Transit Feasibility Study

April 2026

PREPARED FOR
City of Unalaska

PREPARED BY
Kelly Dunn, Erik Landfried, Lisa Ballard, Trevor Luu, Natalie Lyons, and Derek Abe

Alta Planning + Design

Seattle, WA

IN COOPERATION WITH

R&M Consultants, Inc.

McKinley Research Group

Table of Contents

Table of Contents 2
List of Acronyms 4
Introduction and Purpose 5
Why Conduct a Transit Study? 5
Background 5
Outline of This Study 6
What We Heard from Unalaskans 6
Who We Heard From 6
How Unalaskans Travel 6
Interest in and Support for Transit 7
Trip Purposes 8
Trips to be Replaced 9
Times of Day 10
Key Priorities 11
Desired Destinations 12
Survey Limitations 13
Other Data on Travel Patterns 14
2018 Transit Pilot 14
Modeled Travel Data 15
Input from Seafood Processing Plant Staff 17
What Peer Agencies Are Doing 17
Service Model Comparison 19
Fixed Route and Accompanying Paratransit 19
Deviated Fixed Route 21
Traditional Demand-Response 23
Microtransit 25
Ridership Estimates 27
Recommended Service Model 28
Phased Approach 28

Microtransit and Fixed Route Operating Models 29
Microtransit 29
Fixed-Route 36
A Proposed Service Plan for Unalaska 37
Finding a Microtransit Provider 37
Service Plan 38
Estimated Operating Costs 39
Operating Costs 39
Fare Revenue 41
Capital or other Fixed Costs 42
How Service Model Affects Capital Needs 42
Types of Capital Investment 42
How Service Model Affects Funding 45
Cost Estimates and Assumptions 46
Benefits 49
Travel Time and Mobility 49
Economic Activity 50
Implementation Considerations 50
Microtransit 51
Adding Fixed-Route Service in the Future 53
Potential Funding Sources 57
Conclusion and Next Steps 61
References 62
Statement on Generative AI 64
Appendix A: Fixed Route Service Plan 65
Routing 65
Schedule 66
Transfers between routes 67
Additional Considerations Affecting Ridership 67
Operating Cost Estimates 67
Appendix B: Quotes and Proposals 70

List of Acronyms

ACT: Alaska Community Transit

ADA: Americans with Disabilities Act

AKDOT & PF: Alaska Department of Transportation and Public Facilities

APTA: American Public Transportation Association

FTA: Federal Transit Administration

KATS: Kodiak Area Transit System

KCATA: Kansas City Area Transportation Authority

NOFO: Notice of Funding Opportunity

PCR: Unalaska Department of Parks, Culture, and Recreation

RFP: Request for Proposals

RTAP: Rural Transit Assistance Program

Introduction and Purpose

Why Conduct a Transit Study?

Unalaska is a unique and diverse city, where 4,500 full-time residents mingle with up to 5,000 seasonal residents drawn to the busiest commercial shipping port in the nation. It is expensive and difficult to transport vehicles to the islands. Due to high costs, the City's remote location and its high seasonal population, during typical fishing seasons over half of residents lack access to a personal vehicle. This includes children and many elderly people who live in Unalaska full-time and are consistently mobility-challenged.

Despite these limitations, currently no public transit system exists in Unalaska. Many visitors and residents with no vehicle rely on taxis as well as carpooling; limited Lyft and Uber vehicles may also operate on occasion. While taxis fill an important need, they are cost-prohibitive for some users and there is no central dispatch system, requiring users to call individual companies to find a ride. Some options exist for special populations: the senior center offers on-demand shuttles for appointments and other transportation needs, geared especially to seniors living in housing on-site, (Cameron Dean, Personal communication, November 17, 2025), while Unisea provides an employee shuttle to the Iliuliuk Family & Health Services only (Personal communication, Emily Gibson and Ron Kjorsvik to Sam Friedman, December 9, 2025). Finally, the visitor's bureau works with cruise companies to run 15 passenger vans in a loop of attractions on days that cruise ships arrive, though this is not sufficient during the few times a year when ships with more than 1,000 passengers arrive (Personal communication via Sam Friedman, December 16, 2025). None of these options fully meets the needs of many residents and visitors for affordable, reliable transportation.

A public transit system in Unalaska could serve many purposes for people with limited transportation options and the city as a whole: by improving mobility, it could improve quality of life, attract more workers to the area, and increase economic activity. An initial transit study was conducted by the City in 2017-2018 that recommended two fixed routes operating seven days a week and outlined how it could be paid for. Due to the pandemic and its associated shifts in labor patterns, cost of living increases, technological advances, and other factors in the time since, this concept has not been implemented and deserved a fresh look. Conducting this study as part of the 2026 Comprehensive Plan update allows for the City's transportation goals to be considered in light of the larger context of the City's growth and development.

Background

The Transit Feasibility Study forms part of Unalaska's 2026 Comprehensive Plan update. The study was conducted with feedback from the City and the public and this report was written iteratively to capture important input from City staff. In preliminary drafts, City staff raised several questions about how or if the existing taxi fleet and drivers could be integrated into a transit system in Unalaska and how the administrative burden on the City could be minimized. These questions are addressed here. In addition, the City expressed the goal of minimizing staff time required to administer the transit

system. These goals, along with relative costs, are considered throughout the evaluation. This final report combines the content of Part 1 and Part 2 drafts and offers a cohesive narrative about the transit study and what it means for Unalaska.

Outline of This Report

The transit feasibility study reevaluates the feasibility of transit in Unalaska and provides updated assumptions, costs, and risks to consider. It begins by reviewing the results of the public survey conducted in Fall 2025, where community members shared their interest in and concerns about transit in Unalaska. Next, it shares research into peer agencies and potential lessons learned for Unalaska.

It then reviews four possible transit service models, noting the pros and cons of each in the context of Unalaska, resulting in a recommended model of microtransit and an eventual transition to fixed-route transit. With these recommendations in mind, it then takes a deeper dive into three potential operating models for microtransit, with varying degrees of control by the City, and explores options to integrate existing taxi businesses. It also reviews two operating models for fixed-route transit.

Building on these service and operating models, the following section proposes a service plan for Unalaska, including a service area and schedule. The next section presents estimated costs for the service area and schedule laid out previously, starting with operating costs and then capital or fixed costs. Implications of service model for capital cost funding are discussed.

