

Justification

In support of the request Youthways states the following in the application:

1. The proposed operation will have no adverse effects on the environment. The service will benefit the public and the environment by reducing private vehicle traffic during summer months when beach traffic is heavy.
2. The proposed service is not directly competitive with available public transit. Existing public transit service from the San Fernando Valley to the three beaches involved in this application requires travel time of four hours and four bus transfers. Surf and "boogie" boards and similar beach accessories are not permitted on transit buses. Public transit service to the beaches is unavailable from the Simi Valley area or from Thousand Oaks. To the best of applicant's knowledge, no other private transportation companies provide a similar service.
3. Adults and senior citizens who share public transit with young beach-goers will be spared some of the nuisance and inconvenience of traveling with teenagers who are "frequently boisterous".
4. Many people in the proposed service area are under the legal driving age and therefore heavily reliant on public transportation to the beach. The inadequacy of the current system results in an unmet public need, as evidenced by the practice of teenagers hitchhiking to beaches in the summer months. The proposed service will meet this public need and reduce the unsafe practice of hitchhiking.

Details of the proposal and of Youthways' operations are provided in several exhibits attached to the application. Exhibit A is a schedule of proposed fares and rules and regulations. The proposed one-way fare for all rides is \$2.50, with an additional one-way charge of \$.75 for surfboards and

"boogie" boards. Several operational rules, such as prohibitions on pets and animals and on drugs and alcohol, are listed. Persons whom the driver deems as interfering with safe operations will be denied passage and expelled from the vehicle.

Two proposed routes, the Conejo Valley Ride and the San Fernando Valley Ride, are described in a proposed time schedule (Exhibit B) and a map of the proposed routes of operation (Exhibit C). The Conejo Valley Ride would serve the cities of Simi Valley, Thousand Oaks, and Agoura Hills, with stops at the intersections of Royal and Erringer, Janss and Moorpark Road, and Kanan and Agoura Road, respectively. The San Fernando Valley Ride would serve the communities of Northridge, Encino, and Woodland Hills in the San Fernando Valley area of Los Angeles, with stops at the intersections of Tampa and Nordhoff, Victory and Balboa, and Topanga and Ventura, respectively. According to Exhibits B and C, several of the communities listed in the body of the application, such as Studio City and Universal City, will not be directly served by these routes.

Exhibit B also shows that operations will be seasonal. Full time service, seven days a week, will be offered in June, July, and August. Service will be offered on Saturdays, Sundays and school holidays during April, May, September, and October. No service will be provided in the remaining five months of the year.

On each day of operation and on both routes, service will commence at 7:30 a.m. and run throughout the day. Service will conclude at 7:50 p.m. (Conejo Valley Ride) and at 8:05 p.m. (San Fernando Valley Ride). On each route there will be three morning and early afternoon departures for the beaches and three afternoon and evening return trips. Depending on where a passenger boards, travel times will range from 20 minutes to nearly two hours. Each day there will be 30 scheduled stops on the Conejo Valley Ride and 33 such stops on the San Fernando Valley Ride.

Two buses will be used to provide service on the two routes. Exhibit D describes this equipment as a 1973 Royal Coach School Bus with 66-passenger capacity and a 1977 Crown International School Bus with 72-passenger capacity. The application notes that both buses have been inspected by a private firm and found to be in safe operating condition. It further states that each vehicle will be inspected every 30 days.

Exhibit E consists of a balance sheet and a detailed pro forma income statement. The balance sheet shows that in February of 1988 Youthways had total assets of \$98,150. Principal assets were \$19,000 in cash and \$75,000 in plant, property, and equipment. Liabilities totalled \$30,875, of which \$24,875 was for long-term debt. Stockholders' equity was \$67,275. The income statement shows that on an annual basis Youthways expects to earn an operating income of \$1,497 based on operating revenues of \$87,630 and operating expenses of \$86,133 (an operating ratio of 98.3). . . Additional nonoperating revenues are expected from sales of refreshments and advertising, resulting in a projected net income of \$17,023.

