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UNITED STATES

NATIONAL TRANSPORTATION SAFETY BOARD

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In the matter of: :
FINE AIRLINES FLIGHT 101 :
MIAMI, FLORIDA :

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Deposition of WILLIAM MICHAEL SACREY, taken
pursuant to Notice at The Miami Hilton Airport & Towers,
5600 Blue Lagoon Drive, Miami, Florida in the Conch Key and
Summerland Key Rooms, on Thursday, November 20, 1997 at 9:05
a.m.

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3 APPEARANCES:

4 Appearing on behalf of the National Transportation

5 Safety Board:

6 ROBERT BENZON, Investigator-in-Charge

7 RON SCHLEEDE, Deputy Director

8 FRANK MCGILL, Maintenance Air Safety Investigator

9 DAVID J. IVEY, Air Safety Investigator

10 National Transportation Safety Board

11 490 L'Enfant Plaza S.W.

12 Washington, D.C. 20554-2000

13 Appearing on behalf of Fine Airlines:

14 JOHN ZAPPPIA, Director of Operations

15 4600 N.W. 36th Street

16 Miami, Florida

17 Appearing on behalf of the Federal Aviation Administration:

18 JOSEPH F. MANNO, Air Safety Investigator

19 FAA Headquarters

20 800 Independence Avenue, S.W.

21 Washington, D.C. 20591

22 Appearing on behalf of Aeromar, Inc.

23 MR. RAYMUNDO POLANCO, Vice President

24 2460 N.W. 66th Avenue

1 Building 701
2 Miami, Florida

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I N D E X

6

7 WITNESS PAGE

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10 By Capt. Ivey 4

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13 By Mr. Schleede 40

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18 E X H I B I T S

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20 NUMBER FOR IDENTIFICATION IN EVIDENCE

21

22 (None)

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P R O C E E D I N G S

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(Time Noted: 9:05 a.m.)

9

MR. BENZON: Sir, would you raise your right

10 hand?

11 Whereupon,

12

WILLIAM MICHAEL SACREY, III

13 was called as a witness and, having been first duly

14 sworn, was examined and testified on his oath, as

15 follows:

16

MR. BENZON: Please have a seat.

17

EXAMINATION

18

BY CAPTAIN IVEY:

19

Q. Good morning, Mr. Sacrey?

20

A. Good morning.

21

Q. If we could begin by giving us your full

22 name, your occupation and location --

23

A. Okay.

24

Q. -- responsibilities and who you work for?

1 A. Let's do them one at a time.

2 Name is William Michael Sacrey, III.

3 Federal Aviation Administration where I'm the Division
4 Manager for ASO-200, which is Flight Standards based in
5 Atlanta, Georgia.

6 Q. And a little bit about your duties and
7 responsibilities in that position?

8 A. Okay. My job is to provide executive
9 direction for the implementation of all flight
10 standards FAA safety programs, both regulatory and non
11 regulatory, in the geographic area of responsibility.

12 This includes the eight southern States, the
13 Islands of Puerto Rico and the territories of the
14 Virgin Islands, and all of the continent of Central and
15 South America and the Caribbean.

16 Q. And a little bit about your background,
17 aviation ratings?

18 A. Okay. I started in the aviation business in
19 the Air Force. I was an air traffic controller. I
20 left the Service and went to college, ended up working
21 for Boeing Aircraft as an industrial engineer.

22 Decided I wanted to fly and to fly in the
23 western States. Went to work for a company called
24 Aviation Services, Inc., which was a small commuter

1 based in Reno, Nevada.

2 Later flew for the University of North
3 Dakota, where I was the chief pilot for some period of
4 time. And came to work as an aviation safety inspector
5 in Oakland, California, in 1979.

6 Q. And you've held your present position as a
7 Division Manager for how long?

8 A. A little over five years here in Atlanta.

9 Q. And continuously been employed by the FAA
10 since 1971?

11 A. In various positions. I've worked in three
12 Regions and worked in Headquarters in three different
13 assignments.

14 Q. As far as your aviation ratings --

15 A. I hold an airline transport pilot's
16 certificate with a number of type ratings.

17 Q. Type ratings including large aircraft?

18 A. Type ratings including jet transport
19 airplanes of the executive variety, Citations, Lear.

20 Q. You mentioned the eight southern States.
21 How many FSDOs are located in that?

22 A. Sixteen.

23 Q. In the eight States?

24 A. Correct.

1 Q. And within Central America, South America,
2 the Caribbean, repair stations are also located
3 throughout that area that it's been responsible for?

4 A. Correct. That's correct.

5 Q. Just in terms of numbers of units within
6 your Region, how many different operations are there,
7 repair stations, FSDOs?

8 A. Thousands. If we're talking Part 121
9 operators whose certificates are held in this Region,
10 the number comes up to forty.

11 If we're talking about numbers of repair
12 stations, let's talk Miami alone, there are 230.

13 Somebody in the background was probably saying
14 235, or something like that, but since I don't normally
15 have the whole count, there are 120 airline operations
16 that come into Miami alone.

17 Q. Part 129?

18 A. 121, 129, 135.

19 Q. I see. And here at the Miami Airport, the
20 FAA, I presume, is all concentrated over there on 36th
21 Street, is that true?

22 A. The Miami office is on 36th Street and the
23 International office is in the same building and the
24 CASFO and some other FAA organizations.

1 Q. I guess those are the three major players
2 over there on 36th Street, is FSDO 19, FSDO 23, which
3 is the International Flight Office, and the CASFO.

4 A. Correct. And there's also an Internatidna
5 office there that has a different level of
6 responsibility that's beyond Flight Standards.

7 Q. So I mentioned the eight States, but is
8 there a FSDO located in San Juan?

9 A. Yes, there is.

10 Q. So total FSDO numbers, how many are there?

11 A. Sixteen.

12 Q. Sixteen. I thought maybe that was just in
13 those eight States, but there's sixteen total?

14 A. Here in Florida, you have one in Tampa, one
15 in Orlando, one in Fort Lauderdale, and two offices
16 here, so most States there's only one office.

17 Q. Florida's gø the bulk of the --

18 A. Lots of activity down here, as you know.

19 Q. Sure. You mentioned forty Part 121s are in
20 the Southern Region.

21 How many of those 121s are supplemental?

22 A. I don't know. I would guess that about half
23 a dozen.

24 Q. All right.

1 A. The others would have domestic and flag.

2 Q. Are most of the 121 supplementals located in
3 the Miami area or in the Florida area?

4 A. That's true.

5 Q. In terms of oversight of your thousands of
6 units, if you will, many of which are outside the
7 country, do you rely on the FSDO 23 for that kind of
8 activity in conjunction with the Miami FSDO to travel,
9 as we've had testimony earlier yesterday, PMIs
10 traveling en routes to conduct the surveillance and
11 oversight outside the country?

12 Does it primarily come out of the Miami
13 area, and also supplemented by FSDO 23?

14 A. Primarily for those operators that serve
15 Miami, yes, but Delta Airlines services destinations
16 all over the world and the primary surveillance for
17 Delta comes out of Atlanta, and FedEx out of Memphis.

18 Q. So generally, the principals involved in
19 those locations would also be traveling to overseas
20 destinations as part of their surveillance of their
21 carriers?

