

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 South Evergreen Park Drive SW, PO Box 47250
 Olympia Washington 98504-7250
 Toll Free (888) 606-9566 or 360-664-1222
 Fax (360) 586-1181 or (360) 586-1118

RECEIVED

OCT 30 2003

WASH. UT. & TP. COMM.

APPLICATION FOR CHARTER BUS/EXCURSION SERVICE CERTIFICATE

Fee: \$150.00

Docket # TE-031774

111 0268 232 01	CID	41940	CHA	79227
111 0268 232 02	DATE	10-30-03	SAFETY INSP	
111 0268 232 03	STAMPS	2	INS/BOND	2
111 0268		0002405		

THIS APPLICATION IS FOR:

(Check One Only)

CHARTER BUS CERTIFICATE

EXCURSION SERVICE CERTIFICATE

NAME OF APPLICANT Dillard-Lewis, Inc.

CH-457

D/B/A: Highland Express Shuttle Service

MAILING ADDRESS

P.O. Box 40686
Raleigh, NC 27629

PHYSICAL ADDRESS

4216 A Pin Oak Rd.
Raleigh, NC 27604

BUSINESS TELEPHONE NUMBER (919) 231-3686

FAX NUMBER (919) 231-9308

UBI # 602-315-034

E-MAIL HE27629@AOL.COM

IF APPLICANT IS A CORPORATION, LIST NAME, TITLES, AND PERCENTAGE OF STOCK OF PRINCIPAL SHAREHOLDERS. IF APPLICANT IS A PARTNERSHIP, LIST NAMES, ADDRESSES, AND PERCENTAGE OF INTEREST OF ALL PERSONS HAVING AN EQUITY IN THE BUSINESSES:

Steven W. Shelton, President 48%

Judy Dillard, CEO+Treasurer 52%

IF APPLICANT HOLDS ANY OTHER CERTIFICATE OR PERMIT WITH THE COMMISSION, LIST PERMIT NUMBERS:

None

EQUIPMENT LIST:

LICENSE NUMBER	YEAR AND MAKE OF VEHICLE	SERIAL NUMBER (VEHICLE IDENTIFICATION NUMBER)	SEATING CAPACITY
ZH 1365	2003 Ford E-350 Van	1FBSS31L13HA85387	15
ZF 8876	2002 Ford E-350 Van	1FBSS31L32HA38781	15
ZF 8877	2002 Ford E-350 Van	1FBSS31L72HA80001	15

DESCRIBE OPERATIONS (Territory) Transportation of Military applicants to and from recruiting offices and processing Station within the state of Washington.

SAFETY COMPLIANCE REVIEW AND QUESTIONNAIRE:

GENERAL

	YES	NO	N/A
Do you have a copy of the laws and rules relating to passenger charter and excursion service carriers?..	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you been cited within the last three years by the Commission for violations of it rules or laws?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If Yes, explain: _____

Are you familiar with the state motor carrier safety rules?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will management review the carrier's compliance status on a periodic basis?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NOTIFICATION AND REPORTING OF ACCIDENTS

	YES	NO	N/A
Are you familiar with the Commission accident reporting rule?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you take any action against drivers involved in preventable accidents?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART 391 - QUALIFICATION OF DRIVERS

	YES	NO	N/A
Do you have written hiring policies/procedures that are being followed when hiring new drivers?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are oral interviews conducted with new drivers to verify information submitted on their applications?..	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you have a system established to ensure drivers' medical certificates remain current?... ..	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you verify that physicians completing medical certifications are knowledgeable about the instructions for performing and recording driver physical examinations?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you review the results of the health history and physical examination?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you have a system established that will ensure drivers' operating licenses remain current?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you have a system established that will ensure drivers' annual reviews and annual record of violations remain current?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Will you comply with the road test provisions of Section 391.31?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you maintain and produce complete driver qualification files on drivers?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART 392 - DRIVING OF MOTOR VEHICLES

	YES	NO	N/A
Do you have established procedures concerning the use of alcohol and drugs?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a policy for monitoring speed?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART 395 - HOURS OF SERVICE OF DRIVERS

	YES	NO	N/A
Can you explain the hours of service limitations, i.e., 10, 15, 60 in 7, 70 in 8?.....	✓	_____	_____
Will you file records of duty status in systematic manner?.....	✓	_____	_____
Will drivers be required to complete recaps of their records of duty status?.....	✓	_____	_____
Will dispatchers be aware of drivers' hours of service prior to trip?.....	✓	_____	_____
Will other independent records be compared to drivers records of duty status for accuracy?.....	✓	_____	_____
Will you have a system for recording hours of duty status on 100 mile radius drivers?.....	✓	_____	_____
Will you have a disciplinary policy for noncompliance with Part 395?.....	✓	_____	_____