The report concludes with considerations for the City in implementing microtransit and transitioning between microtransit and fixed-route transit. It also offers a list of potential funding sources to explore. The appendix lists an alternative service plan for fixed route transit to be considered for the future, along with supplementary materials received and generated during research.

What We Heard from Unalaskans

Who We Heard From

The Unalaska Transit and Community Survey, administered online by the project team, heard from 155 community members in November and December 2025. Of these, 139 (90%) were full-time residents, five were seasonal residents, two were visitors, and the remaining nine did not want to say. Participants answered a variety of questions about how they currently get around Unalaska, their interest in using transit, and how they would use a bus if it were available. They also had a chance to leave open-ended feedback. Representative quotes are called out throughout this section.

How Unalaskans Travel

In a typical week, the majority of respondents (70%) drive their own or their employer's private vehicle, but a sizeable number get rides with family or friends (30%), drive a vehicle that they share

with someone else (20%), or walk (20%) for at least some trips. A smaller share (7%, or 10 respondents) uses a taxi in a typical week.

Of the people who do **not** drive their own vehicle in a typical week, the majority (90%) do not have a valid driver's license, and most (57%) also do not have access to a vehicle, suggesting that they do not have an option to drive more even if they wanted to. A smaller share of people who do not drive in a typical week (24%) share a car or truck with someone else, indicating limited personal mobility.

Interest in and Support for Transit

Support for Transit

As shown in **Figure 1**, 56% of respondents said they would be somewhat or very likely to use the bus if one were available that could get them within a few minutes' walk of where they want to go and came every 30 minutes or better. People were most likely to say they would ride transit if they currently use any mode in addition to driving their own car in a typical week. Of those who said they would not ride transit, three comments acknowledged that it would still be helpful for children, seniors, and seasonal workers.

> "*I think a bus service is essential to the island. It is safer for our transient community members, who do not have a vehicle, to safely get to and from work, store, and recreational activities. It would allow students to safely get to the PCR facilities on inclement weather days where walking or taking your bike is not an option. It could also cut down on drinking and driving.*"
>
> – Survey respondent

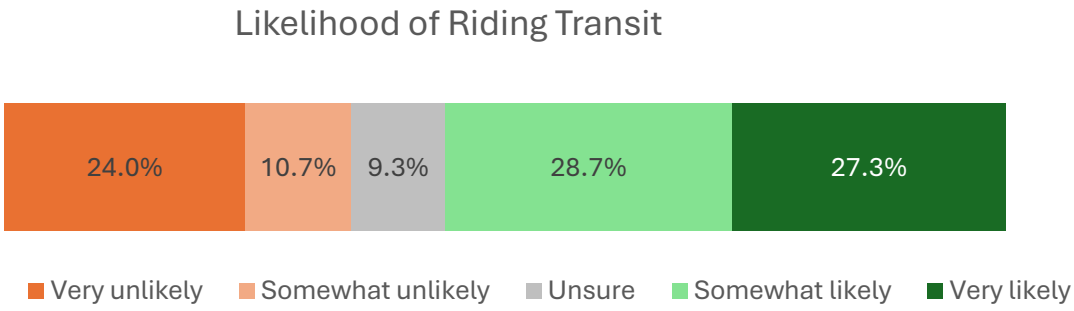


Figure 1: Likelihood of riding transit (n = 150)

Eighteen respondents also shared thoughts on how to make the transit system work best for the community, whether or not they planned to ride themselves. Top recommendations included:

- Ensuring the safety of children who may ride the bus unaccompanied alongside strangers (3 comments)
- Prioritize reliability and frequency (3 comments)
- Free or affordable fares (3 comments)[1]
- Onboard storage space for grocery bags or backpacks (2 comments)
- Durable, sheltered bus stops (2 comments)

Opposition to Transit

Twenty-four percent of respondents said they were very unlikely to use transit, and 11% said they were somewhat unlikely. Though not all of these respondents opposed the idea of transit for others, the majority expressed concerns in their comments about investing in transit in Unalaska. Opposition coalesced around two primary concerns. One was competition with taxi companies, mentioned by seven respondents. Seven others would rather see investments in other priorities, such as affordable airfare, housing, the economy, or entertainment options in town. Still others (four total) were generally concerned about the expense of transit and did not think it was cost effective.

> *"I don't think that on-island transportation is a significant problem when it comes to resources that the city lacks. There are enough taxis and people who are close enough to each other that they give each other rides. This is also a small island, which is beneficial when it comes to accessibility to amenities and food. Elders have services that provide them with transportation as well. If any transportation issues were addressed, I would strongly encourage the city to consider how to make travel to and from the island cheaper."* – Survey respondent

Trip Purposes

The 101 respondents who expressed any likelihood of riding a bus in Unalaska[2] also stated the types of trips they would be most interested in using transit for, which are summarized in **Figure 2**. Trip purpose gives us a sense of the rider's time sensitivity, times they might be traveling, or specific needs for the trip. Sixty respondents (59%) wanted to use the bus for shopping, errands, or restaurants, indicating that many trips would require cargo space to store shopping bags. Over half also were interested in riding to the airport or to work or school; these trips typically require on-time arrival. Half

[1] One respondent suggested free fares, one respondent suggested $1 fares, and one did not specify beyond "reasonable."

[2] This included anyone who answered "Very likely", "Somewhat likely", "Somewhat unlikely", and "Unsure" to the question "How likely would you be to use a bus that runs every 30 minutes if it took you to within a few minutes' walk of a place you wanted to go?". Only people who responded "Very unlikely" were not shown this question.

also indicated that recreation or socializing would be a likely trip; these trips are typically more flexible in timing but are more likely to occur in the evenings and weekends.

