

DOCKSIDE

Bordelon Marine Newsletter
Spring Edition 2019

A Year to Celebrate!

2019 marks a very special, forty-year milestone of challenge and success.

Forty years ago, two brothers took an idea and made it a reality. This year will mark the culmination of hard work and dedication by many talented people over four decades that would eventually become Bordelon Marine.

In 1979, Terry and Gerry Bordelon founded the company Gulf Operators Inc. and soon after renamed it to Bordelon Brothers Marine. Over the next decade, and

through the tumultuous environment of the early 80's, the company grew to include offshore utility vessels, brown-water luger tugs and ocean-going material barges. In 1991, Gerry Bordelon past away and over the next five years the company eventually downsized its fleet, keeping only the utility vessels. The company also shortened its name to Bordelon Marine Incorporated "BMI". *Continue on page 4*



Bordelon Marine



photo provided by Captin Robert McLellan on the Brandon Bordelon

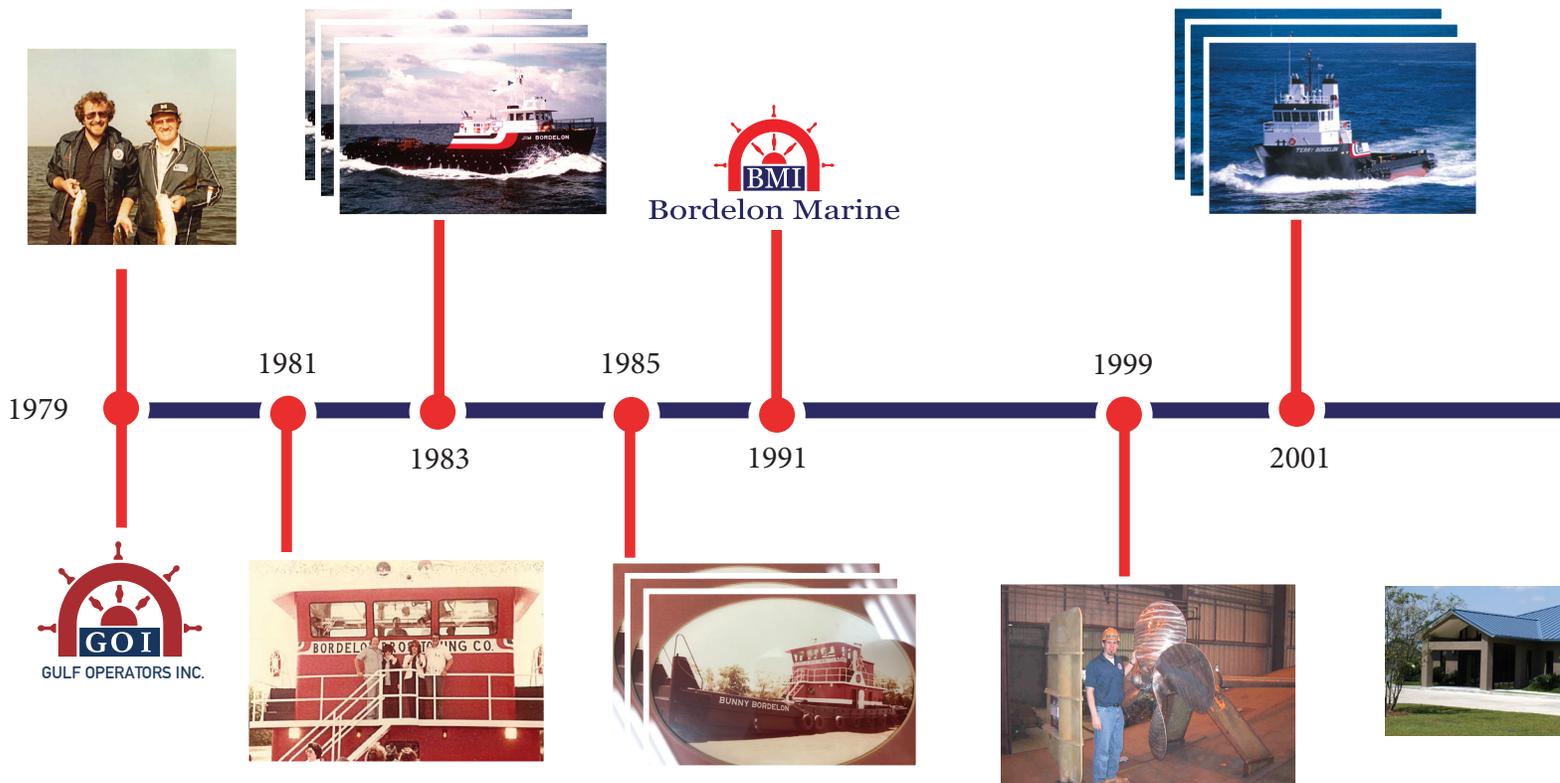
A YEAR TO CELEBRATE



Bordelon Marine

In 1999, Wes Bordelon entered the company at the end of a cycle that had seen several periods of growth and decline. The fleet at this time consisted of three 96' utility vessels built in the early 80's. In 2000, Wes implemented a new-build program that would rebuild the fleet to a total of twelve OSVs ranging in size from 140'-170'.

By 2010, the company decided to expand its fleet again and venture into the deep-water markets. Wes wanted to breakaway from the highly competitive and overbuilt PSV space and become a more specialize player in the Subsea arena. At this juncture, the company set out to design and build a unique and adaptable next generation subsea support vessel called the Stingray260. Wes realized that to build this highly specialize, first of its kind vessel, and control the quality throughout the build process, the company would need to build the boat itself.



FOURTY YEARS AND COUNTING

In 2010, the company purchased land in Houma, LA and built a fit-for-purpose shipyard to bring the Stingray260 concept to life. Bordelon Marine Shipbuilders was born. The shipyard was completed in September of 2011, and began work on its first Stingray260, MV Connor Bordelon. The MV Connor was delivered in late 2013 and went straight to work on a three-year project. After the delivery of the first Stingray vessel, the MV Brandon Bordelon and MV Shelia Bordelon were built and delivered over the next three years.

By 2016, Bordelon Marine had transformed itself into a modern and highly specialized deep-water operator. But it also found itself in the midst of the worst downturn since the 80's. History has an unfortunate way of repeating itself. However, due to the innovative vessel design of the Stingray260 and the hard work and unwavering efforts of the company's people, Bordelon Marine was able to find success again.

The year 2019 marks a very special, forty-year milestone of challenge and success! This 40th milestone shows a multi-generational effort that has positioned the company today to begin a new period of growth and innovation.

