

All Points Transit On-Demand Study

Prepared for:
All Points Transit

September 2022

DN21-0704

FEHR  PEERS

Table of Contents

| | |
|---|-----------|
| Chapter 1 – Introduction | 6 |
| Study Goals..... | 6 |
| Needs Assessment and Outreach..... | 6 |
| Key Takeaways | 6 |
| Alternatives Development..... | 7 |
| Preferred Alternative..... | 7 |
| Implementation Plan | 8 |
| Chapter 2 – Needs Assessment | 9 |
| Existing Services..... | 9 |
| Dial-a-Ride..... | 9 |
| Montrose Public Bus Routes | 10 |
| Olathe Express Shuttle..... | 12 |
| Sunshine Rides..... | 12 |
| Telluride Express..... | 12 |
| Bustang..... | 13 |
| Ridership..... | 13 |
| Financials | 13 |
| Income | 13 |
| Expenses..... | 16 |
| Implications for Future Service..... | 17 |
| Travel Patterns..... | 17 |
| Transit Propensity | 19 |
| Local Demographics | 21 |
| Needs Assessment..... | 21 |
| Key Takeaways..... | 22 |
| Opportunity Areas..... | 23 |
| Chapter 3– Service Alternatives Analysis and Input | 27 |
| Summary of Needs to be Addressed | 27 |
| Transit Strategies for Meeting Mobility Needs..... | 27 |
| Initial Service Alternatives..... | 28 |
| Delta City Alternatives..... | 32 |
| Regional Alternatives | 35 |

| | |
|---|-----------|
| Chapter 4– Recommended Service Alternative with Financial Plan | 38 |
| Selection of a Preferred Alternative..... | 38 |
| Montrose Recommended Alternative..... | 39 |
| Service Characteristics | 40 |
| Considerations | 40 |
| Budget Assumptions for Service Level | 40 |
| Service Hours..... | 41 |
| Delta Recommended Alternative..... | 41 |
| Service Characteristics | 43 |
| Considerations | 43 |
| Budget Assumptions for Service Level..... | 43 |
| Service Hours..... | 44 |
| Regional Alternative..... | 44 |
| Service Characteristics | 44 |
| Considerations | 45 |
| Target Markets | 46 |
| Technology | 47 |
| Vehicles | 48 |
| Montrose Microtransit Fleet..... | 48 |
| Delta Microtransit and Fixed Route Fleet..... | 50 |
| Regional Fleet Route | 51 |
| Performance Estimates | 51 |
| Financial Plan | 52 |
| Operating Budget..... | 52 |
| Capital Budget | 52 |
| Revenues & Expenses..... | 53 |
| Chapter 5– Implementation Plan..... | 56 |
| Service Delivery..... | 56 |
| Service Delivery Models..... | 56 |
| Service Adjustments and Monitoring Plan | 58 |
| Tracking Ridership..... | 58 |
| Tracking Ride Times..... | 58 |
| Tracking User Experience..... | 59 |
| Evaluating Service Area Scope | 59 |
| Determining Service Changes..... | 60 |

| | |
|---|----|
| Implementation Timeline..... | 60 |
| Mitigating Unknown Factors | 62 |
| Strategies for Managing Implementation Hurdles..... | 62 |
| Marketing, Branding, and Outreach | 63 |
| Overall Marketing Strategy..... | 63 |
| Branding | 64 |
| Signage | 64 |
| Advertising | 65 |
| Outreach..... | 65 |

List of Figures

| | |
|---|----|
| Figure 1: Route Map (source: All Points Transit)..... | 10 |
| Figure 2: Temporary Route Schedule (source: All Points Transit) | 11 |
| Figure 3: Olathe Express Route Map & Schedule (source: All Points Transit)..... | 12 |
| Figure 4: Top Origin and Destination Pairs for All Points Transit Dial-a-Ride Service (source: All Points Transit, July 2021 Ridership Data)..... | 18 |
| Figure 5: Transit Dependency Index (source: All Points Transit and Felsburg, Holt, and Ullevig, 2019)..... | 20 |
| Figure 6: All Points Transit Service Area Demographics (source: U.S. Census Bureau) | 21 |
| Figure 7: Areas of Transportation Demand in Montrose (source: All Points Transit)..... | 25 |
| Figure 8: Areas of Transportation Demand in Delta (source: All Points Transit) | 26 |
| Figure 9: Microtransit, how it works (source: High Valley Transit, UT)..... | 28 |
| Figure 10: City of Montrose Alternative 1..... | 31 |
| Figure 11: City of Montrose Alternative 2..... | 31 |
| Figure 12: City of Delta Alternative 1..... | 34 |
| Figure 13: City of Delta Alternative 2..... | 34 |
| Figure 14: Regional Alternative 2..... | 37 |
| Figure 15: Regional Alternative 1 | 37 |
| Figure 16: Regional Alternative 3 | 37 |
| Figure 17: Preferred City of Montrose Alternative | 39 |
| Figure 18: City of Delta Preferred Alternative | 42 |
| Figure 19: Preferred Alternative for the Regional Route | 46 |
| Figure 20: Examples of Microtransit Vehicles (sources: Via Mobility Services, Downtowner, and Via Transportation, Inc.)..... | 49 |

Figure 21: Simulation of Origin-Destination Patterns (source: Downtowner)..... 59
 Figure 22: All Points Transit Detailed Service Implementation Timeline..... 61
 Figure 23: Examples of Microtransit Branding (Source: LA Metro and RideKC)..... 64

List of Tables

Table 1: All Points Transit 2020 Operational Revenue..... 15
 Table 2: All Points Transit 2020 Operational Expenses..... 16
 Table 3: City of Montrose Alternative..... 30
 Table 4: City of Delta Alternatives..... 33
 Table 5: Regional Service Alternatives 35
 Table 6: Service Characteristics of the Recommended Alternative 40
 Table 7: City of Montrose Budget Assumptions by Service Level..... 40
 Table 8: Proposed Operating Schedule 41
 Table 9: Service Characteristics of the Recommended Alternative 43
 Table 10: Fixed Route with Microtransit Service 43
 Table 11: Proposed Operating Schedule 44
 Table 12: Service Characteristics of the Recommended Alternative for the Regional Route 44
 Table 13: Preferred Montrose Fleet Option 50
 Table 14: Preferred Delta Fleet Option 50
 Table 15: Performance Goals/Estimates..... 51
 Table 16: Annual Budget for Preferred Alternative..... 52
 Table 17: Capital Budget for Preferred Alternative 52
 Table 18: Anticipated Yearly Revenues..... 53
 Table 19: Anticipated Yearly Expenses..... 55
 Table 20: Benefits and Disadvantages of Turn-Key Contracts..... 56
 Table 21: Advantages and Disadvantages of Agency Operated Model..... 57
 Table 22: Implementation Timeline by Year 60

Chapter 1 – Introduction

Study Goals

All Points Transit undertook this On-Demand Transportation Study to understand the changing local travel market and identify opportunities for meeting the transportation needs of existing All Points Transit riders while also opening opportunities for more community members to utilize the service. All Points Transit began this study at a time when the agency’s scheduling software was being updated and other organizational changes, like the planning and design of a new transit center, were being explored. The following On-Demand Transportation Study provides All Points Transit with an opportunity to implement a new service model that could augment existing fixed route and demand response services.

Needs Assessment and Outreach

Chapter 2 describes the existing conditions of All Points Transit operations, including a review of existing services, ridership, and financials. As part of the needs assessment process, All Points Transit also undertook a stakeholder-driven outreach approach. A series of 13 stakeholder interviews were conducted in the fall of 2021. Through these interviews, project staff spoke with representatives from a variety of agencies in the All Points Transit service area. Agencies interviewed for the study were:

- Delta County
- City of Delta
- Montrose County
- City of Montrose
- San Miguel Authority for Regional Transportation (SMART)
- Region 10 LEAP
- Aging and Disability Resource Council (the Area Agency on Aging)
- Two realtors representing Delta and Montrose
- Delta Hospital
- Tri County Health Network
- River Valley Family Health Center
- Montrose Recreation District

Key Takeaways

Chapter 2 describes the consistent themes that emerged during the interviews:

- **Service Span:** Some community members would benefit from weekend service and most riders would like to see additional weekday service.

- **Population of Potential Transit Riders is Growing:** The population of people who are more likely to use transit service – specifically, retired adults who are relocating to the study area – is growing in the All Points Transit service area, particularly in the Cities of Montrose and Delta.
- **City of Delta Envisions New Dedicated Public Transit Service:** There is an opportunity for more service within the City of Delta and community members are interested in seeing a fixed route bus.
- **Connections to the Airport are Needed:** Stakeholders consistently shared that lack of transit service to the Montrose Airport is an issue.
- **Reservation Window:** Existing riders would benefit from shorter reservation windows (i.e. would enjoy the opportunity to get same-day rides).
- **Enhanced Regional Travel:** Delta and Montrose Cities are both growing communities and residents who travel between the two would like frequent, reliable transit service.
- **Need Largely Aligns with Existing Service:** The areas where residential growth is occurring and where stakeholders see ridership potential are mostly near existing locations that All Points Transit serves.

Alternatives Development

Based on the needs assessment findings, a set of local and regional transit service alternatives were developed. The initial alternatives, described in Chapter 3, provide both fixed route and on-demand solutions for Delta, Montrose, and regional connections. Each alternative was developed with the goal of leveraging existing resources (i.e., All Points Transit fleet vehicles) in order to maintain operating costs that are in line with current agency spending. Each alternative was vetted through a staff and key stakeholder review process, the results of which informed selection of the preferred alternatives.

Preferred Alternative

Chapter 4 describes the preferred alternatives for the Cities of Delta and Montrose as well as a regional connectivity option. After thorough review and stakeholder engagement, it was decided that:

- Existing services in the City of Montrose should be modified so that a single fixed route is operated on Townsend Avenue and additional service is offered throughout the community with microtransit vehicles.
- The City of Delta will have a pilot fixed route along with a microtransit service.
- A new regional route will be piloted. The route would connect Delta and Montrose and also serve locations in between like Olathe.

Chapter 4 includes a description of fleet needs as well as a financial plan for funding the new services.

Implementation Plan

Chapter 5 describes the implementation process in detail, with a phased schedule and a performance tracking plan. Performance tracking is intended to help All Points Transit regularly assess the new services during the initial stages of implementation and to make incremental adjustments to ensure the new services meet community transportation needs.

Chapter 2 – Needs Assessment

A review of the existing conditions throughout the All-Points Transit region was conducted to establish how current operations are impacting users. All current transit options offered by All Points Transit were documented to examine how current services are meeting the needs of users and where improvements can be made. Travel patterns were also analyzed to determine which destinations are experiencing high service levels. In addition, the community was consulted to learn about sought after destinations that are not currently offered but would be utilized if available.

Existing Services

All Points Transit provides public transit options to Montrose, Delta, San Miguel, and Ouray counties. Their services include transportation for older adults, people with disabilities, and the general public.

Dial-a-Ride

The All Points Dial-a-Ride program offers door-to-door rides for the general public and is utilized primarily by older adults and people with disabilities in communities throughout Montrose and Delta counties, as well as in Norwood in San Miguel County. The service enables residents to remain mobile and travel to medical appointments, shopping, the senior center, the post office, or other personal errands. Those who wish to use the service must call and enroll with All Points Transit, then call to book rides in advance. Rides must be booked by noon the previous business day and are available from 6 a.m. to 4 p.m. Monday through Friday. Rides can be scheduled the day before and customers are also able to reserve trips further in advance if desired.

Trips are shared with other passengers and users are limited to three stops per day. Fares are \$3.50 to \$5.00 per local trip and \$10 per trip to Grand Junction (service to Grand Junction is offered on Tuesday of each week). These fares are affordable relative to the fares charged by Sunshine Rides, the local private taxi provider. Area Agency on Aging vouchers are also available to riders 60 or older, making trips free for covered older adults. In addition, All Points Transit accepts Medicaid for transportation.

Riders are occasionally denied trip requests for Dial-a-Ride service. Trip denials occur most frequently when rides are requested for times outside of All Points Transit operating hours (e.g., 4:30 a.m. pick up times), when a customer is seeking a trip to the Montrose Airport, which is currently not served by any All Points Transit service, when the schedule of rides is full, or when requested destinations fall outside the All Points Transit service area.

Montrose Public Bus Routes

All Points Transit also operates two weekday bus routes in Montrose, the Townsend Express and Main St. Shuttle, of which the routes are shown in **Figure 1**. The Townsend Express runs every 30 minutes between 6:30 a.m. and 7 p.m., while the Main St. Shuttle runs on the hour between 7 a.m. and 7 p.m. (see **Figure 2**). Passengers have the option to request “flex stops,” which are off-route stops, as long as they call at least two hours in advance (see list of stops in **Figure 2**).



| ADULT (ages 18-59) | | SENIOR/ADA/YOUTH STUDENT/VETERAN | |
|--------------------|----------|-------------------------------------|---------|
| 1 Ride* | \$1.50 | 1 Ride* | \$.75 |
| Day Pass | \$4.00 | Day Pass | \$2.00 |
| 1 Month Pass | \$30.00 | 1 Month Pass | \$15.00 |
| 3 Month Pass | \$78.00 | 3 Month Pass | \$39.00 |
| 6 Month Pass | \$150.00 | 6 Month Pass | \$75.00 |

FREE FLEXES AVAILABLE!
Call 970.240.1951 to schedule
2 hours before your ride

ORANGE FLEX STOPS
Community Recreation Center
River Valley Family Health Center

BLUE FLEX STOPS
Marine Rd. to 6355 Rd.
West Main & 6400 Rd.
Montrose Regional Health
Center For Mental Health
Sunshine Peak Apartments

CHILDREN Ages 0-4 ride FREE! *River Valley Family Health Center patients ride FREE to appointments. Call 970.240.1951*

Day passes and single rides can be purchased through the driver with **exact change**.
One month, three month and six month passes can be purchased with cash or credit/debit card through the office at 175 Merchant Dr, Montrose or by calling 970.240.1951
*One ride does not include transfer between routes.

| Townsend Express | | Runs Every 30 min |
|--|------------------------------------|------------------------|
| Bus 1 Runs 6:30 a.m. - 6:30 p.m., Mon - Fri | | |
| Bus 2 Runs 7:00 a.m. - 7:00 p.m., Mon - Fri | | |
| Stop# | Bus Location | Bus 1 Bus 2 |
| 1 | Justice Center | :30 :00 |
| 2 | Townsend Ave at N 9th St | :32 :02 |
| 3 | Townsend Ave at N 4th St | :33 :03 |
| 4 | Townsend at S 1st St - City Market | :34 :04 |
| 5 | Townsend Ave S at 9th St | :35 :05 |
| 6 | Towsend Ave at Poplar Rd | :36 :06 |
| 7 | Townsend Ave at Div of Wildlife | :37 :07 |
| 8 | Commercial Way at NuVista | :41 :11 |
| 9 | Townsend Ave at Ogden Rd | :42 :12 |
| 10 | Petco | :43 :13 |
| 11 | Hobby Lobby | :44 :14 |
| 12 | Target | :45 :15 |
| 13 | Walmart | :49-:58 :19-:28 |
| 14 | Alpine Dr. at Odelle Rd. | :59 :29 |
| 15 | Townsend Ave at Encanto Pl. (KFC) | :03 :33 |
| 16 | S 12th St at Cascade | :04 :34 |
| 17 | Park Ave at S 8th St | :05 :35 |
| 18 | Park Ave at S 4th St | :06 :36 |
| T Transfer | (436 S 2nd St.) | :07-:20 :37-:50 |
| 20 | S 2nd St. at City Market | :22 :52 |
| 21 | Grand Ave at N 3rd St | :24 :54 |
| 22 | Grand Ave at N 6th St | :25 :55 |
| 23 | Justice Center | :30 :00 |

| Main Street Shuttle | | Runs Every Hour |
|--|---------------------------------------|---------------------------|
| Runs 7:00 a.m. - 7:00 p.m., Mon - Fri | | |
| Stop# | Bus Location | Minutes after the hour |
| 1 | West Main Trailhead | :00 |
| 2 | West Main St. at Maple Ave. | :01 |
| 3 | West Main St. at Rio Grande Ave. | :03 |
| T Transfer | (436 S 2nd St.) | :07 - :15 |
| 5 | East Main St. at Mesa Ave. | :16 |
| 6 | East Main St. at Pythian Ave. | :17 |
| 7 | East Main St. at Tessitore Ct. | :18 |
| 8 | Rose Lane at Rose Bowl | :20 |
| 9 | Hillcrest at S. 11th St. | :21 |
| 10 | Hillcrest at Avon | :22 |
| 11 | Pavilion Dr. | :24-:32 |
| 12 | Hillcrest at Stratford Ave. | :34 |
| 13 | Hillcrest at Black Canyon Golf Course | :35 |
| 14 | Hillcrest at Par Place | :36 |
| 15 | Arby's | :37 |
| 16 | Cedar Ave. at KOA | :38 |
| 17 | East Main St. at McDonalds | :39 |
| 18 | East Main St. at Nevada Ave. | :40 |
| T Transfer | (436 S 2nd St.) | :41-:48 |
| 20 | S 2nd St. at City Market | :50 |
| 21 | West Main St. at Willerup Ave. | :52 |
| 22 | West Main Trailhead | :53 |

Figure 2: Temporary Route Schedule (source: All Points Transit)

Olathe Express Shuttle

The Olathe Express Shuttle runs three round trips between Montrose and Olathe each day – at 7 a.m., 1 p.m., and 4 p.m. (Figure 3).