Exhibit F shows that copies of the application in its entirety were served on public transit operators serving the same territory which applicant proposes to serve. Notice of the application was served on other agencies within whose boundaries applicant's passengers will be loaded or unloaded.

Exhibit G, a copy of the Notice of Application, contains additional information about the proposed operation. The periodic bus safety inspections will be performed by a state-certified mechanic. All drivers will be experienced bus drivers in possession of a Class 2 driver's license. In addition to the driver, at least one supervisory employee will be on board each bus.

Staff

The Transportation Division (staff) advised that it reviewed the application and found it to be complete and in compliance with the PU Code and the Rules of Practice and Procedure. At the request of the assigned Administrative Law Judge, staff advised Youthways that notice of the application should be provided to public agencies with jurisdiction over operation of the beaches named in the application. Correspondence appearing in the formal file for this proceeding shows that Youthways subsequently served a copy of the application on the Los Angeles County Department of Beaches and Harbors. Staff advises that Topanga and Malibu State Beaches are operated by Los Angeles County under an arrangement with the State of California. Zuma Beach is both owned and operated by the county.

Staff recommended ex parte handling of the application in the absence of protest.

Discussion

Notice of filing of this application appeared in the Daily Transportation Calendar dated March 10, 1988, and the applicant has provided notice in accordance with our Rules of Practice and Procedure. No protests have been received, and our staff has recommended a grant of authority based on its review of the application. We believe that applicant has demonstrated a public need for the proposed service.

We will require Youthways to establish and publicize the availability of a phone number at which current information about bus schedule status can be obtained by parents and other members of the public. This telephone line shall be kept in service by Youthways personnel at all hours and on all days when buses are in service. We admonish Youthways to carefully review its schedules, in the light of expected day to day operating conditions, as it prepares its tariff and timetable filings for submission to the Commission. We also admonish Youthways to review the workability

of its proposed rule calling for the expulsion of passengers en route at the discretion of the driver. Although the rule is undoubtedly intended to promote safety, we can foresee situations where the safety and well-being of an ejected passenger could be jeopardized if the rule is not judiciously enforced.

Findings of Fact

1. No protest to the application has been received from any public transit operator serving the territory applicant proposes to serve.

2. Applicant proposes to offer a seasonal transportation service catering to minors who have few transportation alternatives.

3. Public convenience and necessity require that the proposed service be established.

4. Applicant has the ability and the financial resources necessary to perform the proposed service for a period of approximately three months.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The application should be granted to the extent set forth in the order.

2. Since there are no protests, and the need for the proposed seasonal service now exists, the order should become effective on the date it is signed.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

INTERIM ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Youthways Transportation, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-1461, to transport persons, baggage, and express.
2. Applicant shall:
 - a. File a written acceptance of this certificate within 30 days after this order is effective.
 - b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
 - c. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.
 - d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
 - e. Maintain accounting records in conformity with the Uniform System of Accounts.
 - f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.
 - g. Establish and publicize the availability of a telephone number for bus schedule information as described in this opinion.
3. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission, that the

California Highway Patrol has approved the use of applicant's vehicles for service, and that the contingency plan required to be submitted by this order has been received by the Transportation Division.

4. The application is granted to the extent set forth above. This order is effective today.

Dated June 17, 1988, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.

Victor Weisser
Victor Weisser, Executive Director

Appendix PSC-1461 Youthways Transportation, Inc. Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1461

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 88-06-053, dated June 17, 1988,
of the Public Utilities Commission of the State of California in
Application 88-03-010.

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Issued by California Public Utilities Commission.

Decision 88-06-053, Application 88-03-010.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Youthways Transportation, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, baggage and express on a scheduled basis between points in Los Angeles and Ventura Counties, on the one hand, and Topanga State Beach, Malibu State Beach and Zuma County Beach, on the other hand, over and along the routes described, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (c) The service authorized is seasonal. The tariffs and timetables shall specify the months and the days when scheduled service will be operated, and shall also show the exact locations of the scheduled stops.
- (d) No passengers shall be transported except those having a point of origin or destination at Topanga State Beach, Malibu State Beach or Zuma County Beach.

Issued by California Public Utilities Commission.