22 A. That's correct.

23 Q. Is part of your responsibility as Division
24 Manager to evaluate each of the FSDOs within your

1 Region from time to time?

2 A. That's correct.

3 Q. How are those evaluations accomplished?

4 A. A number of ways. We have an evaluation
5 team that runs, essentially, a check list.

6 We monitor the performance of the District
7 office as far as their accomplishment of national
8 program guidelines, the inspections that are called for
9 in the national program guidelines.

10 And from time to time, our RASIP and NASIP
11 inspections and carriers in that office, and that is
12 also part of the evaluation of their effectiveness.

13 Q. When you mention the national program
14 guidelines as part of the overall fitness of a local
15 FSDO, those are criteria that you use to evaluate the
16 effectiveness of the FSDO NPG requirements?

17 A. If they're completion of those requirements,
18 yes.

19 Q. In my experience, I have yet to meet one
20 individual principal that has failed to meet one
21 hundred percent of the MPG requirements.

22 In fact, every time I talk to someone,
23 that's their first order of priority, to ensure that
24 they get those completed one hundred percent of the

1 time, and then try to get the planned items.

2 So their initial target is to complete one
3 hundred percent MPG.

4 A. That's true.

5 Q. Have you had, in your experience, any FSDO
6 principal ever fail to complete one hundred percent of
7 the MPG requirements?

8 A. Yes.

9 Q. I'd sure like to meet one of those people,
10 not only because I've never met one.

11 A. It's usually been some kind of
12 administrative oversight, but some of the requirements
13 are, believe it or not, hard to get.

14 For instance, we spent a lot of money one
15 year making sure that we got two inspections done in
16 Barow, Alaska, because they were required inspections.

17 Q. I was going to say, we've had a rough year
18 in Barow. I believe we could have done a lot of work
19 for you up there this year, including up to last week.

20 Well, when you use the MPG as a yardstick,
21 perhaps, give me an idea of the number of people that
22 failed to complete MPG requirements?

23 They've got to be in a very small
24 percentage.

1 A. It's very small when you're talking about
2 the required inspections, but I consider the planned
3 inspections part of the overall program.

4 Q. So then I guess it's fair to say that the
5 MPG requirements and the planned requirements are a
6 more --

7 A. Are the total program, correct.

8 Q. And does that indicate more the capability
9 of the individual principals or does that fall into the
10 big basket of the FSDO?

11 In other words, if this one principal is not
12 accomplishing all his requirements, does this reflect
13 on the local FSDO in some form or fashion?

14 A. Yes, it does.

15 Q. Explain to me how that works?

16 I just don't understand the tools by which
17 you can look at a FSDO to evaluate its successes or
18 failures.

19 A. That was a compound question.

20 Q. Well, I'm trying to understand how, if
21 you've got -- and let me start by asking, how many
22 principals are in your Region?

23 A. I don't know.

24 Q. Does this --

1 A. Well one for each airline and there's many
2 135 operations, and we have some 800 employees in
3 Flight Standards.

4 About 680 of those are inspectors. Most of
5 them are principal inspectors. Some of them are
6 trainees and some of them are supervisors.

7 Q. So each of these principals are charged with
8 certain national program guidelines, the required
9 items, and then certain planned items for the year?

10 A. Correct.

11 Q. And each of these people, at the end of a
12 fiscal year, you're able to look to see the completion
13 rate of MPG requirements and planned requirements?

14 A. Yes. We monitor it monthly and quarterly,
15 and so we can see how those inspections are
16 progressing.

17 Q. And so, if in the case of the FSDO 19 you've
18 got thirty inspectors that you take the thirty, sixty,
19 ninety day look or the quarterly look or the end of the
20 year look, all that is lumped into the quality of
21 surveillance, as reflected by FSDO 19?

22 A. Correct. And it's approximately thirty-five
23 percent of their job.

24 Q. From your viewpoint, I'm sure, as in all

1 cases, there are good, average and substandard FSDOs,
2 those that could improve, those that do a very good
3 job.

4 Could you characterize for me the quality of
5 the Miami FSDO in the past year, and in the past five
6 years that you've been in your position?

7 A. In terms of activity, that is completing the
8 assignments, they've been near a hundred percent.

9 Q. What is the lowest activity percentage that
10 you've had in any of your FSDOs in the last five years?

11 A. In the high eighties.

12 Q. Could you characterize for me the ranking of
13 the Miami FSDO as compared to the other FSDOs in your
14 area?

15 A. It comes out in the top half on various
16 measures, that is other measures besides the completion
17 of numbers of inspections.

18 We use the timeliness of accomplishment of
19 enforcement reports, for instance.

20 Q. You mentioned enforcement reports. Is the
21 amount of enforcement activity an indicator of the
22 quality of what the FSDO is doing in terms of
23 oversight?

24 A. It can be. It's a measure of how thorough

1 their inspections are, because we know there are acts
2 of non compliance, and we would expect that they would
3 identify some of them.

4 Whether they can inspect in quality to an
5 airline is another thing.

6 Q. As you say, Florida has a lot of FSDOs
7 because of a lot of aviation activity.

8 Is there any special emphasis that you give
9 the Florida -- correct the term District, if you will --
10 -- any other special emphasis or support that you give
11 them down here because of the peculiarities of the
12 Miami area, the density of the airport operators,
13 etcetera, etcetera?

14 A. Yes. They're supplied with more resources.

15 Q. In terms of people?

16 A. Yes.

17 Q. Is there any difference --

18 A. Computers, cars, travel money.

19 Q. Would you say that the bulk of your funding
20 is directed towards the Florida area, as opposed to
21 international or the other seven States?

22 A. Do you want me to get the politicians in the
23 other seven States angry with me?

24 (Laughter.)

1 BY CAPTAIN IVEY:

2 Q. That does bring up an interesting question.

3 And that is, do you get involved in the
4 political arena with other States as part of your job?

5 A. We have to respond to our political masters
6 as a Government official, yes.

7 Q. Does the politics of your Region -- you take
8 your guidance, I presume, from Headquarters as opposed
9 to the individual politician in your respective --

10 A. Headquarters is the policy making
11 organization of the FAA, that's correct.

12 Q. And ASO-200, you report to --

13 A. AFS-1.

14 Q. -- AFS-1. Thank you.

15 The last year and a half or so, I guess, for
16 this Southern Region's been a tough year.

17 A. It's a challenging and busy place, that's
18 correct.

19 Q. From your standpoint, from all the accidents
20 that have happened or departed from your Region, how
21 have you and your staff tried to address what has
22 happened, looking at the accidents, trying to see if
23 there was something in your Region that might have been
24 overlooked?

1 Have there been any changes in the way
2 you've done business, as a result of starting with
3 ValuJet up until this latest, Fine Air crash?

4 A. Yes, there has been. I think there's been a
5 change in emphasis. Senior management in FAA is of the
6 belief that you can't inspect in quality.

7 Therefore, you have to build in quality in
8 safety.

9 So there's much more emphasis on the
10 appropriate certification and much more emphasis on
11 looking beyond just the operator, where operators are
12 using third parties, for instance, to supply things.

