**G&H TOWING**

FLEET NEWS

SAFETY | INTEGRITY | STEWARDSHIP | RELIABILITY | UNITY

A LETTER FROM THE PRESIDENT

ADVERSITY + DIVERSITY = SUCCESS

“There are far better things ahead than any we leave behind” – C.S. Lewis

Pandemics, hurricanes, freezing temperatures and broken pipes – adverse and unforeseen, but not insurmountable. Thank you to my G&H family. Thank you for your collective efforts and character.

Why have we been successful?

I believe that we prevail in times of adversity because of our diversity. The G&H family is strong and has a sense of community. We hold a sense of inclusion and care for one another and find ourselves unified in our efforts on the job, at home and in our communities.

I have witnessed unity in your actions as you have supported one another, shown flexibility to cover another's shift, provided resources to those impacted by storms, consoled another as the pandemic's isolation has impacted their life and offered your home to another who needed warmth, food or a hot shower.

Each of you bring different experiences, skills and resources when solving challenges. Each of you bring different viewpoints, thought processes and personalities when working together. It's when we recognize our differences, accepting one another and open our eyes and ears that the G&H community endures hardships, working together to achieve success. You, the G&H Family are amazing.

As I look forward, I see 2021 as a year of opportunity. As vaccines continue to be distributed in the U.S. and in Texas, I am hopeful for a point mid-year where the virus will be more contained, leading to the reopening of our economy and increased confidence in public life. With that reopening, you will rest easier knowing family located elsewhere are in good health and that travel and gatherings are safer. Like me, I know that all of you are anxious to return to normalcy.

Amid the optimism, it is as important as ever that we continue to follow safety precautions to stop the spread of the virus. Let's not stop short of the goal, letting our guard down and affecting our health and the health of those around us. Wearing masks continues to be the most effective tool to mitigate the virus, and I urge each of you to get vaccinated when you are given the opportunity.

Your safety, health and well-being will remain central to G&H's mission in the days, months and years to come. Without a safe working environment and your health, the health and reliability of a sustained operation are also at risk.

In this new edition, and relaunching of *Fleet News*, you will read of several other topics and upbeat developments at G&H Towing, including a new tug build program, Subchapter M update, a MobileOps update, and much more.

Dave Hill
President





A WORD FROM OUR SAFETY DEPARTMENT

If we were to painstakingly evaluate every aspect of what we do, there would not be enough time in the day, right? And why would you, for the most part, think something through and consider every variable when you know the process and can easily predict the outcome?

In our everyday lives we must consume and process large amounts of information, prioritize what's important, and decide how to get work done with minimal risk of error. This requires quick decision-making on the fly. When doing so, we rely on passed experiences, intuition, and the process of quickly taking in information that is immediately at hand. We use this mental shortcut to speed up thinking things through and finding our way through activities of the day, and many times without second thought.

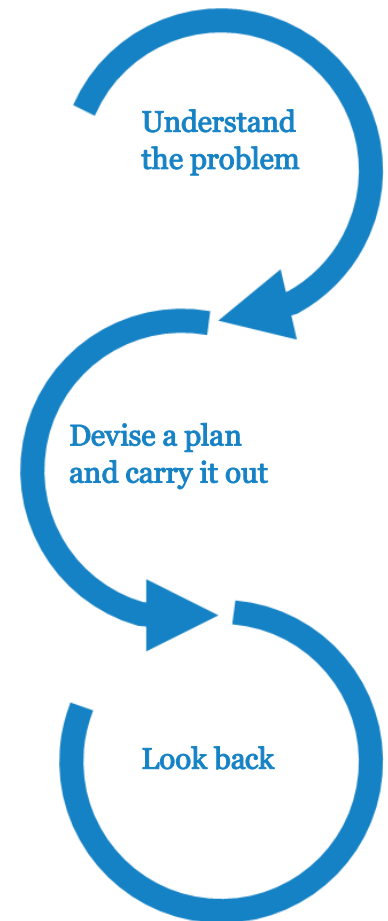
The term used to describe this mental shortcut is called a *heuristic technique*. It is a mental shortcut that allows an individual to evaluate, solve, and decide quickly and with minimal mental effort. We use “rules of thumb” or anchoring our decision on the first piece of information to guide our behaviors and get on with it. While this is a great ability of the human brain, many times it can get us in trouble. So how do we distinguish when a heuristic technique is appropriate or not?