PART 396 - INSPECTION, REPAIR AND MAINTENANCE

	YES	NO	N/A
Will you have written procedures explaining a systematic, periodic maintenance program?.....	✓	_____	_____
Will you periodically review maintenance records for all equipment?.....	✓	_____	_____
Will you comply with the vehicle inspection procedure?.....	✓	_____	_____
Will you train drivers to perform pre-trip inspections?.....	✓	_____	_____
Will you maintain the prior three months vehicle inspection reports on a vehicle?.....	✓	_____	_____
Will you maintain a complete maintenance file on all vehicles?.....	✓	_____	_____

THE UNDERSIGNED APPLICANT REQUESTS THAT THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION MAKE ITS ORDER GRANTING A CERTIFICATE TO OPERATE AS A CHARTER PARTY OR EXCURSION SERVICE CARRIER AS PROVIDED FOR IN RCW 81.70 AND WAC 480-40

Dated at: Raleigh, North Carolina 10/22/03
(City or Town) Washington (Month/Day/Year)

Dillard-Lewis Inc DBA HIGHLAND EXPRESS
SHUTTLE SERVICE BY STEVEN W. SHELTON PRES.
(Name of applicant)

By: Steven W. Shelton Pres.
(Signature)

I certify (or declare) under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

10/22/03 Raleigh, NC
(Date and Place)
(919) 231-3080

Steven W. Shelton
(Signature)

UNITED STATES OF AMERICA

The State of  Washington

Secretary of State

I, SAM REED, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF AUTHORITY

to

DILLARD-LEWIS, INC.

A North Carolina Profit Corporation. An Application for this Certificate of Authority to transact business or conduct affairs in Washington State was filed for record in this office on the date indicated below

UBI Number: 602 315 034

Date: June 26, 2003

Given under my hand and the Seal of the State of Washington at Olympia, the State Capital



Sam Reed
Secretary of State

ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTIONS 29 and 30 OF THE MOTOR CARRIER ACT OF 1980

Issued to Highland Express Shuttle Service of 4216 Pin Oak Road, Raleigh, NC 27629
Dated at Raleigh, NC this 25th day of April, 2003
Amending Policy No. BAO (04) 52 94 69 50 Effective Date 04/12/03
Telephone Number () _____ Countersigned by _____
Authorized Company Representative
Name of Insurance Company The Ohio Casualty Insurance Company

The policy to which this endorsement is attached provides primary or excess insurance, as indicated by "", for the limits shown:

- This insurance is primary and the company shall not be liable for amounts in excess of \$ 1,500,000 for each accident.
- This insurance is excess and the company shall not be liable for amounts in excess of \$ _____ for each accident in excess of the underlying limit of \$ _____ for each accident.

Whenever required by the Federal Highway Administration (FHWA) or the Interstate Commerce Commission (ICC) the company agrees to furnish the FHWA or the ICC a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FHWA or the ICC, to verify that the policy is in force as of a particular date.

Cancellation of this endorsement may be effected by the company or the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the ICC's jurisdiction, by providing thirty (30) days notice to the ICC (said 30 days notice to commence from the date the notice is received by the ICC at its office in Washington, D.C.).

DEFINITIONS AS USED IN THIS ENDORSEMENT

ACCIDENT includes continuous or repeated exposure to conditions which results in bodily injury, property damage, or environmental damage which the insured neither expected nor intended.

MOTOR VEHICLE means a land vehicle, machine, truck, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used on a highway for transporting property, or any combination thereof.

BODILY INJURY means injury to the body, sickness, or disease to any person, including death resulting from any of these.

ENVIRONMENTAL RESTORATION means restitution for the loss, damage, or destruction of natural resources arising out of the accidental discharge, dispersal, release or escape into or upon the land, atmosphere, watercourse, or body of water, of any commodity transported by a motor carrier. This shall include the cost of removal and the cost of necessary measures taken to minimize or mitigate damage to human health, the natural environment, fish, shellfish, and wildlife.

PROPERTY DAMAGE means damage to or loss of use of tangible property.

PUBLIC LIABILITY means liability for bodily injury, property damage, and environmental restoration.

**ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTIONS 29 and 30 OF THE MOTOR CARRIER ACT OF 1980**

**SCHEDULE OF LIMITS
Public Liability**

Type of Carriage	Commodity Transported	Minimum Insurance
(1) For-hire (In interstate or foreign commerce).	Property (nonhazardous).	\$ 750,000
(2) For-hire and Private (In interstate, foreign, or intrastate commerce).	Hazardous substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Division 1.1, 1.2, and 1.3 materials; any quantity of Division 2.3, Hazard Zone A, or Division 6.1, Packing Group I, Hazard Zone A material; in bulk Division 2.1 or 2.2; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	5,000,000
(3) For-hire and Private (In interstate or foreign commerce: in any quantity) or (In intrastate commerce: in bulk only).	Oil listed in 49 CFR 172.101; hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (2) above or (4) below.	1,000,000
(4) For-hire and Private (In interstate or foreign commerce).	Any quantity of Division 1.1, 1.2, or 1.3 material; any quantity of a Division 2.3, Hazard Zone A, or Division 6.1, Packing Group I, Hazard Zone A material; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	5,000,000

NOTE:

- The type of carriage listed under (1), (2), and (3) applies to vehicles with a gross vehicle weight rating of 10,000 pounds or more. The type of carriage listed under number (4) applies to all vehicles with a gross vehicle weight rating of less than 10,000 pounds.

**SCHEDULE OF LIMITS
Public Liability**

For-hire motor carriers of passengers operating in interstate or foreign commerce

Vehicle Seating Capacity	Minimum Insurance
(1) Any vehicle with a seating capacity of 16 passengers or more.	\$ 5,000,000
(2) Any vehicle with a seating capacity of 15 passengers or less.	1,500,000

ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTIONS 29 and 30 OF THE MOTOR CARRIER ACT OF 1980

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a motor carrier of property, with Sections 29 and 30 of the Motor Carrier Act of 1980 and the rules and regulations of the Federal Highway Administration (FHWA) and the Interstate Commerce Commission (ICC).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in the operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Sections 29 and 30 of the Motor Carrier Act of 1980 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo.

It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other endorsement thereon, or violation thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions, and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement.

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein, the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment.

The limits of the company's liability for the amounts prescribed in this endorsement apply separately, to each accident, and any payment under the policy because of any one accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

The Motor Carrier Act of 1980 requires limits of financial responsibility according to the type of carriage and commodity transported by the motor carrier. It is the MOTOR CARRIER'S obligation to obtain the required limits of financial responsibility.

THE SCHEDULE OF LIMITS SHOWN ON THE NEXT PAGE DOES NOT PROVIDE COVERAGE.

The limits shown in the schedule are for information purposes only.

334523

Mar 27 1 29 PM '74

ARTICLES OF INCORPORATION
OF
DILLARD-LEWIS, INC.

FILED
THAD EURE
SECRETARY OF STATE
NORTH CAROLINA

I, the undersigned natural person of twenty-one (21) years of age or more, do hereby associate myself into a business corporation under the laws of the State of North Carolina as contained in Chapter 55 of the General Statutes of North Carolina, entitled "Business Corporation Act" and the several amendments thereto, and to that end, hereby make, sign, and acknowledge these Articles of Incorporation.

NAME

1. The name of the corporation is DILLARD-LEWIS, INC.

PERIOD OF DURATION

2. The period of duration shall be perpetual.

PURPOSES OF THE CORPORATION

3. The purposes for which the corporation is formed are as follows:

(a) To engage in the business of furnishing transportation services, including but not limited to airport limousine-type services; and, (b) To engage in any other lawful activities permitted of a business corporation under the laws of the State of North Carolina, and the laws of any other state wherein such activities may be conducted, whether or not such activities are related to the above mentioned purpose.

NUMBER OF SHARES

4. The aggregate number of share of common capital stock which the corporation shall have authority to issue is One Hundred Thousand of one class only at \$1.00 par value.

CONSIDERATION

5. The minimum amount of consideration for shares to be received by the corporation before it shall commence business is Three Hundred Dollars (\$300.00) and other consideration.

REGISTERED AGENT AND OFFICE

6. The address of the initial registered office of the corporation in the State of North Carolina is 208 West Millbrook Road, Raleigh, Wake County, North Carolina, and the name of the initial registered agent at such address is O. Walker Reagan.

DIRECTORS

7. The number of Directors of the corporation may be fixed by the By-Laws but shall not be fewer than three (3) except as permitted by statute.

INITIAL BOARD OF DIRECTORS

8. The names and addresses of the individuals who shall serve as directors are:

PREPARED BY:
DIMMOCK, REAGAN
& DODD
ATTORNEYS AT LAW
P. O. BOX 17865
RALEIGH, N. C. 27619

or until their successors are elected and qualified, are as follows:

Reginald R. Dillard
Route #1, Box 115
Wake Forest, Wake County,
North Carolina

J. Curtis Lewis
Route #5, Box 176
Raleigh, Wake County
North Carolina 27604

INCORPORATOR

9. The name and address of the incorporator is:
O. Walker Reagan
208 West Millbrook Road
Raleigh, Wake County
North Carolina 27609

POWERS

10. The corporation shall have all the powers and authority granted corporations under the laws of the State of North Carolina.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this the 26th day of March, 1984.