Decision 88-06-053, Application 88-03-010.

SECTION 2. ROUTE DESCRIPTIONS.

ROUTE 1 BEACHES - SIMI VALLEY/ THOUSAND OAKS/ AGOURA HILLS

Service between the following beaches, on the one hand:

1. Malibu State Beach
2. Zuma County Beach

and the following cities, on the other hand:

3. Simi Valley
4. Thousand Oaks
5. Agoura Hills

ROUTE 2 BEACHES - SAN FERNANDO VALLEY

Service between the following beaches, on the one hand:

1. Topanga State Beach
2. Malibu State Beach
3. Zuma County Beach

and the following communities, on the other hand:

4. Northridge
5. Encino
6. Woodland Hills

Issued by California Public Utilities Commission.

Decision 88-06-053, Application 88-03-010.

Staff

The Transportation Division (staff) advised that it reviewed the application and found it to be complete and in compliance with the PU Code and the Rules of Practice and Procedure. At the request of the assigned Administrative Law Judge, staff advised Youthways that notice of the application should be provided to public agencies with jurisdiction over operation of the beaches named in the application. Correspondence appearing in the formal file for this proceeding shows that Youthways subsequently served a copy of the application on the Los Angeles County Department of Beaches and Harbors. Staff advises that Topanga and Malibu State Beaches are operated by Los Angeles County under an arrangement with the State of California. Zuma Beach is both owned and operated by the county.

Staff recommended ex parte handling of the application in the absence of protest.

Discussion

Notice of filing of this application appeared in the Daily Transportation Calendar dated March 10, 1988, and the applicant has provided notice in accordance with our Rules of Practice and Procedure. No protests have been received, and our staff has recommended a grant of authority based on its review of the application.

We believe that applicant has demonstrated a public need for the proposed service. However, as discussed below, we question Youthways' ability to achieve schedule reliability and to maintain a dependable, viable operation on an ongoing basis. We will grant the authority requested for a limited period of approximately three months, and establish a procedure to provide reasonable assurance that published schedules are observed. This will allow Youthways an opportunity to commence service in the peak summer months during which it plans to operate seven days a week. It is apparent that the applicant has the equipment and financial resources necessary

to conduct operations for this limited period of time. During this interim period we will require Youthways to provide additional information upon which we can assess its fitness to receive permanent authority.

Only two buses are available to provide service on the two routes. Exhibit E shows that for the Conejo Ride the one-way mileage between Simi and the beaches is 45 miles. For the San Fernando Valley Ride, the one-way mileage between Northridge and the beaches is 48 miles. It appears that round-trip miles are 90 and 96, respectively. The proposed time schedule (Exhibit B) shows that it apparently will be necessary for each bus to complete five round trips per day. The two buses will therefore travel at least 930 miles per day in continuous operation of more than 12 hours, making 63 scheduled stops.

This strikes us as a highly ambitious schedule to be followed with just two buses. There appears to be little margin for error or mishap, and little opportunity to make up lost time en route. A traffic jam or a minor breakdown in the morning could undermine the ability to meet schedules for the rest of the day. While we normally hesitate to substitute our judgment for that of management in matters such as bus schedules, we are concerned in this case about the potential for greatly delaying or even stranding passengers far from their homes. We are mindful that Youthways will cater primarily to minors who, as it points out, have few transportation alternatives.

Public convenience and necessity require that Youthways be capable of providing safe and reliable service in accordance with the schedules it publishes. We will therefore require that prior to initiating any service, Youthways submit a contingency plan for delays to our staff. This plan should describe the measures to be taken in the event of any breakdown or other delay that would render it unable to timely complete scheduled service runs. Staff will review this plan in conjunction with its review

of Youthways' tariff and timetable filings. In the event that, in staff's opinion, Youthways does not provide reasonable assurance that it will continue to be capable of meeting its published schedules, staff will recommend appropriate action for us to take. Such action may include suspension of all or a part of the certificate.

We will also require Youthways to establish and publicize the availability of a phone number at which current information about bus schedule status can be obtained by parents and other members of the public. This telephone line shall be kept in service by Youthways personnel at all hours and on all days when buses are in service.