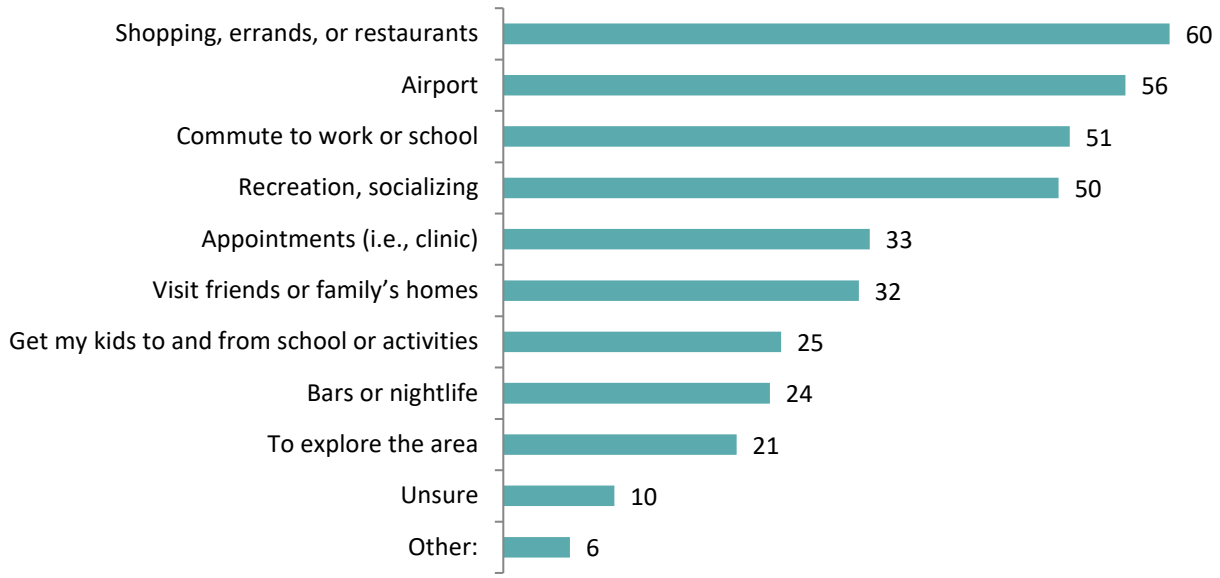


Figure 2: Responses to "What types of trips would you want to use the bus for? (check all that apply)"

It is important to note that this does not take into account how many trips of each purpose riders would take each week. While the highest number of people are interested in shopping trips, people typically take fewer shopping trips in a given week than work or school trips, so the majority of trips taken on the bus may still be work or school trips. Similarly, many people are interested in airport trips, but most individuals go to the airport infrequently, so we would expect this to be a relatively small share of overall trips.

Trips to be Replaced

Respondents were asked how they are currently making the types of trips that they said they would like to take transit for, indicating which modes would likely be replaced by transit. The most common mode, selected by 67% of participants, was driving one's own car or truck, suggesting that taking transit would be a choice for many people rather than a necessity. Transit may be an appealing choice to save money or because they have an unreliable vehicle or dislike driving in certain conditions. Getting a ride was second at 38% and reflects the strong local culture of carpooling that some commenters expressed. It may also indicate that carpooling does not always give users the freedom that a bus could, since they are still interested in transit. Walking was third, at 28%. Taxis ranked lower on the list, selected by 13% of participants, more than the number who said they use a taxi in a typical

week. This indicates that some taxi riders are infrequent riders and might be looking to replace trips to occasional places like the airport with a bus instead of a taxi.

Times of Day

Participants also indicated which times of day and days of the week they would be likely to use the bus, both in fall/winter and in spring/summer, as summarized in **Table 1** and

Table 2. Overall, respondents' likelihood of using the bus at any given time of day was slightly higher in winter than in summer, perhaps because winter weather and darkness make alternative modes of transportation like walking less appealing. It could also reflect different travel needs in the winter. Respondents expressed interest in using the bus all days of the week and at all times, with the highest demand on weekdays from 6 – 9 AM and 3 – 7 PM and the least demand from midnight – 6 AM, when few businesses are open and processing plant shifts have not yet turned over. While anticipated demand was slightly higher on weekdays than weekends, it was still very strong on Saturday and Sunday afternoons.

Table 1: Number of respondents indicating they would be likely to use the bus at the following times in the spring or summer.

SUMMER	Monday	Tues - Thurs	Friday	Saturday	Sunday
Midnight- 6 AM	8	8	10	13	11
6 AM - 9 AM	40	42	41	22	20
9 AM - Noon	29	28	30	25	29
Noon - 3 PM	33	32	34	35	32
3pm - 7 PM	45	48	48	43	35
7 PM - Midnight	18	20	26	27	13

Table 2: Number of respondents indicating they would be likely to use the bus at the following times in the fall or winter.

WINTER	Monday	Tues - Thurs	Friday	Saturday	Sunday
Midnight - 6 AM	12	11	13	15	12
6 AM - 9 AM	40	40	41	25	24
9 AM - Noon	32	33	33	27	29
Noon - 3 PM	38	37	39	39	35
3 PM - 7 PM	45	48	49	41	38
7 PM - Midnight	21	21	30	32	20

Key Priorities

When asked for the top three priorities in deciding whether to use the bus, 63 of 101 respondents (62%) said that being reliable and on-time was important. The other top-ranking answers were covered and well-lit bus shelters and knowing when the bus would arrive (such as real-time arrival information), closely followed by not having to walk more than five minutes to get to a stop. **Figure 3** summarizes all responses.

