difference in travel funds.

17 MR. HOY: Well, theoretically you're going to  
18 have one avionics person, one operations person and one  
19 maintenance person from each region that the carrier  
20 flies into as your geographic contingent on the CMT.

21 MR. RODRIQUEZ: So you haven't run out of  
22 travel funds at the CMS --

23 MR. HOY: No. As a matter of fact, the funds  
24 have been -- I don't know where they are right now but  
25 we're fairly generous relative to the funding devoted  
26 to other programs in the FAA.

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1 MR. RODRIQUEZ: Okay. Now as I understand it,  
2 your PMI retired and the assistant PMI became acting.

3 MR. HOY: Right.

4 MR. RODRIQUEZ: Is that your action or is that  
5 somebody else? That's your action?

6 MR. HOY: Yes. Actually it sort of happens by  
7 default because an assistant is there to take over when  
8 there is no PMI.

9 MR. RODRIQUEZ: Now, he did not become the  
10 PMI.

11 MR. HOY: No.

12 MR. RODRIQUEZ: Somebody else was selected.

13 MR. HOY: Correct.

14 MR. RODRIQUEZ: Where did that individual come  
15 from?

16 MR. HOY: That's Bill Whitacker. He came from  
17 the aircraft evaluation group in Seattle.

18 MR. RODRIQUEZ: And was that your selection?

19 MR. HOY: Yes.

20 MR. RODRIQUEZ: Now he had been here  
21 previously as the MD-80 partial program manager?

22 MR. HOY: Correct.

23 MR. RODRIQUEZ: And went to the -- wherever he  
24 came from. Were those bid jobs or was he reassigned or  
25 what?

1           MR. HOY: No. That was a bid job. It was a  
2 competitive announcement.

3           MR. RODRIQUEZ: As was the PMI job also?

4           MR. HOY: Yes.

5           MR. RODRIQUEZ: I was piqued by a comment you  
6 made or something that I understood you to say that Mr.  
7 Bennett, the assistant PMI -- I don't want to  
8 mischaracterize, but was not seasoned or there might  
9 have been something. And as I looked at the figures,  
10 it seemed to me he had been there about two years as  
11 assistant PMI.

12          MR. HOY: I think that's about right.

13          MR. RODRIQUEZ: Is that insufficient for him  
14 to become familiar with the program?

15          MR. HOY: If I said he was unseasoned I didn't  
16 mean to portray that he wasn't qualified.

17          MR. RODRIQUEZ: That's my word, not yours. But  
18 that's the flavor.

19          MR. HOY: Certainly he wasn't as experienced  
20 as John Hubbard was so it was cause for concern. I  
21 knew that he was not fresh in the job so it wasn't a  
22 big concern. And in fact, he proved himself to do the  
23 job well while he was there acting, from my  
24 perspective.

25          MR. RODRIQUEZ: But you still selected an  
26 outsider?

1 MR. HOY: Yes.

2 MR. RODRIQUEZ: I'm not sure I got clear.  
3 Have you ever heard a complaint from Mr. Fowler that  
4 you've satisfied? Did you ever cave in?

5 MR. HOY: No. I don't suppose there was ever  
6 a case where we did. Nothing comes to mind.

7 Sometimes there are shades to this thing. I  
8 mean, --

9 MR. RODRIQUEZ: I understand. But there was  
10 never a situation where you resolved it in Alaska's  
11 favor to the detriment of your own inspectors?

12 MR. HOY: I would think it would absolutely  
13 poison the relationship that we had with the principal  
14 inspector and it would be inappropriate for me to act  
15 in a technical capacity to overturn a principal  
16 inspector.

17 I have before, but not in the case of John  
18 Hubbard. When I thought it was appropriate I've done  
19 it before.

20 MR. RODRIQUEZ: Let me talk about this  
21 Director of Maintenance think. And apparently in May  
22 of '98, as I understand it, they send you a letter  
23 saying this was a temporary thing. Is that correct?

24 MR. HOY: May of '98? Yes. I don't know.  
25 They sent me, I think -- I don't know if it was me.  
26 Sent us.

1 MR. RODRIQUEZ: John, the FAA.

2 MR. HOY: Yes.

3 MR. RODRIQUEZ: They said this was temporary.

4 And then it went on for almost two years without being  
5 filled.

6 MR. HOY: Right.

7 MR. RODRIQUEZ: And that's simply a function  
8 of, as I think you say there wasn't enough energy  
9 around it or something?

10 MR. HOY: Yes. You walk in the door in the  
11 morning, you look at things on your plate. It just  
12 never reached the top there.

13 MR. RODRIQUEZ: Do you think two years is  
14 excessive for this kind of a situation, on reflection?

15 MR. HOY: Yes. Sure.

16

17 MR. RODRIQUEZ: Now, I think I know, but just  
18 for the fun of it, would you identify for me what other  
19 big issues were on the plate in this time frame that  
20 would have exceeded this in terms of a squeaky wheel?