These procedures will provide an effective and expeditious means of addressing our concerns in this area. At the same time, they will allow the earliest opportunity for commencement of seasonal service. We admonish Youthways to carefully review its schedules, in the light of expected day to day operating conditions, as it prepares its tariff and timetable filings for submission to the Commission. We also admonish Youthways to review the workability of its proposed rule calling for the expulsion of passengers en route at the discretion of the driver. Although the rule is undoubtedly intended to promote safety, we can foresee situations where the safety and well-being of an ejected passenger could be jeopardized if the rule is not judiciously enforced.

Youthways' long-term ability to maintain reliably scheduled operations is called into question based on the pro forma income statement (Exhibit E). For example, patronage and revenue estimates are based on 12 one-way revenue trips per day, which is consistent with the proposed schedule. Estimated mileage-based costs (for bus repairs, lubrication, tires, maintenance, fuel, and oil) are also based on 12 daily one-way trips (six round trips, or three round trips per bus). However, the schedule shows that on

each route it will apparently be necessary for the bus to make a return trip without passengers twice each morning and twice each afternoon. This amounts to eight one-way nonrevenue trips, or, for each bus, the equivalent of two additional daily round trips of at least 90 miles per trip. The mileage cost of operating these trips has not been included in the estimates in Exhibit E. In view of the modest operating income projected by applicant, we must view with caution any possible understatement of operating costs.

Although Youthways states in the body of the application that it seeks authority to serve large areas of the Simi, Conejo, and San Fernando valleys, we will limit this grant of interim authority to the routes specifically described in Exhibits B and C attached to the application. There is no indication that Youthways intends to, or is able to, serve the more broadly defined territory at this time.

Findings of Fact

1. No protest to the application has been received from any public transit operator serving the territory applicant proposes to serve.
2. Applicant proposes to offer a seasonal transportation service catering to minors who have few transportation alternatives.
3. Public convenience and necessity require that the proposed service be established.
4. With the safeguards provided in the order which follows, applicant has the ability and the financial resources necessary to perform the proposed service for a period of approximately three months.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The application should be granted on an interim basis to the extent set forth in the order.

2. Since there are no protests, and the need for the proposed seasonal service now exists, the order should become effective on the date it is signed.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

INTERIM ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Youthways Transportation, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-1461, to transport persons, baggage, and express.

2. The certificate of public convenience and necessity granted by this order is revoked effective October 1, 1988 unless amended by further order of the Commission.

3. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.

- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
 - e. Maintain accounting records in conformity with the Uniform System of Accounts.
 - f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.
4. Prior to initiating service, applicant shall:
- a. Submit an original and 4 copies of the contingency plan for delays described in this opinion to the Commission's Transportation Division with a transmittal letter stating the application and decision numbers. The Director of the Transportation Division shall send the original and 1 copy of the plan to the Docket Office for filing.
 - b. Establish and publicize the availability of a telephone number for bus schedule information as described in this opinion.
5. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission, that the California Highway Patrol has approved the use of applicant's vehicles for service, and that the contingency plan required to be submitted by this order has been received by the Transportation Division.

6. The application is granted to the extent set forth above.
This order is effective today.

Dated _____, at San Francisco, California.

Mailed

JUN 20 1988

Decision 88-06-053 June 17, 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Youthways)
Transportation, Inc. for certificate)
of public convenience and necessity)
to operate a passenger stage/express)
property corporation between all)
points in the Simi, Conejo, and San)
Fernando Valleys on the one hand and)
the following State Beaches:)
Topanga State Beach, Malibu State)
Beach, and Zuma State Beach on the)
other hand.)

Application 88-03-010
(Filed March 4, 1988)

INTERIM OPINION

Youthways Transportation, Inc. (Youthways), a California corporation, seeks authority under Public Utilities (PU) Code Section 1031 to operate as a passenger stage corporation, as defined in PU Code Section 226, over the following routes:

"[B]etween all points in Simi Valley, the Conejo Valley (including Thousand Oaks, Agoura Hills, Newbury Park, Oak Park and Ventu Park) and the San Fernando Valley (including Chatsworth, Northridge, Granada Hills, Canoga Park, West Hills, Encino, Mission Hills, North Hollywood, Panorama City, Reseda, Sherman Oaks, Studio City, Sunland, Tarzana, Universal City, Van Nuys, Calabasas and Woodland Hills) on the one hand, and Topanga, Malibu and Zuma State Beaches on the other hand."