13 We add much more emphasis now on repair
14 station and contract training organizations, and the
15 operations specifications that are increasingly more
16 detailed.

17 This is kind of a long term approach. I've
18 been an inspector for twenty-five years. The original
19 guidelines used to be about -- I'm holding up my hands
20 -- about six inches wide.

21 Now, the average inspector has pages and
22 pages of books of guidance that he uses in his daily
23 work, so it's much more detailed.

24 Q. As you say, you can't inspect it in.

1 Has there been a change in emphasis in the
2 way inspections are conducted, RASIPs and NASIPs?

3 A. Yes, I believe there has. I think they're
4 more thorough and they tend to focus on a particular
5 area, and the sample sizes tend to be larger than they
6 used to be.

7 Q. When there's an inspection, how do you
8 evaluate carrier fitness, as it relates to an
9 inspection that's just been completed?

10 A. By carrier fitness, you mean compliance with
11 the regulations?

12 Q. Yes.

13 A. That's exactly what we evaluate. The NASIP,
14 for instance, evaluates the carrier in thirty-one
15 distinct areas, and each one of those is reviewed and a
16 determination is made whether they're in compliance.

17 Now, whether they are significantly above
18 the compliance level or not, we do see carriers that
19 are beyond what the regulation requires, and we
20 certainly encourage that. We don't have the ability to
21 demand it though.

22 Q. Yes. In the case of ValuJet, in the case of
23 Millon Air, in the case of Fine Air, as Mr. McGill
24 stated yesterday, Rich Airlines, Arrow Airlines, you

1 were -- at least the first three I mentioned were
2 operating as a result of a crash.

3 Then, suddenly, the airlines were closed
4 down for whatever reasons, and in two of the cases,
5 were permitted to start up operations again.

6 Has this been of concern to you and, if so,
7 why?

8 A. Well, it's of great concern.

9 Whenever a carrier is found not to be in
10 compliance of the rules, a determination has to be made
11 what the remedial or corrective action will be.

12 Sometimes that is a civil penalty, sometimes
13 it's a suspension of some part of their authority, and
14 sometimes it's a suspension of all of their authority,
15 depending on the graveness and how defective their
16 compliance posture is.

17 Q. Isn't it a shame that we have to find this
18 out after accidents, as opposed to before accidents?

19 A. It certainly is.

20 Q. What has been discussed and changed in order
21 to try to have better indicators before these things
22 occur, rather than after?

23 A. Well, I think your organization and mine is
24 always looking for those indicators. Before the

1 Pittsburgh accident of the 737, I don't believe there
2 was any indicators.

3 Nor do I believe a similar accident that
4 happened out in Colorado Springs were there any
5 indicators, other than the one accident maybe as an
6 indicator of the other.

7 Q. In that particular case, U.S. Air was not
8 shut down however.

9 A. That's true. However, their training and
10 maintenance of 737s was thoroughly looked at.

11 Q. You mentioned the eight States. Which
12 States are in the Southern Region?

13 A. North Carolina, South Carolina, Tennessee,
14 Kentucky, Georgia and Florida and Mississippi.

15 Q. I think it's common knowledge that there's
16 always been a term about the corner of the Miami
17 Airport boundary.

18 A. I'm familiar with that term.

19 Q. And even the accident crew, when they
20 requested taxi, used the term Jurassic Park, which is a
21 new term I had never heard.

22 Because of this, and I think it's common
23 knowledge among anyone who operates in and out of here,
24 and other airlines and pilots in aviation, the parties

1 identify with the corner of the Miami Airport.

2 Whether it's fair or not, the accusation,
3 has there ever been any discussions by you in Region
4 concerning this section of the airport?

5 A. Yes, there has. And for many years, ist'
6 -- there has been one special emphasis team after
7 another working there in Miami.

8 Q. And those special emphasis teams, what are
9 they looking for?

10 A. For compliance with the regulations.

11 Q. Is it your opinion that because of the
12 operators that are not the major carriers. that are
13 sitting over at the fancy terminals and all, have a
14 different way of doing business that you have
15 identified through other indicators that do need
16 special emphasis and inspection down here?

17 A. Yes.

18 Q. Why? Why is it different here?

19 A. I'm not sure why it is. The particular
20 market that these carriers are serving, they're
21 operating twenty-five and thirty year old airplanes
22 which require more maintenance attention and more --

23 Those airplanes, much of their useful life has
24 already been used up, so they're using the last twenty

1 percent of it, rather than the first twenty percent,
2 all of which means that it requires more safety
3 inspection.

4 Q. Is it built into the inspection
5 requirements, perhaps MPG requirements or the planned
6 requirements?

7 These factors are taken into consideration
8 in that because it's airlines operating older equipment
9 that there's got to be a different way of surveilling
10 them, as opposed to someone who, like United, just
11 bought brand new triple 7's?

12 A. I'm not sure I would say different, but at
13 least more intensive.

14 Q. Could you characterize the Miami Airport
15 operations in terms of carrier non conformity?

16 Granted, you've got more of them in Florida,
17 but I want to isolate Miami for a moment. Do
18 you find that a great percentage of your problems
19 emanate from this airport, or are they pretty well
20 diverse and scattered throughout?

21 A. Well, many of them come from the South
22 Florida area. I mean many of the non compliance
23 problems we see, many of the worn out airplanes we see
24 here.

1 Q. Is there any particular recurring theme that
2 is big on your hit list, or that you have recognized as
3 a problem, that continually keeps coming from down
4 here?

5 A. Well, the combination of older aircraft,
6 younger less experienced crews, and management that is
7 operating on, let's say, a smaller margin than the
8 major carriers, all of those are a concern.

9 Q. Do you see any solutions?

10 A. More intensive inspections, building in
11 margins within their internal guidance, that is their
12 own manuals and systems, effective CASS systems, all of
13 which should be producing safety information.

14 Q. Do you or members of your staff participate
15 in the decision as to who makes or who gets a RASIP or
16 NASIP inspection?

17 A. Yes, my staff.

18 Q. Are you definitely involved in that?

19 A. I can be, and usually are.

20 Q. Are carriers that have particular
21 inspections on a frequent basis, brought to your
22 attention?

23 A. Yes.

24 Q. Fine Air has one in '95, a RASIP. They have

1 a NASIP in '97 and, of course, since the accident, a
2 third RASIP -- a second RASIP, third inspection.

3 And, as you may have heard yesterday in
4 testimony, there were two DOD inspections. They had an
5 OSIP also that may have been preparatory for the NASIP
6 inspection, as we heard in testimony.

7 Is two RASIPs and a NASIP between '95 and
8 '97 a typical number of inspections for a carrier?

9 A. No, it's not.

10 Q. Is that abnormal?

11 A. It's more intensive than normal.

12 Q. Are there any indicators to you, starting
13 back as far as 1995 before the RASIP, that may have
14 been indeed their first RASIP, but have there been any
15 indicators from your perspective that has determined
16 the necessity for having these inspections in such
17 close intervals?

18 A. No.

19 Q. Are there other carriers within the Region
20 that have had three inspections like that in about the
21 same timeframe?

22 A. Not that I'm aware of.

23 Q. Is there any trigger mechanism that you're
24 aware of that could cause them to be inspected as much

1 as they were?