21 MR. HOY: There were several issues we were  
22 dealing with. Mary Rose was the biggest issue and she  
23 was the greatest detractor from getting the job done  
24 than any other single issue. Dealing with those issues  
25 just ate up my time.

1 MR. RODRIQUEZ: What about ATOS?

2 MR. HOY: ATOS, too. ATOS, as we already  
3 mentioned, I was a member of the extended group in  
4 developing this ATOS and it involved quite a bit of  
5 travel back to Washington, D.C. to participate in those  
6 proceedings. And on implementation, just trying to  
7 figure out what it is we were doing, was also eating up  
8 my time.

9 MR. RODRIQUEZ: How about other  
10 investigations?

11 MR. HOY: The FBI?

12 That wasn't so much of a time eater upper as  
13 just a source of frustration. That was not a laborious  
14 process. It was just stressful.

15 MR. RODRIQUEZ: One of the things that strikes  
16 me a we've talked or I've listened to you talk, is that  
17 you kind of feel like there were problems in the  
18 conduct of the relationship between the FAA and Alaska  
19 Airlines but the biggest time consuming aspect of it  
20 really was internal to the FAA, had nothing to do with  
21 the relationship between Alaska and FAA or Alaska's  
22 operation. Is that fair?

23 MR. HOY: Yes.

24 MR. RODRIQUEZ: And on the basis of that, I  
25 get the feeling -- and you correct me if I'm wrong, but  
26 I get the feeling that you are pretty satisfied with

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1 Alaska's operation during this time frame overall. In  
2 your overall assessment, give them a grade, a letter  
3 grade. What would it be?

4 MR. HOY: I guess maybe a B.

5 MR. RODRIQUEZ: A B?

6 MR. HOY: Yes. B or B minus. And I have to  
7 rely on the feedback I'm getting from my principal  
8 inspectors and what issues are coming up and what the  
9 concerns are. I had a sense that things were going  
10 pretty well with respect to how the principals thought  
11 things were going.

12 MR. RODRIQUEZ: In my independent spur of the  
13 moment audit here as I've listened, I'm thinking about  
14 there was a fair amount of turnover in the FAA. There  
15 was a grand jury investigation. There were management  
16 vacancies at Alaska. There were several NASEP special  
17 investigations. There were mechanic and pilot letters  
18 of internal uproar.

19 MR. HOY: Right.

20 MR. RODRIQUEZ: And a couple of other issues  
21 that I didn't get time to write down because I moved  
22 on. But does that sound -- I'm just asking now, does  
23 that sound that things were going well with the  
24 carrier?

25 MR. HOY: No, not on the surface in the terms  
26 that you couch it. But with respect to their

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1 compliance posture, with respect to the programs they  
2 were developing, with respect to our relationship with  
3 them --

4 MR. RODRIQUEZ: Excuse me. With respect to  
5 compliance posture?

6 MR. HOY: Yes.

7 MR. RODRIQUEZ: Again, I don't want to get  
8 into the legal aspects of the thing. We're accident  
9 investigators. But I'm looking for those things which  
10 will teach us to recognize in the future. Do you  
11 understand?

12 MR. HOY: Sure.

13 MR. RODRIQUEZ: From the benefit of hindsight  
14 is what I'm looking for.

15 MR. HOY: Sure.

16 MR. RODRIQUEZ: And it occurs to me that  
17 through all of these various functions that are going  
18 on that I'm not totally persuaded there was a great  
19 deal of compliance. I mean, it looks to me like you're  
20 trying to get them to do certain things and they're not  
21 doing it or they're stonewalling you or they're --  
22 well, we're going to get around to it.

23 MR. HOY: There are always those controversies  
24 raging within any carrier. I'm convinced of that. We  
25 talk to other principal inspectors that are managing  
26 other certificates and there are always these

1 controversies going. So, I guess if I were to grade  
2 Alaska Airlines with respect to the questions you asked  
3 as an A, that still to me would not mean that there are  
4 not issues that are being handled. There are still  
5 certificate management issues that are falling off the  
6 plate left and right, I don't care who you talk to; TWA  
7 or Continental Airlines or United or American. There  
8 are always issues.

9 I kind of hesitate in answering your question  
10 because, yes, there are a lot of things going on. I  
11 mean, I felt like I've been drinking out of a fire hose  
12 for six years. But with respect to how would I grade  
13 Alaska, how would I grade them with respect to how they  
14 were doing -- and to me that means how compliant were  
15 they -- I'd give them a B.

16 MR. RODRIQUEZ: Well, let me ask you about,  
17 for instance, this -- I didn't catch the guy's name  
18 who's a mechanic on there. I don't recall it. Who  
19 asked to be relieved at Oakland because he was  
20 recognized and couldn't get anything done.

21 MR. HOY: Right.

22 MR. RODRIQUEZ: Do you agree with him? If he's  
23 being recognized, he can't do his job?

24 MR. HOY: No, not entirely. But I can  
25 sympathize with him. That was his contention. And I  
26 can see that. When you go in as an inspector, you

1 depend on a certain rapport with the troops working on  
2 the floor to get information. And I think that  
3 generally an inspector will be more effective in  
4 conducting surveillance if he has a free and open  
5 communication with the mechanics working on the floor.  
6 There's just more information floating around. He has  
7 a better idea of what the concerns are.

