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Higgins
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FAX TRANSMITTAL FORM

TO:
ADDRESS:
FAX NO.

Jennifer Corne

Date: *9-4-96*

FROM:
ADDRESS:
FAX NO.

Pat Friend

TOTAL NUMBER OF PAGES 4 (Including cover)

MESSAGE



URGENT

September 4, 1996

Ms. Joyce Fleischman
U.S. Department of Transportation
Office of Inspector General
400 7th Street, S.W.
Washington DC 20590

Re: Application of ValuJet Airlines to Resume Service, Docket OST-96-1548

Dear Inspector General Fleischman:

I am writing to request that the Inspector General immediately commence an investigation into the Department of Transportation's (DOT) conduct in the above-referenced proceeding. On August 29, 1996, the DOT issued an Order to Show Cause tentatively finding ValuJet fit to resume operations. Both the surrounding circumstances and the content of this decision raise serious questions concerning the propriety of the Department's action. As shown below, the Department participated in improper and undisclosed ex parte communications, tentatively approved an incomplete and patently defective application, and inexplicably failed to consider that ValuJet had made material misrepresentations to the DOT. Clearly, the Department's Order is not based upon the factual record, but is the product of other improper considerations including, but not limited to, the undue influence exerted upon the DOT by Members of Congress and by ValuJet. Urgent action pursuant to the Inspector General's statutory authority is the only way to prevent the DOT from inflicting an unfit carrier on the traveling public.

First, ValuJet misrepresented the qualifications of its vice president of maintenance/heavy maintenance, David Gentry, in its application, altered his resume in a subsequent filing, and insisted that Mr. Gentry was qualified to hold this critical maintenance position. In response to AFA's July 22, 1996 claim that Mr. Gentry was not qualified, the airline submitted a resume which reordered the chronology of his positions with his prior employer Northwest Airlines. ValuJet labeled AFA's concerns about this unexplained modification as groundless and proceeded to state on August 19, 1996 that it had provided the Department with "all" information needed to make a fitness determination. Two days later, on August 21, the AFA reiterated its concern that ValuJet had, in fact, not disclosed material information concerning Mr. Gentry. On August 23, the carrier disclosed, for the first time, the truth about Mr. Gentry's prior experience and notified the DOT it had reassigned him to the position of Vice President of Special Projects, with no responsibility

for maintenance oversight. The misrepresentations had been exposed, Mr. Gentry's lack of qualification had become indefensible, and yet DOT approved the application without questioning ValuJet's deceit.

Second, in its August 23 filing with the DOT, ValuJet also revealed, for the first time, 28 new positions out of a total of 43 in its maintenance oversight operation. Similarly, this revelation came on the heels of ValuJet's unequivocal representation that it had fully disclosed all relevant information. This, too, came only in response to AFA's August 21 request for additional information. Either the carrier completely revamped its maintenance organization in the four-day span between August 19 and August 23, or its previous filings had blatantly misrepresented the carrier's maintenance structure. Again DOT ignored ValuJet's misconduct and proceeded to find the carrier fit to resume operations.

Third, in its August 23 submission to the DOT, ValuJet submitted a list identifying each of the individuals holding "key personnel" positions as required by the regulations. 14 C.F.R. 204.2(i), 204.3(f). ValuJet, however, disclosed for the first time that two such positions were *vacant*. Nonetheless, in violation of its own regulations, the DOT tentatively approved an application which remains incomplete.

Despite resounding criticism of ValuJet's maintenance practices in a series of FAA investigations and reports, the FAR-mandated position of Director of Maintenance is still occupied today by Salvatore D'Amico. Mr. D'Amico has been in that position since August of 1995, throughout the period when the FAA found a bad and deteriorating maintenance and safety record at ValuJet. Many of the safety violations cited by the FAA occurred on Mr. D'Amico's watch and yet the DOT has tentatively approved the resumption of ValuJet operations with Mr. D'Amico still in the responsible position of Director of Maintenance. For the first time the DOT has determined that the responsible officers of an airline are not ultimately accountable for the maintenance and safety programs of the airline they control. Only through this unprecedented analysis could the DOT find Chairman Robert Priddy, President Lewis Jordan, and Mr. D'Amico competent to remain in charge of the airline.

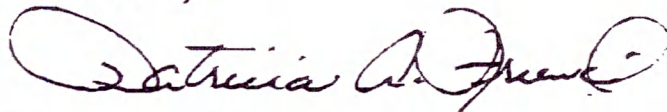
DOT's conduct is particularly troubling in light of ValuJet's recent history. On May 11, ValuJet Flight 592 crashed into the Everglades killing all 110 passengers and crew aboard. Preliminary investigations, and ValuJet itself, have pointed to errors of a maintenance vendor in handling hazardous materials as the probable cause of the accident. Under these circumstances, it is unconscionable for ValuJet to submit, and for the DOT to approve, an application which shows that the "key personnel" positions of the Director of Vendor Maintenance Administration and Director of Maintenance Cost and Control are vacant. Both of these positions are critical to preventing another catastrophe, like the May 11 crash - the Director of Vendor Maintenance Administration has primary responsibility for determining whether ValuJet's contractors are complying with the law while the Director of Cost and Control will ensure that ValuJet has allocated sufficient funds to support the maintenance organization. One must ask, and only the Inspector General is in a position to answer, why the Department rushed to approve ValuJet's application before the airline had even selected individuals for these two critical positions.

Finally, the Department engaged in prohibited communications with Members of Congress which it has not disclosed as required by the regulations. 14 C.F.R. 300.2, 300.3. None of these communications was entered into the docket as required by the regulations, and the Department has repeatedly refused AFA's requests to provide the Congressional correspondence. 14 C.F.R. 300.3 News reports have indicated that ValuJet and McDonnell-Douglas lobbied Congress and solicited improper letters to Secretary Pena and Administrator Hinson apparently pressuring the decision-makers to avoid holding a hearing. A question arises whether ValuJet's lobbying efforts extended to contacting Department officials directly.

These ex parte communications must be viewed in the context of the DOT precipitously issuing a fitness determination for a carrier that has yet to provide a complete application, has misrepresented material facts, and withheld other substantive information. We respectfully submit that it is incumbent upon the Inspector General to immediately investigate and determine to what extent forces outside the normal regulatory process improperly influenced and ultimately convinced the Department to issue its August 29 Order. Under these circumstances, such a review is critical to ensure the public's safety and to prevent an airline from resuming service until it is fit.

Thank you for your consideration of this matter.

Sincerely,



Patricia A. Friend
International President

PAF:gw

DRAFT LETTER TO INSPECTOR GENERAL

URGENT

Joyce Fleischman
U.S. Department of Transportation
Office of Inspector General
400 7th Street, S.W.
Washington, D.C. 20590

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First, ValuJet misrepresented the qualifications of its vice president of maintenance/heavy maintenance, David Gentry in its application, altered his resume in a subsequent filing, and insisted that Mr. Gentry was qualified to hold this critical maintenance position. In response to AFA's July 22, 1996 claim that Mr. Gentry was not qualified, the airline submitted a resume which reordered the chronology of his positions with his prior employer Northwest Airlines. ValuJet labeled AFA's concerns about this unexplained modification as

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TO:
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Jennifer O'Brien

Date:

9-3-96

FROM:
ADDRESS:
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Det. Friend

TOTAL NUMBER OF PAGES 4 (Including cover)

MESSAGE

Lined area for the message content.

Dat Friend

9/3

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(202) 328-5880