2 A. Well, it starts with them being nominated by
3 their District office. So if they're continually
4 nominated, they've got a better chance of being chosen
5 than if they are not nominated.

6 Q. That's certainly one nomination that I'm
7 sure no one exactly wants to receive.

8 A. Well, no, on the contrary, I think the
9 office management here wanted more intensive inspection
10 of that particular carrier. That's why they nominated
11 them.

12 Q. I see.

13 Does many of the carriers that are in the
14 Miami -- you said there's a FSDO in Fort Lauderdale
15 though?

16 A. That's correct.

17 Q. So that would be a separate entity in and of
18 itself.

19 With the number of carriers here at the
20 Miami Airport under the FSDO oversight, why would
21 Fine Air be nominated as many times as it has, as
22 opposed to spreading this out among the other carriers?

23 Do you have a sense as to why they made the
24 nomination so frequently, got the nomination so

1 frequently?

2 A. Because the local management nominated them,
3 they must have wanted more intense inspection.

4 Q. Have there been any discussions between you
5 and Headquarters or between you and the FSDO, FSDOs,
6 relating specifically to freight operations?

7 A. Yes, there have.

8 Q. And what kind of discussions have you had
9 concerning freight operators?

10 A. That some freight operators are much more
11 sophisticated than others, and the less sophisticated
12 ones probably need more regulatory attention.

13 Q. Would it be fair to say that based on our
14 previous discussion on the nomination for inspections,
15 that Fine Air may not be as sophisticated as some of
16 the others and, therefore, perhaps needed more
17 inspection?

18 A. Yeah, I think that would be evident on the
19 face of it, to walk around Fine Air's airplanes and
20 then go up to Louisville and walk around UPS'
21 airplanes.

22 Q. Have there been any identified cargo
23 problems prior to the Flight Standards handbook
24 bulletin, the 97.12 and the 97.21?

1 Are you familiar with those?

2 A. I'm familiar with them, yes.

3 Q. Had there been any other identification or
4 areas identified that needed to be addressed, in terms
5 of cargo handling, prior to these coming out, any
6 changes in cargo?

7 A. Yeah, I can think of several over the years,
8 and I think the carriage of hazardous and dangerous
9 goods is one of the major ones.

10 And that came out of an accident and -- or
11 recommendations from the NTSB, which were incorporated
12 into the regulations.

13 Q. Has there been any emphasis to increase the
14 training of principals involved with the oversight of
15 cargo carriers?

16 A. I'm not aware of a specific move to train
17 principals on cargo carriers, other than those
18 bulletins that you're familiar with.

19 Q. Is there an effort to have principals and,
20 for example, the operations principal, to necessarily
21 be trained on the type aircraft in which he surveils?

22 Is that a requirement?

23 A. It is not a requirement. Many times it's
24 desirable, but Delta Airlines operates ten major types

1 plus dash numbers.

2 It would be impossible for the principal to
3 be rated on all those aircraft. He's rated on one of
4 them.

5 Q. In one of them?

6 And there's a case where I think due to the
7 size of the airline, we then get into the program
8 manager aspect, where there are indeed trained people
9 though, isn't that correct?

10 A. That's correct. And that's how we handle
11 many of the smaller airlines as well.

12 In other words, if the principal is not
13 rated on that type aircraft, their major type or one of
14 their types, then he uses other assets, but it's
15 desirable to have principals rated on the kinds of
16 airplanes that the airline is using.

17 Q. Do you feel like that the POIs within the
18 Southern Region, as they have their positions in
19 oversight of their respective carriers, are adequately
20 trained?

21 Has there been a discussion from your
22 standpoint that the Region had to look at the
23 principals and say, gosh, we've got people out there
24 surveilling carriers that are not trained as they

1 should be?

2 Is this a problem in your Region?

3 A. Well, I think our principals are adequately
4 trained, and I would say that they are reflective of
5 the principals all over the United States.

6 Do they have the ideal training? That is
7 another thing, and we're talking about an allocation of
8 scarce resources here.

9 And while it's desirable to have a great
10 deal of training in the various subjects, adequacy is
11 another thing.

12 Q. The POI tenure at a carrier, do you track
13 that?

14 A. Not as well as we should.

15 Q. Is it low, medium or high turnover?

16 A. There is a higher turnover in places like
17 Miami, where there is a turnover in the industry as
18 well.

19 And when carriers are growing or
20 diminishing, the size of the assignment changes, and as
21 a consequence, there are constant reassignments, it
22 seems, which is detrimental to continuity.

23 Q. In the freight forwarder aspect of cargo
24 operations, has there been anything in the Region that

1 has addressed freight forwarders?

2 A. I'm not aware of any specific directives
3 toward freight forwarders, regionally or nationally.

4 Q. That's not really been part of the
5 surveillance of FSDOs, is that true?

6 A. Surveilling freight forwarders themselves?

7 Q. Yes, sir.

8 A. I'm not aware of any.

9 Q. Nor has there been a require~~m~~e to do so.

10 A. Correct.

11 Q. In terms of wet lease agreements, are those
12 handled at your level or higher?

13 A. They are not normally handled at my level.
14 They are handled at the principal inspector level.

15 Q. And when a principal inspector receives a
16 wet lease agreement between the two parties, an airline
17 in this case, and I'll use Aeromar as the example, is
18 that brought up to Region for review?

19 A. It can be. That's normally a legal review.

20 Q. And that legal review, is at the Regional
21 level or --

22 A. Correct.

23 Q. -- at Headquarters? Regional?

24 A. And that's because they aren't anywheres in

1 the District offices.

2 Q. I see.

3 Had that been handled on a local level at
4 sometime earlier?

5 A. I'm not sure what you mean, local level.

6 Q. I was under the impression that at one point
7 in time, wet leases were, as you described, handled
8 pretty much between the principals and the operators,
9 and then with the oversight of the local FSDO
10 responsible to that principal.

11 However, they have now been moved up to the
12 Region for review and determination as to the quality
13 of the wet lease.

14 A. The help of the Regional Counsel has always
15 been available to the inspector, and I think there
16 probably is more review at the Regional level now than
17 there was, because there's some very complex
18 arrangements made, security arrangements on aircraft
19 leases.

20 Q. So is it the responsibility of the principal
21 to say this is more than I can fathom, Region, can you
22 help me out?

23 Or is there a mechanism that says when you
24 get the wet lease, I want you to send it right on up to

1 us at your level for General Counsel review and Region
2 review before approval?

3 A. When the principal receives a lease
4 nowadays, most of the time it is forwarded for legal
5 review.

6 Q. Thank you.

7 Is the CASFO part of your responsibility as
8 the Division Manager?

9 A. It is not, but we're one FAA, so we
10 cooperate, but they do not report to me.

11 Q. To whom do they report, do you know?

12 A. Another Division Manager in charge of
13 security.

14 Q. And that's on a regional level or --

15 A. Yes. In our Region, the gentleman's name is
16 Jackson Smith, and he has I don't know how many
17 CASFO's, to be honest with you.

18 Q. So that's totally outside of your area?

19 A. Correct. Although we do have dealings with
20 him because of dangerous goods and hazardous material
21 and things like that. That is their program, but we're
22 in a position to spot it sometimes.

