

# Licence Application Decision

## Inter-City Bus (ICB) – Urgent Public Need

<b>Application #</b>	3391-18 UPN	<b>Applicant</b>	Universal Coach Line Ltd.
<b>Trade Name (s)</b>	YVR Skylynx		
<b>Principals</b>	Barbara Yuk Wan CHENG	David Tai Wai TONG	
<b>Address</b>	210 – 4603 Kingsway, Burnaby, BC V5H 4M4		
<b>Current Licence</b>	Passenger Transportation Licence # 70045 <ul style="list-style-type: none"> <li>• Special Authorization: Inter-city bus (ICB)</li> <li>• Special Authorization: Inter-city bus (PDV)</li> <li>• General Authorization</li> </ul>		
<b>Application Summary</b>	<b>Amendment of Licence—ICB</b> Amend the Special Authorization to add the following route to operate ICBs pursuant to a contract with the YVR Vancouver Airport Authority: <ul style="list-style-type: none"> <li>• Whistler – YVR – Delta</li> </ul>		
<b>Board Decisions</b>	<ol style="list-style-type: none"> <li>1. <b>The panel is satisfied that an urgent public need exists for the proposed service.</b></li> <li>2. <b>The special authorization is approved.</b></li> <li>3. <b>Terms and conditions of licence are approved as proposed by the applicant.</b></li> </ol>		
<b>Decision Date</b>	November 15, 2018		
<b>Panel Chair</b>	Spencer Mikituk	<b>Panel Member</b>	William H. Bell

### 1. Introduction

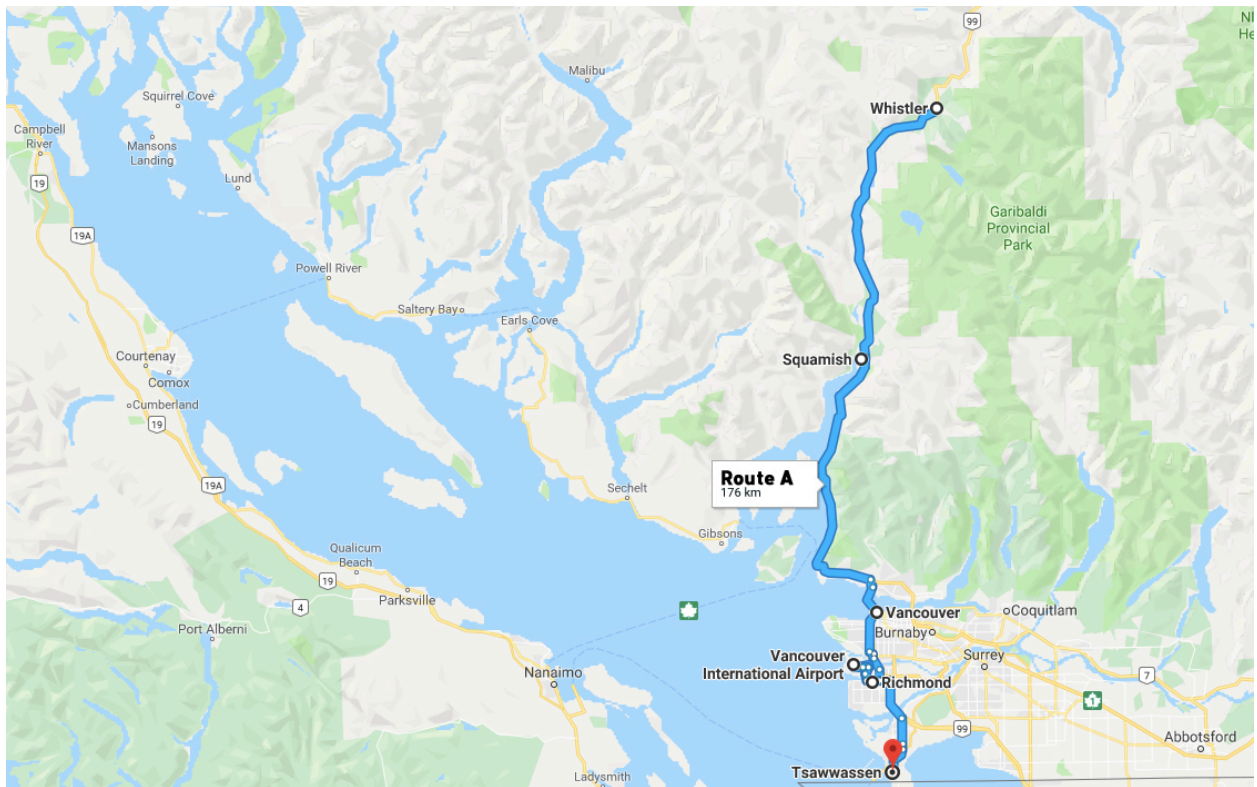
Universal Coach Line Ltd. (Universal) holds Passenger Transportation Licence #70045 with a General Authorization (GA) and Special Authorization (SA). The SA authorizes the operation of inter-city buses under an engaged carrier licence. It also authorizes the operation of passenger directed vehicles.