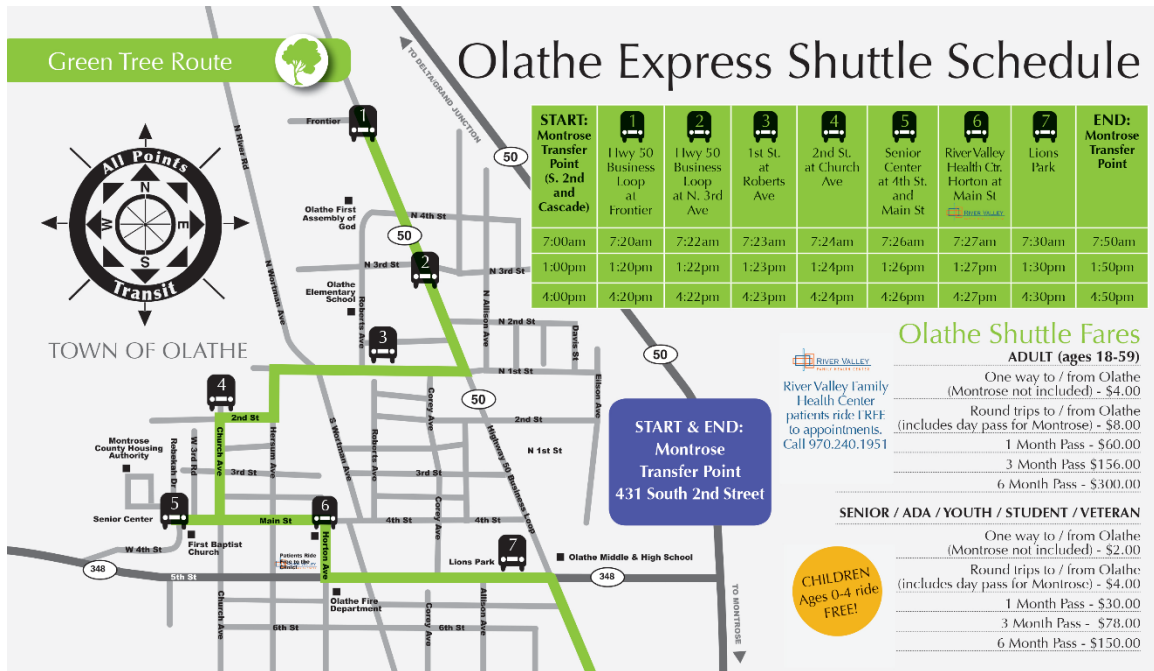


Figure 3: Olathe Express Route Map & Schedule (source: All Points Transit)

Sunshine Rides

Sunshine Rides is a private taxi company that serves Western Colorado, including Montrose and Delta Counties. Rides are available 24 hours a day and each day of the week and can be requested on-demand or scheduled ahead of time. However, according to stakeholders interviewed for the study, Sunshine Rides service is considered by many study area residents to be prohibitively expensive for regular use.

Telluride Express

Telluride Express is a private transportation provider that offers a variety of services. Within the All Points Transit service area, Telluride Express operates in the All Points Transit service area primarily offers transportation between Telluride and the Montrose Airport. Telluride Express also offers charter and group service throughout Montrose, Delta, and San Miguel Counties as well as trailhead shuttles. Telluride Express also has multiple contracts throughout the region to operate public transit services such as the San Miguel Authority for Regional Transportation (SMART).

Bustang

The Colorado Department of Transportation offers daily Bustang Outrider regional service between Durango and Grand Junction with two stops in Montrose and one stop in Delta. There is one trip in each direction per day, with the northbound trip stopping in the All-Points Transit service area in the late morning and the southbound trip stopping in the late afternoon. In September 2021, the Colorado Department of Transportation launched a Bustang route from Telluride to Grand Junction offering once a day service. The route makes various stops in the All-Points Transit service area including the Montrose Travel Center, a stop on Highway 550 in Olathe, and a stop on Main Street in Delta.

Ridership

Prior to the COVID-19 pandemic, All Points Transit operated three routes in Montrose – the Red Apple, Blue Bird, and Gold Mine. While ridership data from 2019 can no longer be extrapolated to explain current conditions, at that time the transit stops with the highest ridership were Walmart, Rose Lane, and Justice Center, with high ridership along Townsend Avenue and Grand Avenue. Since changing service patterns, All Points has retained service in those high-ridership locations. Dial-a-Ride provided 23,804 trips in 2020, which equates to 57% of the 41,819 trips provided in 2019.

Ridership is highest during midday period rather than the a.m. and p.m. peak periods, which are the typical temporal patterns for work commutes. This suggests that All Points Transit services are not used for commute trips and are instead primarily used for shopping, medical appointments, recreation, errands, and other personal trips.

Financials

Income

Funding for All Points Transit was approximately \$1.3 million in 2020, most of which was from contracts (28%), CDOT (26%), Medicaid (11%), local government (10%), foundations (9%), and COVID-19 relief funding (7%). Total revenues were approximately 12% lower than in 2019, driven largely by a 33% decline in contracted service income from 2019 to 2020.

Table 1 shows 2020 revenue in order of magnitude. The organization also receives much smaller shares of funding from donations, fares, route sponsorship, and other sources. The All Points Transit hosts an annual Oktoberfest fundraising event that raises \$40,000 or more each year. Federal funding from the Federal Transit Administration (FTA) includes the Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (5310 mobility management and capital funds), 5311 operating funds, and recent funding from the CARES Act.

Table 1: All Points Transit 2020 Operational Revenue

| Source | Revenue | |
|-----------------------|--------------------|-------------------------|
| Contracts | \$372,755 | |
| CDOT | \$335,363 total | \$46,914 – 5310 program |
| | | \$55,850 – 5311 program |
| | | \$231,999 – CARES Act |
| Medicaid | \$147,216 | |
| Local Governments | \$134,698 | |
| Foundations | \$115,485 | |
| COVID-19 Relief Funds | \$94,197 | |
| General Donations | \$48,009 | |
| In-Kind Donations | \$24,414 | |
| Fares | \$20,501 | |
| Other | \$19,434 | |
| Route Sponsorship | \$3,300 | |
| Total | \$1,315,372 | |

Source: All Points Transit

Contracted revenue comes from 10 sources, with 59% of the contracted revenue coming from the Area Agency on Aging. Additional contracts include hospitals, local PACE programs (Program of All-inclusive Care for the Elderly), and the River Valley Family Health Center.

Expenses

Table 2 shows 2020 expenses in order of magnitude. Expenses associated with personnel are the most significant costs for All Points Transit, followed by costs associated with operating vehicles (procurement, insurance, and fuel). In 2020, expenses were just below revenues. In 2020, expenses were approximately 10% lower than the previous year in part due to lower payroll, lower fuel costs, and decreased maintenance spending. These lower expenses for 2020 were all associated with lower service levels due to the pandemic.

Table 2: All Points Transit 2020 Operational Expenses

| Source | Revenue |
|--------------------------------------|--------------------|
| Payroll | \$833,229 |
| Insurance and other vehicle expenses | \$111,716 |
| Administration and Consulting | \$90,781 |
| Fuel | \$85,153 |
| Program Expenses | \$85,588 |
| Maintenance and Repairs | \$71,858 |
| Seminars and Memberships | \$4,074 |
| Route Sponsorship | \$1,156 |
| Volunteer Driver Program | \$685 |
| Total | \$1,284,240 |

Source: All Points Transit

Implications for Future Service

In 2019 and 2020, All Points Transit net operating income was 4% and 2% of revenues, respectively. This suggests that in order to introduce an on-demand transportation service, All Points Transit could consider:

- Growing overall revenues through fare revenues from a new service. This option may pose a challenge as expenses associated with launching additional service will likely exceed any potential increase in fare revenue.
- Seeking new state or federal grant funding, new local municipal funding, private foundation funding, and/or private partnerships that would generate a new revenue stream dedicated to funding the additional on-demand service.

Travel Patterns

A selection of ridership data from the All Points Transit's Dial-a-Ride system was used to analyze the origins and destinations existing users of the system access most frequently (**Figure 4**). The County Complex on Grand Street in the City of Montrose, which is a flex route stop, is the most frequently requested pick-up and drop-off location. Other significant ridership generators are the Delta House Assisted Living Center and the Dream Catcher Therapy Center in Olathe. The analysis also showed demand for transportation between the communities of Hotchkiss and Paonia

Based on existing ridership patterns, current All Points Transit Dial-a-Ride customers and riders on the Public Flex Routes travel most frequently between Montrose and Olathe, Delta and Olathe, and between a variety of destinations within the City of Montrose. In order to continue serving the existing rider market, a new on-demand service would need to offer transportation chiefly within the cities of Montrose and Delta with future regional connections to Olathe and possibly Paonia, as resources allow, and a new service grows.

Dial-a-Ride Top Origin and Destination Pairs

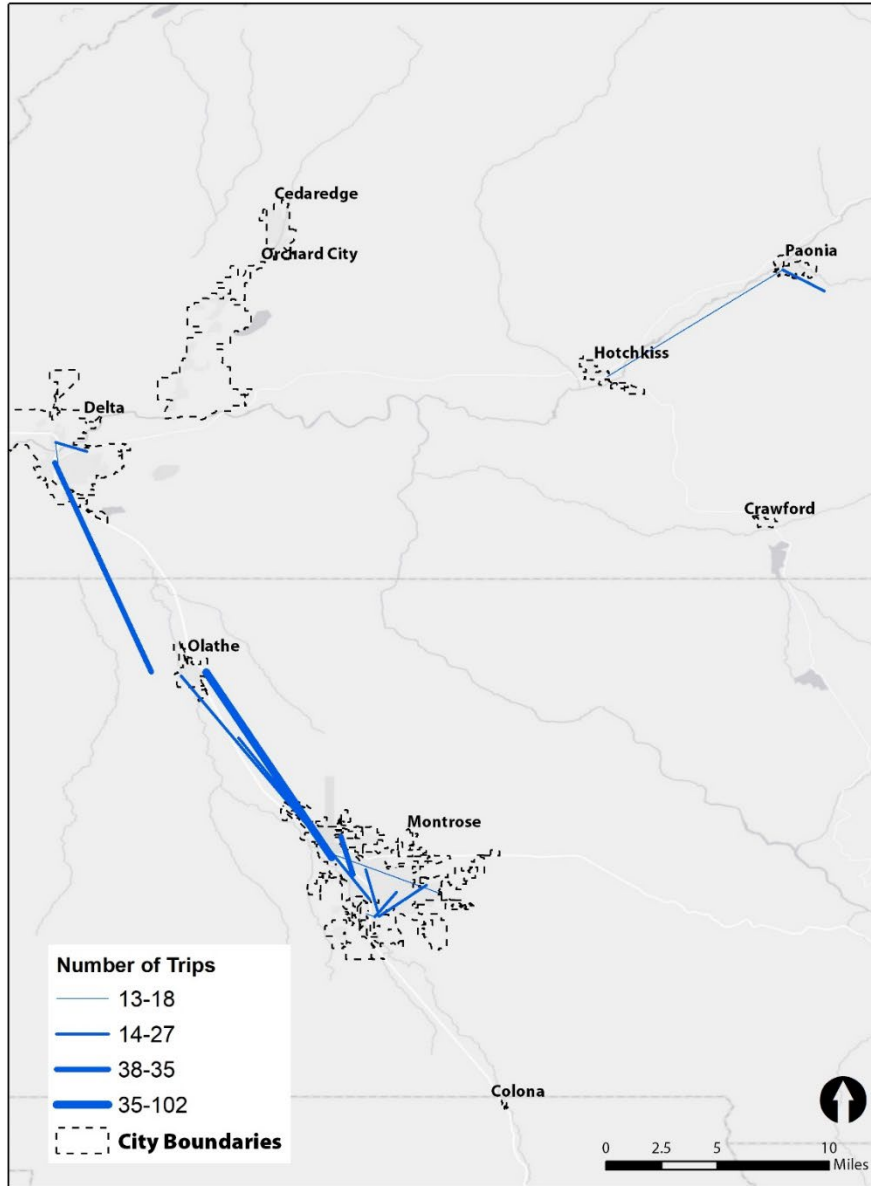


Figure 4: Top Origin and Destination Pairs for All Points Transit Dial-a-Ride Service (source: All Points Transit, July 2021 Ridership Data)