23 Q. So their entire operation is for security,
24 HAZMAT, dangerous goods, that would be it?

1 A. Internal, external security, those
2 magnetometers that you walk through when you come in
3 the airport.

4 Q. In terms of the ValuJet shutdown, the Millon
5 Air shutdown, and the Fine Air shutdown, what prompted
6 an increase in surveillance right after these
7 accidents?

8 Is there an automatic mechanism that goes
9 into play after a major accident, or were these
10 decisions made at your level to increase surveillance
11 prior to the shutdown?

12 A. There is a near automatic reaction to review
13 a carrier's fitness, particularly as it relates,
14 perhaps, to that accident.

15 Earlier in my testimony, I mentioned the 737
16 program at U.S. Air.

17 Q. After the Fine Air shutdown, were you a
18 participant in the construction of the consent
19 agreement?

20 A. I was not.

21 Q. You were not part of that at all?

22 A. I would have been, except I was on a
23 temporary assignment in Washington, so my assistant was
24 acting in my behalf. He was the Acting Manager.

1 Q. Is the consent agreement basically
2 established at the Regional level or is --

3 A. It's established at the Regional level.
4 It's actually a negotiation between the FAA and the
5 operator, and certainly suggestions that come from the
6 District office are incorporated.

7 Q. Does Headquarters also participate in the
8 consent agreement?

9 A. Normally, on the legal side, yes.

10 Q. The fine that was levied against Fine Air
11 that's spelled out in the consent agreement, can you
12 give me your impression of why that was there and any
13 other particulars that relate to the coming back into
14 business of Fine Air?

15 But particularly, the fines that were
16 established, was that excessive or have you had
17 experience with these before, consent agreements?

18 A. I have had experience with consent
19 agreements before. Let me take one part of your
20 question at a time.

21 The theory behind civil penalties is -- has
22 several things behind it. One is the punitive nature
23 of it, like a parking ticket or speeding ticket.

24 The second is reimbursement to the

1 Government for expenses incurred because of non
2 compliance.

3 Q. In terms of the dollar amounts that were
4 established in the consent agreement, how much of that
5 was punitive versus paying for the FAA oversight?

6 A. I don't know.

7 Q. You don't know. So my term of using fines
8 may have been an inappropriate word --

9 A. Yes.

10 Q. -- in that the numbers themselves are
11 accumulated for various and sundry reasons.

12 A. And very often, people call civil penalties
13 fines.

14 Q. Were there civil penalties involved in that
15 consent agreement, do you know?

16 A. For Fine Air?

17 Q. Yes, sir.

18 A. Yes, there were.

19 MR. ZAPPPIA: Here. Do you want to take a
20 look at this? Here's the statement. It's listed on
21 the consent agreement.

22 THE WITNESS: It's probably in his record, I
23 would assume. Is it not?

24 CAPTAIN IVEY: I'm sorry?

1 THE WITNESS: The consent order, is not part
2 of the record of this --

3 CAPTAIN IVEY: Yes, that's part of the
4 record.

5 BY CAPTAIN IVEY:

6 Q. In terms of the future beyond these two
7 bulletins that were produced on September the 5th, one
8 of which, of course, is the special emphasis
9 surveillance on 121 air carrier cargo loading
10 procedures.

11 And the other basically describing the
12 pallets and acceptable means of maintaining cargo
13 containers, pallets and netting installed in transport
14 category aircraft.

15 Is there anything else, to your knowledge,
16 that's forthcoming regarding cargo operators and the
17 criteria that will be published for the principals to
18 be able to inspect to see what's good, what's bad?

19 A. I'm not aware of any specific guidance being
20 developed, but we're in a constant state of refinement
21 of guidance.

22 Q. Characterize for me what has changed outside
23 of these two documents since the Fine Air cargo crash.

24 Have there been any other changes made?

1 A. I'm not aware of any.

2 Q. Just the increased emphasis, as suggested,
3 by these two documents?

4 A. Yes.

5 Q. Did I ask you about the ranking -- I did ask
6 you the ranking of the Miami FSDO, I believe, compared
7 to your others?

8 A. You did and I said it was in the top half.

9 Q. Yes, you did. Thank you.

10 CAPTAIN IVEY: I have no further questions,
11 Mr. Sacrey.

12 Thank you very much.

13 THE WITNESS: Thank you.

14 EXAMINATION

15 BY MR. MCGILL:

16 Q. Just a couple of questions, Mr. Sacrey.

17 You talked about building in quality instead
18 of inspected into the aircraft.

19 Could you just give a real short explanation
20 of how you, the FAA, is guiding the inspectors for
21 increasing this quality?

22 A. Yeah, I think I can.

23 It starts with the systems that the airline
24 has, whether it's the system for training crew members

1 or the systems for maintaining aircraft.

2 What we're asking for is greater detail in
3 those systems and more quality assurance of those
4 systems, so we can be sure that they function
5 correctly.

6 Q. We have heard testimony from inspectors and
7 principals, in fact, saying that they felt that they
8 needed assistance in their surveillance.

9 Are there future plans to alleviate some of
10 these, perhaps, overload conditions in the Miami FSDO?

11 A. You characterize it as an overload. I don't
12 know that I would agree with that. Certainly, every
13 principal can always use more help.

14 There's lots of work to do and dedicated
15 principals usually want to have more effective
16 surveillance, so -- but I repeat, I don't think you can
17 inspect in quality.

18 I think their time is better spent in
19 helping the carrier design effective systems and
20 policing it themselves.

21 There are 36,000 departures every day in
22 this country. There's not an inspector there to
23 witness every one of them.

24 Q. We hit a little bit on the training of the

1 principals.

2 Do you feel that your staff of unit managers
3 and managers have adequate expertise in areas of heavy
4 aircraft airframe engine operational backgrounds to
5 accommodate the principals themselves?

6 A. I think that you have adequate training and
7 qualifications, if that's what you're asking, yes.

8 Q. It seems like a principal nowadays needs a
9 great deal of experience to deal with the
10 sophistication of the airlines, and I don't know if the
11 same degree that goes up in management -- it seems like
12 perhaps some of the management may need also, some of
13 the same type of training to be able to help the
14 principals.

15 That was just what we've noted in our
16 observations.

17 On the wet leased arrangements with Fine Air
18 and ABX Air, we had testimony that that arrangement was
19 made to allow Fine Air to fit the parameters of Part 91
20 requirements.

21 Do we have other carriers using those
22 techniques that you're familiar with?

23 A. I don't know.

24 Q. Who does know this?

1 A. The principal of each carrier would know
2 what aircraft carrier can be utilized by that --

3 Q. Did I hear these wet leases are sent up to
4 be analyzed from out of the --

5 A. For legal sufficiency, yes.

6 MR. MCGILL: I have no further questions.

7 EXAMINATION

8 BY MR. BENZON:

9 Q. Okay. I just have one, and it does concern
10 the bulletins that came out to give guidance to POIs
11 and PMIs.

12 I always worry about these a little bit
13 because of the limited shelf life, so to speak.

14 A. I feel the same.

15 Q. One of them, in fact, has already expired.

16 Sir, is there any plans to codify this, to
17 make this a bit of a more permanent affair for the
18 inspectors?

19 A. I hope so.

20 Q. Okay, we --

21 A. The purpose of the bulletins normally is to
22 get information out right away --

23 Q. Right.

24 A. -- and then later, as the document that

1 they're part of is updated, it normally is
2 incorporated, so I would hope that that would be the
3 case here.