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The applicant is requesting an amendment to its Special Authorization to add an inter-city bus route that connects the Vancouver International Airport (YVR) with destinations between Whistler and Delta (including Tsawwassen and the Tsawwassen Ferry Terminal). The applicant seeks authorization to provide inter-city bus service on the route when it has a contract with the Vancouver Airport Authority to pickup and dropoff passengers at YVR.

***(a) Proposed Route and Minimum Frequency***

Universal proposes Route A (Whistler – YVR - Delta) with a minimum route frequency of four round trips daily between Whistler and YVR, and three round trips daily between YVR and Delta. The proposal to terminate trips in the District of Delta provides the option of starting and ending trips at the Tsawwassen Ferry Terminal. The proposed route includes stops in the Vancouver hotel area and Squamish. It also limits locations where passengers may be picked up or dropped off, including limited stopover options for the Richmond hotel area. Route A is shown in the map below.



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Ticket sales for Tsawwassen and Whistler may be made online or in person at Universal's leased ticketing and information counter in the YVR International Terminal Building (ITB). Passengers travelling to YVR from Tsawwassen or Whistler-Squamish may buy tickets online or by calling Universal over the phone.

**(b) 'Urgent Public Need' Request**

The applicant is requesting this application to be processed on the basis of "urgent public need" due to recently being awarded the YVR concession to provide shuttle service between YVR and Whistler and the Tsawwassen Ferry Terminal. The effective date is on or before January 1, 2019. Universal states that this close date is an enormous hardship on all parties to coordinate changes in massive passenger services during Whistler's busiest weekend of the year. It also requires the incumbent to ramp up its service and hire drivers just weeks before shutting down. For the sake of ensuring uninterrupted service to the public, all parties are anxious that the routes be transferred at the earliest opportunity.

**I. Jurisdiction and Proceedings**

This application is made under the Passenger Transportation Act (the "PT Act"). The PT Act regulates the licensing and operation of commercial passenger transportation vehicles in B.C.

Under the PT Act, the Passenger Transportation Board (the "Board") makes decisions on applications to operate inter-city buses. The Board has the authority to consider and approve applications for new licences as well as applications from existing licensees to add or change routes, and decrease minimum route frequencies.

The PT Act requires the Board to consider public need, applicant fitness and sound economic conditions in the passenger transportation industry before deciding whether to approve an application. The Board may approve an application in whole or in part, or it may refuse an application. For applications proceeding through the simplified ICB process, much of the Board's focus is on applicant fitness.

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The PT Act also allows the Board to, among other things:

- accept evidence and information it considers relevant, necessary, and appropriate, whether or not the information would be admissible in a court of law [Section 15]
- conduct written, electronic or oral hearings as the Board, in its sole discretion, considers appropriate [Section 17]
- require further information from an applicant [Section 27(1)(b)]
- investigate any matter related to an application [Section 27(3)(b)]

### **Procedural Matters**

Division 3 of the PT Act applies to this application. We are conducting this application by way of a written hearing.

Section 26(2) of the PT Act requires the Board to publish the fact and nature of applications unless, as set out in Section 26(3), the Board is satisfied that there is an “urgent and public need” for the application. As noted above, the applicant submitted a request and rationale for considering the application on an urgent public need basis.

## **II. Background**

Universal is located in Richmond, British Columbia and was incorporated 47 years ago in 1971. The current owners acquired the company in 1996. Universal operates luxury tour buses for groups traveling in Canada and the United States. Its services are licensed in British Columbia, Alberta, Ontario, the Yukon Territory, and the United States. Universal has grown from six buses in 1995 to its current fleet of about 105 vehicles. The number of employees is approximately 160. Universal states that it is one of Canada’s largest privately-owned charter bus companies.