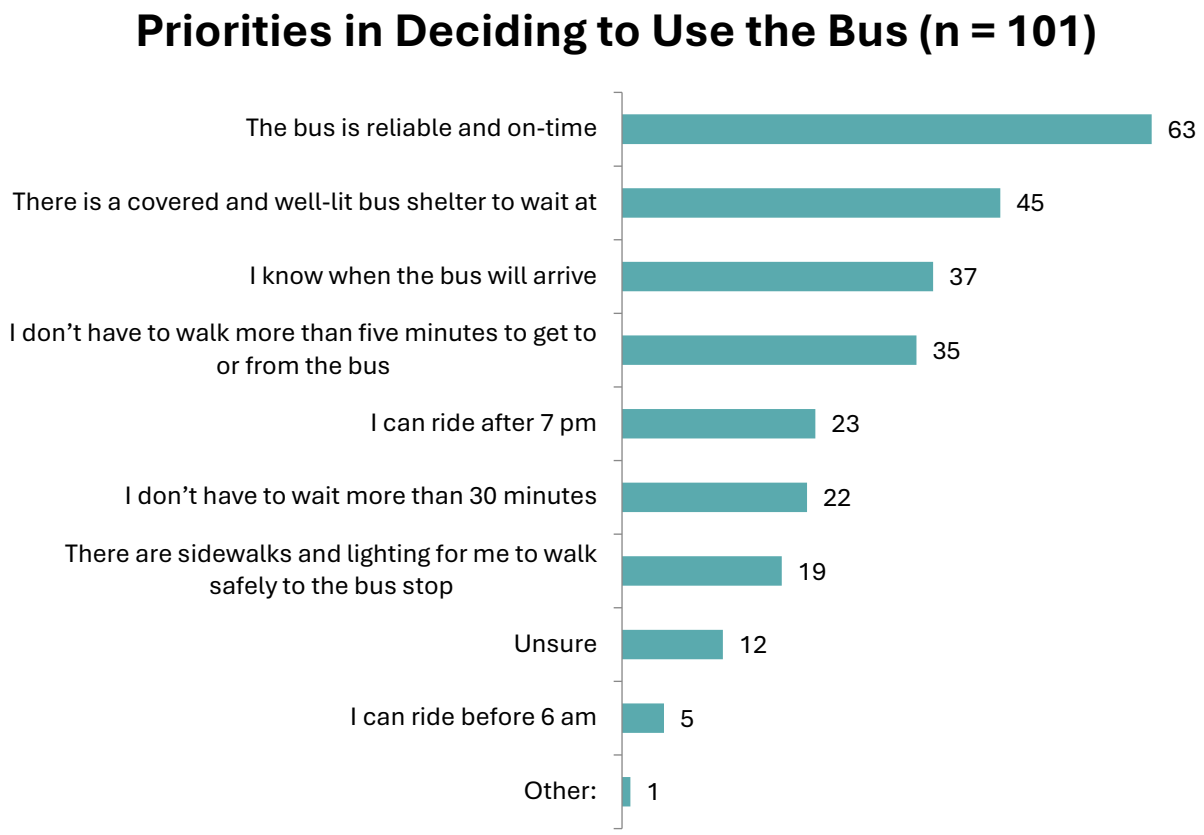


Figure 3: Answer to "When planning a new bus service, we must make tradeoffs. What would be most important to you in considering whether to ride a bus to get around Unalaska? Check up to three answers."

"*Reliability and frequency are key. Buses only work if riders can be confident, they'll get to their destination on time without planning ahead too much.*"

- Survey respondent

"*Having some routes or time on weekends or evenings would also be great for people coming to church or other gatherings.*"

– Survey respondent

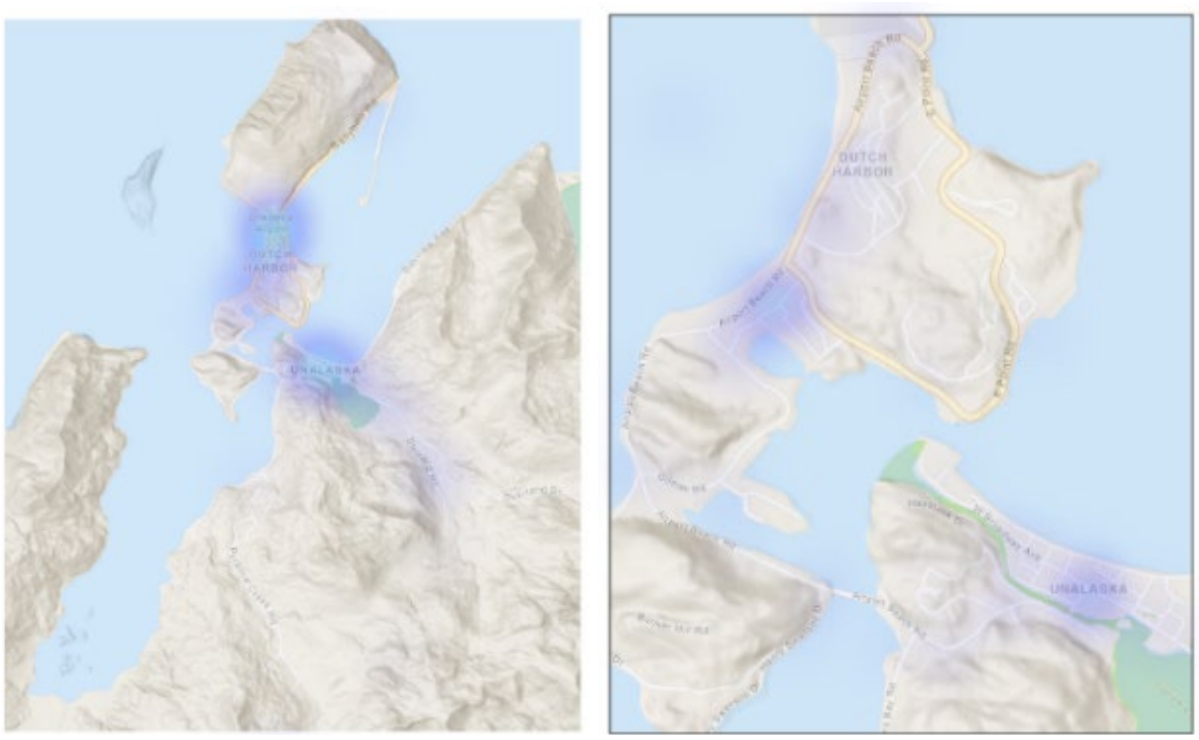
Desired Destinations

When asked where they would want to travel to on a bus if one were available, survey participants selected a variety of locations across Unalaska, the results of which are displayed on **Figure 4** as a heat map. Areas on the map with a higher density of marked locations are symbolized with a darker shade of purple.

There were several locations where responses tended to be clustered. In particular, the areas around the airport, the corner of Airport Beach Road and East Point Drive near the Safeway, and downtown near the library and Parks, Culture, and Recreation Center (PCR). Other noteworthy businesses and destinations within these clusters include:

- Aleutian Islands WWII National Historic Area Visitor Center
- Dutch Harbor Mall
- Grand Aleutian Hotel
- Unalaska City High School
- Unalaska Visitors Bureau

Figure 4. Heat map results showing desired destinations if bus were available



Survey Limitations

As with any survey, there are limitations to how the results of the Transportation and Community Survey should be interpreted. The first limitation is in the population surveyed. This is not a random sample of all Unalaskans and thus does not represent all Unalaskans, either full-time or part-time residents, and thus does not have statistical significance, regardless of how many responses were received. It may be that people who responded were more likely to have stronger opinions about transit to begin with or were already mobile enough to see a flyer in town. As noted, almost all respondents were full-time Unalaska residents because this survey was conducted during the off-season for fisheries and seafood processing plants. To account for this, the project team conducted interviews with processing plant staff to understand more about their employees' travel patterns, shift hours, and numbers to inform the service plan. While this cannot replace direct surveys of seasonal workers, it can help to account for their needs. Visitors are harder to account for, but conversations with City staff suggested that most visitors book private tours or come via cruise ships, which often arrange transportation separately.