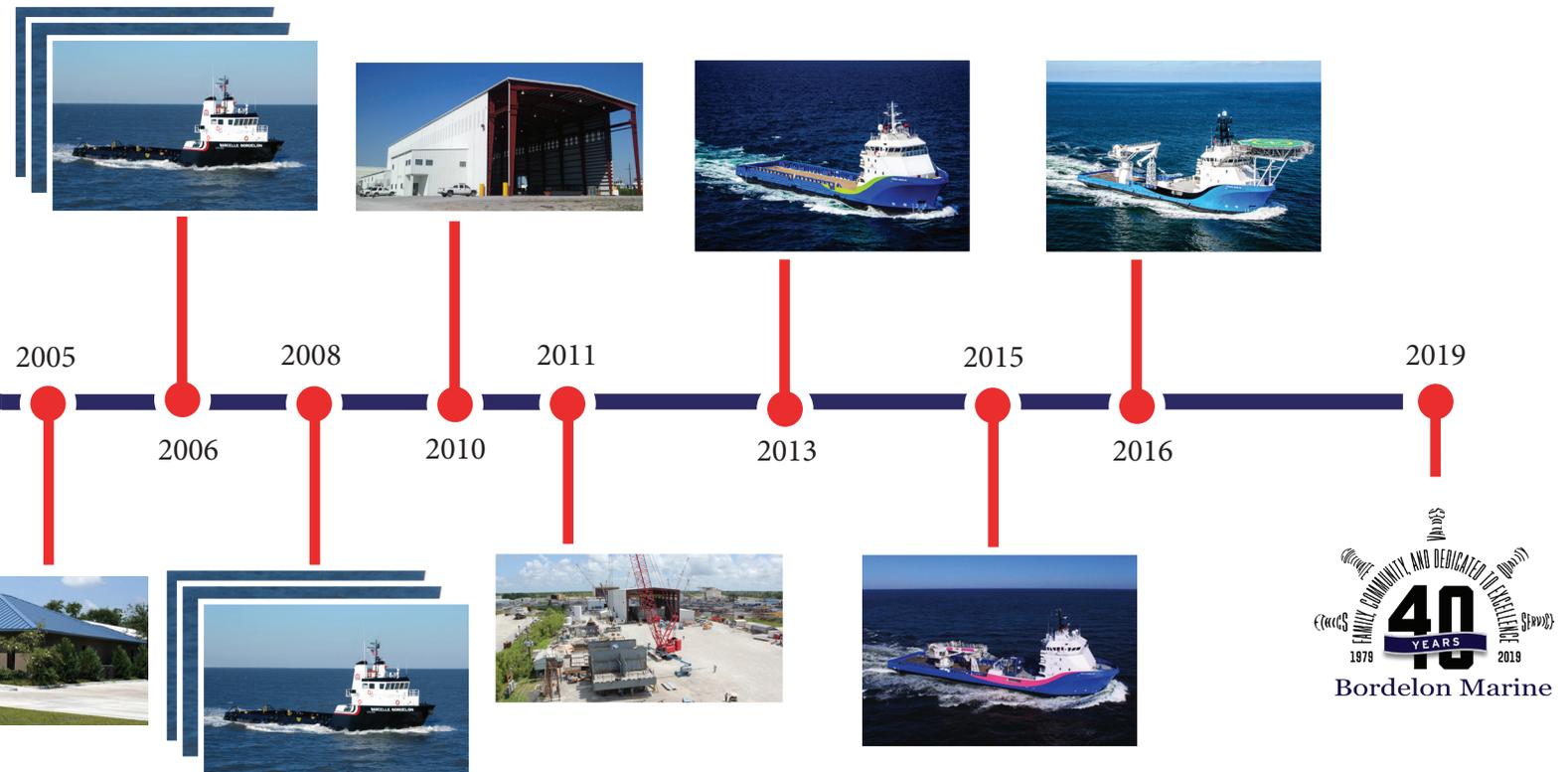


photo provided by Jack Sherman on the Shelia Bordelon



Notes From The Helm

Sometimes it's hard to focus on the positive things in life. Especially through the recent downturn and the challenges from the past three years. But on the eve of this Company's 40th anniversary, I am reminded of a great number of positive things.

In 2018, we saw excellent utilization and rate growth across all of our vessel classes. We ended the year above 70% fleet wide utilization. We brought the MV Bunny out of stack, and completed a successful Q4 campaign. We completed a 300+ day charter in the wind farm industry, and look forward to repeat a similar scope in 2019. We secured two key term contracts for the MV Brandon and MV Connor running through 2019; which helps build sustainable levels of utilization and revenue growth going forward.

Operationally, the company has also done well. We continue to evolve and refine our internal systems that now function at a level on par and above any subsea company in the industry today. We have been able to attract and maintain some of the best mariners in the business. Hats off to the OPS group for making it happen.

In addition to 2018, we saw the realignment of key positions and the introduction of new talent. Congratulations to Dirk, Quinton, Devin and Will for their well earned promotions. Many thanks should also go out to Chris, Ryan, Desiree, and Angela for stepping up and taking on additional responsibilities. Lastly, we welcome Roberto to the company as our new CFO. Roberto started with us this past summer and has done an outstanding job. It's hard to limit this "shout-out" to only the people above. There have been too many great efforts & results to break it all down here. Make no mistake, it is collectively why we remain a strong and successful company today. I am fortunate to be at the helm of such a talented group.