8 MR. RODRIQUEZ: You don't have a supply of  
9 inspectors to go through there as unknowns.

10 MR. HOY: Correct.

11 MR. RODRIQUEZ: And if they're all unknowns,  
12 they don't know what to look for when they get there.

13 MR. HOY: It's not that he's unknown. He just  
14 has a reputation because he was --

15 (Crosstalk.)

16 Actually, I don't think that there are any  
17 inspectors here that go out to Alaska Airlines that  
18 aren't recognized as FAA inspectors. It was well  
19 known, I believe, among the mechanics in Oakland that  
20 Tom Tessley heard John Leatie, the mechanic down there  
21 that originally complained about this investigation,  
22 and that he is the inspector that had put together this  
23 enforcement package against Alaska Airlines. And guess  
24 --

25 MR. RODRIQUEZ: What happened to that package?

1           MR. HOY: It went to the Western Pacific  
2 Regional Office. It was reviewed. And ultimately the  
3 Regional Counsel down there sent out a letter, a notice  
4 of proposed civil penalty for \$44,000, recommending  
5 inspector Tom Tessley had recommended a sanction of  
6 \$1.8 million or something like that.

7           But there were legal reasons for that. And I  
8 can't speak to those.

9

10 [BEGIN TAPE 9]

11           MR. RODRIQUEZ: I don't really want to get too  
12 much into the legal stuff. I'm just curious whatever  
13 happened to it in terms of --

14           MR. HOY: Yes. I think since then --

15           MR. RODRIQUEZ: -- was it dropped or --

16           MR. HOY: I think since then that was put in  
17 abeyance, any further action on that, pending the  
18 outcome of the FBI and IG investigations.

19           MR. RODRIQUEZ: Okay. How did this Oakland  
20 situation escalate surveillance by the FAA of the  
21 Oakland facility?

22           MR. HOY: How did it?

23           MR. RODRIQUEZ: Uh-huh. Or did it?

24           MR. HOY: Yes. That's probably a good  
25 question. Again, I don't have numbers in front of me,  
26 but it certainly caught our attention to a much greater

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1 degree. I can't tell you in terms of numbers of  
2 inspections how many more inspections would they have  
3 done or the kinds of inspections. But certainly it  
4 heightened our awareness that there were potential  
5 problems and that we needed to watch closely what was  
6 going on down there and be very vigilant of any  
7 violations that may be occurring. Because again,  
8 that's what we're looking for. We're enforcement  
9 folks.

10 MR. RODRIQUEZ: In your Tuesday meetings with  
11 principals, did you discuss this with Mr. Hubbard?

12 MR. HOY: It came up on several occasions.  
13 Yes.

14 MR. RODRIQUEZ: But you don't know what  
15 actions were taken to install a greater surveillance or  
16 a full-time man or anything like that.

17 MR. HOY: No. There was not any action like  
18 that taken. I wouldn't say that I didn't know what  
19 actions were taken. I knew that our two inspectors  
20 down there were closely looking at this. And it's not  
21 just who's on site down there. We weren't going to  
22 accomplish anything by having -- necessarily anything  
23 by having an inspector standing out on the hangar floor  
24 in that kind of an environment under those  
25 circumstances.

1                   What we need to be looking at are records  
2 kept here in Seattle, cross-checking documentation.  
3 And we did a fair amount of that. And those kinds of  
4 things.

5                   So the answer is not just to have a body out  
6 there on the floor.

7                   MR. RODRIQUEZ: Did you discuss with Mr.  
8 Hubbard having him review the paperwork from C checks  
9 that were accomplished at Oakland?

10                  MR. HOY: Yes. I think it was -- I don't know  
11 that Hubbard did that directly. I discussed it with  
12 him. And Tim Bennett was more involved in that.

13                  MR. RODRIQUEZ: Tim Bennett?

14                  MR. HOY: Yes. I think both Tim Bennett and  
15 Corky Lukes, only he's the Boeing 737. Well, he's an  
16 assistant PMI is what he is. He was a 737 PPM. But I  
17 think Lukes and Bennett jointly looked at several  
18 records.

19                  MR. RODRIQUEZ: Do you think that in the  
20 Summer of 2000 that Alaska Airlines' operation became  
21 less efficient or degraded, changed?

22                  MR. HOY: Changed certainly.

23                  MR. RODRIQUEZ: Over what it had been in March  
24 or April or December of last year?

25                  MR. HOY: Yes.

1 MR. RODRIQUEZ: You did?

2 MR. HOY: I think it's changed. I wouldn't  
3 say it's degraded or less efficient necessarily. And in  
4 what respect? I mean, --

5 MR. RODRIQUEZ: Well, --

6 MR. HOY: I mean, we're operating in a new  
7 ballgame here. We've uncovered some things here that  
8 apparently we didn't know about before.