Relying too heavily on heuristic techniques can result in poor judgement or even cognitive biases. We've all seen it. An incident occurs and the first thought is reflecting on what was missed. Then the regret of not being more thoughtful about the risks or potential negative outcomes. Was it process, training, maybe a poorly performed risk assessment, or just a false sense of confidence?

Each year we experience injuries, oil spills, mechanical failures, and operational incidents of many different kinds. Were they all just accidents, or could they have been prevented? And if you experienced one of these events, did you learn, and did you change your behavior to avoid its recurrence? And are you certain the change has eliminated that possibility? Lastly, and most importantly, have you shared what you learned with others? And if you did any of these things, do you still think the incident was still just an accident? If you changed your behavior in the slightest, you are thinking its recurrence is preventable.

In 2021 we must challenge ourselves to build better processes and rigor in what we do. Whether it's navigation safety, machinery maintenance, or just working safe, we need to provide predictability in delivering the best outcome with that same result every time. When you are faced with an activity that has high consequence, don't take that shortcut. Consider the variables. Verify, be inquisitive, and ask questions. Consider if barriers are sufficient. Consider the likelihood of something going wrong. Let's work together to deliver safe and reliable operations.

Bill Jeffries
Vice President, HSSQE



2020–2021 HIGHLIGHTS

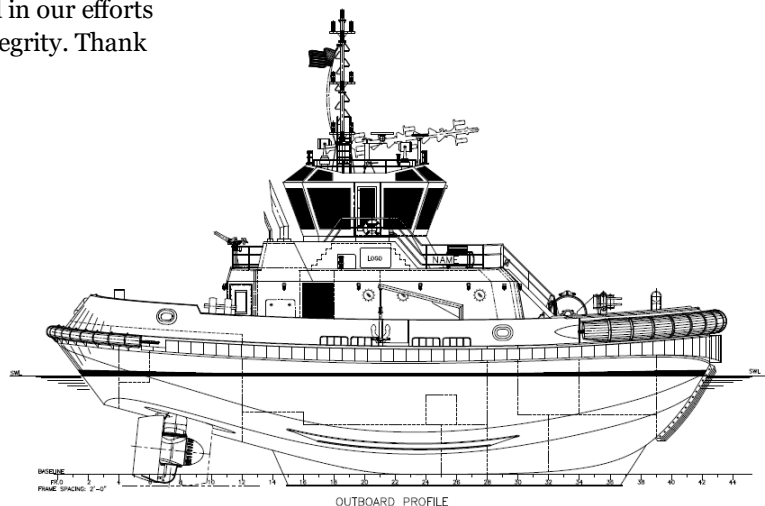
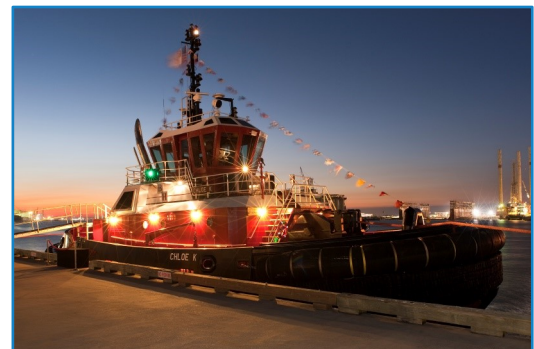
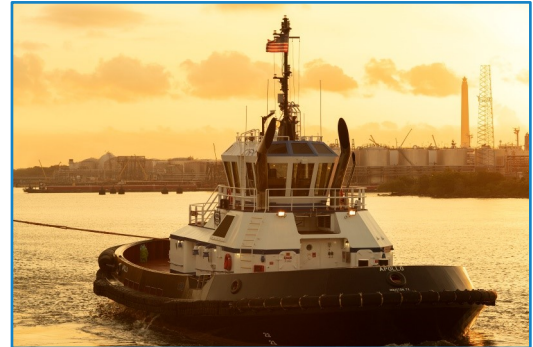
SUBCHAPTER M

Greetings All –

We wanted to take an opportunity to review our journey to compliance with the U. S. Coast Guard 46 CFR Subchapter M regulations. We published our first [Towing Safety Management System](#) in July 2018. We have been continuously improving the TSMS based on your master's reviews and feedback. Our first Certificate of Inspection (COI) was received for the MARK E. KUEBLER in December 2018. We published the Health and Safety Plan as an Annex to our TSMS in July 2019. In February 2020, we published Version 1 of the TSMS. Over the course of the last few years, we have had Annual Subchapter M External Surveys conducted by our Third-Party Organization (TPO) to determine the material readiness and compliance of all our towing vessels with the regulations. Our Safety Department has been diligently conducting thorough Annual Safety Inspections and keeping up with the required Annual Internal Audits of all the vessels in our fleet. In addition, our TPO has been conducting Renewal and Intermediated Audits for the issuance of Safety Management Certificates. All this work could not have been done without the hard work and dedication by our mariners and shore side staff. What a great team effort!

