

2013-2014 GRAND JURY REPORT Blythe Airport Desert Air Service, Inc. Response Letter July 4, 2014

Thanks to those of you who took the time to come out to Blythe and get a first-hand account as to the state of the airport, including Desert Air Service, Inc. Often we get the impression that we are on an island out here, and I am sure that I am not the first person from our community to feel this way. We are provided minimal support from County EDA, and it has become increasingly more difficult to sustain our modest FBO. Our rent has nearly doubled, and we now are paying the County a fuel flowage fee, which does cut into an already meager revenue stream. In fact, our figures will show that for the majority of the year, we lose money and are forced to borrow more money from a sister affiliate just to make expenses. Due to the fact that Desert Air Service is a local business speaks to the resolve of those of us who work to keep our ship afloat. We have had to cut back on items such as employees' hours, uniforms, and basic cable television service, just to name a few. We had purchased two televisions (one for the main room and one for the pilot lounge), however we can no longer afford the monthly service charges. We took it upon ourselves to paint the pilot lounge and acquire some attractive, used furniture but as time has passed it has become our goal to simply make payroll, rent, flowage fees, taxes, insurance, permits, etc. Apparently there is a small group of people who believe that our FBO is some sort of "cash-cow". I myself am proud of the fact that since 2010 we have been able to provide a good service to what few customers that there have been. On most days, we see fewer than 5 aircraft per day, and IF they choose to purchase fuel it is usually less than 20 gallons per aircraft. This equates to a profit (assuming they ALL buy 20 gallons of fuel) of around \$70. Now, paying an employee \$12/hr. for a 10-hour shift, you can see that the "cash cow" certainly does not exist here. In addition, our traffic has decreased dramatically over the past few years primarily due to the ever-rising cost of fuel, as well as the operating costs associated with aircraft. The only significant cash customer we have remaining is Desert Air Ambulance, a locally-owned business whose numbers have also decreased over the past couple of years.

As far as the issues that are contained in your letter dated April 22, 2014, I submit to you with all due respect, the following response:

Sections 1. & 2. Security Gate/Fencing/ Asphalt and Concrete:

Desert Air Service (DAS) has expressed concerns to RCO EDA on several occasions regarding these matters. In addition, the location of the security gate is an issue that I feel that we should be included in a discussion as to its ultimate location. The security gate issue has been going on now for more than three years – promises only and no follow-through.

Section 3. Long Term Living Quarters:

The RV in the hangar is not "long-term living quarters". No kitchen, bathroom, shower/bath facilities are connected or in use. It belongs to me and is kept there so as to avoid being destroyed by the intense sunlight. I allow our manager to utilize it in the event that it is needed as a waiting area for late night callouts and/or night watch duties. I feel that this would fall under the FAA guidelines as being necessary for the performance of official duties in running an airport. Mr. Stone's residence is in Phoenix and he stays at one of our properties in Blythe while on duty here.

Section 4. Metered Fuel Tanks

It has been noted that a new, highly reflective white paint is available for use on the two above-ground fuel tanks. This paint supposedly reduces internal heat and evaporation. These tanks are double-walled, and hence the new paint would have little or no effect on these tanks. Should it be a mandatory requirement and is deemed an improvement or an upgrade to the tanks, DAS does not agree that this would fall within "maintenance" of leased equipment. DAS would not agree to lease anything that was not within compliance with State and /or Federal guidelines. **Note**: DAS has recently learned that EDA has stated that they will paint the two tanks in the near future.

Riverside County Weights and Measures did indeed certify the accuracy of all fuel meters in use at the Airport. This was done on 2/4/14. All of the meters were deemed exceptional and were tagged as required (see attached). The portable AvGas trailer tank was tested and certified but not tagged, as it is not used for retail sales. It belongs to the air ambulance service that is based here. When questioned as to why the meters had not been certified in years, we were informed that a shortage of personnel put the agency quite a bit behind.

Section 5. Airport Hangar

The "Wolfe Aviation" sign on the hangar will be removed when we can acquire an appropriate vehicle to reach the necessary height in order to do this safely. Desert Air Service does not own such a vehicle.

DAS would like nothing more than to see the hangar, erected in 1943, painted. The poor economy has kept this from becoming a reality. Considering the condition of the hangar is

virtually the same as it has been for years, under control of the RCO EDA, City of Blythe and others, DAS does not feel solely responsible for painting or the replacement of broken windows. DAS did obtain an estimate about four years ago to have the hangar painted, and the figure was in the area of \$14,000. This figure was, and is still out of our reach. We as the tenant do not feel as if we should be held responsible for painting the Landlord's building.

This concludes our response to your letter. Please contact me if there are any additional questions in which I may be of assistance.

Sincerely,

Jeff Gatchell

President

Desert Air Service, Inc.

JET A TANK





JET A TRUCK