9 MR. RODRIQUEZ: And how did that come about?  
10 What's the difference between then and now? Did this  
11 just start happening or --

12 MR. HOY: Well, I'm sure if we talk about a  
13 CAST program, I don't think a CAST program was any more  
14 effective a year ago than it was when we found that it  
15 wasn't effective.

16 MR. RODRIQUEZ: Well then what is the  
17 triggering element to the FAA finally -- I don't know  
18 the words, but threatening Alaska with shutdown of  
19 their heavy check or heavy maintenance authority?

20 MR. HOY: What was the trigger?

21 MR. RODRIQUEZ: What's different between this  
22 June 29<sup>th</sup> immediate release, here comes the hammer,  
23 versus last December or some previous time? That's  
24 what I'm saying. Did this take a nosedive in terms of  
25 what they were doing and how they did it or has it been  
26 there all along?

1           MR. HOY: No. I think it's been there all  
2 along. I don't think there's been any drastic change  
3 in the way Alaska Airlines is doing business. Maybe  
4 I'm wrong, but I don't think there has been. I think  
5 there's been a drastic change in the FAA's focus on  
6 Alaska Airlines.

7           I mean, a year ago when we were coming to  
8 work every day we had different lists of priorities.  
9 We weren't looking at the CAST program. We were  
10 looking at the EIR that we had to get off the plane or  
11 something. But what was the trigger? Flight 261 was  
12 the trigger. It was a new way of looking at Alaska  
13 Airlines.

14           MR. RODRIQUEZ: How did the FAA come up with  
15 this hire 130 mechanics, fill these positions, revise  
16 your procedures in the general maintenance manual,  
17 different things that are identified in this news  
18 release from headquarters, AFS-1s. How did they  
19 identify those things?

20           MR. HOY: To a very large degree anyway they  
21 were identified through our investigation subsequent to  
22 the accident.

23           MR. RODRIQUEZ: Whose investigation? CMS?

24           MR. HOY: Well, yes. To a good degree.  
25 Again, I could say the national safety inspection. But  
26 a lot of this had begun to well up well before that

1 national safety inspection. So, there was -- and it  
2 wasn't just the FAA. It was the FAA and Alaska  
3 Airlines together looking at this and saying, well,  
4 we've got some issues here that need to be addressed.  
5 Let's sit down and take a look at some of these things.

6           And as these began to surface, there was to a  
7 good degree a joint effort. I don't think it would  
8 have happened had the FAA not been a catalyst to this  
9 process. But certainly it was a joint effort. And it  
10 began to emerge -- all this began to emerge immediately  
11 following the accident. You know, different elements  
12 of the problem began to emerge right away.

13           MR. RODRIQUEZ: So Alaska had the accident on  
14 January 31<sup>st</sup> and basically took roughly five months to  
15 identify and hammer out a remedial action plan?

16           MR. HOY: Yes. But it's not a situation where  
17 you have nothing happening for five months and then all  
18 of sudden, blam, we've got a plan. I mean, there's an  
19 evolution of the process here. You begin to address  
20 elements and concerns and this plan begins to evolve  
21 over time. And some areas get more energy for a while  
22 than other areas until there's a more comprehensive  
23 plan that evolves over time out of this thing.

24           So, yes. I mean --

25           MR. RODRIQUEZ: Are you familiar with the  
26 corrective actions that were recommended? I know it's

1 beyond your function in the job, but did you see what  
2 came out as to what should be done?

3 MR. HOY: I don't know what you're looking at.  
4 I've seen various --

5 MR. RODRIQUEZ: I've seen some new releases  
6 that identifies -- it's an official FAA news release  
7 from Mr. Lacey stating that the airline has committed  
8 to do these things, created and done a whole laundry  
9 list of things.

10 MR. HOY: Yes. It's been a while since I've  
11 looked at it but I think I've seen that.

12 MR. RODRIQUEZ: Failing that, you'd lose your  
13 maintenance authority.

14 MR. HOY: Right. Okay.

15 MR. RODRIQUEZ: I guess I'm just wondering how  
16 was this accomplished.

17 MR. HOY: Over time. One bite at a time.

18 I guess I'm not quite understanding your  
19 question.

20 MR. RODRIQUEZ: Well, you said the triggering  
21 element was the accident, so what you're telling me is  
22 in a five month period the FAA in some way went in  
23 there, identified and in conjunction with Alaska  
24 Airlines implemented a - this is what we need to do to  
25 fix our problem.

1 MR. HOY: Right.

2 MR. RODRIQUEZ: And yet there was no changed  
3 in what Alaska was doing or what FAA was doing for eons  
4 before.

5 MR. HOY: Well, no. I wouldn't say that. I  
6 think that's an oversimplified statement. Certificate  
7 management is a dynamic process. There are changes  
8 occurring constantly. There have not been such wide  
9 sweeping changes as we have seen over the span of time  
10 since the accident but it's not like there's a  
11 horizontal line in the way we do things and then the  
12 accident happens and all of a sudden there's a great  
13 big blip.