O. Walker Reagan (Seal)
O. WALKER REAGAN

NORTH CAROLINA
WAKE COUNTY

This is to certify that on the 27th day of March, 1984, before me, a Notary Public in and for said County and State, personally appeared O. WALKER REAGAN, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I, having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 27th day of March, 1984.

27

Gwen Liles (Smith)
NOTARY PUBLIC

MY COMMISSION EXPIRES;

My Commission Expires 12-19-84

GWEN LILES
NOTARY PUBLIC
WAKE COUNTY, N. C.

PREPARED BY:
DIMMOCK, REAGAN
& DODD
ATTORNEYS AT LAW
P. O. BOX 17865
RALEIGH, N. C. 27616

000610

REGISTRATION

98 JAN 30 PM 1:25

LAURA H. RIDDICK
REGISTER OF DEEDS
WAKE COUNTY

CORPORATE
CERTIFICATE OF ASSUMED NAME

The undersigned corporation, proposing to engage in business in WAKE County,
North Carolina, under an assumed name other than its corporate name, hereby certifies that:

(1) The name under which the business is to be conducted is HIGHLAND EXPRESS
SHUTTLE SERVICE
(insert assumed name)

(2) The name and address of the owners of such business is (are):
DILLARD - LEWIS, INC
4216A PIN OAK RD
RALEIGH, NC 27604
(Insert name and address of corporation)

IN WITNESS WHEREOF, this certificate is signed in the name of the corporation by its STEVEN W. SHETTON
president and KATHRYN R. CLIFF secretary, this 30 day of JANUARY 1998.

By: [Signature]
President

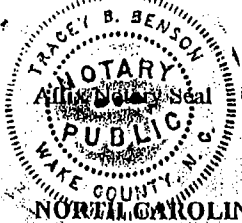
(Affix Corporate Seal



By: [Signature]
Secretary

STATE OF North Carolina
COUNTY OF Wake

I Tracey B. Benson, a notary public, do hereby certify that Kathryn R. Cliff
Steven W. Shetton and [Signature]
personally appeared before me this 30th day of January 1998, and that they
signed the foregoing certificate on behalf of the said corporation in the respective capacities indicated.



Tracey B. Benson
Notary Public
My Commission Expires: My Commission Expires 7-30-2001

The foregoing certificate of Tracey B. Benson

Notary(ies) Public is (are)
certified to be correct. This instrument and this certificate are duly registered at the date and time and in
the book and page shown on the first page hereof.



Mark Halliday/WUTC

02/27/04 11:51 AM

To Linda Elhardt/WUTC@WUTC

cc Teri Wallace/WUTC@WUTC

bcc

Subject Dillar-Lewis, Inc.

FYI

I spoke with Ms. Valerie Deming and told her normally we don't issue charter permits without having the vehicles inspected first, but because her charter permit was pending on the award of several government contracts, that we would go ahead and process her charter application.

Ms. Deming assured me that once the company secured the government contracts and before the company started operating, she would contact the Commission and schedule the vehicle inspections. She said it maybe 45-90 days.

FROM: Washington Utilities and Transportation Commission
Transportation Operations
PO Box 47250 Phone: (360) 664-1222
Olympia, WA 98504-7250 Fax: (360) 586-1181

Date: 02-05-2004 Staff: Linda Elhardt

TO: CHA079227
DILLARD-LEWIS, INC.
HIGHLAND EXPRESS SHUTTLE SERVICE
P.O. BOX 40686
RALEIGH, NC 27629

Second Request
Date: 2/5/04
Initials LE

Return this document with the completed/corrected items listed below for prompt processing of your application for operating authority.

- X On November 4, 2003, we sent you a letter requesting a CVSA safety inspection of your vehicle. We have not received confirmation that you have had your vehicle inspected. Please contact Carolyn Caruso at (360) 664-1244 for an appointment.

FROM: Washington Utilities and Transportation Commission
Transportation Operations
PO Box 47250 Phone: (360) 664-1222
Olympia, WA 98504-7250 Fax: (360) 586-1181

Date: 11-04-2003 Staff: Linda Elhardt

TO: CHA079227
DILLARD-LEWIS, INC.
HIGHLAND EXPRESS SHUTTLE SERVICE
P.O. BOX 40686
RALEIGH, NC 27629

Return this document with the completed/corrected items listed below for prompt processing of your application for operating authority.

X Obtain a CVSA safety inspection of your vehicle (s) and remit a copy of the completed inspection form. You may contact Carolyn Caruso at (360) 664-1244 for an appointment.