Second, this survey uses stated preference to gauge interest in potentially using transit. Stated preference is usually an overestimation, reflecting people's intentions but not the choices they actually make when faced with a decision or when convenience, comfort, and habit may make driving more appealing. It is still a useful metric of support but cannot translate directly to a ridership estimate or a projection of what share of Unalaskans will in fact ride transit or how often.

Other Data on Travel Patterns

In addition to the survey, data is available from the previous transit pilots in January and August 2018, discussions with processing plant management, and from Replica Places[3] that give hints of Unalaskans' travel needs and revealed preferences for travel.

2018 Transit Pilot

The 2018 transit pilot collected ridership data that can help illustrate when and where there is demand for transit in Unalaska. **Figure 5** compares weekend boardings from the January 2018 pilot to those of the August 2018 pilot. In both pilots, boardings in the afternoon far outnumbered those in the morning, but in the summer, boardings skewed more heavily into the evening. This may indicate that people were more willing to travel in the evening in the summer months to take advantage of longer days, but given the age of this data, it should be considered as only one data point among many.

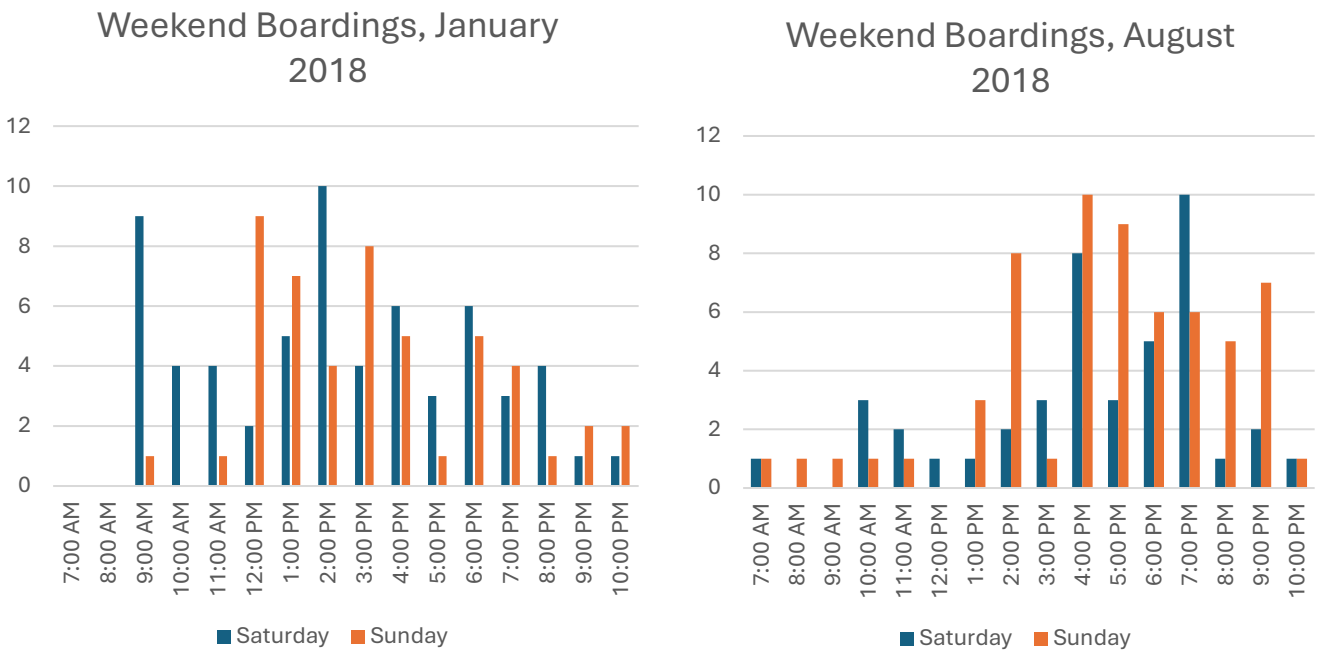


Figure 5: Weekend boardings peaked earlier in the day in January but skewed later into the evening in August. (January 13 – 14 and August 19 -20, 2018).

[3] Replica Places is an activity-based travel demand model that uses location-based services data, parcel and population data to model how people travel across a region. Though it is based on observed data from cell phone pings, the data provided is a model and does not reflect real trips.

Meanwhile, **Figure 6** compares the sum of weekday boardings by hour from each of the two pilot weeks. Differences between the two seasons were less pronounced; boardings still peaked in the midday and evenings in both months. This may indicate that people take fewer discretionary trips on weekdays.

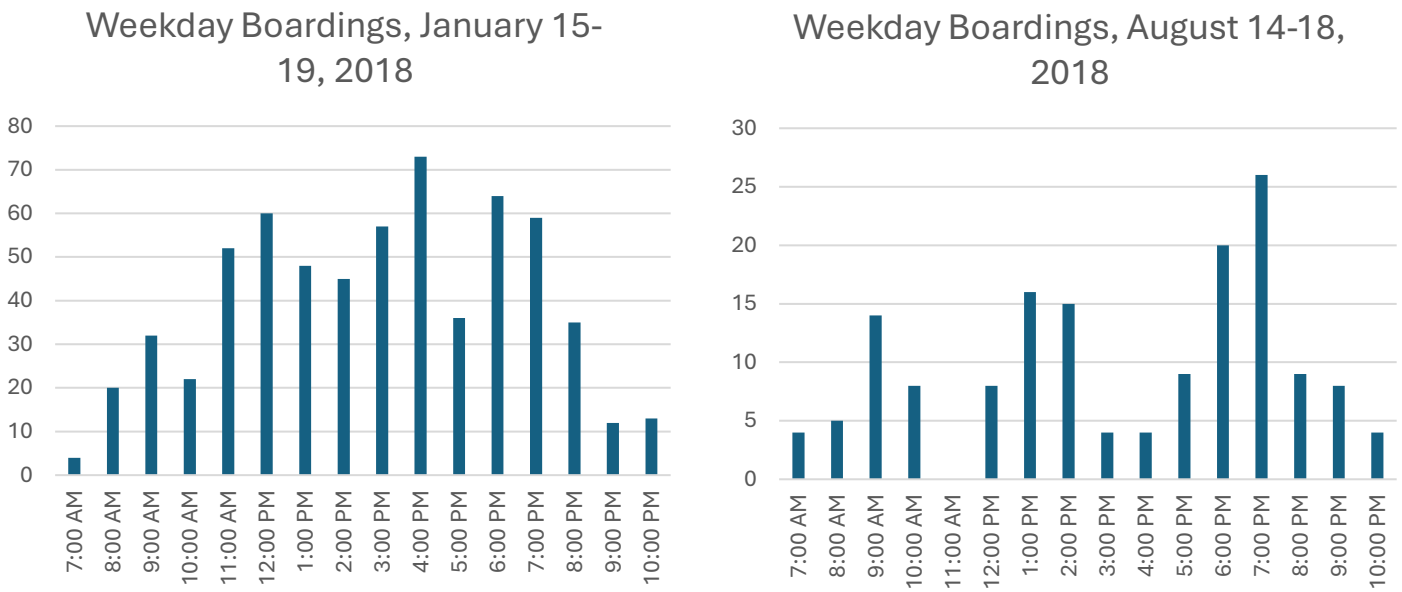


Figure 6: Weekday boardings peaked in midday and the evening.