14 I mean, this is a dynamic process,  
15 certificate management. So there are changes. The  
16 focus of the issues have changed.

17 Before the accident or at least before last  
18 Fall, we were just living with this Director of Safety  
19 issue and the Director of Maintenance issue. So those  
20 have changed. But they got some attention. And there  
21 were other issues that we were dealing with, too.

22 So I wouldn't say that nothing happens until  
23 the accident and then all of a sudden there's this  
24 flurry of activity. The focus of the activity has  
25 changed and the intensity has probably changed.

1           Before we were working a 40 hour work week.  
2 Now inspectors are working 60 hour work weeks. So that  
3 intensity has changed.

4           Are we on the same frequency? Maybe not.

5           MR. RODRIQUEZ: I understand what you're  
6 saying.

7           (Pause.)

8           In September '99, speaking of the Director of  
9 Safety and so forth, I understood you to say there was  
10 a dialogue between you, the PMI and Fowler or somebody  
11 at Alaska that this is what you're going to have to do.  
12 Sounds to me like an or else.

13           MR. HOY: Yes. That is correct. That is  
14 correct.

15           MR. RODRIQUEZ: January rolls around. May  
16 rolls around and we're down the stretch towards  
17 September again and it ain't been done.

18           Now, you're going to lose your maintenance  
19 thing and shazam, we've got a Director of Maintenance  
20 and a Director of Safety. That's what I don't  
21 understand, why it takes from September to nothing  
22 until all of a sudden in June the 30<sup>th</sup> or 29<sup>th</sup> we say or  
23 else, and by golly we've got one.

24           MR. HOY: Well, I mean, there is some  
25 correspondence that transpired. There was a process  
26 that we in place that was being executed in accordance

1 with our mutual agreement as to when that Director of  
2 Safety position would be filled. And as it was put to  
3 us by Alaska Airlines, they were in the home stretches  
4 of identifying a Director of Safety.

5 MR. RODRIQUEZ: At what time?

6 MR. HOY: At the end of January.

7 MR. RODRIQUEZ: At the end of January?

8 MR. HOY: Yes.

9 MR. RODRIQUEZ: Okay.

10 What is AFS-30, or what was it?

11 MR. HOY: I don't have a name for that. I  
12 would have --

13 MR. RODRIQUEZ: Is it headquarters?

14 MR. HOY: Yes. It's flight -- organization in  
15 headquarters.

16 MR. RODRIQUEZ: For the purposes of quality  
17 control or investigations or --

18 MR. HOY: I don't know much about that  
19 organization. As I indicated, it went out of business  
20 very shortly after their report. I don't know what the  
21 name of it was. I could certainly find out.

22 MR. RODRIQUEZ: No. I can get it through a  
23 different source.

24 And what is a security investigation?

25 MR. HOY: It's referring to an internal  
26 investigation within our region by our security

1 division. A special agent in the security division  
2 conducts an internal investigation.

3 MR. RODRIQUEZ: And as I understand it, this  
4 is an employee whose reputation has been smeared.

5 MR. HOY: Right.

6 MR. RODRIQUEZ: It's a way of -- I want  
7 justice and I can get that through a security  
8 investigation.

9 MR. HOY: Well, these wild outlandish  
10 allegations were made in this report and not supported  
11 and it seemed to be the only avenue available to this  
12 particular person to address the issue.

13 Now, is there supporting documentation? If  
14 so, show it to me. If not, --

15 MR. RODRIQUEZ: But this is not a specific  
16 provision of the personnel manual or something like  
17 that?

18 MR. HOY: No. Not that I know of.

19 MR. RODRIQUEZ: Now let's talk about training  
20 budgets. I have some reports dated all the way back to  
21 1989. I could go further, I guess. In fact, I know  
22 specifically of instances going back farther where the  
23 training of FAA inspectors was a major issue. And my  
24 question I guess is in the budget process, do you know  
25 as a matter of course -- you put a budget together for  
26 the CMS, do you?

1 MR. HOY: Yes, I do.

2 MR. RODRIQUEZ: Does that involve training?

3 MR. HOY: No, it doesn't because that is  
4 funded nationally. It is not something requested at  
5 the local level in each organizational unit globally.  
6 That is funded after we go through this ONTA process  
7 that I spoke of earlier. And then once the training  
8 needs have been assessed then national funding is  
9 allocated for that.

10 MR. RODRIQUEZ: And who does that? Can you  
11 identify an organization? Does AFS-1 function  
12 somewhere or higher than that?

13 MR. HOY: I should probably know but I can't  
14 say off hand who that is. AFS-1 is ultimately  
15 responsible but there is a division within the AFS  
16 organization that specifically addresses that. I can't  
17 tell you the name of that division off hand.

18 It's not something that I would normally get  
19 involved with.

20 MR. RODRIQUEZ: A comment that you made of no  
21 drastic increase in surveillance, but Mr. Hubbard  
22 earlier as PMI under you said that geographic support  
23 stopped when they went to ATOS basically. Is that an  
24 exaggeration on his part?

