

Served: August 30, 2002

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**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 27th day of August, 2002

Fitness determination of

ARIZONA EXPRESS AIRLINES, INC.

Docket OST-01-10529-19

as a commuter air carrier under section 49 U.S.C. 41738

ORDER ISSUING EFFECTIVE COMMUTER AUTHORITY

Summary

By this order, we reissue the commuter air carrier authorization issued to Arizona Express Airlines, Inc. (Arizona Express), to reflect its effective date.

Background

By Order 2002-7-6, issued July 2, 2002, we found Arizona Express fit and issued it a Commuter Air Carrier Authorization authorizing it to engage in scheduled passenger operations as a commuter air carrier, subject to certain limitations.¹ That authority was to become effective six (business) days after the Department had received evidence that Arizona Express had obtained required FAA operating authority and had obtained liability insurance coverage as required by our rules (14 CFR Part 205), as well as a statement of any changes the company had undergone relative to its fitness since the issuance of the show cause order in this case.²

On August 6, 2002, Arizona Express provided documentation showing that it had obtained the required FAA operational authority to conduct scheduled passenger services as a commuter, a certificate of insurance (OST Form 6410) showing that it had obtained insurance coverage meeting the requirements of Part 205 of our rules for commuter carriers, and some updated fitness information. On August 7 and 15, the carrier provided the remaining information needed. In submitting its effectiveness documents, Arizona Express requested that we waive the six-day waiting period so that it could begin its commuter services as soon as possible.

¹ Specifically, we limited the company's authority to a period of one year and its operations to those that can be conducted under Part 135 of the Federal Aviation Regulations.

² Order 2002-6-7, issued June 17, 2002.

The carrier advises that there have been no substantial changes in fitness-related areas,³ and our review of the material submitted by the carrier was satisfactory. We thus concluded that there was no reason not to grant the carrier's request to make its authority effective prior to the end of the six-day waiting period. Therefore, on August 19, we orally advised Arizona Express that its commuter air carrier authority was effective on that date. We confirm that action here and take this opportunity to reissue the authorization to reflect its effective and expiration dates.

ACCORDINGLY, Pursuant to authority assigned by the Department in its regulations, 14 CFR 385.12:

1. We reissue the Commuter Air Carrier Authorization issued to Arizona Express Airlines, Inc., by Order 2002-7-6 in the attached form to reflect its effective and expiration dates.
2. We will serve a copy of this order on the persons listed in Attachment A to this order.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, may file their petitions within 10 days of the service date of this order.

The action confirmed in this order was effective when taken and the filing of a petition for review shall not alter its effectiveness.

By:

RANDALL BENNETT
Director
Office of Aviation Analysis

(SEAL)

*An electronic version of this document is available on the World Wide Web at
<http://dms.dot.gov>*

³ The carrier informs us that, since the issuance of Order 2002-7-6, Bessarion Agionantonides, then Director of Operations, left the company. Randy Young, who was serving as Chief Pilot, was reassigned as Director of Operations. M. Mitchell Ange has been hired to replace Mr. Young as Chief Pilot. The FAA, which evaluates the qualifications of the company's key technical personnel, including Chief Pilot and Director of Operations, with respect to the minimum qualifications for those positions as prescribed in Parts 119 and 135 of the Federal Aviation Regulations, advises us that it has approved Mr. Young to be Director of Operations and Mr. Ange to be Chief Pilot.



Commuter Air Carrier Authorization
(as reissued)

ARIZONA EXPRESS AIRLINES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of the United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in scheduled passenger air transportation operations as a commuter air carrier.

This authorization is not transferable without the approval of the Department of Transportation.

Secretary By Direction of the

Issued by Order 2002-8-25
On August 27, 2002
Effective on August 19, 2002
Analysis

Randall Bennett
Director
Office of Aviation



Terms, Conditions, and
Limitations

ARIZONA EXPRESS AIRLINES, INC.

is authorized to engage in scheduled passenger air transportation operations as a commuter air carrier.

This authority is subject to the following provisions:

(1) The holder shall at all times conduct its operations in accordance with the requirements of 14 CFR Part 298 and any other regulations prescribed by the Department of Transportation for the services authorized here, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.

(2) The holder's authority is limited to operations conducted pursuant to Part 135 of the Federal Aviation Regulations.

(3) The holder's authority is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA), and comply with all Department of Transportation requirements concerning security.

(4) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).

(5) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render this authority ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this authority.

(6) The holder shall maintain in effect at all times with the Department of Transportation current information on OST Registration Form 4507.

(7) The holder may reduce or terminate service at any point or between any two points, subject to compliance with the provisions of 49 U.S.C. 41734 and all orders and regulations issued by the Department of Transportation under that section.

*This authority is being reissued to reflect its effective and expiration dates.

(8) The holder may not provide scheduled passenger air transportation to or from Dallas (Love Field), Texas, except within the limits set forth in section 29 of the International Air Transportation Competition Act of 1979, as amended by section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998.

(9) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(1)), it must first comply with the requirements of 14 CFR 204.5.

(10) In the event that the holder commences but subsequently ceases all scheduled passenger operations, the authority granted here shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume such operations within one year of its cessation, its commuter authority shall be revoked for dormancy.

(11) The authority contained herein shall expire on August 19, 2003. Should the holder choose to renew its commuter authority, it must file any application for renewal with the Department at least 45 days prior to the one-year expiration date and include with its application updated information on any changes in its ownership, key personnel, compliance history, operating plans, or financial position which it may have undergone since the effective date of this authority

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