Youthways, whose principal place of business is in Calabasas, seeks the issuance of a certificate of public convenience and necessity to transport passengers and "incidental express property" over the described routes. The service will cater primarily to teenagers and young adults, but will be available to any member of the beach-going community.

Justification

In support of the request Youthways states the following in the application:

1. The proposed operation will have no adverse effects on the environment. The service will benefit the public and the environment by reducing private vehicle traffic during summer months when beach traffic is heavy.
2. The proposed service is not directly competitive with available public transit. Existing public transit service from the San Fernando Valley to the three beaches involved in this application requires travel time of four hours and four bus transfers. Surf and "boogie" boards and similar beach accessories are not permitted on transit buses. Public transit service to the beaches is unavailable from the Simi Valley area or from Thousand Oaks. To the best of applicant's knowledge, no other private transportation companies provide a similar service.
3. Adults and senior citizens who share public transit with young beach-goers will be spared some of the nuisance and inconvenience of traveling with teenagers who are "frequently boisterous".
4. Many people in the proposed service area are under the legal driving age and therefore heavily reliant on public transportation to the beach. The inadequacy of the current system results in an unmet public need, as evidenced by the practice of teenagers hitchhiking to beaches in the summer months. The proposed service will meet this public need and reduce the unsafe practice of hitchhiking.

Details of the proposal and of Youthways' operations are provided in several exhibits attached to the application. Exhibit A is a schedule of proposed fares and rules and regulations. The proposed one-way fare for all rides is \$2.50, with an additional one-way charge of \$.75 for surfboards and

"boogie" boards. Several operational rules, such as prohibitions on pets and animals and on drugs and alcohol, are listed. Persons whom the driver deems as interfering with safe operations will be denied passage and expelled from the vehicle.

Two proposed routes, the Conejo Valley Ride and the San Fernando Valley Ride, are described in a proposed time schedule (Exhibit B) and a map of the proposed routes of operation (Exhibit C). The Conejo Valley Ride would serve the cities of Simi Valley, Thousand Oaks, and Agoura Hills, with stops at the intersections of Royal and Erringer, Janss and Moorpark Road, and Kanan and Agoura Road, respectively. The San Fernando Valley Ride would serve the communities of Northridge, Encino, and Woodland Hills in the San Fernando Valley area of Los Angeles, with stops at the intersections of Tampa and Nordhoff, Victory and Balboa, and Topanga and Ventura, respectively. According to Exhibits B and C, several of the communities listed in the body of the application, such as Studio City and Universal City, will not be directly served by these routes.

Exhibit B also shows that operations will be seasonal. Full time service, seven days a week, will be offered in June, July, and August. Service will be offered on Saturdays, Sundays and school holidays during April, May, September, and October. No service will be provided in the remaining five months of the year.

On each day of operation and on both routes, service will commence at 7:30 a.m. and run throughout the day. Service will conclude at 7:50 p.m. (Conejo Valley Ride) and at 8:05 p.m. (San Fernando Valley Ride). On each route there will be three morning and early afternoon departures for the beaches and three afternoon and evening return trips. Depending on where a passenger boards, travel times will range from 20 minutes to nearly two hours. Each day there will be 30 scheduled stops on the Conejo Valley Ride and 33 such stops on the San Fernando Valley Ride.

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Exhibit F shows that copies of the application in its entirety were served on public transit operators serving the same territory which applicant proposes to serve. Notice of the application was served on other agencies within whose boundaries applicant's passengers will be loaded or unloaded.

Exhibit G, a copy of the Notice of Application, contains additional information about the proposed operation. The periodic bus safety inspections will be performed by a state-certified mechanic. All drivers will be experienced bus drivers in possession of a Class 2 driver's license. In addition to the driver, at least one supervisory employee will be on board each bus.