4 Q. And that decision to do that would be above
5 your level?

6 A. I don't know if it's above my level.

7 Q. Laterally?

8 A. It's done at Headquarters. I used to do
9 that work myself. It would be accomplished in AFS-200
10 and AFS-300.

11 That's where the bulletins came from, and
12 that's where the handbooks that they supplement come
13 from.

14 MR. BENZON: Okay, very good. That's all I
15 have.

16 EXAMINATION

17 BY MR. SCHLEEDE:

18 Q. Mr. Sacrey, I apologize if I'm redundant
19 here in a couple of areas, but I'm going to go over a
20 few areas that I want to clarify in my mind.

21 Starting with the Milon Air situation, are
22 you familiar with the circumstances that led to the
23 shutdown of that carrier?

24 A. I'm familiar with the shutdown and why they

1 were shut down, yes.

2 Q. And could you characterize that real
3 quickly, what the reasons were?

4 A. Yes. Evidence of substantial non compliance
5 with the regulations was presented to me, and I made
6 the determination that the carrier was no longer
7 qualified to operate.

8 Q. How did that reflect, if at all, or do you
9 have an opinion how that might reflect on the
10 effectiveness of FSDO 19 to have been doing its job at
11 that time?

12 A. I think FSDO 19 was doing its job in that it
13 was accomplishing the assigned inspections. It's
14 disappointing that some of the kind of evidence that
15 was brought to me before the shutdown, wasn't found
16 earlier, but that very often is the case.

17 That's why we use the systems of NASIPs,
18 RASIPs, OSIPs and in focused inspections, because the
19 principals, as I've testified earlier, spend a lot of
20 their time reviewing systems and approving additional
21 aircraft to the certificate, approving changes in the
22 training program, in the maintenance program and things
23 like that.

24 So they don't have the time to do the kind

1 of focused inspections that need to be done, and so we
2 bring in other people with other eyes to do those
3 inspections.

4 Q. Had Millon Air had any focused inspections
5 in the year previous or --

6 A. I don't know.

7 Q. You don't know.

8 Do you recall that they had had two
9 accidents in the year previous to the final accident
10 and shutdown?

11 A. I'm not sure I knew that either.

12 Q. Well, they did and, in fact, they had two
13 accidents, one fatal accident in Central America, and
14 one non fatal accident here at Miami, the year
15 preceding the fatal accident that killed fifty some
16 people in South America.

17 Would those be indicators that would prompt
18 a RASIP, or NASIP, or focus?

19 A. Yes.

20 Q. And you don't recall if any were done on
21 Millon Air then?

22 A. No, I don't.

23 Q. Okay. I know you've answered previous
24 questions about how you evaluate the effectiveness of

1 the FSDOs and inspectors by citing the PTRS and the
2 work programs compliance, and I think you meant -- or
3 completion of work programs and timeliness.

4 Do you use or does the FAA use the results
5 of focused inspections as a criteria to evaluate the
6 effectiveness of the FSDO?

7 A. It contributes.

8 Q. And how is that used?

9 A. There are quite a number of factors that are
10 considered, not just the results of those inspections,
11 but those inspections do tend to have an effect, at
12 least in my mind, of how effectively the office's
13 programs are.

14 Q. Is this an established directive, an FAA
15 order? Is there some kind of a --

16 A. There is no established directive or order
17 that I'm aware of. There's the evaluation program, of
18 which the Miami office has received a number of
19 evaluations.

20 Q. And those evaluations, I understood, were
21 more administrative in nature, and not really looking
22 at the effectiveness of the surveillance.

23 A. They're both. It's true they are
24 administrative in nature, but also they evaluate

1 whether the office is accomplishing the assigned work.

2 Q. Is that a bean counting thing?

3 You say they're accomplishing assigned work.

4 Is that just a number's game or is it really looking

5 at the quality of the surveillance?

6 A. I think it's both, but it's hard to define

7 quality of surveillance.

8 Q. Well, --

9 A. It's one of those things. I think you and I
10 know it when we see it.

11 Q. Well, if you had a NASIP or a RASIP that had
12 a significant number of, I think Category C or the most
13 egregious findings that are, I guess, safety of flight,
14 possibly safety of flight issues, is there a systematic
15 means by which the FAA evaluates whether or not these
16 were the type that would not be found or should have
17 been found through routine surveillance?

18 A. I think when you look at the individual
19 findings that you can tell which ones would be a
20 greater likeliness of finding on surveillance versus
21 ones that would not.

22 Q. I'm sorry, I didn't understand that. Could
23 you go over that again?

24 A. Give me your question again.

1 Q. Okay. If you had a significant number of
2 safety Category C findings, does the FAA look at those
3 to evaluate whether or not they should have been found?

4 A. Yes.

5 Q. And how do you do that?

6 A. By reviewing the individual, Fine Air.
7 You're saying Category C.

8 Q. Well, maybe I got the wrong number then.

9 A. No, you're right, but I think you have to
10 look at the individual finding, what it is, and make an
11 educated guess whether that could have been discovered
12 by normal surveillance, or whether it's very unlikely
13 that it would be discovered by normal surveillance.

14 Q. Well, I recall during the Millon Air case
15 that the airplane had an accident. Part of the
16 accident involved an engine failure, and we had people
17 as well as the FAA into the carrier very quickly.

18 And within very short time identified that
19 numerous engine components had exceeded hard times.
20 This was not something that was hard to find. It was
21 right in the paperwork.

22 That's an example of -- I'm wondering, is
23 that an example of something you think that the PMI for
24 that particular carrier should have picked up at some

1 point?

2 A. Yes, it is.

3 Q. Do you know whether or not the PMI in that
4 kind of a case, does he receive some kind of a
5 performance adjustment?

6 A. Yes, at times. That PMI reports to a unit
7 supervisor. You had one of them here giving testimony.

8 That unit supervisor is responsible for the
9 performance of each of those people that work for him.

10 So I would presume, in the case like that,
11 that an appropriate evaluation was made and remedial
12 action would have been taken.

13 Q. And that type of program, is that FAA
14 directive or order, is that spelled out as --

15 A. There are orders regarding performance
16 management. I think that's what we're talking about
17 here. Yes.

18 Q. Okay. Captain Ivey's been over the various
19 inspections and the number of inspections that Fine Air
20 -- and we've also, during the testimony, discussed the
21 results of these different inspections and had the
22 leaders of two of the teams testify.

23 But the latest one that happened right after
24 the accident has in the Executive Summary, the RASIP,

1 and I quote.

2 "The findings of the team are an indication
3 of a systemic problem at Fine Airlines."

4 Now, this is late August of '97.

5 A. Yes.

6 Q. Do you think that was an accurate statement
7 in that report?

8 A. Yes, I do.

9 Q. And how do you explain that there was
10 determined to be a systemic problem, as cited by this
11 team, when the previous inspections, NASIP, OSIP, DOT,
12 did not identify systemic problems?