Modeled Travel Data

To understand current travel patterns, the project team examined trip destinations throughout Unalaska, as modeled by Replica Places (Replica Places, 2025). **Figure 7** depicts the number of trips of any mode ending in each part of the city. The areas with the most trips include downtown Unalaska and most neighborhoods along Airport Beach Road; some scattered trips are also found in the mountains, likely for recreation. There are few trips ending along Summer Bay Road or the north end of Ballyhoo Road.

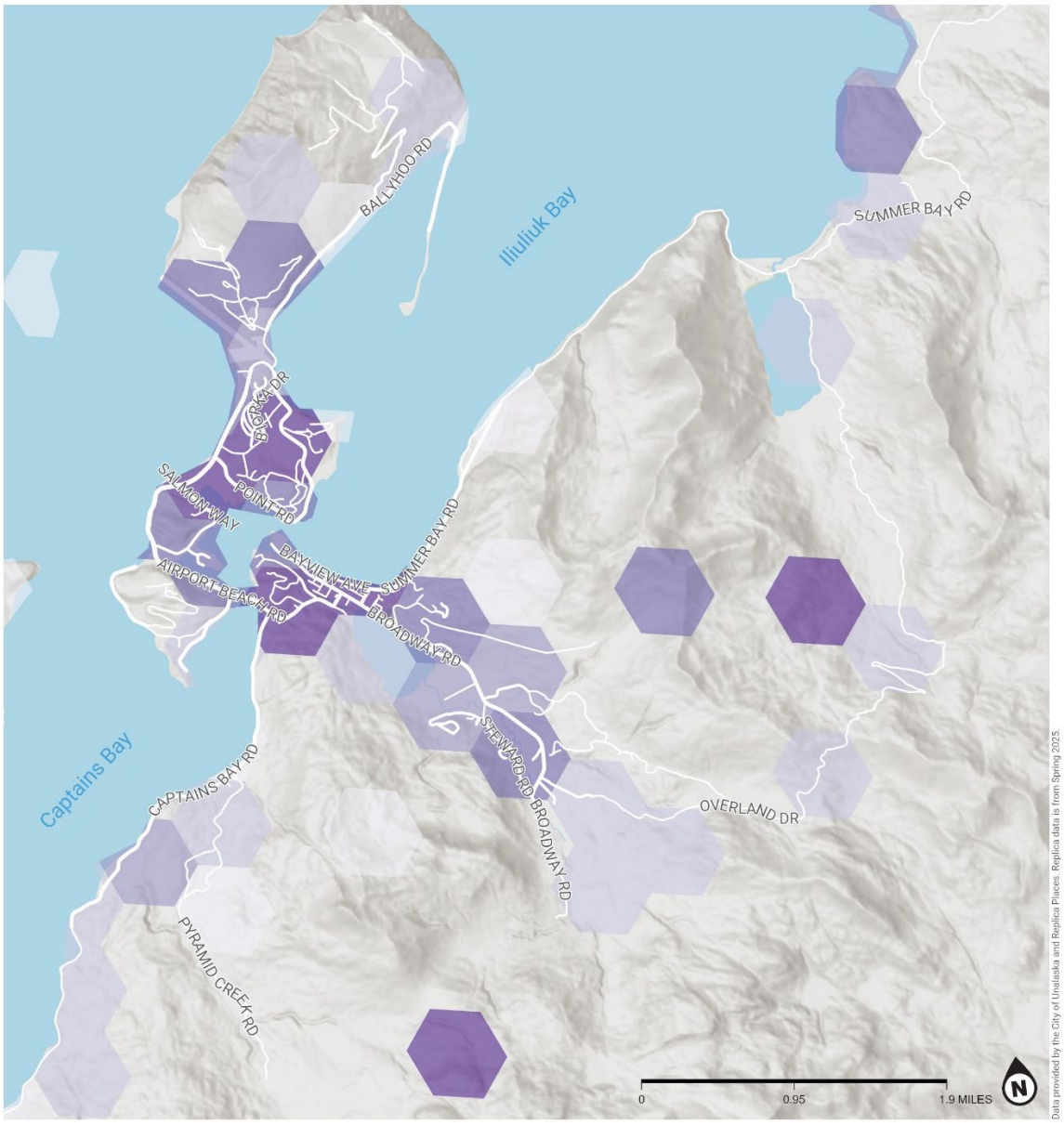


Figure 7: Destinations of weekday trips, Spring 2025

Input from Seafood Processing Plant Staff

Finally, project staff interviewed management from Unisea about their processing facility employees' travel patterns and needs (Personal communication, Emily Gibson and Ron Kjorsvik to Sam Friedman, December 9, 2025). They reported that January through April is the highest season, with about 1100-1200 employees in Unalaska. This is about 1000 more people than during the lowest seasons in May and November – December. They reported that all processing plant employees are given housing and meals on site, so transportation to work is not an issue. Shift times run from 6 AM – 6 PM or 7 AM – 7 PM. Employees typically walk 1.5 miles to Safeway or Three Bears Ace Hardware if needed, and Unisea offers shuttle services to the Iliuliuk Family Health Services clinic. The most common destination not within walking distance is the PCR and Aquatics Center. Transit would open up more options for using the PCR and would save time on doing errands.

Westward Seafoods staff were not interviewed, but Unisea estimated that they have a similar number of employees during the high season. Their shifts run from 5:30 AM – 6 PM and 5:30 PM – 6 AM. Their plant is about a 2.8 mile walk from Safeway or 1.7 miles to the PCR. These employees' needs were considered when planning service along Captains Bay Road.