We still have more work to do...earlier this week the ATLAS received her Certificate of Inspection bringing us nearer to the 75 percent requirement, where we must have 39 Towing Vessels issued a COI by July 2021. While all of this was going on, we were also growing our fleet and were able to seamlessly bring into our fleet 10 New Construction Subchapter M Towing Vessels. In January 2021 the GEORGE M, the last of the Z-Tech 30-80 new builds received her COI from Coast Guard MSU Texas City. We still have more work to do to get to the finish line for full initial compliance by July 2022. Once we achieve that goal, we will have to stay on guard to continually maintain compliance, striving to be a safe and reliable company, unified in our efforts to deliver excellence through stewardship and integrity. Thank you all for a job Well Done!

Capt. Steven J. Huttman
Senior Vice President





2020–2021 HIGHLIGHTS

NEXT GENERATION OF TUGS

On February 1, 2021 Master Boat Builders Inc signed contracts with Bay-Houston Towing Company and Suderman & Young Towing Company to build a total of four 85' x 38'6" x 14'4" RApport 2600 Class/ ASD Tugs. The new tug design was based on our Z Tech 24-60 design, with the main goal to reduce navigational draft as this series of boats will be a fleet replacement for the Bludworth class boats. Delivery of the boats will begin in the 2nd Quarter of 2022 and with final boat being delivered in the 2nd Quarter of 2023.

Features of the RApport 2600:

Dimensions	85' x 38'6" x 14'4"
Fuel Capacity	35,140 gallons
DEF/Urea	1750 gallons
Potable Water Capacity	4200 gallons
Total Horsepower	(2) x 2213 HP @1600 RPM (4426 Total)
Expected Bollard Pull	52.5 Metric Tonnes
Main Engines	(2) Caterpillar 3512E Tier 4 EPA/IMO III marine propulsion diesel engines
Main Propulsion	(2) Schottel SRP 430 with 2200 mm propeller and idle to slip clutch Idle to slip clutch is a new feature that has been incorporated into supply. This allows clutch to slip while at idle speed.
Generators	(2) John Deere 4045 Tier 3 EPA with 99 KW 480 VAC Generator
Forward Hawser Winch	(1) Markey DEPCF-48 Electric Hawser Winch Class II, Single Drum 50 HP, Render/ Recovery, Line Tension Display
Regulatory	ABS Loadline and Machinery Class, USCG Subchapter M Under 200 US Regulatory Gross Tonnage

Mike Nigro

Senior Vice President, Engineering





G&H TOWING

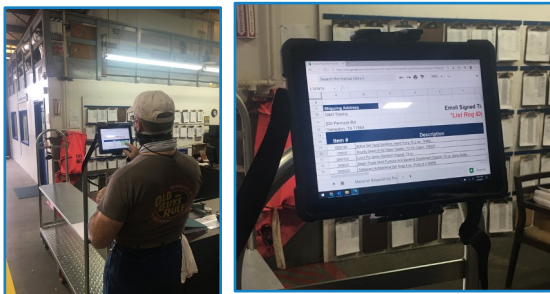
2020–2021 HIGHLIGHTS

WAREHOUSE UPDATE

Over the last 6 months, the warehouse team has made some considerable progress and would like to share the updates.

Please see the updates below...

Streamlining the Material Requisition Process



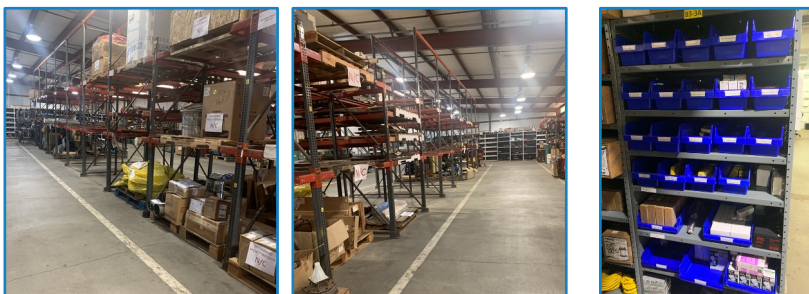
B. Tate with a tablet mounted on the material cart. Early stages of utilizing tablets to fill boat material requisitions.

