

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 8059

IN THE MATTER OF:

Served June 3, 2004

SKYHAWK LOGISTICS, INC.,)
Suspension and Investigation of)
Revocation of Certificate No. 406)

Case No. MP-2004-77

This matter is before the Commission on respondent's response to Order No. 7954, served April 20, 2004.

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 406 for a minimum of \$5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

The \$1 million primary and \$4 million excess WMATC Insurance Endorsements on file for respondent terminated without replacement on March 20, 2004. Order No. 7887 noted the automatic suspension of Certificate No. 406 pursuant to Regulation No. 58-02, directed respondent to cease transporting passengers for hire under Certificate No. 406, and gave respondent thirty days to replace the expired endorsements or face revocation of Certificate No. 406.

Respondent submitted a \$1 million primary replacement endorsement on March 23, 2004 and \$4 million excess replacement endorsement on April 8, 2004. The effective date of the new primary endorsement is March 20, 2004, but the effective date of the new excess endorsement is March 24, 2004. This means that respondent was without the minimum required insurance coverage for four days from March 20, 2004, through March 23, 2004.

Order No. 7954 gave respondent thirty days to furnish proof of compliance with Order No. 7887, which proof was to include statements under oath from VGA, Incorporated, and the U.S. Forest Service, as to when respondent ceased performing the Forest Service contract described in respondent's subcontract with VGA, which is on file with the Commission as respondent's Contract Tariff No. CT-1. Such statements also were to indicate who is operating the Forest Service contract in lieu of respondent.

On April 28, 2004, respondent filed an affidavit confirming that it ceased operating on March 19, 2004, and has not resumed operating since. Respondent further confirms that in accordance with

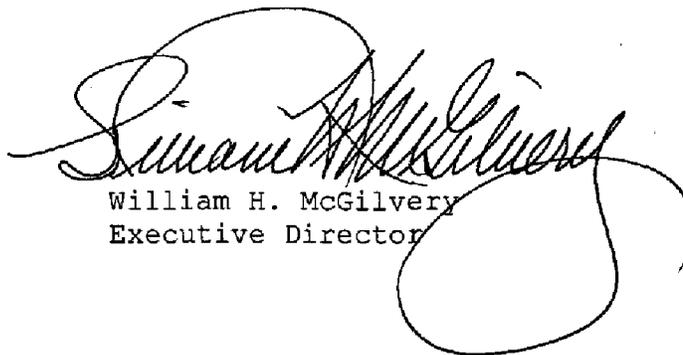
the scheduled March 20, 2004, expiration date on Contract Tariff No. CT-1 and the associated vehicle lease between respondent and VGA, respondent is no longer obligated to perform the Forest Service contract.

Inasmuch as respondent is no longer in privity with VGA and the Forest Service, we cannot expect respondent to compel the production of statements from those parties.

Based on respondent's affidavit and the timing of the expiration of respondent's Contract Tariff No. CT-1, it appears respondent timely complied with Order No. 7887. For good cause shown we shall lift the suspension of Certificate No. 406.

IT IS SO ORDERED.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES, MILLER, AND MCDONALD:



William H. McGilvery
Executive Director