Forty years of success is nothing to take lightly. I am proud to continue the company's great name and the ideas that were put into motion by my father & his brother so many years ago. I'd like to think that their spirits are still a part of this company, and their belief that solid ethics should be the foundation of any good company still holds true today.



Wes Bordelon
President & CEO
Bordelon Marine

HOT TO RESPOND TO ETHICAL DILEMMAS

If only all decisions were this simple. The problem with the decisions we have to make is that they will inherently affect someone – positively or negatively.



Why are ethical decisions intimidating? Just choose the right answer and avoid the wrong one. If only all decisions were this simple. The problem with the decisions we have to make is that they will inherently affect someone – positively or negatively. These decisions do not always cusp the great tragedy of “ethical dilemma,” but can be routine and small in nature. Still, these decisions have an impact. The framework for decision-making is the same no matter the gravity of the consequence or impact. At its core, ethics is the code by which we govern our interaction with other individuals and groups. It includes virtues such as character, commitment, empathy, equity, honor, integrity, respect, and responsibility. Sometimes these virtues can be at odds with one another. For example, a decision may give the impression of commitment to a group but come at the expense of one’s integrity. When there is a struggle between these virtues or values, an ethical dilemma will arise. This eight-step process has been widely published in many leadership studies; unfortunately, the source is unknown. Some studies have reduced the process to four or five steps. Here in its entirety are the eight steps. The next time you find yourself choosing right from a plethora of other right answers, follow these this process to discern your best response.

