



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 20th day of October 20, 1999

Served: October 20, 1999

Application of

INLAND AVIATION SERVICES, INC.

for a certificate of public convenience and necessity
under 49 U.S.C. 41102 to engage in interstate scheduled
air transportation of persons, property, and mail

Docket OST-98-3857

**ORDER ISSUING EFFECTIVE CERTIFICATE
AND CONFIRMING ORAL ACTION**

Summary

By this order, we (1) confirm our oral action of October 6, 1999, making the interstate scheduled passenger authority issued to Inland Aviation Services, Inc. (Inland) effective on that date, and (2) reissue to the carrier its certificate of public convenience and necessity authorizing it to engage in interstate scheduled air transportation of persons, property, and mail to reflect its effective date.

Background

By Order 99-8-3, issued August 3, 1999, the Department found Inland fit to engage in interstate scheduled passenger air transportation using aircraft with no more than nine passenger seats and issued the company a certificate authorizing it to engage in such operations. However, the authority to operate under this certificate was not to become effective until six (business) days after the Department had received (1) a copy of Inland's Air Carrier Certificate and Operations Specifications issued by the Federal Aviation Administration authorizing such operations, (2) a certificate of insurance evidencing liability insurance coverage meeting the requirements of section 205.5(b) of our rules, (3) updated fitness information describing any changes Inland may have undergone subsequent to the issuance of the show-cause order in this proceeding,¹ and (4) evidence that Inland continued to have sufficient funding to meet our financial fitness criteria.

¹ See Order 99-7-4 served July 12, 1999.

On September 27, 1999, Inland submitted a copy of its Air Carrier Certificate and Amended Operations Specifications from the FAA that authorized interstate scheduled passenger operations. The carrier also provided financial and other updated fitness information and a copy of Form 6410 evidencing its liability insurance coverage. Upon review, we determined that the insurance coverage was insufficient. We notified the carrier that the six-day review period for making its authority effective would not begin to run until this additional information was filed. On October 6, Inland filed a revised Form 6410 evidencing the proper coverage.

FITNESS UPDATE

Inland states that it has no outstanding pre-operating expenses and that there have been no changes in ownership, key personnel, operating plans or compliance disposition.

Inland submitted updated financial information which indicates that the carrier continues to have access to sufficient funds to meet the Department's financial fitness test. As indicated in the show-cause order, the carrier needed access to resources of at least \$3,200 to meet our three-month financial fitness test.² In support of meeting the Department's financial fitness test, the carrier provided updated financial statements. Inland's balance sheet as of September 30, 1999, shows that the carrier has working capital of over \$79,000. For the year ended September 30, 1999, the carrier had net income of \$88,000. Finally, Inland provided evidence that it has over \$44,000 in its bank account. Thus, the carrier continues to have access to resources sufficient to meet the Department's financial fitness test.

Based on the above, we have determined that Inland continues to be fit to provide interstate scheduled passenger operations. Therefore, on October 6, we notified Inland that we were making its section 41102 interstate certificate effective on that same date. By this order, we confirm our oral action making Inland's authority effective and reissue to the carrier a certificate to reflect its October 6, 1999, effective date.

ACCORDINGLY, Acting under authority assigned by the Department in its Regulations, 14 CFR 385.12:

1. We confirm our oral action of October 6, 1999, making the section 41102 certificate authority issued to Inland Aviation Services, Inc., to engage in interstate scheduled air transportation of persons, property and mail, effective on that same date.
2. We reissue to Inland Aviation Services, Inc., the interstate section 41102 certificate issued to it by Order 99-8-3 in the attached form to reflect its effective date.

² To meet our financial test, we expect applicants to have funds available to cover all pre-operating expenses plus the expenses expected to be incurred during three months of operations. Inland estimated that its total first-year operating costs would be \$12,800; one fourth of that is \$3,200.

3. We direct Inland Aviation Services, Inc., to submit to the Air Carrier Fitness Division a first year progress report within 45 days following the end of its first year of actual certificated flight operations.³

4. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.30, may file their petitions within 10 days of the service date of this order.

The action confirmed in this order was effective when taken and the filing of a petition for review shall not alter its effectiveness.

By:

JOHN V. COLEMAN
Director
Office of Aviation Analysis

(SEAL)

An electronic version of this document is available on the World Wide Web at
http://dms.dot.gov/reports/reports_aviation.asp

³ The report should include a description of the carrier's current operations (number and type of aircraft and principal markets served), a summary of how these operations have changed during the year, a discussion of any changes it anticipates from its current operations during its second year, current financial statements and a listing of current senior management and key technical personnel. The carrier should also be prepared to meet with staff members of the Fitness Division to discuss its current and future operations.



**Certificate of Public Convenience and Necessity
for
Interstate Air Transportation
(as reissued)**

This Certifies That

INLAND AVIATION SERVICES, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in interstate air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

**Issued by Order 99-10-19
On October 20, 1999
Effective on October 6, 1999**

**John V. Coleman
Director
Office of Aviation Analysis**



Terms, Conditions, and Limitations
INLAND AVIATION SERVICES, INC.

is authorized to engage in interstate air transportation of persons, property, and mail between any point in any State, territory, or possession of the United States or the District of Columbia, and any other point in any of those entities.

This authority is subject to the following provisions:

- (1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (2) The holder may not operate aircraft designed to have a maximum passenger capacity of more than 9 passenger seats.
- (3) The holder's authority is effective only to the extent that such operations are also authorized by the FAA.
- (4) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (5) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.
- (6) The holder may reduce or terminate service at any point or between any two points, subject to compliance with the provisions of 49 U.S.C. 41734 and all orders and regulations issued by the Department of Transportation under that section.

*This certificate is being reissued to reflect its effective date.

(7) The holder may not provide scheduled passenger air transportation to or from Dallas (Love Field), Texas, except within the limits set forth in section 29 of the International Air Transportation Competition Act of 1979, as amended by section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998.

(8) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.

(9) In the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under all certificates held shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

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