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Staff recommended ex parte handling of the application in the absence of protest.

Discussion

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of its proposed rule calling for the expulsion of passengers en route at the discretion of the driver. Although the rule is undoubtedly intended to promote safety, we can foresee situations where the safety and well-being of an ejected passenger could be jeopardized if the rule is not judiciously enforced.

Findings of Fact

1. No protest to the application has been received from any public transit operator serving the territory applicant proposes to serve.

2. Applicant proposes to offer a seasonal transportation service catering to minors who have few transportation alternatives.

3. Public convenience and necessity require that the proposed service be established.

4. Applicant has the ability and the financial resources necessary to perform the proposed service for a period of approximately three months.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The application should be granted to the extent set forth in the order.

2. Since there are no protests, and the need for the proposed seasonal service now exists, the order should become effective on the date it is signed.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

INTERIM ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Youthways Transportation, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-1461, to transport persons, baggage, and express.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
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- e. Maintain accounting records in conformity with the Uniform System of Accounts.
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- g. Establish and publicize the availability of a telephone number for bus schedule information as described in this opinion.

3. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission, that the

California Highway Patrol has approved the use of applicant's vehicles for service, and that the contingency plan required to be submitted by this order has been received by the Transportation Division.

4. The application is granted to the extent set forth above. This order is effective today.

Dated June 17, 1988, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

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CERTIFICATE

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AS A PASSENGER STAGE CORPORATION

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Showing passenger stage operative rights, restrictions,
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T/VJ/vj/vdl

Appendix PSC-1461

Youthways Transportation, Inc.

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Decision 88-06-053, Application 88-03-010.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Youthways Transportation, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, baggage and express on a scheduled basis between points in Los Angeles and Ventura Counties, on the one hand, and Topanga State Beach, Malibu State Beach and Zuma County Beach, on the other hand, over and along the routes described, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (c) The service authorized is seasonal. The tariffs and timetables shall specify the months and the days when scheduled service will be operated, and shall also show the exact locations of the scheduled stops.
- (d) No passengers shall be transported except those having a point of origin or destination at Topanga State Beach, Malibu State Beach or Zuma County Beach.

Issued by California Public Utilities Commission.

Decision 88-06-053, Application 88-03-010.

SECTION 2. ROUTE DESCRIPTIONS.

ROUTE 1 BEACHES - SIMI VALLEY/ THOUSAND OAKS/ AGOURA HILLS

Service between the following beaches, on the one hand:

1. Malibu State Beach
2. Zuma County Beach

and the following cities, on the other hand:

3. Simi Valley
4. Thousand Oaks
5. Agoura Hills

ROUTE 2 BEACHES - SAN FERNANDO VALLEY

Service between the following beaches, on the one hand:

1. Topanga State Beach
2. Malibu State Beach
3. Zuma County Beach

and the following communities, on the other hand:

4. Northridge
5. Encino
6. Woodland Hills

Issued by California Public Utilities Commission.

Decision 88-06-053, Application 88-03-010.

Decision 88 06 053 JUN 17 1988**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Youthways)
 Transportation, Inc. for certificate)
 of public convenience and necessity)
 to operate a passenger stage/express)
 property corporation between all)
 points in the Simi, Conejo, and San)
 Fernando Valleys on the one hand and)
 the following State Beaches:)
 Topanga State Beach, Malibu State)
 Beach, and Zuma State Beach on the)
 other hand.)

Application 88-03-010
 (Filed March 4, 1988)

INTERIM OPINION

Youthways Transportation, Inc. (Youthways), a California corporation, seeks authority under Public Utilities (PU) Code Section 1031 to operate as a passenger stage corporation, as defined in PU Code Section 226, over the following routes:

"[B]etween all points in Simi Valley, the Conejo Valley (including Thousand Oaks, Agoura Hills, Newbury Park, Oak Park and Ventu Park) and the San Fernando Valley (including Chatsworth, Northridge, Granada Hills, Canoga Park, West Hills, Encino, Mission Hills, North Hollywood, Panorama City, Reseda, Sherman Oaks, Studio City, Sunland, Tarzana, Universal City, Van Nuys, Calabasas and Woodland Hills) on the one hand, and Topanga, Malibu and Zuma State Beaches on the other hand."

