

# MELBOURNE AVIATION GROUP



February 2005

## Board meeting

The Directors met on Friday, 21<sup>st</sup> January, to pore over the operational budget for the first half of the current financial year. Rod Hunt (right) – only slightly battered by the BAS – presented his report which could be best described as stable with marginal change to our cash reserves, currently at \$53,676.91. Both aircraft maintenance costs were under our budget so far this year – but stand by for some expensive low cylinder repairs for BJZ, at the time of writing this newsletter in the workshop for a 100 hourly.



Maintenance is always a hot topic at meetings, and the recent spate of propeller dents has done nothing to soften the despairing mood of Bob Hayter, (left) who has issued many emails of late requesting more care when applying power, particularly when operating on unsealed strips. Our LAME at Mills Rolfe, who has to dress out all these nicks – (and thus shorten the overall prop life of course) – offers this sound advice, all of it which we should all know and not need reminding about of course...

*“Prior to start, as part of your Daily, use your boot to scrape away any gravel or small objects ahead and under the prop. Have a look at a spinning prop on a wet day, and note the “Willy-willy” which forms directly under the prop. This illustrates the way small objects can be sucked up from under and ahead of the prop. Avoid sustained high power when the aircraft is stationary at start and during run-up, and do your checks during taxi if on gravel surface.”*

Well, you mightn't agree with all of that – but I'm only quoting our engineers at Moorabbin.

## **Skylane Autopilot**

We have come to the conclusion that the present Cessna autopilot is now unsatisfactory, and given the cost of around \$2000 to repair it and return the unit to its previous service level, which will require a new turn and bank indicator, that a better option is to replace the old Cessna autopilot with a new S-Tec unit. This work will be carried out as soon as possible, probably within a month or two, when the new unit arrives from the US. The cost is expected to be around \$10500. Bob Hayter is handling negotiations at Moorabbin.

## **Share issue**

It may be possible to offset the autopilot cost to some extent from the maintenance budget, given the 'saved' \$2000 which would be incurred to repair the present unit, and which would normally be paid out of the 'miscellaneous maintenance' allowance. However, when the final cost is determined, it is proposed to fund the balance by a share issue of around \$200-250 per member.. As we have more than adequate cash in hand to pay for this upgrade and any other work - e.g. scheduled NBE engine overhaul – the share call will not need to be made until after completion of the job. When the all up cost is known later in this financial year Sander Vandeth will issue a formal letter with advice of the share uptake proposal.

## **Board discussion on Booking matters and recent Aircraft Damage.**

Some of the least enjoyable 'Burdens of Office' which we have to consider concern fair and equitable usage of our aircraft, policing of excessive bookings in contravention of our rules, dishonoured or 'no show' bookings, and failure to notify changed or amended bookings. Rather than detail these discussions here, please read the “Recent Committee Matters” paper attached at the end of the newsletter, compiled from points submitted by Peter Cossins and Andrew Stopp, which formed the basis of our deliberations.

MAG Newsletter 1

Produced for MAG by John Argall.

But to précis our conclusions – we do not want to make any more restrictive rules – do not want to introduce measures which members would feel were draconian – and suggest pilots undertake a more thorough D/I and note any aircraft/prop damage on our report sheets prior to their flight. Remember that all excessive operating/insurance costs ultimately are borne by all members when the annual levy is struck, and by higher hourly costs to recover shorter component life – e.g. prop nicks, damaged wheel fairings etc.

### **Board discussion on S/A and 14/90 rule**

We decided that all problems related to booking are best solved as at present through negotiation by the Booking Officer with the shareholder. Remember that the Board can grant concessions in excess of our rules on an ad hoc basis – e.g. a trip up North by Pamela Lording several years ago when a third weekend was granted. We did not feel that it was becoming necessary to impose minimum hours per day (e.g. one hour). An example used to illustrate was (say) a booking MB/BK for a week which may not total 7 hours flying. In such a case this would impose a cost penalty on our pilot, and was not in keeping with the MAG ethos.

### **Deletion of 10 past the hour rule**

This was felt to be no longer practicable now that 30 minute booking slots were available – i.e. a booking at 1030 could be “Hijacked” by an eager pilot at 1010. Our internet booking calendar has made spur-of-the-moment flights less likely, and the current rule if left as-is in the S/A could cause conflicts.

### **Unused hours or amended booking times**

Non compliance with booked times and failure to notify an early return was given a vigorous discussion. This is both a problem and a bonus of group ownership – you have the right to book and fly, but not to book and not fly. Notifying changes to your usage is just plain courtesy to other members. One thing that we do not want is illustrated by a comment made to this scribe back in the 1980s, when a member had an aircraft booked Mon-Fri, did not use the aircraft one day – (and had it parked down the western end of the field) – ...

*“I’m a shareholder and a member in good standing with the Group, so I’m entitled to book the aircraft and do what I like with it during the week”.*

Sure, I guess he had a point – but that’s not showing courtesy to other pilots.