What Peer Agencies Are Doing

The project team identified eight potential peer transit agencies throughout Alaska and the United States with similar service area populations, constrained geographies, and rural or island contexts, and compiled key statistics as shown in **Table 3** including service area populations, population density, and boardings and cost per revenue hour[4]**.** The team also conducted phone interviews with three agency staff, indicated in bold: Kodiak Area Transit System (KATS), the Bethel, AK Transit System, and COAST in Avalon, CA. Insights from interviews and research are highlighted more in the following sections.

There is a wide range of transit service models offered in other small, rural communities. Throughout Alaska alone there are at least three service types represented, which are described more in the following section. These models are compared in **Table 3**. Communities that are larger, denser, or have tourism-related demand typically have fixed route service, which tends to have the lowest costs per boarding. Demand-response and microtransit are seen more in smaller communities or those that are more spread out. For the purposes of comparison, the project team defined a potential 5.5 square-mile service area in Unalaska based on the area within ½ mile of the main road network and travel patterns. Population and density ranges are based on Replica Places and local knowledge, because Census data is not available at the necessary granularity and does not fully reflect the seasonal population.

[4] A revenue hour is one hour that one bus is in service picking up passengers. Time spent traveling to and from the base or in between routes is not counted toward revenue hours.

Table 3: Peer agency key statistics

Agency Name & Location	Service Type	Service Area Population	Population Density of Service Area (people/sq mi)	Headway (min)	Weekday Service Span	Weekend Service Span	Boardings per Revenue Hour[1]	Cost per Boarding[1,2]
Ride Sitka	Fixed Route	8,400	1,200	30 - 60	6:30AM - 7:30 PM	n/a	6	$28.65
The Bus, Ketchikan, AK	Fixed Route	14,000	700	60	6:00AM - 9:00 PM	6:00AM-9:00PM	28	$7.69
Kodiak Area Transit System, AK	**Demand Response**	**5,600**	**1,200**	**n/a**	**6:30 AM - 6:30 PM**	**10:00 AM - 3:00PM**	**4**	**$32.03**
Unalaska		2000 - 8000	350 - 1400					
Glacier Valley Transit, Girdwood	Deviated Fixed Route	1,800	500	60	7:20 AM - 10:30 PM	7:20AM-10:30PM	12	$5.67
Bethel Transit System, AK	**Fixed Route**	**6,500**	**147**	**60**	**6:30 AM – 5:30 PM**	**n/a**	**2**	**$38.85**
COAST, Avalon, CA	**Microtransit**	**3,267**	**2,700**	**n/a**	**7:00 AM - 9:00 PM**	**7:00AM - 9:00PM**	**3**	**$40.62**
Key West Transit, Key West, FL	Fixed Route	26,444	5,000	60 - 120	6:00 AM - 10:00 PM	6:00 AM - 10:00 PM	10	$12.13
Shaa'srk'a Transit, Laguna Pueblo Nation, NM	Demand Response	7,700		n/a	6:30 AM - 5:30 PM	n/a	1	$79.60

[1] U.S. Department of Transportation, Federal Transit Administration. (2024). *NTD Annual Data — Metrics by Agency: unlinked passenger trips per vehicle revenue hour* [Data set]. data.transportation.gov. https://data.transportation.gov/Public-Transit/NTD-Annual-Data-View-Metrics-by-Agency-/g27i-aq2u.

[2] Does not include any accompanying paratransit, if offered.

Bold indicates that staff from this agency were interviewed.

Of these eight agencies mentioned in **Table 3**, the project team determined that KATS and Ride Sitka are most analogous to Unalaska because of their populations, densities, and remote island geographies. We explore these and other service models in detail in this section and their applicability to Unalaska.

Service Model Comparison

This section explores four transit service models in use in similar sized communities across Alaska and the United States and what they could mean for Unalaska. Service models refer to how buses travel and pick up passengers, and offer different types of customer experience as well as advantages and disadvantages to the agency.

Fixed Route and Accompanying Paratransit

What it is:

Fixed route service runs along a set route at scheduled times and typically stops only at designated stops. It is what most people typically think of when they think of a city bus. This service is often the most cost-efficient way to move people if sufficient ridership exists, real or projected, because higher ridership leads to lower costs per rider: It costs about the same to serve forty customers on one bus as twenty. The Rural Transit Assistance Program advises a minimum density of around 1,000 people per square mile to support demand for fixed-route transit (National RTAP, 2024).

In Alaska, fixed route services are offered in Sitka, Bethel, Ketchikan, the Kenai Peninsula, as well as in the state's largest cities. These cities all have some similarity and differences to Unalaska's context:

- Ride Sitka operates three fixed routes in a similarly constrained street network as Unalaska's, depicted in **Figure 8**.
- Bethel operates two fixed routes in a town of 6,500, but they lack Unalaska's population of seasonal workers, so vehicle ownership is higher.
- The Bus in Ketchikan operates two fixed routes and a circulator shuttle, but staff there advised that their city was less comparable to Unalaska's context because they receive 1.5 million cruise ship tourists per year and have a year-round population of 14,000 (S. Bushong, personal communication, November 21, 2025).
- The Kenai Peninsula's service is new, and is discussed more in the **Adding Fixed-Route Service in the Future** section.

Kodiak's KATS, in comparison, reported in an interview that they had originally run a fixed-route system in 1998, but many people were unwilling or unable to walk to the bus stop, due to infrastructure gaps or personal challenges (Operations director Jerry, personal communication, November 3, 2025). They later pivoted to a demand-response model that they use today, which is discussed more below.

Figure 8: Ride Sitka's fixed route service map. Image source: Ride Sitka.

Starting up a fixed-route transit system agency where none exists yet is a time consuming and labor-intensive process, as explained more in the Guidebook for Start-Up Transit Agencies prepared by the National Center for Transit Research (Florida DOT, 2006). Significant start-up costs are required, including the purchase or lease of vehicles, creation of a fueling and maintenance facility, hiring employees, and paying for other necessary operating systems such as IT and communications.

In addition, the Federal Transit Administration requires all agencies operating fixed-route transit to offer paratransit service for individuals with disabilities within ¾ mile of the fixed route system who cannot access fixed-route transit (National RTAP, 2005). Paratransit typically provides individualized, door-to-door service, leading to higher costs per rider. In 2024, Sitka and Ketchikan paid $72 and $44 per rider, respectively, for their paratransit service (FTA, 2024 -b).

In addition, agencies must provide compliant bus stop boarding areas under the Public Right-of-Way Accessibility Guidelines (PROWAG). Local agencies must provide a boarding pad between the boarding area and the sidewalk (U.S. Access Board, 2023). If these requirements are not met, affected customers are eligible for paratransit service, further increasing demand for a costly service.