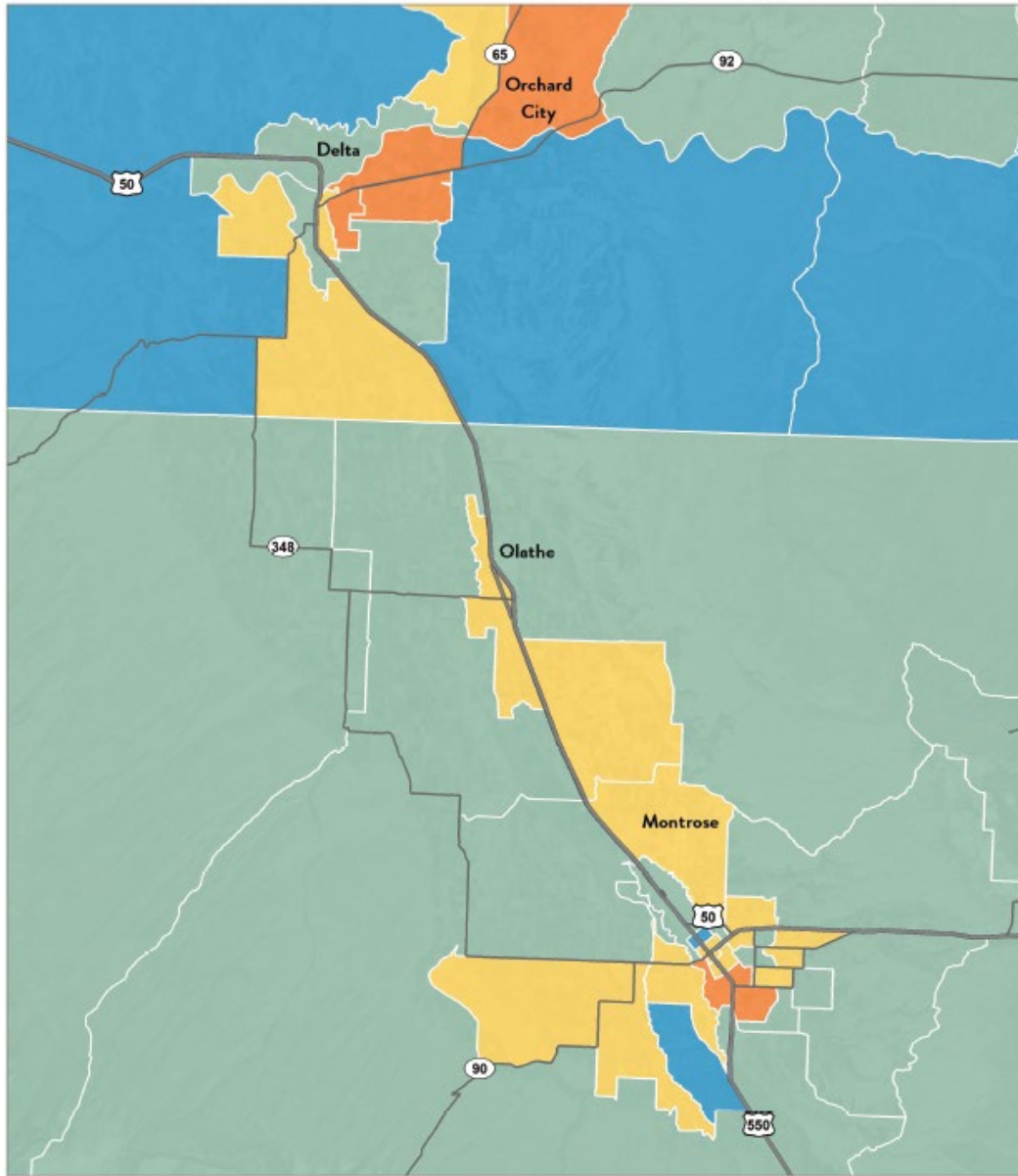
Transit Propensity

Transit propensity refers to the rate at which community members are likely to utilize transit based on demographic characteristics. A transit propensity analysis was performed for the 2019 All Points Transit Strategic Operating Plan (**Figure 5**) and showed that areas in downtown Montrose, Delta, and Orchard City have the highest transit need, while more rural areas just outside of the towns have lower transit propensity. This is due to a high concentration of households with members who are 65 and older, residents living below the poverty line, and/or households with no private vehicle access.

The findings of the transit propensity analysis align with the existing ridership analysis in that the communities of Delta, Olathe, and Montrose are home to the highest concentration of likely transit riders in the All Points Transit service area. The Cedaredge and Orchard City area could be considered long-term as another location where an on-demand service may be beneficial.

APT DEMOGRAPHICS

Transit Dependency Index



Legend

| | | |
|------------------------------------|-------------------------------------|-------------------------------------|
| Transit Dependency Index | | Moderate to High Transit Dependency |
| Low Transit Dependency | Moderate to High Transit Dependency | High Transit Dependency |
| Low to Moderate Transit Dependency | | |

Transit Dependency Index developed from inputs of zero vehicle households, age 65 plus, and low income. The resulting combined subjective score was summarized through the overlay of each input.

NORTH
0 3 Miles

Figure 5: Transit Dependency Index (source: All Points Transit and Felsburg, Holt, and Ullevig, 2019)

Local Demographics

Residents within the All Points Transit service area – considered as Delta, Montrose, Ouray, and San Miguel Counties – have a number of demographic indicators that suggest a potential need for transit services (**Figure 6**). The share of older adults and persons under 65 with a disability is relatively high in the All Points Transit service area compared to national averages. Meanwhile, median household income in Delta and Montrose Counties is 24% lower than national median household income. Income is often an indicator of how likely a population is to ride transit since income levels are tied to vehicle ownership rates.

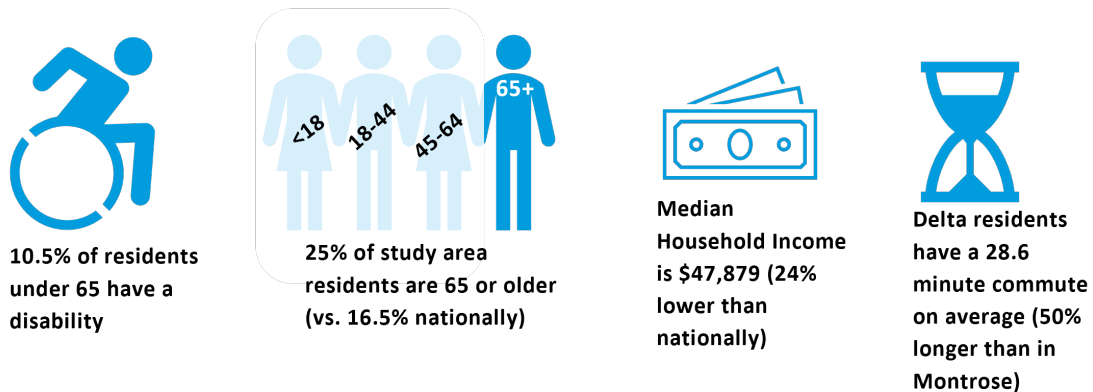


Figure 6: All Points Transit Service Area Demographics (source: U.S. Census Bureau)

This study also leverages findings from the 2019 All Points Transit Strategic Operating Plan’s ridership survey of 466 local community members. The survey found that most respondents were ages 60 or older and about half of respondents earn \$50,000 or less. Almost a quarter of respondents have a disability, a third of which are ambulatory difficulties. These characteristics – a high share of older adults, lower income residents, and people with disabilities – suggest transit serves an important for ensuring all members of the community have transportation and access to the places they need to travel.

Most survey respondents did not use All Points Transit at the time the survey was administered. The most common improvements cited as something that would encourage respondents to take the bus were weekend service, better connectivity and regional service, and more frequent service. Respondents mentioned Montrose, Grand Junction, and Delta as places that they would travel with more service (with connections to Telluride, Ouray, and Gunnison also mentioned).

Needs Assessment

The needs assessment demonstrates existing gaps in services and highlights where users can benefit the most from in enhancements. A series of 13 stakeholder interviews were conducted in

the fall of 2021 from a variety of agencies in the All-Points Transit service area where several themes emerged regarding existing and emerging travel patterns. Additionally, a selection of ridership data from the All-Points Transit Dial-a-Ride system was used to analyze the origins and destinations existing users of the system access most frequently. This data and themes from stakeholder interviews contributed to the identification of opportunity areas for on-demand transportation.

Agencies interviewed for the study were:

- Delta County
- City of Delta
- Montrose County
- City of Montrose
- San Miguel Authority for Regional Transportation (SMART)
- Region 10 LEAP
- Aging and Disability Resource Center (the Area Agency on Aging)
- Two realtors representing Delta and Montrose
- Delta Hospital
- Tri County Health Network
- River Valley Family Health Center
- Montrose Recreation District

Key Takeaways

A set of consistent themes emerged during the interviews:

- **Service Span:** Some community members would benefit from weekend service and most riders would like to see additional weekday service. Expanded service hours would help riders enjoy more flexibility. For example, people relying on All Points Transit to access medical services are constrained when selecting appointment times. Evening service is an area of particular need, especially in the City of Montrose where there is a high mix of residential, commercial, and recreational destinations.
- **Population of Potential Transit Riders is Growing:** The population of people who are more likely to use transit service – specifically, retired adults who are relocating to the study area – is growing in the All Points Transit service area, particularly in the Cities of Montrose and Delta. Some stakeholders, like the Aging and Disability Resource Council, also indicated that some older adults may feel there is a stigma to riding transit as it may signal one is not able to travel independently. These stakeholders suggested that planning for new service should include consideration for how to attract potential riders like youth or older adults who are not interested in utilizing All Points Transit service in its current form.

- **City of Delta Envisions New Dedicated Public Transit Service:** There is an opportunity for more service within the City of Delta, and stakeholders could see different models being effective (an on-demand service or a circulator route). Key stakeholders in Delta may be expecting a “route” and may need some convincing to come around to microtransit as best starting point for new service. However, the city is constrained in its ability to provide additional funding support.
- **Connections to the Airport are Needed:** Stakeholders consistently shared that lack of transit service to the Montrose Airport is an issue. Given the limited presence of Transportation Network Company (e.g., Uber and Lyft) operators in Montrose and the limited availability and high cost of the local taxi service, travelers are often left with no option for traveling to or from the airport other than driving.
- **Reservation Window:** Existing riders would benefit from shorter reservation windows. Needing to reserve transportation two or more weeks in advance of a trip is a barrier to living independently for those who are relying on All Points Transit Dial-a-Ride service.
- **Enhanced Regional Travel:** Delta and Montrose Cities are both growing communities and residents travel between the two cities for work, shopping, medical services, and recreation. Frequent, reliable service is needed for regional trips between the two communities.
- **Need Largely Aligns with Existing Service:** The areas where residential growth is occurring and where stakeholders see ridership potential are mostly near existing locations that All Points Transit serves. A zonal microtransit system would potentially capture these areas of need. The mapping ‘needs and opportunities’ note below details additional information about the specific geographies where on-demand service could be implemented.

Opportunity Areas

The maps on the following pages show the existing areas of rider demand for on-demand service as well as opportunity areas described by stakeholders. The existing demand areas shown represent locations where the majority of existing Dial-a-Ride customers are picked up. In total, the existing demand areas shown represent 90% of pick-up locations. Opportunity areas fall, for the most part, within existing service areas, suggesting that future on-demand zones could be based on existing service areas. It should be noted that some locations, such as the Montrose Fairgrounds, generate ridership demand on event days but are otherwise not routine destinations. Exploring technology-enabled on-demand transportation can create opportunities for All Points Transit to dynamically assign appropriate service levels for specific locations based on demand.

The key locations needing additional transit service that were noted by stakeholders and are shown on the maps are:

- Hotels in Montrose and Delta (these hotels were cited as a housing solution for people who are currently housing insecure)

- Montrose Airport
- Delta North Fork
- Sunnyside (east Montrose where affordable housing is being built)
- Cobble Creek development
- Trailer Park in northwest Montrose
- Technical College (and the transportation demand generated by the college internship program)
- North Delta
- Montrose Foodbank
- Pharmacies and medical services in Montrose
- Delta Recreation Center
- Sweitzer Lake State Park
- Montrose Fairgrounds
- Multifamily development near Walmart in Delta
- 50 older adult units near the Bluffs
- Cedaredge
- Paonia

The Cities of Montrose and Delta generate the most transportation demand, based on analysis of existing ridership and on the findings from stakeholder interviews. **Figure 7** and **Figure 8** show the key existing and potential destinations in both communities along with the current areas that All Points Transit services through the Dial-a-Ride service.

Transportation Demand Generators in Montrose

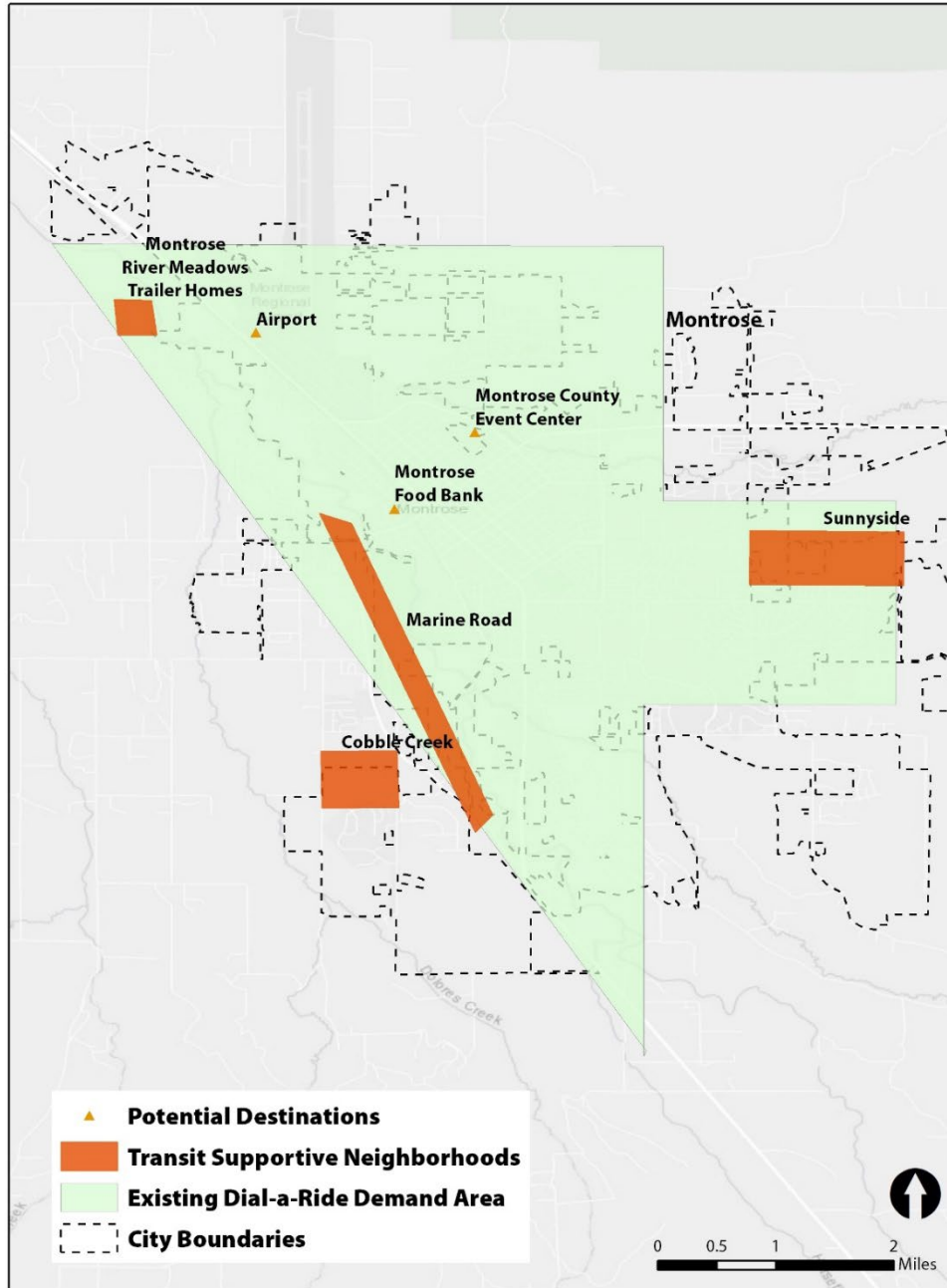


Figure 7: Areas of Transportation Demand in Montrose (source: All Points Transit)

