



TRANSFORMING PUBLIC TRANSIT WITH A RURAL ON-DEMAND MICROTRANSIT PROJECT

Background

In September 2020, the City of Wilson, North Carolina, in coordination with the North Carolina Department of Transportation (NCDOT) awarded a contract to Via Transportation, Inc. (Via) to be the third-party microtransit provider for the replacement of Wilson’s existing fixed route transit system. This new partnership resulted in the launch of the RIDE service, which greatly improved service coverage and reduced wait times for public transit riders.

The Transforming Public Transit with a Rural On-Demand Microtransit Project aimed to support the goals of the Federal Transit Administration (FTA) and the U.S. Department of Transportation (USDOT) Accelerating Innovative Mobility (AIM) initiative by increasing access to jobs, healthcare, and other services in a rural area. The demonstration expanded hours of weekday operation to 5:30 a.m. to 7:00 p.m., from the original 7:00 a.m. to 6:00 p.m. service hours. These expanded hours offered an additional two and a half hours of weekday service. Saturday service remained unchanged.

Objectives

RIDE’s service was designed to yield economic benefits and improve the quality of life for Wilson’s rural businesses and residents by showcasing how public transit providers can support the full transportation needs of a rural area with on-demand microtransit. The demonstration’s intended benefits included:

- Improved access for seniors, students, and individuals with limited personal mobility
- Improved equity and accessibility to public transit
- Improved safety and efficiency
- Improved perceptions of public transit and quality of service provided
- Improved access to employment opportunities
- Use of public-private partnerships for demonstration, data sharing, and knowledge transfer

Findings and Conclusions

During the year-long demonstration and since the launch of RIDE, the City of Wilson, NCDOT, and Via have experienced challenges and successes that helped to improve the service and offer insights for other agencies contemplating a change to microtransit.

Rider feedback highlighted a positive response to the expanded service hours with riders noting the ability to access work and healthcare more easily, as well as an easier time accessing public transit. Broadly, the lessons learned and challenges that arose can be grouped into two categories—operations and funding. The lessons learned include:

- **Availability of vehicle partners in smaller markets.** RIDE experienced maintenance issues with their first vehicle provider that resulted in fewer vehicles being in service, increased Estimated Time of Arrival (ETA), decreased service quality, and decreased ridership. A new vehicle partner expanded access to local maintenance services to alleviate these issues.
- **Availability of drivers for all service hours.** Throughout the demonstration, RIDE had difficulty staffing off-peak times, including early morning hours, afternoons, and weekends, and certain days of the week, such as Mondays and Saturdays. Higher wages and sign-on bonuses helped them remain competitive.
- **Planning for federal transit requirements.** Incorporation of federal requirements such as drug/alcohol testing, safety and training, ADA, as so on should be considered prior to using a third-party provider.
- **Accounting for changing costs.** At times, RIDE had difficulty hiring enough drivers, perhaps due to low unemployment rates and higher labor costs, along with inflation and higher gasoline prices, that led to higher operational costs. In addition, RIDE's success and continued service growth resulted in the need for additional vehicles and vehicle hours to meet demand and maintain similar levels of service. It's important to account for changes in demand and the level of funding needed to meet future service goals.
- **Availability and type of permanent non-local funding.** While the demonstration funds are for short-term applicability, there are limited permanent non-local funding opportunities for operating microtransit services. In addition to looking into permanent funding streams, agencies should consider any capital needs for microtransit and how to fund those facilities, as they may not be eligible under traditional transit capital funding.

Benefits

The RIDE service is a great example of how transit can adapt to meet the needs of smaller, rural communities where fixed route service may not be able to connect to all the major destinations throughout an area or offer service at frequencies that consistently meet the needs of the community. RIDE highlighted how the service offered opportunities for riders to access work and healthcare more easily and contributed to an easier time accessing public transit, particularly for riders without access to a personal vehicle.

This demonstration can provide opportunities for FTA and similarly sized communities to evaluate how a switch to microtransit could increase service coverage, service hours, and/or service frequency at similar funding levels to existing fixed route service, highlighting the efficiency that may come with the service.

FTA Report No. 0243 Project Information

This research project was conducted by Ryan Brumfield of the North Carolina Department of Transportation (NCDOT). For more information, contact FTA Project Manager Justin John at (202) 366-2823 or justin.john@dot.gov.

All FTA research reports can be found at <https://www.transit.dot.gov/about/research-innovation>.