



Meeting Minutes

28 August 2023, 6:00 PM – Zoom Only

Attendees

Directors (7): Vaughn Mauren*, Joe McCormick, DJ Nicholson, Scott Price, Francis Pullaro, Curt Robinson*, Landon Sock*

Members (12): Luke Andrews, Eric Atkins, Philip Caporusso, Edward Chromczak**, Alexis Coppola, Ross Detwiler*, Brian Hanecak, Justin Leach, Jon Miller, Ryan Ragan, Burt Stevens**, Sheldon Wermes

*Directors and Members are Regular Members unless otherwise noted as *Associate, **Emeritus Associate, or ***Medical Associate.*

Note: This meeting was Zoomed only, as arranged by Francis Pullaro.

General Business

The Meeting was called to order at 6:03 p.m. by President Francis Pullaro. This was a Special Board Meeting conducted per Club By-laws. The meeting was held via Zoom only. A Quorum of Directors (1/2 of Directors) *was* present. (7 of 8 Directors were present.)

N735GC Engine

Refer to President Francis Pullaro's two e-mails to members dated August 26 and 27 ([attached](#)).

Francis said Club pilots reported that the engine in N735GC was running rough in flight and that the engine had been carefully inspected by two A&Ps who recommended repair or overhaul.

Francis explained the five options for repair or overhaul summarized in his e-mail of August 26 and opened discussion. The extended discussion addressed whether to keep or sell the aircraft, the merits of the five options presented and how to fund repairs. Following discussion, Francis asked for a Motion to move ahead with the option recommended in his e-mail: purchase of a factory remanufactured engine from Continental through Air Power Inc. in Arlington, TX.

Immediate Past President Landon Sock made, and Finance Committee Member Sheldon Wermes seconded, the following Motion.

Motion: Resolved, Oxford Flying Club authorizes Francis Pullaro to execute a contract with Air Power Inc. to provide a Continental rebuilt zero-time engine for N735GC, as detailed in his e-mail to members dated August 26, 2023, "Action on 5GC engine and avionics plan."

Francis called for voting and the Motion was adopted unanimously by a show of hands.

Additional Business

No additional business was discussed.

The Meeting was adjourned at 6:38 p.m.

Meeting Minutes submitted by Scott Price, Secretary

#

From: Francis Pullaro <fpullaro@yahoo.com>

To: David Irving <dgirving@yahoo.com>; Ed Chromczak <n12pilot@att.net>; Eric Atkins <n109dd@gmail.com>; Wayne Tremallo <waynetremallo@sbcglobal.net>; Landon Sock <me@landonsock.com>; Christopher Sutherland <csuth@mckellangroup.com>; Curt Robinson <curtmrobinson@gmail.com>; Sheldon Wermes <sheldon@tandemllc.com>; Joe McCormick <joe.mccormick1@gmail.com>; Leo Mollica <leo.mollica@gmail.com>; Scott Price <sprice03@snet.net>; Vaughn Mauren <vmauren@gmail.com>; darryln29@gmail.com <darryln29@gmail.com>

Sent: Saturday, August 26, 2023 at 10:10:09 AM EDT

Subject: Action on 5GC engine and avionics plan - RSVP Monday meeting

Board, Plane Captains, and Finance Committee,

Here are (1) options and a recommendation for the engine overhaul on 735GC and a recommendation for how to pay for it and (2) advancing OFC long-term plan for fleet-wide avionics upgrades. **Board, please let me know today** your availability on Monday for a Zoom-only special board meeting open to the club for the board to approve one of the options. How about 6 p.m.?

Engine Overhaul for 735GC

For 735GC's engine, I am recommending we purchase a factory remanufactured engine from Continental as it will give us the fastest turn-around time and provide members with the security of having a factory engine. My second choice would be Aircraft Engine Specialists based on price but it has double the lead time- and time is money- and a slightly less generous warranty. The low-priced Valley Aircraft proposal was not sufficiently detailed, and while the contact was friendly, he was ultimately slow to respond to still unresolved questions. For example, it is not clear how much an overhaul including the crank and case would cost and whether there is a warranty.

Here are five options for the engine overhaul with each quote from the four overhaul shops attached:

- Continental rebuilt zero-time engine via Air Power is \$50,275. At least 12 weeks to receive the engine. Existing engine returned to Air Power after new engine received. This eliminates the need to build a crate. According to Continental and subject to confirmation, we will have to pay the full core value up front. For example, if the engine cost \$50,275 and the core value, which will be refunded, is \$14,000, our total upfront cost will be \$64,000. I believe this is our recent experience with 819. The Continental website states warranty is parts and labor for 18 months or expiration of TBO, whichever occurs first.
- Aircraft Engine specialists is \$42,600. Overhauled to new limits. Work includes the crankcase and crank shaft. Lead time to completion is 20 – 24 weeks. Warranty of 12 months or 500 hours.
- Certified Engines Unlimited is \$45,900. No information on whether overhaul is to new limits. Crankshaft appears to be included. Lead time to completion is 18 - 20 weeks. Warranty for parts and labor extends for a period of 9 months from the date of service or 200 hours, whichever occurs first. An additional prorated warranty extends, parts only, to 600 hours on direct engines, and 400 hours on geared engines. If Aircraft on Ground (AOG), it could prepare an exchange engine in under 6 weeks for an additional AOG charge of \$1500.
- Valley Aircraft in Virginia \$29,500. 12 – 16 weeks. Work is to new limits but not stated in the quote. Subtract \$5,000 to remove the NorthPoint XP470 STC (f/k/a P-Ponk) STC upgrade. I am waiting on the cost of the overhaul for the crankcase and crank. Alternator appears not to be included. No info on warranty.
- Western Skyways is \$49,710. 3 year, 100% parts and labor warranty. Work is to new limits and includes crankshaft and crankcase. Lead time to completion is 12 – 15 weeks. Ship existing engine to Western in the same crate used to ship the new engine to OFC.

