

**Subject:** SASO Minimum Standard-DVT RESPONSE  
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**From:** EChauza  
**To:** barney.helmick@phoenix.gov  
**CC:** mberglund1@cox.net, dougbbca@msn.com, navybob@uswest.net, Kccada2, EChauza, hlglen438@cox.net, deegrimm@cox.net, JimGertLittle, mtmcnally@cox.net, qulytel@qwest.net, tollman@attglobal.net, stutracy@cox.net, Gary.mascaro@phoenix.gov, n13ar@cox.net



November 28, 2006

Barney Helmick  
Phoenix Goodyear Airport  
1658 S. Litchfield Road  
Goodyear, AZ 85338

RE: SASO Minimum Standard-DVT

Dear Mr. Barney Helmick,

This letter is a response on behalf of the Deer Valley Pilots Association (DVPA). Our organization represents the tenants at Deer Valley airport (DVT). We wish to address the tenants concerns relative to the SASO Minimum Standard Draft distributed at the October 30, 2006 public meeting. Upon reading the draft, we find two major areas directly affecting the tenant aircraft owner. First is the guideline covering the Independent Aircraft Maintenance Operator (Mechanic) and second, the other covering Independent Avionics or Instrument Operator. The following comments apply equally to both areas, although the Independent Mechanic will be referenced.

**Liability Insurance-** *“Commercial General Liability Insurance” in the amount of \$1M is unreasonable and unacceptable. A one million dollar policy is not readily available to most independent mechanics operating at DVT. Expectations of that amount will create an undue burden for the mechanic and the aircraft owner. The tenant owner will pay for this additional cost through an increased hourly rate. Reasonable and realistic should be the goal of this guideline.*

*“Vehicular Liability Insurance” in the amount of \$3M is also unacceptable and an unreasonable. Arizona state statute sets minimum levels of financial responsibility at:*

*\$15,000 bodily injury liability for one person  
\$30,000 for two or more persons  
\$10,000 property damage liability*

The amounts set forth in the Minimum Standard far exceed the amount set by statute. The airport tenant should not have to shoulder the exorbitant amount called for in the standard unless and until other public facilities such as auditoriums, parks, etc. share the same burden.

**Service Fees** - in the amount of “greater of \$400 annually or 2% of gross sales” is an unreasonable requirement. The independent mechanic receives a very small markup for any handling or storage. Airport Administration has minimized any storage capability by putting maximum limits on items such as batteries, tires, oil, etc. that may be stored in a hangar. This requirement is enforced through regular annual inspections. Both cases severely handicap the individual mechanic by limiting his inventory and then essentially taxing him on the total sale. Independent mechanics generally receive little monetary benefit beyond their labor. It is not unusual to have 50% of the maintenance bill attributable to parts and material. In the case of engine overhauls and major airframe work, that percentage increases to an even higher level. For Example, let’s take the case of a simple engine replacement which is a common aircraft maintenance task. The example shows the high cost associated with aircraft parts and material relative to the cost of labor.

Engine Cost	\$30,000	Propeller Cost	\$9,000
Labor 60Hr@\$45/Hr	<u>\$2,700</u>	Labor 8Hr@\$45/Hr	<u>\$360</u>
	\$32,700		\$9,360

**2% Gross is                    \$654 (=24% of Labor)                    \$187 (=52% of Labor)**

The engine example represents a 24% fee (\$654/\$2,700) levied on the mechanic. The \$654 fee will come out of the \$2,700 of mechanics proceeds. . The propeller example becomes even more absurd. How many of our mechanics will be able to stay in business charging an additional 24% fee? This cost will be passed through to the aircraft owner. Many owners are already financially extended in maintaining an aircraft due to increased costs such as fuel, insurance and maintenance. This could quickly force many of our tenants to give up aircraft ownership or seek unsafe alternatives.

Independent mechanics should not be expected to operate without a fee to the city. The city seems to have taken a “one size fits all” approach in establishing a fee. This approach does not take into account the unique characteristics of aviation maintenance at the independent mechanic level.

A more realistic approach would be a percentage of net proceeds, adjusted gross income or an annual flat fee or a hybrid of both.