Step One: Gather the Facts

Do not jump to conclusions. Do you really know the facts or is the issue just based on hearsay? Honestly ask yourself, “Am I making an emotional decision?” If so, it is important to pause and get all the facts you can. What do you know? What do you not know? How did the situation occur? Sometimes you will have to make a decision with little facts. At a minimum, collect all the facts you can and eliminate speculation.

Step Two: What Does the Law Say

In this step, “law” broadly means any standard which has authority over you, stakeholders, or the situation. This could literally include texts such as U.S. Code and state laws. It also includes company policies, industry standards, and best practices. You may want to replace the word “law” with “book.” What does the book say? Community standards are also relevant here. Would the community classify an action as right or wrong? In step two ask yourself, “Is it legal?” “Is it acceptable?” Think of as many issues as possible and talk them through with people you trust. Discuss the dilemma and ask the trusted person if they see any other issues.

Step Three: Identify the Affected Parties

Since your actions may affect other people or groups, the ability to empathize is critical to determine which choice to make. Once you know who is affected by the action, try to put yourself in their shoes. How would you feel if you were them? This will help you see the issue from a different perspective and determine how the party would defend themselves. You may consider testing the decision before executing it by discussing the issue with some of the affected parties. From their response, you will better gauge the situation and be able to tailor your final course of action. The key principle in step three is simply this - Remember the Golden Rule.

Step Four: Identify the Consequences

Think to yourself, what could the consequences be for each action. It could not only affect you but others as well. Consider the gravity and probability of the consequences. In some scenarios, the greater good for the greatest number of people may be the best decision. Think about the short and long-term consequences. Every action, or inaction, sends a message. Be aware of the symbolic consequences of your actions. As best as you can, calculate the cost of each decision and weigh them.

Step Five: Identify the Obligations

Do your best to keep your promises. You will undoubtedly have obligations to others that must be considered in your choices. You may have to break your obligations. Think about to whom the commitments have been made then find ways to mend them. This step is in the middle of the decision-making process. The most important steps occur early and later in the process. Keeping obligations is important, but should never outweigh the other steps such as Step Two and Step Six.

Step Six: Consider Your Character and Integrity

How do you want to be remembered? On your deathbed, which decision will you have wished you made? This step asks you to think about the importance of moral qualities. It is challenging because it requires you to take a personal inventory of moral standards and then to assess how you think others will appraise your character based on the decision you make. These qualities may differ from person to person. You could ask yourself how others will perceive your character and integrity, but in today's social media world of trolls lambasting people who are not 100 percent on their side of everything, being concerned about other's perceptions of you are not as important as your own moral compass. You may find it better to contemplate this step by asking yourself what someone who loves you would think of your decision. How would you explain your decision to your parent, spouse, daughter or son?

Step Seven: Think Creatively about Potential Actions

Look outside the box. Be creative. Your choices do not always have to be definitively black or white. You may find a more colorful option. If you do not look beyond the definitive solutions, you may overlook an entire spectrum of potential actions which may better serve the most stakeholders and yourself.

Step Eight: Check Your Gut.

You are probably thinking hard about the right decision to make because your gut is telling you something is wrong. Pay attention to this signal. It is an instinctive trait built over thousands of years of human socialization. Your gut feeling may not be correct and it may be desensitized. Use this step as a trigger you are encountering an ethical dilemma then use reason and rational decision-making tools to guide you through the process. After using the previous seven steps check your gut again and repeat the cycle if necessary.

Ryan Kilgo
Director of Compliance
Bordelon Marine

The Resource

HOW CAN YOU SET YOURSELF UP FOR FUTURE FINANCIAL SUCCESS?

You know it's important to save for retirement. And you know that your savings need to last the rest of your life. But how does that work? How can you turn your savings into income that will last your whole retirement?

Creating a retirement income plan is a great place to start. Sitting down and doing the math to figure out how much your retirement savings will actually cover isn't an activity most of us look forward to. But it's something you should do sooner rather than later. Because the sooner you have a plan, the sooner you can get on track for the retirement you want. You don't have to do it alone. A financial advisor can help you figure out how to use your savings, along with Social Security and other income sources, to meet your expenses all through retirement.