Youthways, whose principal place of business is in Calabasas, seeks the issuance of a certificate of public convenience and necessity to transport passengers and "incidental express property" over the described routes. The service will cater primarily to teenagers and young adults, but will be available to any member of the beach-going community.

Justification

In support of the request Youthways states the following in the application:

1. The proposed operation will have no adverse effects on the environment. The service will benefit the public and the environment by reducing private vehicle traffic during summer months when beach traffic is heavy.
2. The proposed service is not directly competitive with available public transit. Existing public transit service from the San Fernando Valley to the three beaches involved in this application requires travel time of four hours and four bus transfers. Surf and "boogie" boards and similar beach accessories are not permitted on transit buses. Public transit service to the beaches is unavailable from the Simi Valley area or from Thousand Oaks. To the best of applicant's knowledge, no other private transportation companies provide a similar service.
3. Adults and senior citizens who share public transit with young beach-goers will be spared some of the nuisance and inconvenience of traveling with teenagers who are "frequently boisterous".
4. Many people in the proposed service area are under the legal driving age and therefore heavily reliant on public transportation to the beach. The inadequacy of the current system results in an unmet public need, as evidenced by the practice of teenagers hitchhiking to beaches in the summer months. The proposed service will meet this public need and reduce the unsafe practice of hitchhiking.

Details of the proposal and of Youthways' operations are provided in several exhibits attached to the application. Exhibit A is a schedule of proposed fares and rules and regulations. The proposed one-way fare for all rides is \$2.50, with an additional one-way charge of \$.75 for surfboards and

"boogie" boards. Several operational rules, such as prohibitions on pets and animals and on drugs and alcohol, are listed. Persons whom the driver deems as interfering with safe operations will be denied passage and expelled from the vehicle.

Two proposed routes, the Conejo Valley Ride and the San Fernando Valley Ride, are described in a proposed time schedule (Exhibit B) and a map of the proposed routes of operation (Exhibit C). The Conejo Valley Ride would serve the cities of Simi Valley, Thousand Oaks, and Agoura Hills, with stops at the intersections of Royal and Erringer, Janss and Moorpark Road, and Kanan and Agoura Road, respectively. The San Fernando Valley Ride would serve the communities of Northridge, Encino, and Woodland Hills in the San Fernando Valley area of Los Angeles, with stops at the intersections of Tampa and Nordhoff, Victory and Balboa, and Topanga and Ventura, respectively. According to Exhibits B and C, several of the communities listed in the body of the application, such as Studio City and Universal City, will not be directly served by these routes.

Exhibit B also shows that operations will be seasonal. Full time service, seven days a week, will be offered in June, July, and August. Service will be offered on Saturdays, Sundays and school holidays during April, May, September, and October. No service will be provided in the remaining five months of the year.

On each day of operation and on both routes, service will commence at 7:30 a.m. and run throughout the day. Service will conclude at 7:50 p.m. (Conejo Valley Ride) and at 8:05 p.m. (San Fernando Valley Ride). On each route there will be three morning and early afternoon departures for the beaches and three afternoon and evening return trips. Depending on where a passenger boards, travel times will range from 20 minutes to nearly two hours. Each day there will be 30 scheduled stops on the Conejo Valley Ride and 33 such stops on the San Fernando Valley Ride.

Two buses will be used to provide service on the two routes. Exhibit D describes this equipment as a 1973 Royal Coach School Bus with 66-passenger capacity and a 1977 Crown International School Bus with 72-passenger capacity. The application notes that both buses have been inspected by a private firm and found to be in safe operating condition. It further states that each vehicle will be inspected every 30 days.