Transportation Demand Generators in Delta

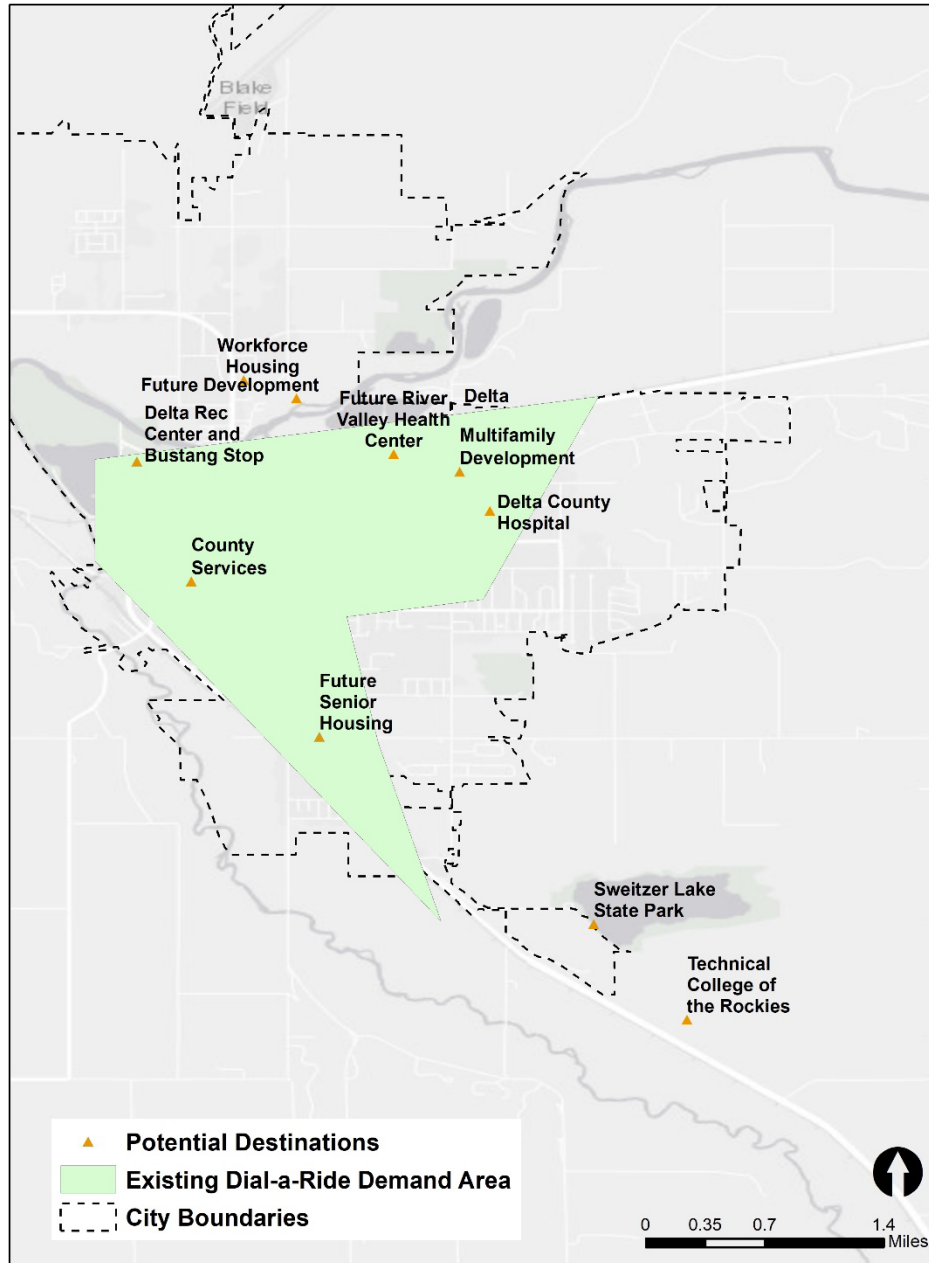


Figure 8: Areas of Transportation Demand in Delta (source: All Points Transit)

Chapter 3– Service Alternatives Analysis and Input

Summary of Needs to be Addressed

The existing conditions analysis and needs assessment yielded a set of key mobility needs among both current All Points Transit riders and populations that are not currently utilizing the service but are experiencing travel challenges in the Delta County and Montrose County region. The key opportunities that emerged for All Points Transit are:

1. Expanding the service area to ensure greater coverage.
2. Introducing different service options that meet the needs of people who have not traditionally used All Points Transit service. These may be individuals who are new residents, who have access to a vehicle, and/or are unaware that transit service is available. In addition, the growing presence of individuals who are retiring to the region suggests there is also a growing propensity to use transit amongst residents.
3. Connecting to the airport.
4. Greater flexibility when planning travel so riders can schedule same-day rides.
5. Increased connectivity between Delta and Montrose to meet the needs of people who commute, shop, seek services, or connect to Bustang.
6. A new public transit solution for Delta, as a fixed route, on-demand, or hybrid/flex route.

Transit Strategies for Meeting Mobility Needs

To address the needs described above, a variety of options were explored as part of the alternatives development step of this study. These included:

1. Expanding fixed route service.
2. Exploring an on-demand transportation option.
3. Creating a hybrid service model that would allow connections between fixed route transit service and on-demand service.

While the fixed route model that is operated on the Townsend Avenue route effectively transports passengers along the main corridor in the City of Montrose, the geographic scale of the wider region makes fixed route a more challenging model for covering the full All Points Transit service area. Instead, it was determined that any expansion of the fixed route system would need to be targeted towards the areas that have the highest propensity for attracting fixed route ridership.

To address the range of transportation needs in a geographically broad service area, it was determined that an on-demand option such as microtransit is more cost effective while also providing riders with single seat trips (i.e., no transfers). To begin envisioning a new service model that provides wider coverage, shorter wait times for trips, and provides opportunities for both local and regional travel, the consulting team developed several alternatives for both local and regional service. The following section describes each alternative and summarizes strengths and weaknesses of each for addressing the mobility needs of the region. The transit services types described in the potential service alternatives are defined as follows:

- **Fixed Route** – A fixed route bus service operates on predetermined routes, schedules, and stops. Passengers do not need to schedule the service in advance; simply showing up at a designated stop at the scheduled time is enough to catch the bus.
- **Deviated Fixed Route** – Similar to a fixed route, a deviated fixed route follows a set route but also has the flexibility to deviate $\frac{3}{4}$ of a mile off the route between stops to pick up those who can't access existing bus stops. A deviated fixed route can serve ADA paratransit trips as well as the public without requiring a separate dedicated ADA van.
- **Microtransit** – Microtransit is a newer form of transit service that utilizes a smartphone app (or a call-in service) to match trip requests in real-time. Small vans or shuttle buses operate a dynamic route with established time points or point-to-point trips within a defined area. Microtransit can also accommodate virtual stops (bus stops that can be requested via the app and are only served if requested), flag-down stops, and flex routes that combine on-demand zones with deviated fixed routes. **Figure 9** demonstrates microtransit operational flow. The service can be contracted turn-key or operated by an agency with purchased ride-matching technology. Success of microtransit depends on the connection of low/medium density areas, the ability to group trips, and marketing.

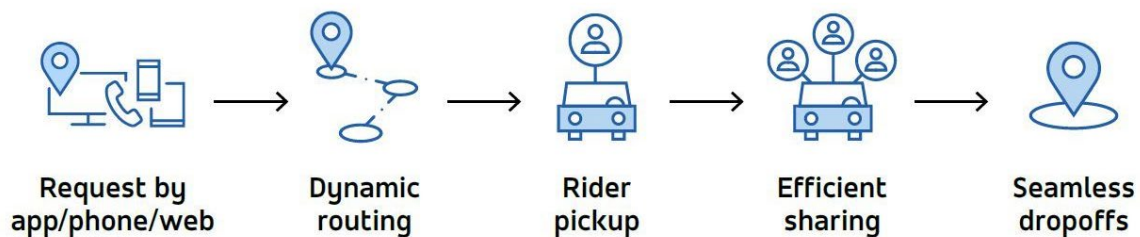


Figure 9: Microtransit, how it works (source: High Valley Transit, UT)

Initial Service Alternatives

The initial service alternatives are divided into three categories:

1. Service modifications/enhancements for the City of Montrose
2. New service for the City of Delta

3. Regional service options for connecting key communities currently served by All Points Transit Dial-a-Ride

Montrose City Alternatives

There were initially three alternatives developed for the City of Montrose service: adding a technology layer to the existing Townsend Avenue and Main Street Shuttle routes to allow riders to make pick-up requests along the route, eliminating the Main Street shuttle and instead providing service around the core of Montrose with microtransit vehicles, or converting all transit service in the City of Montrose to on-demand microtransit. Each alternative was evaluated by key stakeholders and All Points Transit staff.

It was determined that with the relatively low performance on the Main Street Shuttle of under three passengers per hour, maintaining the route may not be the most cost-effective option for the organization. In addition, the technology layer that would allow riders to request rides would also be deployed on microtransit vehicles, making the first alternative less likely to produce an overall increase in ridership. The two alternatives that were explored are shown in **Table 3**.

Table 3: City of Montrose Alternative

| Alternative | 1: Microtransit zone and maintaining Townsend Ave public route | 2: Full microtransit |
|---|---|--|
| Description | Larger microtransit zone encompassing City of Montrose limits. Townsend Avenue public route would become a fully fixed route with no flex stops. All flex rides would be accommodated on microtransit vehicles. Key demand points along the Townsend Avenue route would serve as designated transfer points for microtransit. The Main Street Shuttle is suspended in this alternative. | Elimination of both public routes and fulfillment of all trips (including Dial-a-Ride) using microtransit vehicles. Two microtransit zones: one for the core of Montrose and one for the periphery. Core zone is estimated to have higher ridership. |
| Service Area | Montrose city limits | Service area extends beyond Montrose city limits to include areas of potential population growth surrounding Montrose. |
| Response Time | 20 minutes or less | 10 minutes or less |
| Vehicles | <ul style="list-style-type: none"> • 2 public route buses • 3 microtransit vehicles | 5 microtransit vehicles: <ul style="list-style-type: none"> • 3 accessible vehicles • 2 passenger vans/sedans |
| Near-Term Annual Ridership (0-3 years) | <ul style="list-style-type: none"> • Fixed Route: 31,000 • Dial-a-Ride: 15,000 • Microtransit: 28,000 • Total System Ridership (including DAR service outside Montrose): 101,000 | <ul style="list-style-type: none"> • Fixed Route: 0 • Dial-a-Ride: 15,000 • Microtransit: 55,000 • Total System Ridership (including DAR service outside Montrose): 97,000 |
| Long-Term Annual Ridership (3+ years) | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 47,000 • Total System Ridership (including DAR service outside Montrose): 120,000 | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 64,000 • Total (including DAR service outside Montrose): 106,000 |

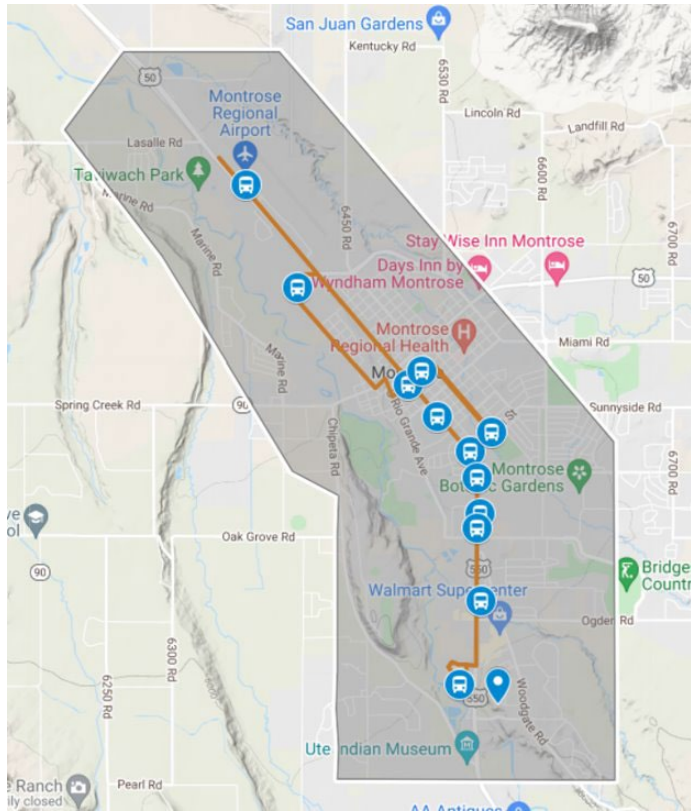


Figure 10: City of Montrose Alternative 1

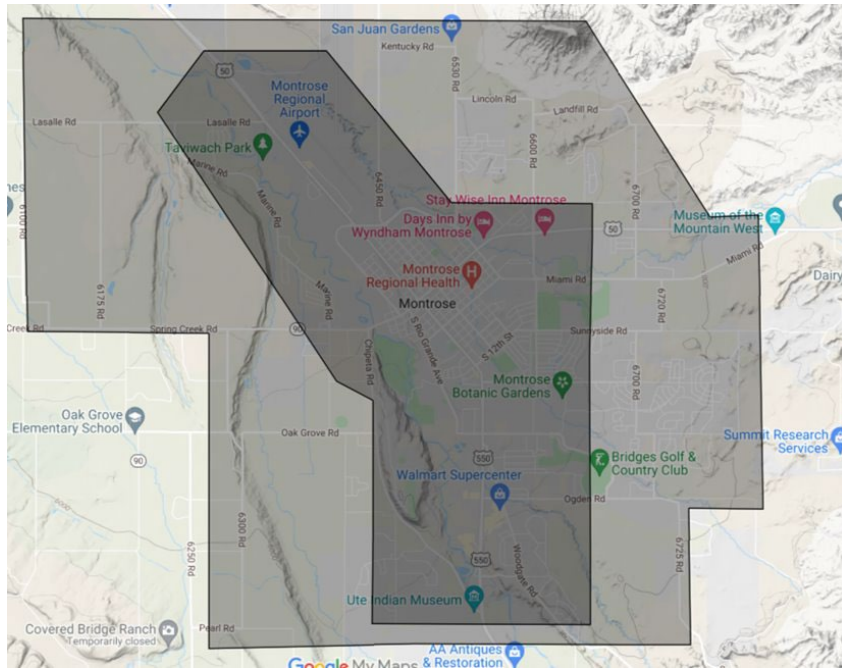


Figure 11: City of Montrose Alternative 2

Delta City Alternatives

There are two proposed alternatives for Delta that would provide new services. The first is a fixed route service serving the US-50/SH-92 corridor with an overlaying, microtransit zone covering the City of Delta. The second is solely a microtransit zone within the City of Delta and service to the Technical College. Alternative one would have two busses along the route and one new microtransit vehicle. The route alignment could be flexible; upon initial review with City of Delta stakeholders, it was suggested that the Delta fixed route should serve more residential areas. The preferred alternative shown in Chapter 4 reflects this request. Users could utilize the public route and make microtransit transfers at certain stops at specific times to reach destinations not served by the route. Alternative two, a full microtransit service, would have three microtransit vehicles at service for users to request a ride anywhere in Delta. This alternative has the capacity to fulfill trips within the core of Delta in 20-minutes or less. Additionally, a designated hub would be established at the Technical College where trips can be made from anywhere within the primary microtransit zone to/from the established point at the college (zone to point service). The two alternatives are shown in **Table 4**.