HERE ARE SIX POTENTIAL STEPS FOR CREATING — AND MAINTAINING — YOUR RETIREMENT INCOME PLAN:

1 Figure out your expenses

To get a feel for how much you'll spend in retirement, answer a few questions. When do you want to retire? What bills need to get paid? Will you still have debt, like a mortgage, in retirement? Detailing how much you'll need to spend will help you determine how much you'll need to save.

2 Identify your income sources

What money will you have to help pay for your retirement? Social Security? A retirement savings account through your job? An IRA? Document your sources of income to help make sure you have money coming in to cover your money going out.

3 Review where you're at today

Next, you and your financial advisor can look at what you have saved and how it's invested. Based on this, your financial advisor can help project how much savings you might have by the time you're ready to retire and how long it will likely last. Then they'll look at how closely it matches up with your future expenses.

4 Identify savings gaps — and take steps to fill them

If your review shows you aren't likely to have enough money in retirement, your financial advisor will go through options that may help increase your income. For example, you could increase your contributions, adjust your investment mix to try to grow your savings faster or delay your retirement a little longer.

5 Plan how you'll pull money from savings in retirement

Think about how you'll turn your savings into income once you retire. You have options:

- Keeping savings in the retirement plan and pulling money out as needed to pay bills. You can also use some of that savings to buy other financial products.
- Rolling savings into an IRA and pulling money out periodically to do the same things.
- Taking your money out in one lump sum. However, this may not be your best choice. You'd be taxed pretty heavily, and your money wouldn't have potential for growth once it's out of the market. Plus, you might have to pay penalties, depending on how old you are. Many people combine different strategies and products to try to take advantage of the benefits of each. Work with your financial advisor to figure out the best mix for you.

6 Keep tabs over time

Making a plan is a great start, but it's important to monitor your accounts and investments so you aren't surprised later. Keep tracking your expenses, your income and where it's coming from. Your financial advisor can help you make tweaks if your needs change.

Get started today.

Retirement planning can be overwhelming on your own. But working with a pro can make the process easier.

Need to find a financial advisor? The Principal can help.

Give them a call at 800.547.7754. The Principal can help introduce you to retirement experts ready to work with you – no matter where you are in the planning process.

ENROLL TODAY

By visiting principal.com/enroll or by calling 800.547.7754

Desiree Loupe
Director of Human Resource
Bordelon Marine



BRAIN TEASER

I have forests but no trees. I have lakes but no water. I have roads but no cars.
What am I?

It is flat as a leaf, round as a ring, Has two eyes, yet cannot see a thing.
What is it?

Your parents have six sons including you & each son has one sister.
How many people are in the family?



The answer is on the back page.

Anchored in SAFETY

SAFETY TALK

People begin to have a false perception of safety and become comfortable bypassing safety protocol. That perception may lead people to begin to get closer and closer to the ledge.

Organizational Drift is a slow migration of work practices away from the idealized standard of how work should be done. Improperly assessed changes in work processes can lead to a reduction in safety margins. Changes, such as short-cuts or workarounds, are often subconsciously reinforced when the end result does not produce a negative impact.

Imagine a dangerous cliff with a physical barrier 15 feet from the edge. The barrier was put in place to prevent people from getting to the ledge and having a potential incident that could lead to a severe injury or fatality. However, some people may ignore the safety barrier and traverse the fence to get a closer look at the view. One person may get over the fence, take a photo 10 feet from the edge with no consequence. Other people view this action, assume it is safe, and continue to ignore the barrier & get closer to the edge. People begin to have a false perception of safety and become comfortable bypassing safety protocol. That perception may lead people to begin to get closer & closer to the ledge. The more people that successfully go on the other side of the barrier to get close to the edge & do not have an incident, the more this behavior is reinforced. The action of ignoring the barrier, and creeping closer to the edge is called drift. Accepting risk & disregarding mitigations in place is drifting toward danger. Often this drift continues until an incident occurs or proactive measures are taken.



A common example of drift in everyone's life is the use of seatbelts in vehicles. The average person does not normally recognize the benefits of wearing a seatbelt. This mindset can lead to drivers & passengers to ignore the function of seatbelts & develop a pattern of incorrect use or complete non-use of the safety device. How many times have you entered a Cab or Uber without using a seatbelt? Just because "nothing happened," does not mean this was a safe behavior. It is usually not until someone is involved in a vehicle accident does a person realize the importance of a seatbelt. In order to be proactive & reduce the risk of severe injury in the event of a vehicle accident, seatbelts were made required, by law, to be worn