The applicant submitted requisite material and forms.

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### **III. Application Rationale**

#### ***Rationale for Application***

The following text was provided by the Applicant:

*The application seeks authorization to operate inter-city buses pertaining Universal Coach Line Ltd. being awarded the YVR Vancouver Airport Authority shuttle services contract serving YVR – Whistler, and YVR – Delta (which includes Tsawwassen and the Tsawwassen Ferry Terminal).*

### **IV. Board Mandate**

Section 28(1) of the *Passenger Transportation Act* says that the Board may approve the application if it considers that:

- (a) there is a public need for the service the applicant proposes to provide;
- (b) the applicant is a fit and proper person to provide the service and is capable of providing it; and
- (c) the application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.

### **V. Reasons for the Board's Decision**

We will first examine the matter of “urgent public need”. If we find that there is an urgent public need for the service, we will then consider the applicant’s fitness and whether approval of the application will promote sound economic conditions in the transportation business.

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*(a) Is there a public need for the service that the applicant proposes to provide under special authorization?*

“Urgent” is relative to the public’s need, not the applicant’s. It is an exception to the public process for considering applications. Applicants are expected to demonstrate to the board that there is an urgent public need for the application to be processed without notice or consideration of submissions.

In considering “urgent public need” the board may consider such things as:

- Whether other licensees are available to provide the service to the public
- Whether there is a real public demand for the service
- How the “urgency” came to exist
- Whether any of the “urgency” was due to the applicants’ delay

If the Board processes an application on the basis of “urgent public need”, it may impose a time limit on the licence that is less than one year and may require an applicant to submit a full application through regular Board processes.

Universal is a provider of ground transportation services to YVR. It provides this service on a contractual basis. Universal states that it was recently awarded a contract effective January 1, 2019 or earlier, a change involving a handover from Pacific Coach Lines to Universal. To show urgent public need, Universal has supplied a letter from the Manager, Commercial Services Parking and Ground Transportation at YVR which confirms that Universal is the successful proponent for the Scheduled Bus Service Request for Proposal effective January 1, 2019. Universal has also submitted a support statement from the President and CEO of Pacific Coach Lines which states that an urgent public need arises because January 1, 2019 is not a practical date for a handover and may result in serious disruption to the travelling public. January 1 has been identified as Whistler’s busiest weekend of the year.

Based on the unique nature of the applicant’s service, we find sufficient evidence of urgent public need for the approval of this authorization. The application is limited to transportation of YVR passengers under contract with YVR. Furthermore, the application is only being filed to meet the gap created by the handover of contract responsibilities from Pacific Coach Lines to Universal.

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The terms and conditions proposed by Universal state that service is only required and authorized when a written transportation agreement is in effect with the Vancouver Airport Authority.

We find sufficient evidence of urgent public need for the proposed new replacement bus service.

*(b) Would the application, if granted, promote sound economic conditions in the passenger transportation business in British Columbia?*

The Board looks at the state of inter-city bus services in the area where the applicant is applying to operate. The Board considers how the service could benefit the market and whether the market has the capacity to absorb additional services. The Board may consider such things as:

- Will the service fill a gap in the market?
- Has an inter-city bus company recently left the market?
- Will the service give the public additional transportation options?
- Has the applicant shown that current service levels are unsatisfactory?
- Does the marketplace have the capacity to absorb another service?
- Are there inter-city bus providers in the target market area?
- Will the services supplement another non-transportation business?

Given the nature of this business, it would appear that Universal is not encroaching to any significant extent, if at all, on existing business from other service providers in the area. This is essentially a business to business arrangement.

Approval of this application will promote sound economic conditions within the transportation industry in British Columbia.

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*(c) Is the applicant a fit and proper person to provide the proposed service, and is the applicant capable of providing it?*

The Board looks at fitness in two parts:

- (i) is the applicant a “fit and proper person” to provide the proposed service; and
- (ii) is the applicant capable of providing the service?

The Board reviews the conduct of an applicant and the structure of its operations. Does the applicant seem to understand passenger transportation laws and policies? Is the business set up to follow these laws? Is there something in the applicant’s background that shows it disregards the law?

Applicants must show that they have the resources and skills to manage the service that they want to operate. The Board gets much of this information from business plans and financial statements.