Table 4: City of Delta Alternatives

| Alternative | 1: Public route with microtransit | 2: Full microtransit service |
|---|--|---|
| Description | Adding a route that serves US-50/SH-92 through Delta from the southern city limits to the Delta Hospital. All connections to the fixed route would be served by microtransit vehicles that connect with the fixed route at specific stops and time points. Otherwise, microtransit would serve origin to destination trips within Delta that do not start or end near the fixed route. | All locations within Delta city limits would be served by microtransit. There would also be a designated microtransit stop at the Technical College south of Delta where connections could be made to/from anywhere within Delta city limits. |
| Service Area | Delta city limits | Delta city limits with a point connection to the Technical College |
| Response Time | 30-minute headways on the fixed route, one hour or less trip fulfillment on microtransit | 60 minutes or less |
| Vehicles | <ul style="list-style-type: none"> • 2 fixed route buses • 1 accessible microtransit vehicle – passenger van or minivan | 3 microtransit vehicles <ul style="list-style-type: none"> • 2 accessible vehicles – passenger vans with lifts • 1 minivan or sedan |
| Near-Term Annual Ridership (0-3 years) | <ul style="list-style-type: none"> • Fixed Route: 25,000 • Dial-a-Ride: 4,000 • Microtransit: 9,000 • Total Additional Ridership: 38,000 | <ul style="list-style-type: none"> • Fixed Route: 0 • Dial-a-Ride: 4,000 • Microtransit: 28,000 • Total Additional Ridership: 32,000 |
| Long-Term Annual Ridership (3+ years) | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 16,000 • Total Additional Ridership: 45,000 | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 47,000 • Total Additional Ridership: 51,000 |

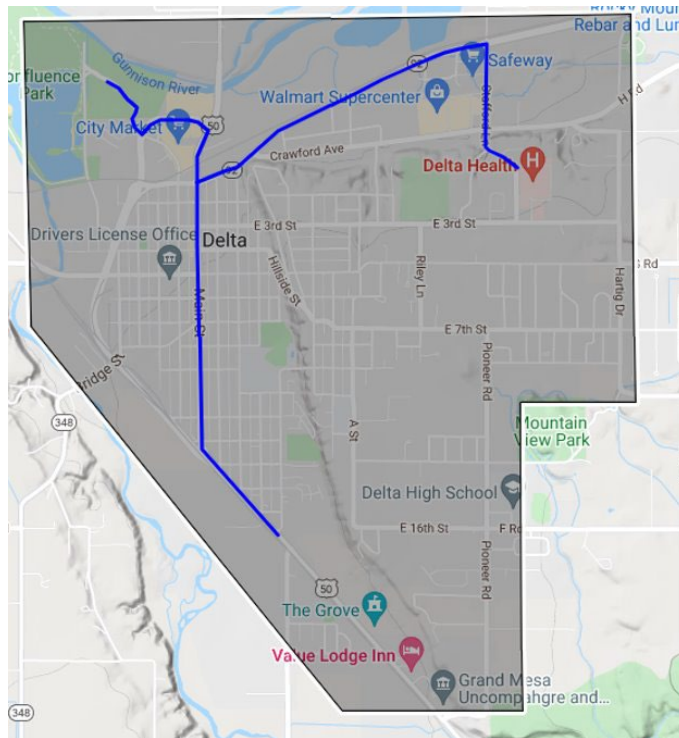


Figure 12: City of Delta Alternative 1

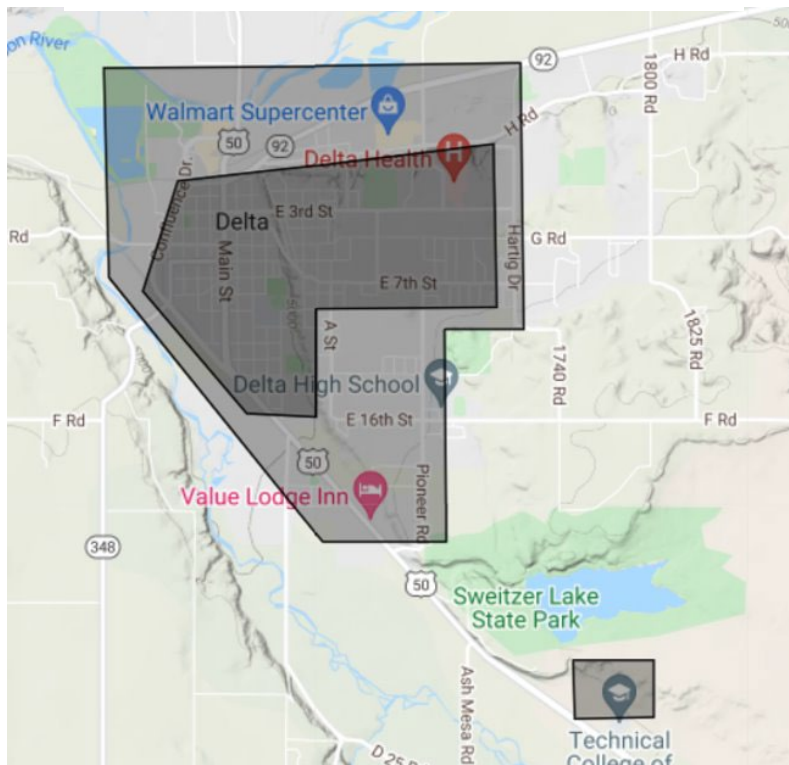


Figure 13: City of Delta Alternative 2

Regional Alternatives

The need for transit services to span larger distances has been seen from growing communities such as Delta, Montrose, Paonia, and Cedaredge. More frequently, residents travel between these cities for work, shopping, medical services, and recreation. As transit ridership grows in the region additional service is needed for long-term regional trips. Three alternatives were developed that target these communities and allow for greater accessibility between them.

The three alternatives are a regional service between Delta and Montrose, a regional service between Delta and Paonia/Cedaredge, and a large regional microtransit zone with mini zones within. The two fixed routes would also have a microtransit service component. The first alternative would have microtransit service available within Cities of Delta and Montrose and the second alternative would have the microtransit service in Delta. The regional route serving Delta to Montrose would replace the existing Olathe service and run regular connections to the airport and Olathe. While the third alternative would have no public routes, three microtransit zone types with tiered fare structure would connect users between the various communities. This service could replace the Dial-a-Ride existing service. The three alternatives are seen in **Table 5**.

Table 5: Regional Service Alternatives

| Alternative | 1: Delta-Montrose service | 2: Delta-Cedaredge/Paonia Service | 3: Full regional microtransit service |
|----------------------|---|--|--|
| Description | To address the need for regional connections between Delta and Montrose, a flex route that connects the two communities would be established. Within Delta and Montrose, travel needs in the two communities would be served by two microtransit zones (the Delta zone would encompass city limits and the Delta zone would encompass the area shown in Phase 1: Montrose City Alternative 3). The flex route would deviate to serve key destinations like the Montrose airport and Olathe. | Establishing more reliable service between Delta and the communities of Orchard City, Cedaredge, Hotchkiss, and Paonia with two new regional routes (Delta to Cedaredge and Delta to Paonia) that connect through Delta Hospital. All other trips within Delta city limits would be accommodated on microtransit. Transfers between microtransit and the regional routes would be through scheduled time points. | All public routes are eliminated and replaced with microtransit that covers the full existing All Points Transit Dial-a-Ride service area. To meet travel demand, microtransit will operate within a graduating series of zones. Delta and Montrose cities will be the fast-response zones where trip fulfillment is provided quickly. The intermediate zone will serve the US-50 corridor, and the largest zone, covering the full service area, will offer the longest trip fulfillment time. Inter-zone transfers may be needed to accommodate certain trips. |
| Service Area | City limits of Delta and Montrose, locations along the US-50 corridor | Delta city limits for microtransit service, Highways 65 and 92 for regional fixed route service | Existing All Points Transit service area with smaller zones serving US-50 corridor and Cities of Delta and Montrose. |
| Response Time | 30-minute headways on flex route (one bus per hour would deviate to serve flex stops, one | 4 daily round trips on both regional routes, 20 minutes or less for microtransit | 1 hour or less in largest zone, 30 minutes or less for US-50 corridor zone, 15 minutes or less |

| Alternative | 1: Delta-Montrose service | 2: Delta-Cedaredge/Paonia Service | 3: Full regional microtransit service |
|---|--|---|--|
| | bus would serve as a fixed route travel option), 20 minutes or less for microtransit trips | | for Delta and Montrose City zones |
| Vehicles | <ul style="list-style-type: none"> • 2 fixed route buses • 6 microtransit vehicles (to be divided between the Delta and Montrose zones) | <ul style="list-style-type: none"> • 2 fixed route buses (1 per route) • 1 accessible microtransit vehicle • 2 passenger vans or sedans | 15-20 accessible microtransit vehicles (fleet size dependent on whether final service plan features single seat trips or inter-zone transfers). Ridership calculations are based on 15 vehicles. |
| Near-Term Annual Ridership (0-3 years) | <ul style="list-style-type: none"> • Fixed Route: 25,000 • Dial-a-Ride: 28,000 • Microtransit: 56,000 • Total System Ridership: 109,000 | <ul style="list-style-type: none"> • Fixed Route: 17,000 • Dial-a-Ride: 28,000 • Microtransit: 28,000 • Total Additional Ridership: 73,000 | <ul style="list-style-type: none"> • Fixed Route: 0 • Dial-a-Ride: 28,000 • Microtransit: 141,000 • Total System Ridership: 169,000 |
| Long-Term Annual Ridership (3+ years) | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 94,000 • Total System Ridership: 147,000 | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 47,000 • Total Additional Ridership: 92,000 | <ul style="list-style-type: none"> • Fixed Route and Dial-a-Ride are assumed to remain stable • Microtransit: 235,000 • Total System Ridership: 263,000 |

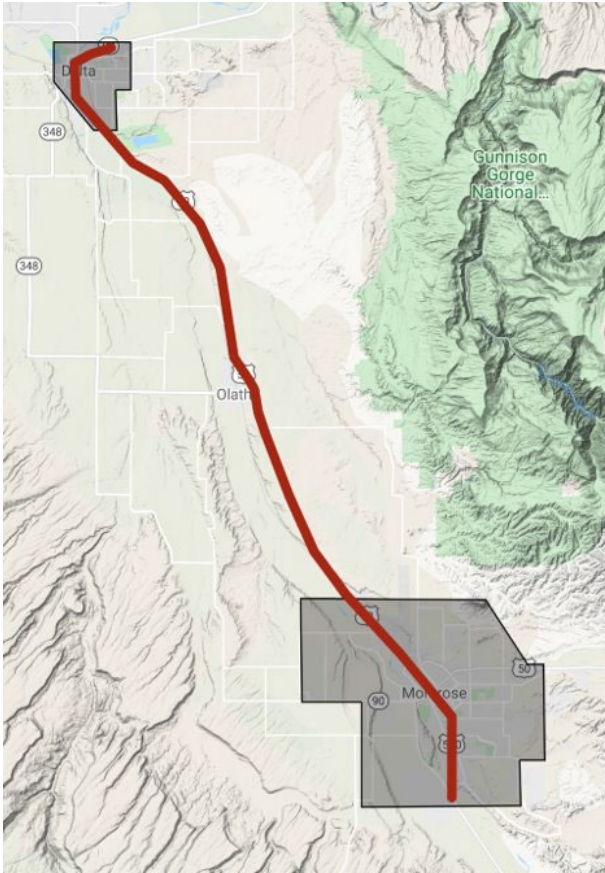


Figure 15: Regional Alternative 1

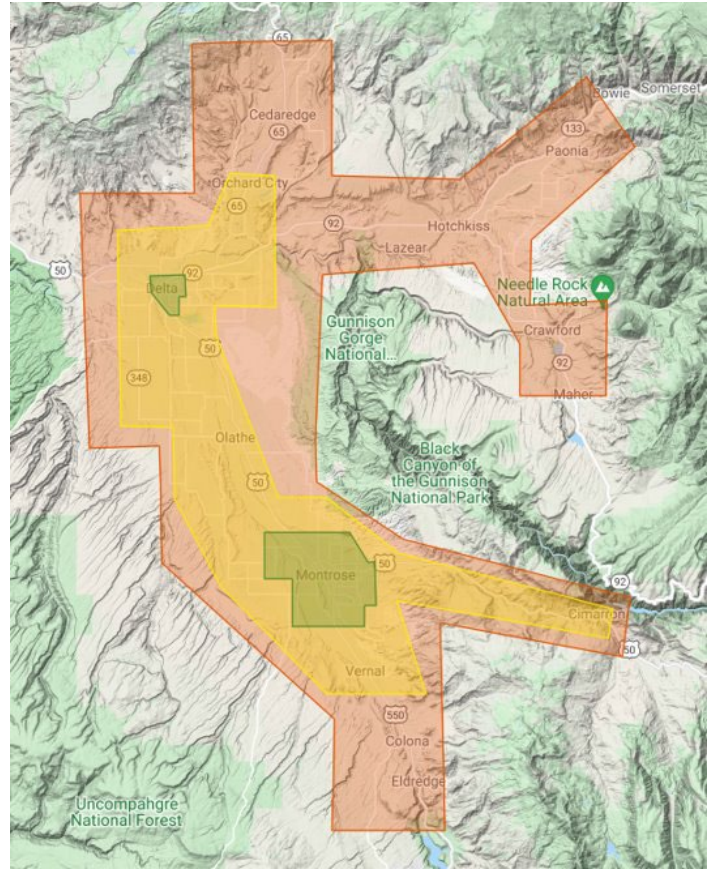


Figure 16: Regional Alternative 3

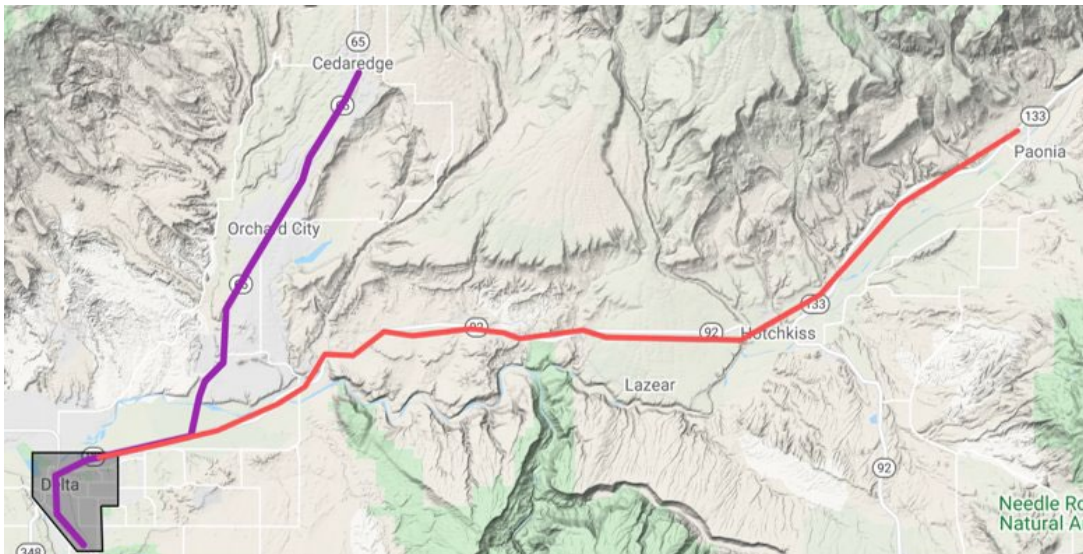


Figure 14: Regional Alternative 2

Chapter 4– Recommended Service Alternative with Financial Plan

Selection of a Preferred Alternative

The preferred service alternatives were identified through a combination of All Points Transit staff review and presentations to key stakeholders. Staff level review of the initial alternatives occurred in March 2022 and refinements were made based on initial input. On April 7, 2022, potential service alternatives for the City of Delta were presented to local stakeholders. Based on their input, it was determined that a new route should serve the residential areas of the community and that the community would like to have a route with microtransit service as a supplement, rather than having only on-demand service. The preferred alternative for the City of Delta that is discussed in this chapter reflects that input.