13 A. I think the focus of the earlier inspections
14 were different and perhaps not as adequate as the
15 focused inspection.

16 Q. Along the same lines as our earlier
17 discussion with Millon Air, do you believe that these
18 findings were something that should have been uncovered
19 during routine surveillance by the FSDO?

20 A. They should have been uncovered by the
21 airline themselves.

22 Q. And in this case, apparently -- well, they
23 weren't.

24 Do you believe that the FSDO should have

1 found them?

2 A. Yes, I do.

3 Q. Has there been any remedial actions taken in
4 this particular case to perhaps adjust the program,
5 adjust the work of the FSDO, to prevent this from
6 happening again?

7 A. There have been reassignments and new
8 emphasis areas created, and we are asking first level
9 supervisors to do more over the shoulder evaluation of
10 their people, yes.

11 Q. Is this documented in any way that we would
12 be able to get a paper trail to show how this --

13 A. I believe there's national directives, yes.

14 Q. National?

15 A. I believe there are national directives
16 covering that, yes.

17 Q. Okay. We also asked you about the extent of
18 surveillance that you've placed on Fine Air.

19 Based on the situation as it stands today,
20 do you consider Fine Air a carrier that's under more
21 focused surveillance than other carriers?

22 A. Yes.

23 Q. And why is that?

24 A. Because they're operating under a consent

1 order.

2 Q. Okay. Do you have other carriers in the
3 Region or in the Miami FSDO area that are under similar
4 scrutiny?

5 A. We have no other carriers that I'm aware of
6 in the Miami office currently under a consent agreement
7 or consent order.

8 I believe there are currently four consent
9 agreements working on airlines in this country today.

10 Q. In the country?

11 A. Yes.

12 Q. How about in your Region?

13 A. There are two.

14 Q. What is the other carrier?

15 A. ValuJet.

16 Q. Okay. Do you, for any reason, anticipate
17 equal focus on other cargo carriers in your Region?

18 A. Do I anticipate equal focus?

19 Q. Equal to Fine Air's current or in past
20 focus.

21 A. No. And I have two of the largest cargo
22 carriers in the world, FedEx and UPS. And to have that
23 same intensity of inspection would take thousands of
24 inspectors.

1 Q. But how about some other smaller
2 supplementals?

3 Are there any of them that you're aware of
4 any concerns that would require the type of scrutiny
5 that Fine Air has been placed under?

6 A. Specific concerns, no, but earlier in my
7 testimony I mentioned the combination of very old
8 airplanes, less experienced crews, management operating
9 on a smaller margin.

10 All of those facts, to me, point up carriers
11 that need more intense inspections. That is good use
12 of our manpower.

13 Q. I've asked this question of people in a
14 similar position probably the last ten years.

15 A. And you haven't been satisfied with any of
16 those answers.

17 Q. Well, I'd like to get your views on it. It
18 has to do with the NASIP concept that you've got your
19 principal inspectors in the FSDO do the routine daily
20 surveillance.

21 They know the airline, they know the pulse
22 of the airline. And then you --

23 A. They actually do the routine daily
24 certificate maintenance more than they do surveillance,

1 and that's one of the problems.

2 Q. That's one of the problems?

3 A. Yes, their time is used up doing things like
4 adding aircraft to certificates, reviewing changes to
5 manuals, reviewing changes to the various programs that
6 the airline has to have by regulatory requirements, so
7 they don't have as much time to do focused inspections.

8 Q. That's the same answer I got ten years ago,
9 where commuters were growing so fast that the
10 inspectors didn't have time to do surveillance, and
11 they were spending all their time putting new airlines
12 on the certificate.

13 Don't they have the authority, doesn't the
14 FSDO manager or the supervisor have the authority to
15 break this work out, and say you are going to do forty
16 percent of your work on surveillance, and the airline
17 is just going to have to wait to get the airline on the
18 ticket?

19 A. They do have that authority, and they do
20 exercise it.

21 Q. Is it discretionary or is there guidelines?
22 Is there national orders that say what comes first,
23 surveillance or --

24 A. There are. There's the national program

1 guidelines. And the beginning of it says the objective
2 is to spend thirty-five percent of inspector manpower
3 on surveillance and inspections.

4 Q. Thirty-five percent.

5 A. Correct.

6 Q. Okay. And to continue on the thirty-five
7 percent, the principal inspector does the work and is
8 responsible for attempting to evaluate the compliance
9 by the carrier.

10 I know the carrier is responsible for
11 complying with the regulations. Then a national team
12 comes in and has a bunch of findings, or we have an
13 accident, such as Millon Air, and we find things that
14 we think the principal should have found.

15 A. Is your point that that inspector is
16 derelict in his duty?

17 Q. I'm sorry?

18 A. Is your point --

19 Q. No, no, no I'm sorry.

20 What I'm getting to is now the report is
21 written, the finding and then the NASIP team is
22 divorced totally from the closeout of the findings.

23 And we turn the closeout responsibility back
24 over to the principal inspector, and that doesn't seem

1 to -- does that seem like appropriate methodology?

2 A. It is the methodology that is used. At
3 times, we've involved teams in remedial action, but the
4 remedial action goes on for so long that it's
5 impractical.

6 I believe we had a team leader here testify
7 that he did the inspection on here, but he's from
8 Milwaukee.

9 How would he be able to supervise the
10 remedial action, without staying in Miami?

11 Q. Well, I understand the logistics of it.
12 Even during this particular session here, we've heard
13 that some of the RASIP findings, according to the
14 principals, are wrong.

15 And it's interesting that the Government
16 spent this money to send a team in here and come up
17 with a report and cite findings that cite violations of
18 regulations, and yet the principal turns around and
19 says the guy's wrong.

20 And I don't see a mechanism or is there a
21 mechanism by which that can be sorted out, who's right
22 and wrong?

23 A. Yes, there is. But remember, this is a
24 human endeavor and humans do make mistakes. But the

1 RASIP itself, the inspection and all those findings are
2 put into the program tracking and reporting system.

3 Each one of the closeout activities for each
4 one of those also goes in that system. It's reviewed
5 by at least the next higher authority, that is the unit
6 supervisor.

7 It may as well be reviewed by the office
8 manager, and that's one of the first things that the
9 Regional evaluation team looks at.

10 So I believe that's an effective system.

11 Q. Okay.

12 A. It's not one hundred percent, however.

13 Q. Along that line, and I know we're going to
14 ask some Headquarters' people some questions, but there
15 is a GAO report from 1996 that takes strong issue with
16 the quality of some of the PTRS material.

17 Are you aware of that report?

18 A. Yes, I am.

19 Q. Have there been any changes, as a result of
20 the -- well, there's actually a DOT IG and there's a
21 GAO critique of the quality of the SPAS and the PTRS
22 system.

23 Could you comment on that? Has there been
24 any changes? Is this report inaccurate?

1 A. That report, I believe, is accurate. I'm
2 not an expert at electronic data processing systems.

3 That system is under some refinement and the
4 outside expertise comes from the Transportation Safety
5 Center up in Cambridge, as well as Sandia Labs. Both
6 are reputed national experts at these kinds of systems.