We have only \$21,509 in the P&E account set aside for 735GC in large part due to the aircraft only making it halfway to TBO and in part due to us having underestimated the overhaul cost until early this year. With the extended AOG period, I have contacted our insurance broker to ask if 735GC's current coverage can be limited to no-fly so that we can obtain a credit while the airplane is not flying. It seems like insurers do that for AOG of at least 90 days.

Here are some options for the estimated \$60,000 needed for a factory remanufactured engine and the cost for engine removal and replacement and for the potential need to overhaul the prop.

- The club has been saving enough each month for insurance to be able to pay the full premium (\$58,000 for 2023-2024) at the start of the policy period, which is the beginning of March of each year. Last year, the underwriters allowed the club to pay in quarterly installments. Nevertheless, the club has continued to save money each month to pay the full 2024-2025 policy period premium in March of 2024. The insurance fund less the amount for the September quarterly payment gives us up to \$49,000 for the overhaul. We could move \$38,500 from the insurance fund to the overhaul fund provided we are confident that our insurer will continue to allow quarterly payments and not require that by March 2024 we pay the premium in full. I have asked our broker to double check with the underwriters. Her initiation reaction is that they allow quarterly payments for several other large customers.

- Do what we always have done in these situations and raid the Long-Range Planning Fund. The LRP balance is \$53,000.

- Borrow \$38,500 from members. 735GC's purchase loan is paid-off next week.

My recommendation is to use the excess insurance funds up to \$38,500 for the engine, and transfer the remaining \$10,500 to a new segregated account for emergency maintenance items and/or to the P&E account if we are underfunded on any of the other aircraft based on today's remanufactured engine prices. For consideration by the finance committee, I believe an emergency maintenance fund should be funded through the hourly rate. And should we decide after we install a new engine that 735GC still works for the club despite its troublesome engine history, we should also include in the rate the cost of a mid-time top-overhaul given our experience with the O-470-U and that of other owners.

Long-Term Plan for Avionics Upgrades

I would like to see the finance committee come forward with a plan by Labor Day that calls for using the LRP and new loans for members to fund the LRP plan. I'd like to get started with the first phase of the LRP plan (avionics for 34X and the COM2/NAV2 for 819) over the next few weeks using the LRP funds and then schedule the 61H avionics upgrades once we have the funds from member loans. The club to approve it at the next monthly club meeting.

From: Francis Pullaro via Ofc-mem <ofc-mem@lists.oxfordflyingclub.com>
To: OFC-Members OFC-Members <ofc-mem@oxfordflyingclub.com>
Sent: Sunday, August 27, 2023 at 01:51:53 PM EDT
Subject: [OFC-Mem] OFC Special Remote Meeting on Monday, August 28, at 6 p.m. for action on 735GC engine

OFC Members,

A special meeting of the board will be held on Monday, August 28, 2023, at 6 p.m. for the board to decide on the overhaul for 735GC. Members are welcome to attend and ask questions. This meeting is remote only.

Join Zoom Meeting

<https://us02web.zoom.us/j/85383874426?pwd=aWV6UXdFZGx2Q0VLQXNlWxXaHloZz09>

Meeting ID: 853 8387 4426

Passcode: 576947

One tap mobile

+13092053325,,85383874426#,,,576947# US

Earlier this month, OFC pilots reported 735GC's engine was running rough particularly in flight at low power. Two A&Ps inspected the engine and found low compressions on multiple cylinders and determined the cylinders needed to be replaced due to exhaust valve leakage. After removal of the cylinder assemblies, further inspection found problems with the engine including spalling on exhaust lifters to cylinders 1 and 5 and worn cam lobes causing excessive valve lash. A ring was found broken on the cylinder 3 piston. The engine had probably started making metal. The A&P recommended the engine be sent to a repair station for repairs or overhaul.

Multiple quotes were received on overhauls ranging from \$43,000 to \$50,000. A Continental remanufactured zero-time engine is \$50,275. After considering feedback from the maintenance team, I am recommending to the board that OFC purchase a factory remanufactured engine from Continental as it will give us the fastest turn-around time - potentially by 1 to 3 months- and provide members with the security of having a factory engine.

Next Month's Meeting

Please note we will have our regularly scheduled meeting in September when a motion will be presented for funding the long-term avionics plan. This work was delayed due to vacations and the attention required by the 735GC's engine.

Further to my email last week about members in arrears, we are seeing members who are taking advantage of OFC's generous policy on suspensions and terminations. The purpose of the policy changes made earlier in the year was to reduce the \$20,000 in members' arrears. While we have lowered that amount from \$20,000 to \$10,000, next month's meeting will contain proposals to tighten our payments policy further to eliminate this debt. Without elimination of this debt, the finance committee earlier this year explained why a dues increase would be necessary.