### **New para 1.7 in Service Agreement**

The purpose of this change is to ensure that all pilots are introduced to the idiosyncrasies and equipment of **both** MAG aircraft, and that endorsement in the Skylane does not automatically qualify for flight in the Archer without an introductory check flight. The following para will be inserted to the S/A –

**1.7 Members are not authorised to fly MAG aircraft as PIC without first conducting a satisfactory familiarisation flight with a qualified instructor (in the particular aircraft).**

### **Farewell to Doug Gould**

Doug has been a member of MAG since Nov ’88, and as you will be aware from his recent emails, has sold his shares and purchased an interest in a Lance. We wish him well in his new syndicate.

**Aircraft Clean and Polish Days - Please put these in you diary now!**

Andrew Stopp (right) has organised the following dates for that very necessary duty of aircraft wash and polish sessions.

Start 9.00 am - finish 11.00 am

Sunday 6th February 2005 (NBE only)

Sunday 1st May 2005

Sunday 7th August 2005

Sunday 6th November 2005



I look forward to seeing all shareholders who can make it.

Andrew Stopp - Officer I/c of mops and buckets.

PS - does anyone have a high pressure washer we can use?

**Changes to aircraft hourly rates**

The good news is that for flying during January our pre GST rate for avgas at MB will drop below \$1.00 per litre. So this will result in lower wet rates – and about time perhaps I hear you say. The other good news is that now we have an accurate airswitch in BJZ our apparent fuel consumption rate for the Skylane has also dropped back to our earlier costing figure of 58 litres per hour – another plus for your flying budget. The current spreadsheet is shown below. Enjoy it while you can – who knows what a barrel of oil will cost soon. The only downside is that the rate to recover the ASA annual contract for TNC/ERC/MET charges for NBE has been increased by \$1.00 to \$4.00 per hour, now the same as BJZ. NBE had a greater number of flights for the last contract year, over 200, which attracted a higher annual fee. But what’s a buck between friends!

**FLYING COSTS per Hour from 01/01/2005**

Item	BJZ (Airswitch)		NBE (Tacho)	
	Basis	\$	Basis	\$
50 hourly oil change	300 / 100	3.00	300 / 100	3.00
100 hourly inspection	2600 / 100	26.00	2600 / 100	26.00
Engine major overhaul	28000 / 1600	17.50	26000 / 2000	13.00
Propeller overhaul	3500 / 1500	2.33	1600 / 1000	1.60
Propeller replacement	10000 / 4000	2.50	4000 / 4000	1.00
Other maintenance	2000 / 100	20.00	1500 / 100	15.00
ASA annual contract fee		4.00		4.00
GPS Database fee		2.00		0.00
Refurbishment Recovery		0.00		0.00
Oil		0.12		-0.87
<b>DRY RATE (excl. GST)</b>		<b>77.45</b>		<b>62.73</b>
Fuel	\$0.99 x 58	57.42	0.99 x 38	37.62
Contingency (& balancing)		1.49		0.56
<b>WET RATE (excl. GST)</b>		<b>136.36</b>		<b>100.91</b>
10% GST added				
<b>DRY RATE (inc. GST)</b>	<i>per minute = 1.42</i>	<b>85.20</b>	<i>per .01 = 0.69</i>	<b>69.00</b>
<b>WET RATE (inc. GST)</b>	<i>per minute = 2.50</i>	<b>150.00</b>	<i>per .01 = 1.11</i>	<b>111.00</b>

## Bob Barrow – a report on his Vans RV7A construction

Bob Barrow is making good progress with his Vans RV7A. The empennage is finished and the wings should be completed within a few weeks. Late last year he forwarded the snap below of former director John Riley helping with the left wing construction, with complementary comments about John's work. Well, we all knew about JR's high standards and attention to detail during his many years on the Board.



*"I've attached a photo of John Riley who's been giving me assistance with riveting my Vans RV7A. The photo is of him working with me on the left wing. We're in the process of attaching the main ribs to the front spar. He has a good steady hand and his work is quite meticulous. This is of course very important when working on the front spar which is a most crucial structural load bearing element on any plane. Even minor damage to the spar...even small scratches... can lead to crack propagation over time, with possibly catastrophic results."*

And here's Bob himself shown on the right with a recent photo and update.

*"The bottom wing skins are being left unriveted at this stage so that I can continue to gain access to install and wire the heated pitot tube in the left wing and the autopilot roll axis servo in the right wing. Next task is fabricating the ailerons and flaps....then its on to the fuselage. That's the stage that you get to sit in something and make aeroplane noises."*

Bob reports that he installed a Xenon high intensity discharge landing light in the left wing. He reckons it's so bright, that when he looked into it he was temporarily blinded (anyway that's his story and he's sticking to it).

He supplied the following note -

*As a matter of technical interest the Xenon light produces 320,000 candlepower and draws a meagre 3 amps of current. By contrast the conventional 100 watt Halogen taxi light in the right wing (similar performance to MAG aircraft lights) produces about 100,000 candlepower and draws around 10 amps. In other words the Xenon light produces 3 times the light atone-third the current draw. The down side is that the Xenon light cost \$600 and the Halogen \$100 (there had to be a catch !!)"*

For MAG - JA



Bob standing between his nearly completed wings.  
Is that an angelic look on your face Bob ?