by all passengers in a vehicle. The law is a procedural control, & to reinforce the control people can be issued tickets, fines, or citations for not properly wearing seatbelts in transit. Additionally, signs along the road & advertisements help promote safe behavior proactively. Vehicle manufacturers have implemented engineering controls such as warning lights & alarms when someone enters a vehicle without using a seatbelt. Some vehicle creators have even explored the installation of sensors that do not allow a car to start without a seatbelt properly secure. All these controls & developments are designed to prevent drift toward failure & keep people actively conscious of safe behaviors. The marine industry involves complex operations with complicated systems. In many cases, we perform work that very few people have ever attempted. Regulations & procedures for work in complex systems are always incom-

plete, & sometimes crews must deviate from the task as planned to be successful. These deviations may be required by circumstances that were not anticipated by the procedure, requiring vessel crews to develop workarounds. Other deviations are due to workers developing shortcuts & local optimizations which reduce the workload or improve productivity. This is to be expected due to the nature of our industry; however, each change, adjustment, or modification to a plan or procedure must be properly analyzed before proceeding. We have tools and processes that can be used to capture deviations and work arounds. Risk Assessments, Management of Change, Permit to Work, Hit Cards, & Stop Work Authority are all processes put in place to capture changes and identify risk in a dynamic environment.

“ Accepting risk & disregarding mitigations in place is drifting toward danger. Often this drift continues until an incident occurs or proactive measures are taken. ”

Our Safety Management System (SMS) & Safe Operation Manual (SOM) are in place to give guidance for operations. Procedures & regulations may not cover all the unique operations we encounter as an organization. It is important that our crews & management work together to proactively fill in the gap of the unknowns, identifying risk, & mitigating hazards before completing the task at hand. Drift can occur in our industry when hazards are not identified, the risk is not properly assessed, controls are not put in place, & companies still experience incident-free operations. Complacency can begin to set in. A successful campaign without incidents does not mean there are not at-risk behaviors. Risk is a probability. Completing a task without proper safety processes increases the probability of an incident. Just because something negative did not happen, does not mean that it can not. An organization resilient to drift continues to complete & improve processes even when “nothing happens.” Programs such as Bordelon Marine’s Behavior-Based Safety process (Stop Watch And Teach [SWAT]) are proactive measures to combat drift by observing behaviors in your working environment. The information captured is vital to improving policies, procedures & documenting lessons learned for future operations. It is important to understand the significance of our safety processes before completing any job or task. No matter how mundane or critical a task might seem, there is always a probability of an incident. Our goal is to keep that probability as low as practicable or stop the work if it is not acceptable.

Chris Martin
HSES Director
Bordelon Marine

EMPLOYEE SPOTLIGHT



On behalf of Bordelon Marine, we would like to recognize Ryan McGittigan for his work & performance over the last year. Ryan was tasked with numerous projects and mobilizations under tight deadlines at Bordelon Marine’s dock in Houma, LA. During frenzied hours of hard work, Ryan maintained a safety conscious throughout each job scope. We would like to thank Ryan for his hard work & dedication to maintaining a good safety culture during his operational duties.



On behalf of Bordelon Marine, we would like to recognize Master Michael Hahn for his continued effort to increase awareness towards safe operations and compliance. He has shown great leadership in promoting a positive HSE culture within Bordelon Marine and Oceanengineering operations. Captain Mike has identified gaps and proactively suggested mitigations that has led to successful campaigns. We want to thank you for your input determination in improving Bordelon Marine’s processes and culture.

did ya know...?



EXCERCISE YOUR BRAIN ANSWER!

1. A Map 2. Button 3. Nine is the answer! The breakdown is:
2 Parents, 6 Sons, and 1 Sister



Play again next Dockside!

What is different?

Hint: 6 things has changed.



Answers are below Photo Contest

Photo Contest



THANK YOU FOR PARTICIPATING!

Thank you for every one who participated in the Bordelon Marine's photo contest. All the images submitted were awesome which made it very challenging to choose a winner for the contest. However, we could only choose a first place winner and second place winner. The first place winner is Relief Master Robert McLellan on the Brandon Bordelon. Mr. Robert McLellan's photo is featured as the cover of this Dockside Newsletter with a few added elements. The second place winner is Chief Mate Jack Sherman on the Shelia Bordelon. Mr. Sherman photo is featured on the fourth page for our Notes from the helm. We appreciate everyone participating & hope we can do this contest again with even more entries!



Answer: Flashlight, Notepad Color, Screen Off, USA Patch on shoulder, Lights are red and Windshield Wiper is missing.