Warehouse Organization & Efficiency



Gravity feed filter racks with minimum & maximum on hand quantities.

Organizing & Consolidating Racks



Optimizing Warehouse A space to open rack locations to relocate critical parts from Warehouse B

New shelving with bin storage

2020 LONGEVITY AWARDS

25 YEARS



Willard Ransom, Chief Engineer (pictured right) and Capt. **Douglas Scott, Master** (pictured left) are presented with their well deserved 25-year longevity awards.
Way to go gentlemen!



15 YEARS



Barton Tate, Warehouse Clerk, is presented his 15 year award by Dave Hill, President and Tahj Bomar, Director of Purchasing & Logistics



Capt. **Frank Martine**, Master, is presented his 15 year award by Capt. Russell Gibson, Sr. Port Captain, Jason Dewitt, Port Engineer, and Ed Hichborn, Port Engineer



Capt. **Bryan Albrecht**, Master is presented his 15 year award by Capt. Bobby Pytko, Port Captain



2020 LONGEVITY AWARDS 5 YEARS



Kyle Jackson, Chief Engineer, is presented his 5 year award by Capt. John Gunning, Port Captain



Capt. **Michael Boggs**, Master is presented his 5 year award by Capt. John Gunning, Port Captain



Phillip Terry, Oiler, is presented his 5 year award by Capt. John Gunning, Port Captain



Chris Badgett, Chief Engineer, is presented his 5 year award by Capt. John Gunning, Port Captain



Ivan Hassan, Oiler, is presented his 5 year award by Capt. John Gunning, Port Captain



Thomas Bolyer, DDA Engineer, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



Capt. **Michael Platon**, Master, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



George Maloney, Chief Engineer, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



Louis Brust, Chief Engineer, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



Steven White, DDA Engineer, is presented his 5 year award by Xavier Valverde, General Manager - CC



Skylar Vanckhoven, Mate, is presented her 5 year award by Capt. John Gunning, Port Captain



Austin Wisely, Mate, is presented his 5 year award by Capt. Bobby Pytka, Port Captain

2020 LONGEVITY AWARDS

5 YEARS



Peter Ntaamah, DDA Engineer, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



Capt. **Jarrod Nix**, Master, is presented his 5 year award by Capt. Russell Gibson, Sr. Port Captain



Sean Foster, Mate, is presented his 5 year award by Capt. Bobby Pytka, Port Captain



Charles Burnell, Chief Engineer, is presented his 5 year award by Xavier Valverde, General Manager - CC



Walter Brockway, Chief Engineer, is presented his 5 year award by Xavier Valverde, General Manager - CC



Michael Silberisen, Warehouse Manager, is presented his 5 year award by Dave Hill, President and Tahj Bomar, Director of Purchasing & Logistics



Kevin Lindsey, Watch Supervisor, is presented his 5 year award by Capt. Robyn Sarvis, Director of Operations



Michael Diggs, Oiler, is presented his 5 year award by Capt. Russell Gibson, Sr. Port Captain

Also receiving 5-year longevity awards, but not pictured:

Capt. **Nick Berger**, Master

Jordan Ward, Mate

James Beatty, Oiler

Jason Borne, Mate

Fernando Pacheco, Mate

Pearson Smith, Chief Engineer

At G&H Towing we know it is our employees that help make us strong and keeps us going and growing. **Congratulations to all of you for your years of hard work and dedication to G&H Towing!**

2020–JANUARY 2021

RETIREES



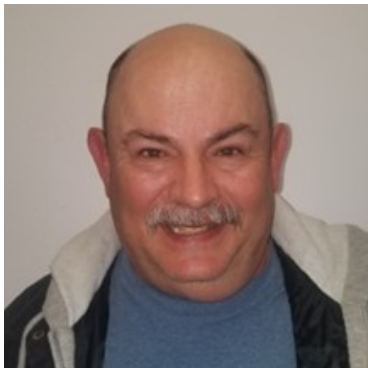
Capt. **Jack Hays**, Master, began employment with G&H Towing on September 15, 1991 and retired on June 8, 2020



Capt. **Terry Tracy**, Master, began employment with G&H Towing on September 4, 1993 and retired on June 30, 2020



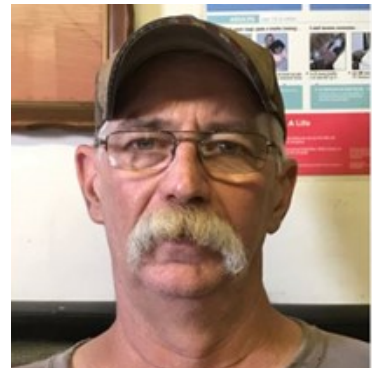
Capt. **Chris Bartholmey**, Master, began employment with G&H Towing on May 22, 1987 and retired on August 19, 2020