## Recent Committee Matters

The Board deals with many matters concerning the day to day operations of MAG but two items of topical interest prompted the calling of an earlier than scheduled meeting in January. The topics were;

Damage to your (our) aircraft  
Booking Policy & Rules

### *Damage to aircraft*

The reason for any damage will range from genuine acts of god, beyond the control of any individual, to pilot mishandling be it negligent or wilful and with a whole spectrum of colours in between. Any damage however is to the cost of the group and in an extreme case represents a safety issue. Members will be aware of the recent email from Rod Hunt explaining the insurance consequences of the NBE wing claim.

When ever any damage occurs to an aircraft the following issues can arise;

- ◆ The suspected culprit may deny responsibility. Regardless of the evidence the only way blame can be sheeted home is by legal action. Experience of recent incidents suggests that a significant amount of circumstantial evidence will be of no value in the face of denial.
- ◆ The damage may be not easily quantified or identified or may become blurred with normal wear and tear. Example excessive stone chipping on a prop.
- ◆ The culprit may refuse or be unable to pay.
- ◆ There will always be uncertainty at to whether a matter is wilful negligence or a reasonable accident.

This problem is faced everyday by the car hire industry. Their commercial solution, which is impersonal and can sometimes offer rough justice, appears to be as follows;

*Eliminate the burden of proof* - When taking delivery the hirer signs that the vehicle is in good condition and any defects are reported. Any defects discovered on return are automatically the responsibility of the last hirer.

*Financial surety* - A vehicle hirer has to pay a bond or leave their credit card as security. Loss of bond is collected automatically.

In addition the level of liability, i.e. the bond at stake, is often a reasonably affordable amount and therefore less likely to become the subject of a dispute. A hirer may also elect to pay a higher charge to reduce or eliminate the cost of damage.

Some of the options considered by the Board were;

- ◆ Do nothing since these incidents have been infrequent so far.
- ◆ Wear the expense as part of normal operations.
- ◆ Establish (and advertise) a policy on damage that is independent of pilots culpability.
- ◆ Establish a system that automatically ascribes responsibility for damage sustained.
- ◆ Obtain users agreement to the hire terms and conditions.
- ◆ Establish automatic disciplinary measures that will follow incidents eg banning future hires, requiring instruction etc.
- ◆ Amend pre-flight documentation to include pre-flight condition report and any other relevant conditions.
- ◆ Obtain security from members / hirers e.g. open credit card.
- ◆ Set amount of financial loss that a hirer will bear at a realistic and affordable level. Is \$2500 is too high?
- ◆ Obtain insurance or self insure for unrecovered costs.

We were aware of the need to avoid a knee jerk reaction that will result in impractical administrative burdens. Apart from the cost of administration such a procedure will break down and cease to have any effect. Directors noted that some damage is inadvertent (eg unseen stones) and some is the result of pilot mismanagement. Options involving penalties were considered to be very difficult to administer and it was agreed that, for now, the problem would be addressed through regular publicity. The history of MAG suggests that the size and social cohesion of the group should enable a less formal policy to continue for the time being.

## **Booking Policy**

MAG has developed a booking policy that tries to offer a reasonable opportunity for use to all members. The policy discourages excessive use by one or a group of members where;

- ◆ Aircraft are continually away at the weekends.
- ◆ Aircraft are away for extended periods.

MAG Service Agreement states:

2.7 ... 'In any consecutive 90 day period, an individual member shall not book aircraft for more than:

- ◆ 14 consecutive days (two members may book the same aircraft for 28 consecutive days subject to Board approval)
- ◆ 14 days in total involving any series of bookings in which the aircraft is parked away from Moorabbin.
- ◆ 2 weekends in total

Bookings in excess of this require Board approval, which may be sought through the Booking Coordinator. The granting of approval to exceed any of the limits is solely at the discretion of the Board.

Also 2.10 states ... 'Irrespective of these rules, the Board may cancel bookings considered to be excessive and in conflict with the needs of other members.'

Several members had commented on what they considered to be a restrictive booking policy. It was felt that the existing policy offered sufficient ability for the Board to regulate usage that is considered excessive while enabling relief in exceptional circumstances. The existing policy was retained unaltered

## **Non Compliance With Booking Rules**

Recent violations of the booking rules (eg overbooking, non advice of early returns and cancellations) prompted discussion of the need for review. Several options were debated with the conclusion that for the time being the problem would be addressed through publicity. It was agreed to try and publish a report looking at hours booked versus hours utilised to illustrate the extent of the issue.

### **10 minutes past the hour rule**

During the discussion it was agreed that the "10 minutes past the hour rule" was no longer relevant with the advent of the Internet booking system and half hour booking slots. Action: proposed to delete from the Service Agreement.