25 MR. HOY: He has a different perspective on  
26 that. I didn't stop but there was certainly -- you

1 didn't have -- instead of in the case of the Alaska  
2 Airlines certificate, nine geographic inspectors  
3 assigned to that certificate doing the surveillance,  
4 the required surveillance. Under the old system you  
5 had potentially hundreds of inspectors doing  
6 inspections on Alaska Airlines.

7           Of course, the concept here is that those  
8 nine geographic inspectors would be trained to a  
9 greater degree on Alaska Airlines procedures, be more  
10 familiar with their operation and the quality of  
11 surveillance would increase dramatically.

12           Now, whether or not that actually has  
13 occurred is debatable but that was the idea. And I  
14 know that John has long maintained the position that  
15 now I've only got nine inspectors where before I had  
16 virtually the FAA out there, all the FAA inspectors in  
17 the world out there potentially surveilling Alaska  
18 Airlines.

19           MR. RODRIQUEZ: You also made a statement  
20 about there's little data input. And my question I  
21 guess is doesn't that indicate there's little  
22 surveillance?

23           MR. HOY: Yes.

24           MR. RODRIQUEZ: Direct correlation. No data  
25 in, no surveillance going on.

1 MR. HOY: Right.

2 MR. RODRIQUEZ: Have we rounded the bend there  
3 or are we still descending?

4 MR. HOY: Well, the jury is out right now.  
5 There's a lot of attention being paid to that right  
6 now. But looking at the current figures that are being  
7 published, it doesn't look like there's a dramatic  
8 increase right now. So I don't know.

9 MR. RODRIQUEZ: Does that mean they may  
10 change?

11 MR. HOY: I think they will. I personally  
12 believe that that will change because the performance  
13 with respect to surveillance on the ATOS carriers over  
14 the past two years is not acceptable.

15 MR. RODRIQUEZ: Does that mean you're going to  
16 change by dropping ATOS or by getting more inspectors  
17 or what?

18 MR. HOY: Probably both. That would be my  
19 guess. I know that there is a six month review  
20 actively in progress right now on ATOS and that there  
21 are -- September I believe, is the time frame that that  
22 review process will be complete. And recommendations  
23 will be forwarded as to how ATOS should be changed, if  
24 it should be changed, if it should be retained. And I  
25 don't think there's any question that there will be  
26 more resources devoted to the ATOS carriers.

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1 MR. RODRIQUEZ: Who's conducting the review?

2 MR. HOY: I believe that's Dave Hanley who's  
3 the division manager, Flight Standards Division Manager  
4 out of the Great Lakes Region.

5 MR. RODRIQUEZ: In talking about the FBI  
6 evidence -- this goes back to what I was hammering a  
7 few minutes ago -- you kept saying give us the evidence  
8 and that sort of thing. Do you recall those comments  
9 you were making?

10 MR. HOY: Uh-huh.

11 MR. RODRIQUEZ: What about you getting the  
12 evidence? Why are you -- I mean, give us the evidence  
13 sounds very passive to me and it sounds to me like  
14 what's being identified for you is a global issue and  
15 ought to be lighting a fire under somebody.

16 MR. HOY: Certainly it caught our attention.  
17 It's not something we were disinterested in. And in  
18 fact, we did heighten surveillance.

19 MR. RODRIQUEZ: But you don't know how much?

20 MR. HOY: I don't have the figures available  
21 to me but I know that there was more attention paid to  
22 surveillance. I know that up here we were looking at  
23 records out of the Oakland facility, aircraft records  
24 out of the Oakland facility. But what we were looking  
25 at was not producing results. So the question is how  
26 much resource do you devote to any particular area

1 without getting results before you decide to use your  
2 resources elsewhere.

3           And don't misunderstand me. There was a lot  
4 of attention that was directed toward this Oakland  
5 investigation. We were very concerned about that. But  
6 with the heightened surveillance that we did, we  
7 weren't finding things that would cause us to devote  
8 further resources to that.

9           MR. RODRIQUEZ: I asked about the training  
10 funds. What about the travel funds? Do you budget  
11 travel as well or is that --

12           MR. HOY: Yes. We budget travel, except ATOS  
13 geographic inspector travel.

14           MR. RODRIQUEZ: So travel for the chief or the  
15 supervisor of the CMS is budgeted outside of the ATOS  
16 fenced funds?

17           MR. HOY: Right. And all of the other non-  
18 geographic CMT members.

19           MR. RODRIQUEZ: As an ops type, are you  
20 familiar at all or did you tend to get more involved  
21 with your POI in work as opposed to the PMI?

22           MR. HOY: Actually, I don't think so. I  
23 understood it better.

24           MR. RODRIQUEZ: There's an allegation here  
25 that Alaska was doing more training in their grace  
26 month but there's no reference to those that are done a

1 month early. And I just wondered if you ever got into  
2 discussions about how the pipeline and the candidates  
3 for proficiency checks, et cetera, versus instructors  
4 available and simulators and that sort of thing was  
5 going.