On April 27 and 28, 2022, the project team presented the potential service alternatives to the All Points Transit Board of Directors, local representatives of Montrose City government, representatives of Delta City, and All Points Transit staff. After reviewing the alternatives, members of each group provided consistent feedback that helped shape the preferred alternative:

- An initial focus for any new services should be enhancing Montrose service and adding transit service in Delta before exploring on-demand service options for the wider region.
- Covering the entire All Points Transit service area is likely too costly and not feasible in the near-term due to lack of dependable cellular coverage.
- For the City of Montrose, the Townsend Avenue route should be preserved and the proposed microtransit zone should be enlarged.
- For the City of Delta, a new route is strongly supported by the community and that route should serve the residential areas to the east of US-50, the Delta Recreation Center, and Delta Hospital.
- An initial priority for new regional connectivity should be a route between the cities of Delta and Montrose with intermediate stops in Olathe and the Technical College of the Rockies.
- Universally, stakeholders and All Points Transit staff felt that fixed route service should be offered alongside any new on-demand service.

The preferred alternative for new service in the City of Montrose, City of Delta, and for the region was developed based on this input and is described below.

Montrose Recommended Alternative

The recommended alternative is the larger microtransit zone encompassing City of Montrose limits with a fixed public route along Townsend Avenue. While there would be no flex stops along the route, all flex rides would be accommodated with microtransit vehicles. Key demand points along the Townsend Avenue route would serve as designated transfer points. The new microtransit option would serve in place of the Main Street Shuttle, suspending its service.

In years 1-3, the fixed route forecasted ridership levels range from 16,000-22,000 riders. The Dial-a-Ride service is predicted to be around 15,000 rides and assumes a shift to microtransit but will retain contracted rides. Microtransit ridership will range from 19,000-28,000 and is projected to increase to 28,000-38,000 rides after the first three years.

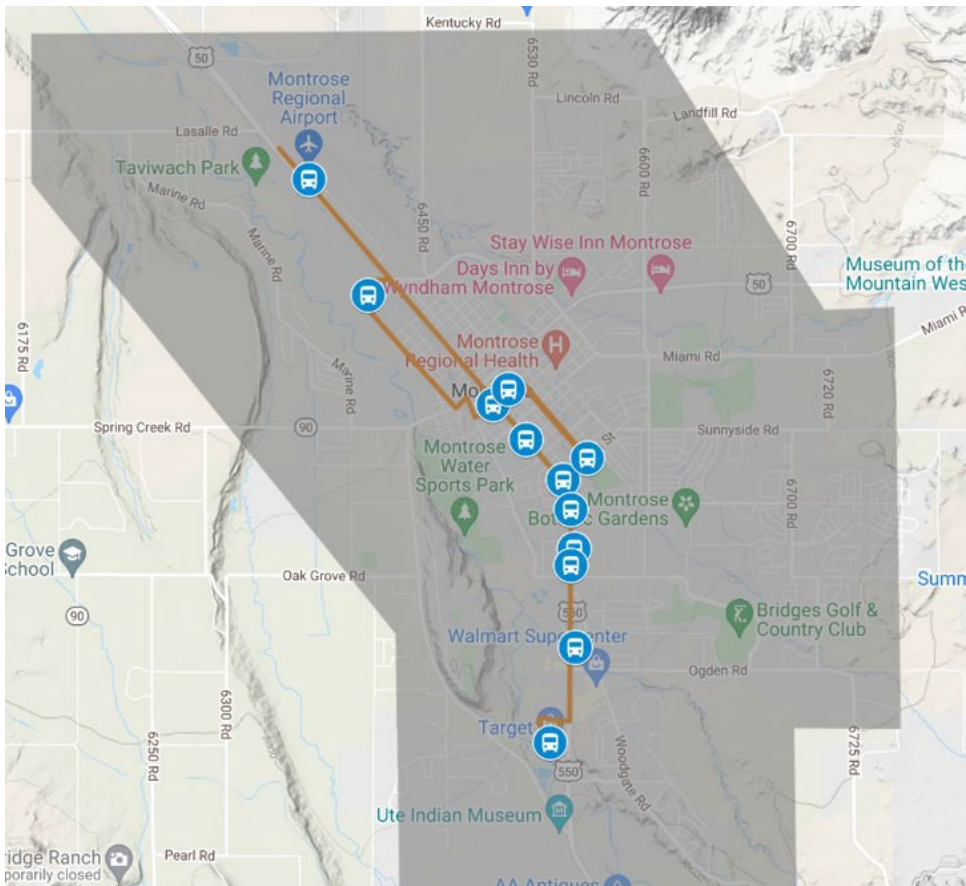


Figure 17: Preferred City of Montrose Alternative

Service Characteristics

Table 6: Service Characteristics of the Recommended Alternative

| Characteristic | Description |
|--------------------------|--|
| Service Area Description | <ul style="list-style-type: none"> • Microtransit zone with Townsend Route |
| Vehicles Required | <ul style="list-style-type: none"> • 2 Fixed Route Buses • 2 Microtransit vehicles (short-term) • 3-4 Microtransit vehicles (long-term) |
| Response Time | <ul style="list-style-type: none"> • 30 minutes or less |
| Trip Types Served | <ul style="list-style-type: none"> • Fixed route and microtransit |
| Fare | <ul style="list-style-type: none"> • \$1.50 for Townsend Route • \$5.00 for microtransit |

Considerations

As All Points Transit deploys the microtransit service in the City of Montrose, monitoring the performance of both the new service and the Townsend Avenue route will inform how All Points Transit should consider allocating operational resources in the long term. If the Townsend Avenue route continues to have low ridership per hour but the microtransit service has high productivity, for example, then shifting resources towards increasing microtransit service could also increase overall ridership.

Budget Assumptions for Service Level

Table 7 shows the costs of operating both the Townsend Avenue Route and the new microtransit service. Costs for ongoing Dial-a-Ride within Montrose is not shown but is assumed to be ongoing.

Table 7: City of Montrose Budget Assumptions by Service Level

| Service Type | Cost per Year |
|-----------------------|---------------|
| Townsend Avenue Route | \$326,000 |

| Service Type | Cost per Year |
|--------------|---------------|
| Microtransit | \$363,000 |
| Total/Year | \$689,000 |

Service Hours

Table 8 shows the proposed operating schedule for the Townsend Avenue route and the microtransit service. As with current operations, the service will operate on weekdays. Microtransit response time is dictated by the number of vehicles available as well as the size of the microtransit zone. It is estimated that with two vehicles operating in the preferred zone alternative zone, All Points Transit will be able to offer a 30-minute response time or less between when a passenger requests a ride and when the pick-up occurs.

Table 8: Proposed Operating Schedule

| Hours | Weekday | Weekend | | Annual Cost |
|-----------------|--|---------|----------|-------------|
| | Vehicles | Hours | Vehicles | Total |
| 7 a.m. – 7 p.m. | <ul style="list-style-type: none"> 2 fixed route buses 2 microtransit vehicles (short-term) 3-4 microtransit vehicles (long term) | N/A | N/A | \$689,000 |

Delta Recommended Alternative

The Delta proposed alternative is the public fixed route with microtransit service (**Figure 18**). The route would serve US-50/SH-92 through Delta from the southern city limits to the Delta Hospital, along with service to both the Recreation Center/City Market and the residential area east of Main Street. All connections to the fixed route would be served by microtransit vehicles that connect with the fixed route at specific stops and time points. Microtransit would also serve origin to destination trips within Delta that do not start or end near the fixed route.

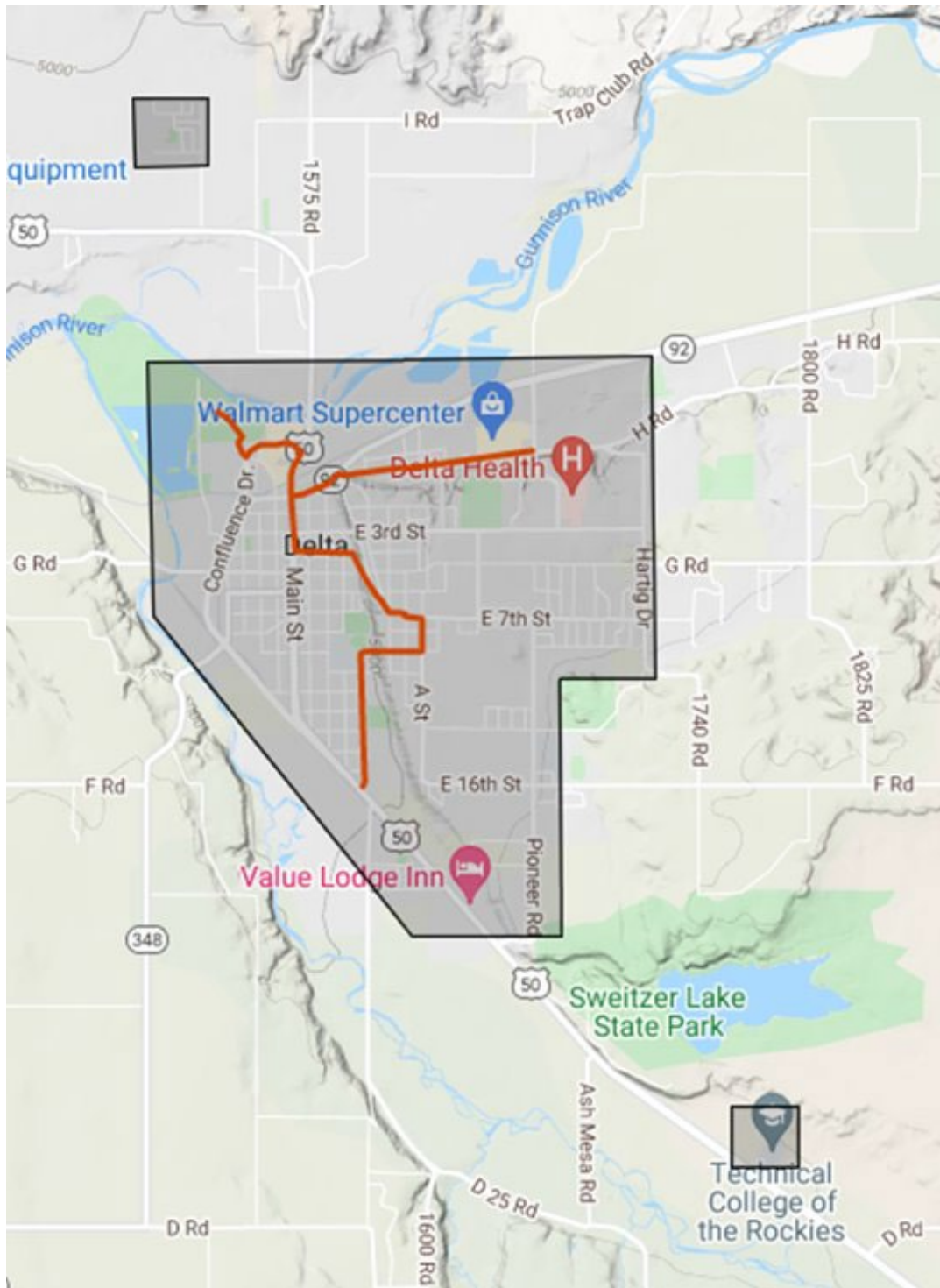


Figure 18: City of Delta Preferred Alternative

Service Characteristics

Table 9: Service Characteristics of the Recommended Alternative

| Characteristic | Description |
|-------------------------|---|
| Service Area | Public Route with a microtransit zone covering the City of Delta with stop locations in the residential area to the north and at the Technical College of the Rockies |
| Vehicles Required | 1 Fixed Route Bus 1 Microtransit vehicle |
| Frequency/Response Time | One hour fixed route frequency, 60-minute or less trip fulfillment time for microtransit |
| Trip Types Served | Fixed route and microtransit |
| Fare | \$5 on microtransit and \$1.50 on fixed route |

Considerations

Given transit service in Delta will be a new transportation option in the community, it is likely that there will be an initial period of low ridership while public awareness of the new service is being built. After one year of service, All Points Transit can evaluate initial performance and determine if the fixed route alignment is meeting rider needs and whether one microtransit vehicle is meeting demand.

Budget Assumptions for Service Level

Table 10: Fixed Route with Microtransit Service

| Service Type | Cost per Year |
|--------------|---------------|
| Fixed Route | \$163,000 |

| Service Type | Cost per Year |
|-------------------|------------------|
| Microtransit | \$182,000 |
| Total/Year | \$345,000 |

Service Hours

Table 11: Proposed Operating Schedule

| Weekday | | Weekend | | Annual Cost |
|-----------|---|---------|----------|-------------|
| Hours | Vehicles | Hours | Vehicles | |
| 7am – 7pm | 1 Microtransit Vehicle 1 Fixed Route Bus | N/A | N/A | \$345k |

Regional Alternative

Three regional service alternatives were proposed, the Delta-Montrose service, Delta-Cedaredge/Paonia Service, and a full regional microtransit service. The recommended alternative is the public route from Delta to Montrose with stops along the US-50 corridor (**Figure 19**). This alternative addressed the regional connection that is needed between the two communities. Within Delta and Montrose, travel needs in the two communities would also be served by two microtransit zones (the Delta zone would encompass city limits and the Delta zone would encompass the area shown in Phase 1: Montrose City Alternative 3). The flex route would deviate to serve key destinations like the Montrose airport and Olathe.

Service Characteristics

Table 12: Service Characteristics of the Recommended Alternative for the Regional Route

| Characteristic | Description |
|-------------------|---|
| Service area | The regional route would operate between the cities of Delta and Montrose along US-50 |
| Vehicles Required | 2 fixed route buses |

| Characteristic | Description |
|-------------------|---|
| Frequency | Every 60-minutes in both directions |
| Trip Types Served | Fixed route service with connections to microtransit zones and fixed routes in Delta and Montrose |
| Fare | \$4 on the regional route |

Considerations

Preliminary stop locations will be within Delta and Montrose as well as in Olathe and at the Technical College. Rider surveys following the initial year of service can help All Points Transit identify whether additional stops are needed or if any proposed stop locations should be adjusted to better meet rider needs.