7 Q. Are you aware, since these reports came out,
8 of any significant changes in your Region that you've
9 implemented or at the FSDOs to improve the quality of
10 the data that's in the PTR system?

11 A. There is a national emphasis to improve the
12 quality of the individual entries, as well as to
13 improve the whole system.

14 Sometimes it's referred to as a legacy
15 system, meaning it's old. And you have to remember
16 when it was originally put together, the capability of
17 computers was much more limited.

18 For instance, you've heard some of our
19 inspectors refer to the codes they use for each one of
20 the work activities, the four digit code.

21 The reason for that four digit code was
22 because originally, the computers didn't have enough
23 capacity for us to spell out a ramp check or whatever.

24 So the system is constantly being improved.

1 Whether it's as effective as we would like, it probably
2 never will be, but most Government computer systems are
3 under some review.

4 You've probably heard that the IRS computer
5 system is subject to some criticism as well.

6 Q. Okay. Just one last area, and Captain Ivey
7 also touched on this about the --

8 A. Excuse me. Can I have a drink of water?

9 Q. Oh, sure. I'm sorry.

10 A. Thanks very much.

11 Q. And this area has to do with the -- I'll
12 call it the public debate about the Southern Region
13 that resulted from the ValuJet accidents and those
14 events there.

15 And I know there's been at least local media
16 coverage in the Miami area regarding the situation with
17 Fine Air in the Miami area.

18 Do you believe, in your position, that FSDO
19 19 is equipped and staffed to do its job effectively
20 today?

21 A. Yes, I believe it is appropriately equipped
22 to do its job. I think the management here would
23 always like more people so they could do more intensive
24 -- more work.

1 But I think going back to what I said
2 earlier, it's hard to inspect in quality. I think what
3 we need to do is get the airlines internal systems to
4 shoulder more of the burden.

5 Q. And I know we've made a recommendation, the
6 NTSB did, in the ValuJet report, that you increase the
7 staffing and so forth in the Atlanta area to cover what
8 has happened with ValuJet.

9 Has that taken place?

10 A. Yes, that has taken place.

11 Q. And has that hindered in any way your
12 ability to beef up the Miami area?

13 A. Not really. Miami is the largest office we
14 have in the country and it's supplemented by another
15 office right up the road in Fort Lauderdale with
16 another sixty people, and FSDO 23 upstairs doing
17 international work with another thirty people.

18 So it's --

19 Q. Did you hear the testimony about the
20 "competitiveness" between FSDO 19 and 23?

21 A. Yes, I did.

22 Q. Do you have any comments on that?

23 A. I think there's ninety-nine offices around
24 the country. I have one of them that the office

1 manager, when he answers the phone, he says this is the
2 full service FSDO.

3 There's competition among -- good spirited
4 competition, I might add, that people just want to be
5 doing a good, effective job.

6 Q. So we shouldn't interpret any negative
7 indications from that comment by the principal
8 inspector about the competitiveness?

9 A. No, I don't think any negative connotation
10 there, no.

11 MR. SCHLEEDE: Okay, thank you very much,
12 sir.

13 MR. BENZON: John?

14 MR. ZAPPIA: Yeah.

15 Just first off for clarification on the
16 consent agreement that was entered into between Fine
17 Air and the FAA.

18 It specifically states on the first page:

19 "The FAA acknowledges that this payment is
20 not a fine, penalty or punitive sanction of any other
21 nature, but compensatory and remedial in nature," and I
22 just wanted to clarify that for the record.

23 Real quick. I've only got a couple
24 questions.

1 EXAMINATION

2 BY MR. ZAPPIA:

3 Q. Mr. Sacrey, would you agree that the Fine
4 Air accident and subsequent RASIP disclosed many issues
5 which were common in the cargo industry?

6 In other words, not unique just to Fine Air?

7 A. Well, I think the specific things that were
8 found were unique to Fine Air, but I admit that there
9 are defects found in other carriers of the industry, if
10 that's what you mean.

11 Q. Have you received or do you have knowledge
12 of the input back to your office generated by these
13 handbook bulletins that have come out?

14 Have you been able to review any of that
15 data?

16 A. I have not.

17 Q. Do you know when that data will be reviewed?

18 A. It's probably being reviewed right now, just
19 not by me.

20 Q. And would you expect some changes in
21 surveillance or in procedures for other cargo carriers
22 of the same nature and size?

23 I know you've brought up you have the two
24 major cargo carriers like FedEx and UPS, but you also

1 established that there are certain standards way far
2 beyond and above regulatory compliance that some of
3 these carriers with huge infrastructures have.

4 Not those carriers, but the smaller cargo
5 carriers similar in size to Fine Air or that kind of
6 operation, would you expect that this bulletin
7 information would provide new guidance towards
8 oversight and increased activities in those carriers?

9 A. Yes, I would. I think what we're looking
10 for is the best practices in the industry and we're
11 hoping that other people in the industry will adopt
12 those best practices.

13 MR. ZAPPPIA: Okay, I have no further
14 questions.

15 MR. BENZON: I'm sorry, are you done, John?

16 MR. ZAPPPIA: Yes.

17 MR. BENZON: Joe?

18 MR. MANNO: I have no questions. I just
19 want a clarification on that handbook bulletin with the
20 date. That's a typo.

21 And I've been in touch with AFS-300 and
22 they've CC'd mail to the FSDO here that that was a
23 typo. It should be '98 when it expires.

24 MR. BENZON: Yeah, it didn't seem right. Two

1 months worth wasn't hardly worth it.

2 MR. ZAPPIA: Well, while clarifying things,
3 we need to clarify one subject Frank brought up, which
4 was about the Airborne wet lease.

5 That would not be the wet lease, that would
6 be the interchange agreement in reference to the topic
7 of conversation of the wet lease in the Stage 3
8 aircraft.

9 MR. MCGILL: Correct. You do have a wet
10 lease arrangement, but that did not carry over on a
11 Part 91 --

12 MR. ZAPPIA: Correct. The topic of
13 conversation being Stage 3, would be the interchange
14 agreement and not the wet lease.

15 MR. MCGILL: Right.

16 MR. BENZON: Okay. Raymundo?

17 MR. POLANCO: No questions.

18 MR. BENZON: Okay.

19 Sir, we'll give you one last chance to say
20 anything you need to say, answer any questions we
21 forgot to ask.

22 THE WITNESS: No. You're trying to
23 construct a record here and trying to get to the bottom
24 of things, and I'm happy to be of service.

1 I'm available for recall if you have more
2 questions.

3 MR. BENZON: Okay. We appreciate it. It
4 was very informative.

5 (Whereupon, at 8:48 a.m., the
6 deposition was concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
) SS.:
COUNTY OF PALM BEACH)

I, EDNA HOLLANDER, Court Reporter/Notary Public in and for the State of Florida at Large, do hereby certify that I was authorized to and did report the foregoing deposition of WILLIAM MICHAEL SACREY, a witness herein; that the foregoing pages numbered 1 through 61, inclusive, constitute a true and accurate record thereof.

I further certify that I am not of counsel; I am not related to nor employed by an attorney to this action; I am not financially interested in the outcome thereof.

Witness my hand and seal this 29th day of November, 1997, in the City of Boca Raton, County of Palm Beach, State of Florida.

Edna Hollander