Universal (including the predecessor owners) have been in business in British Columbia for over 47 years. It was incorporated on February 25, 1971. There are two principals, Barbara Cheng and David Tong. The disclosure forms of Unlawful Activity and Bankruptcy indicate no negative concerns about the principals. Wendy Tong (the Company Director), using Power of Attorney, has signed on behalf of David Tong.

The company has a National Safety Code rating of Satisfactory-Excellent.

Universal has provided financial projections and revenue assumptions for the proposed routes which cover the duration of the six-year contract.

The applicant signed the Liquor Control & Licencing Act Declaration declaring, among other things, that it will operate its vehicles in accordance with that Act.

The information provided with respect to Universal’s current operations, financial projections, and plans were sufficient to satisfy us that the company is both fit and proper, and capable of providing the service proposed in this application.



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## **VI. Conclusion**

For the reasons above, we considered the application on an urgent, public need basis, and approve it in whole. The Board establishes notice and activation requirements, and terms and conditions of licence that are attached to this decision as Appendix I. These form an integral part of the decision.

**Appendix I**  
**Terms & Conditions**  
**Universal Coach Line Ltd.**

Licence Required to Operate Vehicles	The Registrar of Passenger Transportation must issue the applicant a licence before the applicant can operate any vehicles approved in this decision.
Approval of Application may Expire	<ol style="list-style-type: none"> <li>1. The applicant must activate at least 1 vehicle within 2 months of the date of this decision.</li> <li>2. If the applicant does not meet the requirements set out in 1 above, this Special Authorization expires.</li> <li>3. The Passenger Transportation Board may vary the requirements set out in 1 above, if circumstances warrant it.</li> <li>4. If an applicant needs more time to activate its vehicles, then the applicant must make a request to the Board before the end of the 6 month activation period.</li> </ol> <p style="text-align: center;"><i>Note: “Activate” means that the applicant has submitted the documents required to obtain a Special Authorization Vehicle Identifier to the Registrar of Passenger Transportation.</i></p>
Notice to Registrar	<p>The Registrar must not, without direction from the Board, issue the applicant a licence or any Special Authorization Vehicle Identifiers if the applicant has not activated at least 1 vehicle within 2 months of the date of this decision.</p> <p style="text-align: center;"><i>Note: “Activated” means that the applicant has submitted to the Registrar of Passenger Transportation the documents required to obtain a Special Authorization Vehicle Identifier.</i></p>

SPECIAL AUTHORIZATION: <b>Inter-City Bus (ICB)</b> Terms & Conditions	
<b>Vehicles</b>	
Accessibility	Inter-city bus services must be accessible to persons with mobility aids.
<b>Services</b>	
Service	Transportation of passengers must be provided: a) on a scheduled basis, and b) in accordance with minimum frequencies and other terms and conditions of licence that apply to the routes and route points.
Schedule	The licence holder must publish, in a manner accessible to the general public, a schedule for each route with the time and location of each stop, and must carry in each vehicle a copy of the schedule that the vehicle is following.
Express Authorization	Transportation of standees is authorized only when all of the following conditions are met: 1. The licence holder has current and proper insurance coverage for the transportation of standees, 2. Passengers are not permitted to stand for a period that is longer than 30 minutes or for a distance that exceeds 30 road kilometres, and 3. Freight and passenger baggage is not carried in the passenger compartment when standees are being transported.
Abbreviations	The following abbreviations are used to describe terms and conditions of this special authorization: <ul style="list-style-type: none"> <li>• “ALT” means an “alternate route point” for scheduled or unscheduled stops; no minimum service requirement applies.</li> <li>• “RR” means a reservation-required service that is available to passengers to be picked up or dropped off at the route point.</li> </ul>