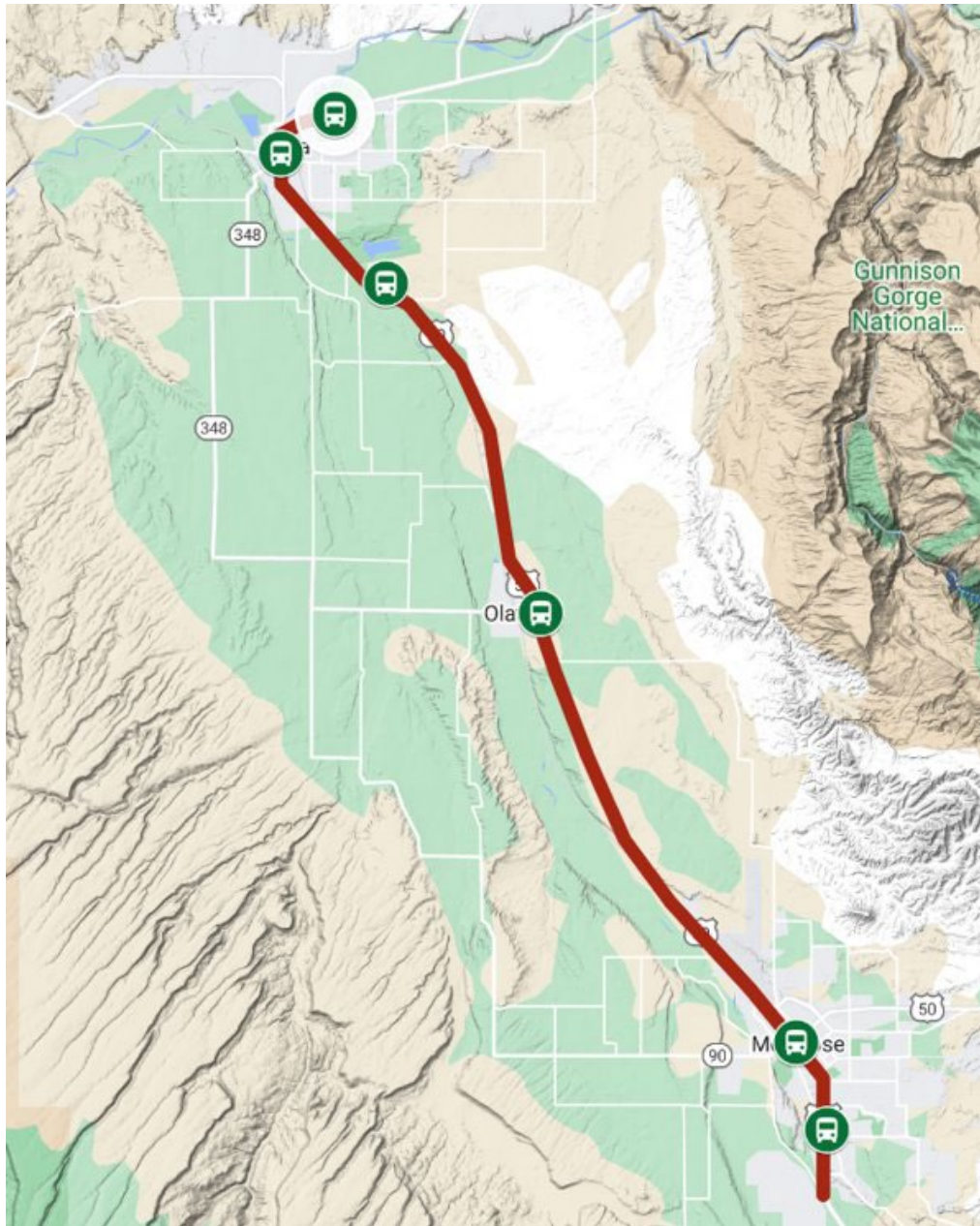


Figure 19: Preferred Alternative for the Regional Route

Target Markets

The survey and needs assessment demonstrated that the All Points Transit service area has a high proportion of those of age 60 or older who earn less than \$50,000. Additionally, almost a quarter of respondents noted that they have a disability. This demographic is one that would benefit the most from high quality transit services. Interestingly, most survey respondents did not use All Points Transit at the

time the survey was administered. This suggests that there is a group of older adults with disabilities who are not utilizing transit services for a variety of reasons. By incorporating improvements such as weekend service, better connectivity, regional service, and more frequent service the group of respondents who were not utilizing services would be the most likely to transition into using these transit services.

As regional connectivity grows and the options for point-to-point services expand within these communities, this will serve as a catalyst for new riders to begin using transit options. Attracting new riders is important to support the initiative for expansion and additional routes. As others age in the region, having supportive transit services will continuously generate demand for services.

In addition, the Delta County and Montrose County region is growing as a relatively affordable western slope destination. As the population grows amongst a range of demographic groups, including families, All Points Transit can offer a transportation solution for multi-person households that are seeking to lower dependence on an automobile, reduce the number of automobiles per household, or defray the cost of driving. In addition, if the population of area residents under the age of 16 grows, there is an opportunity for All Points Transit to serve those who are not yet of driving age.

Technology

Microtransit service and real-time ride request fulfillment is made possible by a smartphone application for riders to reserve trips. However, in addition to a smartphone app, a web-based and phone-based reservation system would be needed to ensure the system is accessible to all community members. The ride reservation interface should allow prospective riders to read information both in English and Spanish. Similarly, the phone-based system should also offer both language options.

In 2021, QRyde by HBSS was selected for a five year contract to provide its integrated software to All Points Transit. The platform provides a cloud-based portal which will include dispatch and scheduling services, driver tablets, Integrated Voice Response and contactless fare card system. At the time this on-demand service plan was developed, QRyde had not yet integrated an on-demand option into the mobile ride reservation system. It is possible that All Points Transit may assess partnerships with other vendors in the event the need for the smartphone application that will power the new on-demand service cannot be integrated in with the QRyde software.

In the event that All Point Transit chooses to partner with an alternative technology provider for the development of a microtransit technology solution including smartphone application, it is estimated that a technology budget of \$20,000 for one-time development costs and \$15,000 of annual ongoing costs should be added into the on-demand funding plan. When selecting a vendor, All Points Transit should consider including the following requirements in a Request for Qualifications or Request for Proposals:

The contractor must be able to develop a smartphone application that can be publicly available to both iPhone and Android users and meets ADA accessibility requirements and feature an interface that allows passengers to book and schedule on-demand transit trips. The application shall allow:

- *Passengers to see the microtransit service zone and available vehicles on a map interface.*

- *Passengers to rate drivers and service quality.*
- *Passengers to see information on the requested vehicle and driver prior to booking a trip or pick up,*
- *Passenger to see estimated time of pick up and estimated time of arrival at requested destination.*
- *Passengers to indicate if they need an ADA-accessible vehicle.*
- *Passengers to indicate group size and specify if any children are riding.*
- *Drivers to add walk up customers.*
- *Real time audio/visual directions and notifications for drivers.*
- *Trip cost calculation at time of trip request.*
- *A passenger profile to be created that identifies special needs of the rider in terms of fare payment, vehicle type, accessibility.*
- *Technology upgrades over time for current and future app users.*
- *Branding with the All Points Transit logo.*
- *Ability to show address and name of business when booking.*
- *Ability to provide easy passenger directions to a virtual stop or pickup point (for example, nearby cross street).*

There are numerous vendors that can provide ride reservation smartphone application development services. Some potential vendors include Downtowner, Transloc, Via, RideCo, Spare Labs, Ecolane, and TripSpark.

Vehicles

To accommodate the preferred alternative in each area, additional vehicles will need to be acquired. The following defines fleet needs for the new services defined in each Preferred Alternative, as part of the All Points Transit On-Demand Transit Implementation Study. It should be noted that spare vehicles were not considered in the following estimations.

Montrose Microtransit Fleet

The new microtransit zone for Montrose requires three vehicles to operate. Three fleet options were originally developed that provided a range of alternatives from making it clear that microtransit is a new service with new branding and different vehicles that could attract community attention to maximizing interoperability with current fleet and federal funding opportunities, which require the acquisition of wheelchair accessible transit vehicles. The preferred option chosen was a hybrid solution that transforms part of the fleet by adding new sedans while also allowing for fleet interoperability. This preferred option for the Montrose fleet utilizes one efficient sedan vehicle, two minivans, and one cutaway body-on-chassis bus. Examples are shown in **Figure 20** and the breakdown of vehicles is shown in **Table 13**.



Figure 20: Examples of Microtransit Vehicles (sources: Via Mobility Services, Downtowner, and Via Transportation, Inc.)

Table 13: Preferred Montrose Fleet Option

| Vehicle Type | Cost per vehicle | Preferred Option – Make a fleet change while providing some flexibility |
|---|------------------|---|
| Efficient sedan (3-4 passengers, hybrid or battery electric, non-accessible) | \$45,000 | \$45,000 |
| Minivan (2-5 passengers, accessible) | \$75,000 | \$150,000 (2 vehicles) |
| Passenger van (6-8 passengers, accessible) | \$95,000 | |
| Cutaway body-on-chassis bus (10-14 passengers, accessible) | \$160,000 | |
| TOTAL COST | | \$195,000 |

Delta Microtransit and Fixed Route Fleet

The new Delta service requires one microtransit vehicle and one fixed route vehicle. Similar to the approach for Montrose fleet described above, three options were originally defined. For all three options, a small bus was envisioned for the fixed route within Delta, since the other vehicle types listed in **Table 14** are not appropriate for fixed route service. Each option featured a different potential microtransit vehicle option. It was determined that since there would initially be a single microtransit vehicle serving the City of Delta, it should be a minivan to provide slightly higher passenger capacity and also accessibility for riders using wheelchairs.

Table 14: Preferred Delta Fleet Option

| Vehicle Type | Cost per vehicle | Preferred Option – Make a fleet change while providing some flexibility |
|---|------------------|---|
| Efficient sedan (3-4 passengers, hybrid or battery electric, non-accessible) | \$45,000 | |
| Minivan (2-5 passengers, accessible) | \$75,000 | \$75,000 (for microtransit) |

| Vehicle Type | Cost per vehicle | Preferred Option – Make a fleet change while providing some flexibility |
|---|------------------|---|
| Cutaway body-on-chassis bus (10-14 passengers, accessible) | \$160,000 | \$160,000 (for fixed route) |
| TOTAL COST | | \$235,000 |

Regional Fleet Route

The regional route is a longer distance regional fixed route that requires an accessible bus with at least 10-passenger capacity. The regional route requires two vehicles, the existing Green Tree Bus could be utilized, however, due to the excess miles in travel, it is anticipated only 8-12 months of service would remain. All Points Transit will need to procure both vehicles to implement this route.

Performance Estimates

The estimated ridership performance is shown in **Table 15**.

Table 15: Performance Goals/Estimates

| Passenger Trips per Day | Passengers per Vehicle Service Hour | Average Response Time (goal) |
|--|---|--|
| Microtransit: 110-150 in Montrose and 40-70 in Delta Regional Route: 80-100/day | Microtransit: 3-3.5 Fixed Route: 4-4.5 | Varies by service area: 30 minutes in Montrose and 60 minutes in Delta initially. Response time will decrease as vehicles are added to the microtransit fleet over time. |

Financial Plan

The financial plan for a new on-demand microtransit service includes a budget for both operating and capital expenses and will hopefully increase in future years to allow for program expansion, depending on development of new and sustainable funding sources. The MMOF funding for the first four years covers operating costs associated with the Delta service pilot and the regional route with phased implementation. The regional route is slated to begin in year 1 while the Delta microtransit service starts in year 2 and the Delta route in year 3. In year 5, FTA 5311, future MMOF, and other local funding sources will cover the majority of costs.

Operating Budget

Table 16: Annual Budget for Preferred Alternative

| Preferred Alternative | FR | DAR | Microtransit (short-term) | Total |
|-----------------------|------------------|------------------|---------------------------|--------------------|
| Montrose | \$326,000 | \$330,000 | \$363,000 | \$1,019,000 |
| Delta Pilot | \$187,000 | \$126,000* | \$182,000 | \$471,000 |
| Regional | \$271,000 | \$371,464 | N/A | \$642,000 |
| TOTAL | \$784,000 | \$827,464 | \$545,000 | \$2,132,000 |

*Assumes that some Dial-a-Ride customers may utilize microtransit, reducing current annual operating cost of Dial-a-Ride in the City of Delta (approximately \$190,000)

Capital Budget

Table 17: Capital Budget for Preferred Alternative

| Item | Cost |
|--------------|------------------|
| Vehicles | \$430,000 |
| Technology | \$35,000 |
| Branding | \$20,000 |
| TOTAL | \$485,000 |

Revenues & Expenses

Table 18 and **Table 19** show the anticipated yearly revenues and expenses needed for operating the new services. It is estimated that the majority of initial revenues will be generated through the Colorado Multimodal Options Fund grant, which was awarded to All Points Transit in 2022 and will be distributed over four years.

Table 18: Anticipated Yearly Revenues

| Revenues | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS for 5 YEARS |
|--|------------|------------|------------|------------|------------|--------------------|
| Fares-Montrose | \$ - | \$ - | \$ 125,000 | \$ 128,800 | \$ 132,700 | \$ 386,500 |
| Fares-Delta | \$ - | \$ 49,000 | \$ 91,000 | \$ 121,000 | \$ 125,000 | \$ 386,000 |
| Fares-Regional Route | \$ 42,000 | \$ 43,000 | \$ 65,000 | \$ 67,000 | \$ 76,000 | \$ 293,000 |
| City/County/ Foundation / Other Local Funds | \$ 62,000 | \$ 73,000 | \$ 150,000 | \$ 150,000 | \$ 175,000 | \$ 610,000 |
| CDOT MMOF (Portion of operating grant that will cover Montrose Microtransit) | \$ - | \$ - | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 150,000 |
| CDOT MMOF (2022 app) | \$ 230,000 | \$ 320,000 | \$ 400,000 | \$ 250,000 | \$ - | \$ 1,200,000 |
| CDOT MMOF (future) | \$ - | \$ - | \$ - | \$ 30,000 | \$ 165,000 | \$ 195,000 |
| FTA 5311 (future) | \$ 49,277 | \$ 170,005 | \$ 375,032 | \$ 271,268 | \$ 366,372 | \$ 1,231,954 |

| Revenues | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS for 5 YEARS |
|-----------------------|------------|------------|--------------|--------------|--------------|--------------------|
| REVENUE TOTALS | \$ 383,277 | \$ 655,005 | \$ 1,256,032 | \$ 1,068,068 | \$ 1,090,072 | \$ 4,452,454 |

Table 19: Anticipated Yearly Expenses

| Expenses | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS for 5 YEARS |
|------------------------------------|------------|------------|--------------|--------------|--------------|--------------------|
| Montrose Microtransit | \$ - | \$ - | \$ 374,000 | \$ 374,000 | \$ 374,000 | \$ 1,122,000 |
| Delta Route and Microtransit Pilot | \$ - | \$ 187,000 | \$ 366,000 | \$ 377,000 | \$ 388,000 | \$ 1,318,000 |
| Regional Route | \$ 271,000 | \$ 279,000 | \$ 287,000 | \$ 296,000 | \$ 305,000 | \$ 1,438,000 |
| Marketing/Promotions | \$ 7,000 | \$ 14,000 | \$ 9,000 | \$ 6,000 | \$ 8,000 | \$ 44,000 |
| Vehicles | \$ 75,000 | \$ 155,000 | \$ 200,000 | \$ - | \$ - | \$ 430,000 |
| Technology | \$ 20,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 80,000 |
| Vehicle Branding | \$ 10,000 | \$ 5,000 | \$ 5,000 | \$ - | \$ - | \$ 20,000 |
| EXPENSE TOTALS | \$ 383,000 | \$ 655,000 | \$ 1,256,000 | \$ 1,068,000 | \$ 1,090,000 | \$ 4,452,000 |
| NET | \$277 | \$5 | \$32 | \$68 | \$72 | \$454 |

Chapter 5– Implementation Plan

Service Delivery

Service Delivery Models

There are two models that are generally used for microtransit service delivery: turn-key contracts and agency operated systems. Turn-key contracts involve delivering a service plan directly to a provider and relying on that provider to implement the service. The vendor is typically experienced in delivering microtransit service and will manage all aspects of the service. An agency operated service would be managed in-house using All Points Transit-owned vehicles and relying on agency personnel. Given All Points Transit’s historically efficient operations, it is recommended that All Points Transit operate the service using agency-owned vehicles, hardware, and software, and with All Points Transit personnel.