6           Were they falling behind in your opinion or  
7 were they keeping up or do you know?

8           MR. HOY: The POI did not indicate a problem  
9 in that area and I did not personally look at those  
10 figures. I didn't look at that stuff. What I did is  
11 react to issues brought to me by the POI.

12           MR. RODRIQUEZ: I asked you for your  
13 assessment of your staffing in your ATOS team. Was it  
14 adequate? Were you satisfied with it?

15           MR. HOY: No.

16           MR. RODRIQUEZ: And the major complaints were?

17           MR. HOY: The lack of airworthiness  
18 inspectors.

19           MR. RODRIQUEZ: Oh, you wanted the five  
20 additional --

21           MR. HOY: Correct.

22           MR. RODRIQUEZ: Okay. What about from a  
23 stability standpoint?

24           MR. HOY: Well, it was always a burden to have  
25 that turnover but it wasn't unexpected certainly and I  
26 don't think it's unusual. So I guess I couldn't hope to

1 eliminate that aspect.

2           MR. RODRIQUEZ: Are the five inspectors a  
3 function of what you had when you started the ATOS  
4 program or --

5           MR. HOY: No. They were additional resources  
6 that we felt we needed.

7           MR. RODRIQUEZ: As the size of the carrier was  
8 growing or --

9           MR. HOY: Yes. It was just over time,  
10 gradually. It was just a fuller plate. It wasn't any  
11 specific occurrence or date we decided we needed more.  
12 It was just something that needed to accrue over time.

13           MR. RODRIQUEZ: That's all I have at this  
14 time. Thanks very much.

15           MR. HOY: Okay.

16           MR. MCGILL: I have just one question. I've  
17 listened again for the last hour. I'm having a hard  
18 time understanding. With the ATOS model, we get down  
19 through the analysis of the FOQUA that you talked about  
20 and the safety performance analysis system comparing  
21 the performance of a particular carrier, it moves into  
22 this implementation stage where one would initiate  
23 changes or you would have enforcement.

24           My question on all of this, in looking at how  
25 this certificate management team is put together, I'm  
26 still having a difficult time understanding who is

1 looking at the total fitness of this certificate? Who  
2 is in charge of the total certificate fitness?

3           And I just can't quite see it. I see the  
4           principal. You push things back to these  
5           principal inspectors and yet overall who's  
6           looking at everything?

7           I come out of an industry and we have balance  
8 sheets that come at the end of the year. We have cash  
9 flow statements. We have income statements. Three  
10 items that we can observe the fitness of the company.

11           How are we looking at the fitness of a  
12 carrier?

13           MR. HOY: I'm not sure I can answer that  
14 question to your satisfaction. You have various levels  
15 of management that have various degrees of  
16 responsibility.

17           You have the principal inspectors responsible  
18 for the technical programs within their specialties.  
19 You have the certificate management supervisor that has  
20 the responsibility to ensure that those principle dues  
21 are being executed properly. You have in this case,  
22 since it's a separate section and not an office, you  
23 have the FSDO manager being held accountable that the  
24 certificate is properly attended to and staffed  
25 properly and budgeted properly. And if there are any  
26 burning issues that need higher management attention

1 that that FSDO manager fills that responsibility.

2           You have the division manager who is being  
3 held accountable to make sure that that certificate is  
4 being properly attended to by the Director of Flight  
5 Standards.

6           So, you're asking who is the one person who  
7 is ultimately responsible for the management of that  
8 certificate. And I've got to tell you, if you go up  
9 through the levels, that's Jane Garvey.

10           Everybody has their piece of the action and  
11 their level of responsibility and they are being held  
12 accountable to perform by the next higher levels. And  
13 I guess you could take that all the way to the  
14 President of the United States.

15           I don't know what other answer to give you on  
16 that, Frank.

17           MR. MCGILL: Well, you've answered it.

18           Does anyone else have some questions for  
19 Phil?

20           MS. VON KLEINSMID: I have a couple.

21           On FOQUA, it's been brought a couple of times  
22 because you initiated that. We talked about  
23 maintenance concerns and you liked the concept of ATOS.  
24 And you said that they initiated FOQUA but you didn't  
25 know currently what the status was, if they're  
26 downloading the data.

1           What did they do initially on FOQUA? What  
2 was their implementation then if you weren't sure that  
3 they were actually --

4           (Crosstalk.)

5           MR. HOY: Again, I was not involved in the  
6 technical aspects of this thing and it's been years now  
7 since that was initiated, that program was initiated.

8           But as I understand it, Alaska Airlines was a  
9 test bed, one of the test beds for the FOQUA program  
10 and I know that the -- gee, I can't remember his title  
11 now. Ed Diechsnowski was the director out there. I  
12 don't recall who he was. But he was very much involved  
13 in implementing this FOQUA program for Alaska Airlines.

14           Maybe it was a bad example. Give me a little  
15 time and I can come up with some other examples of  
16 programs they've initiated.