Exhibit E consists of a balance sheet and a detailed pro forma income statement. The balance sheet shows that in February of 1988 Youthways had total assets of \$98,150. Principal assets were \$19,000 in cash and \$75,000 in plant, property, and equipment. Liabilities totalled \$30,875, of which \$24,875 was for long-term debt. Stockholders' equity was \$67,275. The income statement shows that on an annual basis Youthways expects to earn an operating income of \$1,497 based on operating revenues of \$87,630 and operating expenses of \$86,133 (an operating ratio of 98.3). Additional nonoperating revenues are expected from sales of refreshments and advertising, resulting in a projected net income of \$17,023.

Exhibit F shows that copies of the application in its entirety were served on public transit operators serving the same territory which applicant proposes to serve. Notice of the application was served on other agencies within whose boundaries applicant's passengers will be unloaded or loaded.

Exhibit G, a copy of the Notice of Application, contains additional information about the proposed operation. The periodic bus safety inspections will be performed by a state-certified mechanic. All drivers will be experienced bus drivers in possession of a Class 2 driver's license. In addition to the driver, at least one supervisory employee will be on board each bus.

Staff

The Transportation Division (staff) advised that it reviewed the application and found it to be complete and in compliance with the PU Code and the Rules of Practice and Procedure. At the request of the assigned Administrative Law Judge, staff advised Youthways that notice of the application should be provided to public agencies with jurisdiction over operation of the beaches named in the application. Correspondence appearing in the formal file for this proceeding shows that Youthways subsequently served a copy of the application on the Los Angeles County Department of Beaches and Harbors. Staff advises that Topanga and Malibu State Beaches are operated by Los Angeles County under an arrangement with the State of California. Zuma Beach is both owned and operated by the county.

Staff recommended ex parte handling of the application in the absence of protest.

Discussion

Notice of filing of this application appeared in the Daily Transportation Calendar dated March 10, 1988, and the applicant has provided notice in accordance with our Rules of Practice and Procedure. No protests have been received, and our staff has recommended a grant of authority based on its review of the application. We believe that applicant has demonstrated a public need for the proposed service.

We will require Youthways to establish and publicize the availability of a phone number at which current information about bus schedule status can be obtained by parents and other members of the public. This telephone line shall be kept in service by Youthways personnel at all hours and on all days when buses are in service. We admonish Youthways to carefully review its schedules, in the light of expected day to day operating conditions, as it prepares its tariff and timetable filings for submission to the Commission. We also admonish Youthways to review the workability

of its proposed rule calling for the expulsion of passengers en route at the discretion of the driver. Although the rule is undoubtedly intended to promote safety, we can foresee situations where the safety and well-being of an ejected passenger could be jeopardized if the rule is not judiciously enforced.

Findings of Fact

1. No protest to the application has been received from any public transit operator serving the territory applicant proposes to serve.
2. Applicant proposes to offer a seasonal transportation service catering to minors who have few transportation alternatives.
3. Public convenience and necessity require that the proposed service be established.
4. Applicant has the ability and the financial resources necessary to perform the proposed service for a period of approximately three months.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The application should be granted to the extent set forth in the order.
 2. Since there are no protests, and the need for the proposed seasonal service now exists, the order should become effective on the date it is signed.
- Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Youthways Transportation, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-1461, to transport persons, baggage, and express. ✓

2. Applicant shall: ✓

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.
- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.
- g. Establish and publicize the availability of a telephone number for bus schedule information as described in this opinion.

3. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission, that the California Highway Patrol has approved the use of applicant's ✓

vehicles for service, and that the contingency plan required to be submitted by this order has been received by the Transportation Division.

4. The application is granted to the extent set forth above.
This order is effective today.

Dated JUN 17 1988, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

Appendix PSC-1461 Youthways Transportation, Inc. Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1461

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 88 06 053, dated JUN 17 1988
of the Public Utilities Commission of the State of California in
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- (d) No passengers shall be transported except those having a point of origin or destination at Topanga State Beach, Malibu State Beach or Zuma County Beach.
- (e) The authority granted is interim only and is revoked effective October 1, 1988 unless amended by further order of the Commission.

Issued by California Public Utilities Commission.

Decision 88 06 053, Application 88-03-010.

T/VJ/vj/vdl

Appendix PSC-1461

Youthways Transportation, Inc.

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