**Piston engine restriction** - Independent Mechanics will be restricted to working only on piston engine aircraft with a wingspan limited to no more than 50’. These are designated as “Group I Piston Aircraft”. For turbine operators, this will preclude owners using an Independent Mechanic. Again, this is another unreasonable and unacceptable requirement with no basis and is not supported by any FAA regulation. The “Group I Piston Aircraft” is an airplane design group definition from FAA Advisory Circular 150/5300-13 used for airport design of runways, taxiways and infrastructure. It makes no reference to aircraft maintenance. This requirement is inappropriate for use in defining aircraft maintenance guidelines.

*The restriction limiting Independent Mechanics to working only on piston engines and excluding mechanics from turbine engine aircraft has no FAA regulations basis. It restricts the tenant turbine aircraft owner to use an existing FBO or an off field facility for maintenance. As currently drafted, the minimum standard prohibits the Independent Mechanic and appropriately licensed operator from adding hydraulic fluid, changing a tire, replacing a brake pad or performing many of the activities on turbine aircraft, permitted by FAR 43.3(g) and Appendix A to Part 43 section (c), which are allowed by a licensed pilot.*

*It is a known fact in the aviation community that there is a migration to the turbine power plant, especially in many of the newer built aircraft.. With this technology restriction, there is the appearance of a planned sunset provision for the planned demise of the Independent Mechanic of piston aircraft.*

*The diverse amount of aircraft types at DVT (High wing, low wing, fabric, composite, metal, piston, turbine, vintage, warbird, experimental, helicopter, retract, fixed-gear, etc.) has created a high degree of specialization and variety of expertise among the maintenance providers. Many of these specialties are unavailable except through an Independent Mechanic who satisfies a niche need. The Minimum Standard in its current format has DVT aircraft owners worried that many of our aircraft on the field will be unable to be maintained in a legal airworthy condition because the resource or maintenance specialty will be excluded from the airport. This has serious consequences to the tenant aircraft owner.*

**DVT based aircraft restriction** - *Independent mechanics will be restricted to only working on DVT based aircraft. Many aircraft owners at local airports do not have mechanic services available. Therefore, the use of independent mechanics at DVT is critical. Additionally, any itinerant pilot would be unable to obtain any maintenance service due to not being based at DVT. I am sure almost every aircraft owner has had to seek services at an airport other than their home airport. DVPA has had such requests from pilots as to who we would recommend. This regulation would exclude recommending an Independent Mechanic. We have mechanics that specialize in certain aircraft types making them preferred in some maintenance cases. This regulation serves no purpose other than to restrict itinerant business to the Fixed Base Operators (FBOs) creating an exclusive resource for this type of service work. FBOs at monthly "DVT Partnership" meetings report that the FBOs are overloaded and cannot support the existing maintenance business. This is reinforced by the long lead times being quoted for maintenance requested by DVT tenants.*

The preservation of Independent Mechanics at local airports is paramount to the survival of general aviation. Eliminating the maintenance choices available to aircraft owners will strangle an already burdened industry. An ancillary benefit for many pilots and aircraft owners using Independent Mechanics is the knowledge and experience gained from associating and working with them during "owner assisted" maintenance. It is a resource whose benefits aren't easily quantified and discernable. Mandatory maintenance services are absolutely required by FAA regulation. Much of the flexibility and freedom afforded the aircraft owner and pilot in the FAA regulations is now being restricted through the minimum standard, by implementing excessive fees and unreasonable requirements.

An aircraft owner's mechanic is not unlike an individual's personal doctor, barber or clergyman. Pilots and aircraft owners are very particular and selective about maintenance and the individual

dispensing the service. A “one size fits all” approach to implementing regulations only tends to make the overall situation worse. The cure is worse than the disease.

In general, the DVT tenants expect a fair, equitable and reasonable Minimum Standard that does not create an exclusive right for any individual entity and does not discriminate against the general aviation aircraft owner. The Minimum Standard should be enforceable without onerous administrative or enforcement practices.

Regulations once implemented, typically DO NOT change. Contrary to conventional wisdom, regulations are not a “living thing” adapting to the changing environment. Therefore, it is very important that the Minimum Standard be written with that thought in mind. I encourage you to give these comments due consideration as to consequence and future impact. It is in everybody’s interest to preserve the character of general aviation at DVT airport while maintaining a competitive and healthy business environment.

With kind Regards,

*Ed Chauza* - President  
Deer Valley Pilots Association