<b>Route A</b>	
Terminating Point 1:	<b>Resort Municipality of Whistler</b>
Terminating Point 2:	<b>District of Delta</b>
Corridors:	Highways 1, 17, 17A & 99
Route Points	Daily Minimum (round trips)
Resort Municipality of Whistler	4
District of Squamish	4 RR
City of Vancouver Hotel Area <sup>1</sup>	4
City of Richmond Hotel Area <sup>2</sup>	ALT (stop-over service)
Vancouver International Airport	4
City of Richmond Hotel Area <sup>2</sup>	ALT (stop-over service)
District of Delta <sup>3</sup>	3
Route Point Boundaries	<p><sup>1</sup> <i>City of Vancouver Hotel Area</i> is bounded on the north by the Burrard Inlet, on the south by Thirteenth Avenue, on the East by Main Street, and on the west by English Bay (for points north of the False Creek shoreline) and Arbutus Street (for points south of the False Creek shoreline).</p> <p><sup>2</sup> <i>City of Richmond Hotel Area</i> is bounded on the north by the North Arm of the Fraser River, on the south by Granville Avenue, on the East by No. 5 Road, and on the west by Gilbert Road.</p> <p><sup>3</sup> For clarification, the <i>Tsawwassen Ferry Terminal</i> is located in the <i>District of Delta</i>.</p>
Limited Pick Up & Drop Off	<p>a) Subject to the <i>Stopover Service in the Richmond Hotel Area</i> provision below, passenger pick up and drop off is limited to route points listed for this route.</p> <p>b) Service may only be provided to passengers who have purchased a one-way or return-trip ticket from Universal Coach Line Ltd. for the following trips:</p> <ul style="list-style-type: none"> <li>o Vancouver Hotel Area - Whistler</li> <li>o YVR – Whistler</li> <li>o YVR – Squamish</li> <li>o YVR – Vancouver Hotel Area</li> <li>o YVR – Delta</li> </ul> <p>c) <i>Stopover Service in the Richmond Hotel Area</i>: Service to points in the <i>City of Richmond Hotel Area</i> may only be provided as a stopover service to passengers on YVR – Whistler trips or YVR – Delta trips. Passengers with stopover privileges may be dropped off in the Richmond Hotel Area and later picked up to continue their trip through to their destination (i.e. YVR, Whistler or Delta).</p>

Service Limitation	Service may only be provided when the licensee has a written transportation service agreement with the Vancouver Airport Authority to provide service to and from the Vancouver International Airport on this route.
<b>Engaged Carrier Authorization</b>	
<p>The holder of this licence may operate as an inter-city bus when engaged by another licensed operator in the following limited circumstances:</p> <ol style="list-style-type: none"> <li>1. The other licensed operator must have a special authorization to operate an inter-city bus under a licence issued pursuant to the <i>Passenger Transportation Act</i> (British Columbia) or the <i>Motor Vehicle Transport Act</i> (Canada),</li> <li>2. The holder of this licence must have signed written authorization from the other licensed operator specifying the terms by which the licence holder is engaged including the time period for which the written authorization is valid,</li> <li>3. The holder of this licence must operate its vehicles in accordance with all the applicable terms and conditions of the other licensed operator's licence, and</li> <li>4. The holder of this licence must carry in its vehicles a copy of the written authorization referred to in paragraph 2 and a copy of the terms and conditions of the other licensed operator's licence when operating under this engaged carrier authorization.</li> </ol>	
<b>Other</b>	
Transfer of a Licence	This special authorization may not be assigned or transferred except with the approval of the Board pursuant to section 30 of the <i>Passenger Transportation Act</i> .

SPECIAL AUTHORIZATION: <b>Passenger Directed Vehicle (PDV)</b> Terms & Conditions	
<b>Vehicles</b>	
Maximum Fleet Size	5 vehicles
Vehicle Capacity	Vehicles can accommodate a driver and not less than 6 and not more than 11 passengers.
<b>Service 1</b>	The following terms and conditions apply to Service 1
Originating Area	Transportation of passengers may only originate from any point in the City of Vancouver and 73 kilometers from the boundaries of the City of Vancouver.
Destination Area	Transportation of passengers may terminate at any point in British Columbia and beyond the British Columbia border when engaged in an extra-provincial undertaking.
Return Trips	Transportation of passengers may terminate at any point in British Columbia and beyond the British Columbia border when engaged in an extra-provincial undertaking.
<b>Service 2</b>	The following terms and conditions apply to Service 2
Originating Area	Transportation of passengers may only originate from any point on that portion of Vancouver Island south of and including the City of Nanaimo.
Destination Area	Transportation of passengers may terminate at any point in British Columbia and beyond the British Columbia border when engaged in an extra-provincial undertaking.
Return Trips	The same passengers may only be returned from where their trip terminates in the <i>destination area</i> to any point in the <i>originating area</i> if the return trip is arranged by the time the originating trip terminates.
<b>Other</b>	
Transfer of a Licence	This special authorization may not be assigned or transferred except with the approval of the Board pursuant to section 30 of the <i>Passenger Transportation Act</i> .