17           MS. VON KLEINSMID: I'm just surprised because  
18 I hadn't heard Alaska, and that's just part of my own  
19 lack of knowledge. But I didn't know that they were  
20 actually using, downloading the flight data recorder  
21 and using it for implementation and lessons learned.  
22 This is the first I heard of it. So, maybe it was --  
23 you said years ago --

24           MR. HOY: FOQUA? Of Alaska Airlines using it?

25           MS. VON KLEINSMID: Yes.

1 MR. HOY: For FOQUA?

2 MS. VON KLEINSMID: For FOQUA. I mean, I just  
3 was not sure. I had not --

4 MR. HOY: I don't know why that popped in. I  
5 mean, there are other -- there are probably a dozen  
6 other examples that I probably could have used. I'm  
7 sorry I mentioned it.

8 MS. VON KLEINSMID: There was probably a lot  
9 of stress for you at the end of it.

10 The only last question I had was the FAA  
11 inspection which occurred I guess following the crash  
12 in the March-April-May time frame.

13 You mentioned that you worked with Alaska  
14 Airlines and that you guys together came up with --  
15 that they were part of your plan. Was there another  
16 plan initially to have all these results so specific in  
17 terms of manpower additions required and this and that,  
18 or was there some sort of -- is there any behind the  
19 doors agreements with Alaska that your findings were  
20 going to be subdued?

21 MR. HOY: No, no. This isn't the first time  
22 I've heard this. This evolved out of a concept that I  
23 first became familiar with with the implementation of  
24 ATOS, and that's the use of SATS, which are -- somebody  
25 in this room probably know, but Safety Action Team or  
26 Safety Analysis Team or something like that.

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1           SATS are designed to be teams designed to be  
2 formulated to address a specific problem. And it can  
3 be composed of any number of people representing a  
4 number of organizations. A SAT typically would have  
5 somebody from the carrier on it, somebody from the FAA.  
6 It could have the NTSB on it. It could have a  
7 manufacturer, Boeing manufacturer on it. It could have  
8 an ALPA representative on it. Whoever the appropriate  
9 people are to address the issue.

10           We identify an issue that needs to be  
11 handled. How are we going to do this. We form a SAT.

12           Well, this idea of the FAA having some kind  
13 of a sweet deal with the carrier that if you  
14 participate, we won't take any enforcement action, is  
15 not the case at all. SATS are designed to be  
16 investigative teams to solve a problem, generally  
17 jointly between the carrier and the FAA and any other  
18 outside experts that we need.

19           So I think that this idea of enforcement  
20 immunity as I've heard it called or sweeping findings  
21 under a rug as I've also heard it referred to, came out  
22 of this idea of developing a SAT that we had looked at  
23 at very preliminary stages. And actually, it wasn't  
24 something that was dreamed up at the certificate  
25 management section level. It was something that came to  
26 us nationally. They said take a look at the idea of

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1 doing a SAT.

2           And if you look at the definition of SAT in  
3 this Appendix 6 to the 8400-10 that I'm talking about,  
4 it talks about having a joint cooperative effort to  
5 resolve an issue, whatever that might be. It's not  
6 designed to be a continuing team. It's designed to be  
7 a team that lives only as long as the problem lives,  
8 and then it goes away.

9           So I've got a feeling that these little  
10 pieces that I occasionally hear about the FAA having  
11 some kind of an agreement with Alaska Airlines to not  
12 take enforcement action probably comes from the SAT  
13 idea.

14           MS. VON KLEINSMID: So you never saw anything  
15 in writing stating that fact?

16           MR. HOY: No.

17           MS. VON KLEINSMID: That's all I have.

18           MR. CRAWLEY: Let me ask one more. Just kind  
19 of taking maybe a little branch off of what you were  
20 just talking about, have there been any personnel  
21 changes or reassignments in the FAA because of pressure  
22 from Alaska Airlines, anybody at Alaska Airlines?

23           MR. HOY: No. And that's another continuing  
24 allegation that continues to hang out there. And the  
25 reason it does it because there are certain people who  
26 continue to beat that drum. And it is absolutely --

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1 how Alaska Airlines feels about FAA inspectors does not  
2 influence who we assign to that certificate. In fact,  
3 I can tell you that on one occasion an Alaska Airlines  
4 top management official came to me indicating that he  
5 would not want a certain inspector to be assigned to  
6 the certificate because he doesn't believe that the  
7 mechanics would get along with the FAA and it would be  
8 detrimental to the relationship. And that inspector  
9 was assigned to that position.

10 MR. RODRIQUEZ: That wasn't you, was it?

11 MR. HOY: No. Not that I know of.

12 (Laughter.)

13 MR. MCGILL: Phil, I don't think we have any  
14 more here. I think we've kept you long enough. We  
15 appreciate greatly your time. I know it's late and  
16 you're making I guess double time today.

17 MR. HOY: No. I'm on my own time. But that's  
18 okay because I'm having a load of fun.

19 (Laughter.)

20 (Whereupon, the proceedings were adjourned,  
21 to be reconvened on Tuesday, August 8, 2000 at 9:00  
22 a.m. in the same place.)