

From: [Sue Carter](#)
To: [cityclerk](#)
Subject: Advanced Atr
Date: Monday, March 07, 2022 8:28:56 AM

Merced City Council

A Reminder of what EAS intent is:

To fly people to the closest airport (Sacramento or LAX/International terminal) as cheaply, efficiently and timely as possible that can connect to other flights. Period.

The DOT Contract is for 3.5 Million a year. That covers 100% of the Advanced Air operating expenses. Fuel, pilots, terminal personnel, maintenance people, Insurance etc. After that they collect \$161 a ticket and get reimbursed an additional \$198 per passenger from EAS. Total \$359 per passenger. In addition to that they get paid \$1500 just for taking off with no passengers on board. So each flight is worth at least \$1500 with no passenger. A fully loaded plane, \$4400. They even collect a \$5.60 "security fee". Which is a TSA tax. They don't do TSA. It is a voluntary reporting policy. So they only have to voluntarily report to the TSA what they collected, with no audit trail. 56k per year.

So their contract guarantees them with 24 flights a week a pure profit of 2 Million to 13 Million a year, depending on how many actual passengers they fly. 2 Million for no passengers and 13 Million for fully loaded flights.

THEY HAVE 0% CHANCE OF LOSING ANY MONEY! THATS 0% !!!

They talk about fuel costs. Ok. The DOT gives him \$7.67 a gallon for fuel. They don't pay near that for fuel. They only pay 18 cents a gallon tax where you pay 55 cents a gallon tax when you fill your car. I'm sure with the amount of fuel that they purchase they are only paying about \$3.00 a gallon for fuel. Not bad, get paid \$7.67 to spend \$3.00 on fuel. What do they care if the cost of fuel goes up? They get fully reimbursed by the DOT.

Advanced Air could care less if they provide any kind of good service or have passengers at all. It's all profit. They just have to get planes in the air. Why do they have a flight leaving Merced at 8:30PM getting to LA at 9:48PM Sunday, Wednesdays and Fridays. I bet the flight on Sunday is full. They completely changed their original agreed schedule to something else that best suited them, not Merced. As you already know they don't actually go to LAX or McCarran.

They don't go to Sacramento because they have no place to on and offload the passengers. There aren't any Signature flight Service facilities in Sacramento.

EAS does this to give Airlines as an incentive to provide EAS service with no possible chance of loss.

Why do you think Advanced Air would take a chance on Merced. Guaranteed profit.

Sue Carter

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