Rusty Lafrage, Chief Engineer, began employment with G&H Towing on February 28, 1979 and retired on November 4, 2020



Capt. **Charles Barnes**, Master, began employment with G&H Towing on February 1, 1991 and retired on August 21, 2020



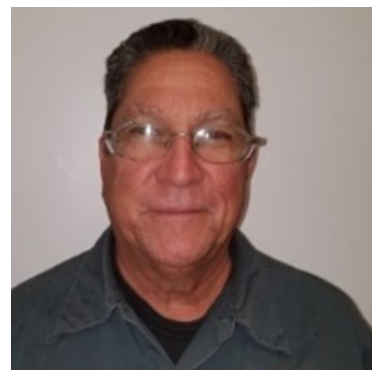
Frank McCleese, DDA Engineer, began employment with G&H Towing on November 22, 1986 and retired on December 22, 2020



Sandra Hall, Engineering Administrative Assistant, began employment with G&H Towing on January 16, 2006 and retired on January 17, 2020



Louis McBride, Shoregang/ Electrician, began employment with G&H Towing on March 15, 1982 and retired on January 29, 2021



Martin Alvarado, Shoregang/ Welding, began employment with G&H Towing on April 16, 1990 and retired on January 8, 2021



2020–2021 HIGHLIGHTS

HR UPDATE

G&H's HR department has been remarkably resilient in the face of massive disruption to G&H's operating environments, the increased urgency of diversity, equity, and inclusion prioritized the role of HR to remote work, and digital transformation. In 2020, having documented strategies in place played a critical role in improving HR effectiveness, a testament to the value of having strategic plans in place prior to facing a crisis like the COVID-19 pandemic. With remote work continuing into 2021 and beyond for half of G&H Shoreside, changes must be made to ensure success. First, G&H transitioned all required training online. We implemented our LMS in July of 2020. Next, to ensure we were able to continue bringing in new talent to keep our workforce strong, we adjusted related programs such as recruiting and onboarding to suit the new virtual environment. Finally, we revisited the G&H Website and Employee Intranet to enhance communication with our employees.

Kelly Witt

Vice President, Human Resources



What Comes Next?

LMS – Currently, we are reviewing and preparing the required training for 2021. We will restart the 2021 required training on April 1, 2021.

Employee Store – We are in the process of implementing the G&H Employee Store that will be accessible through our Employee Intranet. Employees will have the ability to purchase quality branded products with our G&H logo. The goal is to have the Employee Store up and running by the end of April 2021.

We are happy and proud to announce that **ALL PERSONNEL** have completed all training courses for 2020 in the Learning Management System (LMS)!

341 total vessel crew completed their training courses that satisfy the training topics within the TSMS and any additional training that was added on throughout the year

94 total shoreside employees have completed their training courses that satisfy the training topics for positions listed in Section 1 of the TSMS, as well as any additional training that shoreside personnel needed to complete.

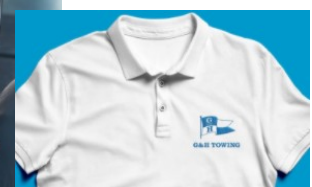
435 users have logged in officially and completed training, **341** Vessel Crew and **94** Shoreside

8089 registrations total for the training courses within the LMS

We want to thank all personnel for the hard work and dedication you all put in to ensure that all trainings were completed for 2020. Our teamwork helped make this new learning management system possible for 2020 and we are very proud to see the LMS become such a success during these troubling times.



Online Learning



Employee Store - Coming Soon!



2020–2021 HIGHLIGHTS

MOBILEOPS UPDATE

As many of you already know, we have been transitioning over the past year to an electronic, computer-based vessel management system called MobileOps. This is a long term project that will centralize our inspection reports, surveys, general maintenance, vessel documents, and other compliance related records. So far, we have 45 of our tugs fully activated, with 6 left to go.

The implementation of this new program is a testament to the dedication of our crews to learn a new program and help one another along the way. Thank you to all who have been regularly recording maintenance items there, writing up detailed narratives for your safety drills, and who reach out to remind us shoreside folks of upcoming expiration deadlines for fire inspections and class surveys. Keep up the good work!

Rachel Derrane

Marine Environmental and Technical Manager

Coming Soon...



October 2021 *Fleet News* Issue