There are advantages and disadvantages to both models; **Table 20** and **Table 21** summarize the potential benefits and challenges.

Table 20: Benefits and Disadvantages of Turn-Key Contracts

| Advantages | Disadvantages |
|---|--|
| Quick deployment | Requires oversight by sponsoring agency, which can be challenging |
| Does not require agency to have experience operating a transit service | Flexibility, responsiveness, and adaptability are constrained to the terms of the contract and to the capacity of the vendor |
| Does not require hiring of additional agency personnel (e.g., vehicle operators, administrative staff, maintenance teams) | Less control of service quality, customer experience, and operational procedures |
| Vendor is responsible for service quality and compliance | Typically more expensive |

| Advantages | Disadvantages |
|--|--|
| Vehicle capital costs can be included in the contract – minimizes the capital assets the agency must acquire | Reliant on private sector providers who may not have long-term financial stability |
| Allows agency to take advantage of the vendor’s existing scale | |

Table 21: Advantages and Disadvantages of Agency Operated Model

| Advantages | Disadvantages |
|--|--|
| More control over service quality and operational procedures | High upfront capital costs |
| Agency can adapt or change the service quickly | May require hiring additional agency personnel |
| Ride matching software is needed but the procurement process is frequently simpler than contracting with a microtransit service provider | Longer period of time required for service planning and implementation period can also be longer |
| Agency can leverage its existing resources (drivers, dispatchers, vehicles, etc.) | While procurement is simpler, operating a service requires the agency to learn all the operational aspects and build institutional knowledge |

In summary, the turn-key model allows for easy implementation, since the sponsoring agency does not need to hire additional personnel, acquire capital assets, or develop robust internal knowledge on microtransit operations, while the agency model offers more control. However, the turn-key model is best used for agencies that do not have capacity to add additional services, lack experience in providing transit services, or are unable to purchase and operate a fleet of vehicles.

It is recommended that All Points Transit not utilize a turn-key contract model and utilize agency resources to add these services into the existing model. All Points Transit is well positioned to run the service in-house due to the staff capacity and history of running successful services. All Points Transit has experience providing public transit and owning and operating a fleet of vehicles. The recommendations of additional services are suitable for All Points Transit to incorporate without an additional provider.

Service Adjustments and Monitoring Plan

The service plan provided is intended to serve as a roadmap for implementing each preferred alternative. While this service plan may prove to be effective for the first initial years of service, it is possible that the service may need to be adjusted periodically to better serve local needs. The following section describes elements of a monitoring plan that should be implemented early in the and used to determine whether and when service changes are needed.

Tracking Ridership

Use of the new service is a basic metric that the technology platforms, such as QRyde, can track and relay to All Points Transit on a regular basis. Ridership can be reported both as the total number of passenger trips per day and the average number of passengers per vehicle service hour. As discussed in the performance estimates section of this memorandum, the service is projected to have 110-150 passenger trips per day on microtransit. Initially, the ridership may be on the lower end of the range while All Points Transit builds awareness about the service and community understanding of this new transportation resource grows. It is recommended that the goal for the first three months of service should be an average of 80 passenger trips per day, growing to 150 by the end of the pilot period.

If the service is not meeting this ridership target after the first three months, then some additional analysis may be needed to pinpoint whether there are particular times of day when the service is utilized at a higher rate. If so, a determination can be made on whether a service span adjustment is needed. While ridership is a key metric, it should not be the single metric for measuring whether the microtransit pilot is performing successfully. When All Points Transit is determining whether to extend the service, metrics like response time, rider satisfaction, and the rate at which the service completes the trip types it was intended for should be among the factors considered.

Tracking Ride Times

The number of passengers that can be served within a daily service span is dictated, in part, by the amount of time vehicles spend completing trips and the amount of time vehicles spend responding to trip requests. During the initial months of service, All Points Transit can track common origin-destination pairs and add a 50% buffer to the estimated trip time since vehicles will either spend some time traveling to pick up a passenger or a passenger may share the vehicle with someone making an unrelated trip, which will likely extend the ride time for both individuals. Factoring in the buffer time, it might be assumed each passenger will experience a 30-minute average trip time, for example. If, after the first three months, the

actual per passenger trip time exceeds 30 minutes, the service plan should be adjusted to better reflect local travel conditions.

It is also projected that the average response time (or the time between when a passenger reserves a ride and when the vehicle arrives) should be 30-60 minutes depending on the service area. If it is found that the average response time is longer than 30-60 minutes, then changes may be needed in order to provide riders with a more accurate sense of potential response time.

Tracking User Experience

While metrics like ridership can convey system productivity, more qualitative indicators are also important. The experiences of early riders should be captured in order to learn any unanticipated issues with service provision. Rider feedback can be captured through post-trip surveys that can be distributed either electronically or using paper copies that are distributed by the vehicle operator. In order to ensure the highest response rate possible, it is recommended the survey be brief and focus primarily on multiple choice responses with just one open-ended response. The electronic version should be smartphone-friendly to facilitate riders completing the survey shortly following their trip. Paper surveys should include a pre-paid postage envelope, so respondents face minimal barriers to returning their surveys.

The survey can be used to assess ease of use of the reservation system, whether riders find the vehicles comfortable, whether riders have positive interactions with vehicle operators, and whether the rider travel experience has improved when comparing to their pre-microtransit travel.

The surveys should be offered to each rider during the first six months of service in English and Spanish. Following a survey response evaluation period, surveying should then be conducted at regular intervals to be determined by All Points Transit and for passenger samples instead of all riders.

Evaluating Service Area Scope

The initial service zone has been drawn based on the travel market assessment and stakeholder input. It is possible that some portions of the service area may be disproportionately heavy trip generators or popular destinations. Monitoring the origin and destinations patterns by trip will allow All Points Transit to understand whether the service area needs to be modified or if there are particular origin-destination pairs and routes that are utilized at a high rate. Software technology will be able to provide visualizations of trip patterns like the example shown in **Figure 21** to help All Points Transit evaluate service utilization and potentially make adjustments such as narrowing the service area or establishing fixed pick-up/drop-off locations that serve popular destination.



Figure 21: Simulation of Origin-Destination Patterns (source: Downtowner)

Determining Service Changes

While this service plan seeks to meet the needs of the All Points Transit service area and travel market, it is possible that in practice the performance outcomes may differ from service goals as outlined here. It is recommended that All Points Transit complete a thorough review of the performance metrics described in this service monitoring plan along with initial responses to the rider surveys after the first three months of service. If any goals are being unmet or if initial rider satisfaction is low, then targeted service adjustments may be required.

Implementation Timeline

Table 22 and **Figure 22** show the implementation timelines for the proposed service. The initial activities should be focused on promoting the new service to raise awareness with the official launch coming six months into the first year of the implementation plan.

Table 22: Implementation Timeline by Year

| | Year 1 | | Year 2 | Year 3 | Year 4 | Year 5 | Year 6+ |
|------------------------------|-------------------------------|--|---|--|---|---|--|
| Regional Route | Begin promoting pilots | Service launches with two buses | | | Continuation of service at Year 3 levels | Continuation of service at Year 3 levels | Add 20% more service hours, as funding allows |
| Delta Public Route | | | | Launch of service with one vehicle | | | |
| Delta Microtransit | | | Launch of service with one vehicle | | | | |
| Montrose Microtransit | | | | Launch of service with two vehicles | | | |



Figure 22: All Points Transit Detailed Service Implementation Timeline

Mitigating Unknown Factors

There are a number of factors that may pose challenges to the implementation timeline for this plan. Some factors are routine and can surface at any time while others, like the COVID-19 pandemic, are unpredictable. When assessing the factors that may pose a challenge to All Points Transit as it seeks to implement on-demand transportation service, the following issues are most likely to impede the process:

1. **Inflation** – at the time this plan was developed, the annual inflation rate in the United States was 8.5%. Should prices continue to rise, the cost estimates shown in this plan may soon be too low.
2. **Driver shortages** – All Points Transit joins transit providers across Colorado in struggling to hire and retain operators for existing service. In September 2022, the unemployment rate in Colorado was 3.4%, signaling that demand for labor is high. The success of any new service will hinge on All Points Transit being able to attract additional drivers.
3. **Procurement delays** – transit agencies around the country are facing fleet challenges due to delays in procuring new vehicles. In addition, supply chain constraints are delaying the delivery of spare parts, so any vehicle that is in need of repairs may be offline for an extended period of time.
4. **Funding delays** – while All Points Transit may successfully raise funds, disbursement timelines may not align with expenditure schedules.

Strategies for Managing Implementation Hurdles

All Points Transit has a number of tools at its disposal for navigating the aforementioned challenges:

- **Delaying implementation:** Certain implementation challenges can be resolved through adjusting timelines. For example, if vehicle procurement is causing delays, then All Points Transit can pause launch of any additional service until the appropriate fleet size has been reached or until a dependable delivery estimate has been provided. The main challenge with this strategy is that it creates the need for additional marketing campaigns and can create some confusion regarding when the riding public might expect to begin using the new service.
- **Adjusting service levels:** If implementation timelines are fixed then another option is to scale back service to meet capacity. This can be accomplished by reducing service hours, reducing the number of vehicles that are deployed on microtransit, or eliminating mid-day trips on fixed route service. It should be noted that while reductions in service will provide a cost-savings, they will also likely bring a reduction in fare revenue due to lower ridership.
- **Extending lifespan of existing fleet:** Any vehicle that reaches the end of its scheduled service life but is performing well and not exhibiting mechanical issues can continue being used for revenue service so long as it meets the standards set by All Points Transit. This strategy can help create a bridge while All Points Transit awaits any new vehicles that have been ordered.
- **Staff augmentation:** While All Points Transit has traditionally operated all service with its own employees, staffing challenges can be navigated by contracting with a vendor that can help augment All Points Transit staff. This strategy can be especially useful in instances where a staffing challenge seems temporary as All Points Transit would not need to commit to a long-term relationship with any vendor.

Marketing, Branding, and Outreach

The preferred alternatives and changes to existing services will need to be communicated to residents throughout the communities. Community members throughout the All Points' region have familiarity with point to point service through Dial-a-Ride and flex services through Montrose Public Bus. Communicating about the new service of microtransit will still require an awareness building campaign so residents can learn about their new options. An awareness building campaign should be paired with the service rollout to ensure community members learn of the new service, understand how to request trips, and are aware of the service area.

While traditional avenues, like visually compelling advertisements, will be important, additional community-specific outreach strategies should also be pursued. These can include engaging local stakeholders who have existing community ties to serve as ambassadors for the new service. In addition to establishing educational messaging that the microtransit service is a public service that is open to all community members and highlighting the benefits of using the service and how it functions within the fixed route network.

Overall Marketing Strategy

In order to launch a successful marketing campaign, All Points Transit should target its existing users to avoid confusion about changes and focus on new transit users that may be interested in the new microtransit option. All Points Transit can partner with local businesses, schools, houses of worship, and other key destinations to post information about the new service. Beyond physical advertisements, the social media networks of these community partners can also be leveraged to broaden awareness. The All Points Transit website is another source where information can be posted with maps, routes, and a FAQ tab to highlight the changes and implementation schedule. All marketing efforts should focus on educating community members about the service itself and also on conveying three key messages:

1. All Points Transit is modifying existing and adding new routes that incorporate microtransit, a new service that has been designed to help address the mobility challenges residents are facing today.
2. The microtransit service will cost \$5 and offer a comparable travel time to driving for certain trips.
3. All Points Transit will continuously seek rider feedback to learn how the new service can be optimized to best meet local travel needs.

It is recommended for All Points Transit to continue to foster a brand identity. All Points Transit is a trusted source that has name recognition within the community. By branding the new microtransit service vehicles with their own distinct logo and features while simultaneously utilizing the All Points Transit name can bring excitement and trust to the new transit service. To ensure the marketing campaign has an effective reach, All Points Transit can monitor who is utilizing the service through the rider surveys and then target marketing efforts to any groups within the community who have not yet tried the new service. Having a dynamic marketing campaign that tailors messaging to the various audiences within the All Points Transit service region will help ensure that all efforts to raise awareness target both people who are

likely to ride, like existing transit users, and those who are not currently transit users but may benefit from the new service.

Branding

Selection of a program name, logo, and brand should be finalized around six months before launch. This will allow time for materials to be ordered such as vinyl wraps that will be overlaid on the vehicles. Branding can be applied only to the microtransit vehicles since existing services have already established unique characteristics. This can create excitement for the new service when the community can easily identify a brand new mobility service for them. Additionally, this could present an opportunity to rebrand other services since multiple services will be modified. A brand refresh can also help drive excitement for services. **Figure 23** shows an example of microtransit branding. Developing a distinctive visual style for the system will help community members readily identify the microtransit vehicles.



Figure 23: Examples of Microtransit Branding (Source: LA Metro and RideKC)

Signage

Signage describing the new service and featuring the branding should be posted in all locations where it is likely community members will start or end rides. These signs can serve to designate pick-up and drop-off locations, which would make the system easier to use. Early locations for signs can include the Technical College, the Walmart location in Montrose, the Delta Recreation Center, and the Bustang Outrider stop. High quality, visually compelling signs can be targeted to key market groups and can be offered in a variety of languages.

Advertising

Signage can also be adapted into flyers that are posted in popular locations or inserted into utility bills or any other materials that are mailed to each address in the service area. In addition, All Points Transit can partner with local print media along with radio and tv stations to promote the service. While traditional media platforms have a wide reach, social media promotion is also a useful avenue to explore. Since many transit riders and target audiences are older adults aged 60 years and above with disabilities, advertising should be focused for these groups to easily attain the information, which may be print media in traditional sources such as newspapers. The All Points Transit website is another source that the community is familiar with for obtaining real-time updates.

Outreach

All Points Transit should leverage the existing network of community groups to raise awareness and promote the new service. Partnering with organizations like the Region 10 will allow All Points Transit to tap into an existing network of community members who are working to improve quality of life in the region. All Points Transit can also invite key stakeholders to serve as ambassadors for the new service. This role can be as simple as committing to including the microtransit as a discussion topic in community events or promoting the service on an organization's website and social media pages. All Points Transit can also collaborate with ambassadors to periodically visit popular destinations throughout the community and informally discuss the new service with residents.

Employer Partnerships

Partnerships with local employers can also help raise awareness and usage of transit. Local businesses or employers like Delta Hospital, County services, and Walmart can begin alerting their employees about the opportunity to travel in Delta and Montrose using microtransit and the regional route as a commuting alternative.

School Partnerships

Local schools can also advertise the new service. While some parents may not be comfortable allowing their child to walk, bike, or ride the bus to school, microtransit could be perceived as a safer travel option. In addition, a partnership with the Technical College of the Rockies can increase ridership through offering college students a new transportation mode for traveling to and from campus.

Business Partnerships

All Points Transit should also work with area businesses to promote the service. Having tabletop displays on the counters of local retail establishments and restaurants that announce the new service and how to use it could be an effective way to gain awareness of the service. Businesses could also distribute information to employees and allow local ambassadors to present at staff meetings

Special Events

In addition to the ongoing success of the All Points Transit Oktoberfest event, the agency can consider having a presence at all local events such as farmers markets, expos, kids' events, and neighborhood parties. Setting a table with brochures and a friendly community ambassador is a relatively low-cost way to build awareness of the new service.