What it means for Unalaska:

While fixed-route transit is not often advised in small, rural areas, Unalaska is different from a typical rural area for many reasons. The main reason is its constrained geography, resulting in a relatively small roadway network with condensed origins and destinations. Because there is one road linking Amaknak Island with Unalaska Island (Airport Beach Road), one road down to Captains Bay (Captains

Bay Road), and limited other roads through town, it may be possible to serve most trips with just one or two routes traveling along main roads, resulting in a system similar to that of Ride Sitka.

In addition, Unalaska has a much higher share of multifamily housing units than Alaska overall, including many bunkhouses which are inhabited seasonally (US Census Bureau, 2024). These developments add significant density to the area, and the effective population density in the populated area is likely to meet the guidance suggested for at least some of the year.

This model is also the least likely to face resistance from the taxi industry. Staff from the Bethel Transit System reported that initial resistance from taxis fell away once their fixed-route bus service began and it became clear that taxi ridership was not threatened (Evon Fox, personal communication, January 12, 2026).

However, current infrastructure may not be sufficient to support access to fixed route transit. Successful fixed route transit requires investments in well-lit, weather-protected, ADA-compliant bus shelters, particularly given weather patterns in Unalaska. In addition, many parts of Unalaska still lack sidewalks, which may inhibit access and increase paratransit demand. These capital projects will help to make the service more attractive and accessible to many riders but take time and resources to implement. If Unalaska wishes to offer transit service as soon as possible, it may be wise to start with another option.

Pros	Cons
• Most efficient system for moderate or high ridership • Used successfully in Sitka • Predictable and easy for riders to understand	• Inefficient if ridership is low • Difficult and costly start-up process • Requires paratransit, which drives up costs • Access to stops may be a barrier

Deviated Fixed Route

What it is:

Deviated fixed route service, also called flexible route service, is a variation of fixed route service. Buses run along a set route at scheduled times but will deviate off route for pickups or drop-offs when requested, sometimes for a small fee. Passengers typically request a deviation for drop-off while onboard the bus or request a pick-up by calling a dispatch center in advance. This type of service is often used in rural areas with low populations. In Alaska, deviated fixed route service is offered in Girdwood, a resort town of 1,800 with significant tourists and service workers, as shown in **Figure 9.**

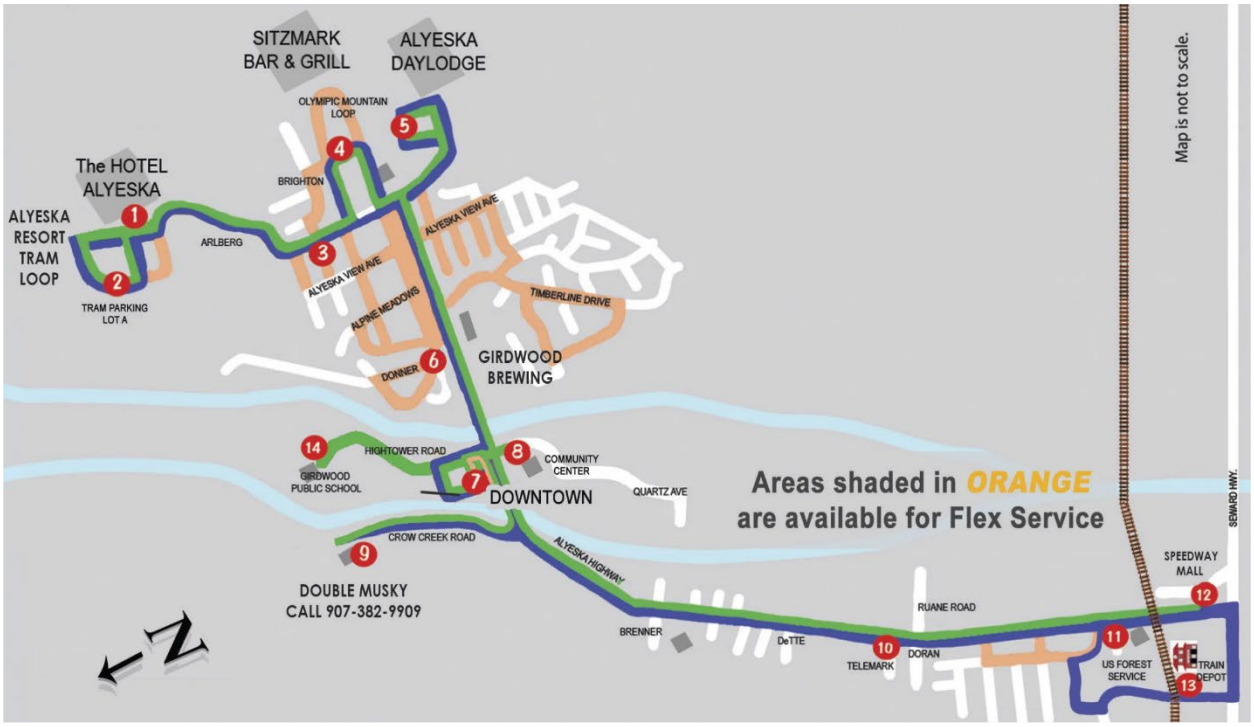


Figure 9: Glacier Valley Transit's deviated fixed route service map. Image source: Glacier Valley Transit

If the agency offers deviations of at least ¾ mile, they are not required to provide complementary paratransit as long as their vehicles can serve riders with disabilities. This could save costs associated with paratransit. Another advantage to a deviated fixed route model is that it can help overcome barriers to accessing transit because people do not need to walk as far if they request that the bus come to them. However, reliability can be a challenge as a result: stops down the line of a deviation are likely to experience delays when a deviation occurs, and greater recovery time (time at the end of the run to allow for an operator break and a scheduling buffer) is required, potentially raising costs. These impacts are more pronounced with higher ridership, as more people experience those delays whether when waiting or onboard during a deviation. Operations planning is also difficult, as deviations for pick-ups must be coordinated ahead of time and communicated to drivers.

Figure 10: Service must allow riders with disabilities to use the transit system.

What it means for Unalaska:

Deviations may be beneficial in a place like Unalaska, where high winds and rain, long dark hours in winter, and lack of sidewalks may inhibit people from accessing transit. The impact to reliability may be minimal because there are limited opportunities to deviate on such a constrained road network.

However, some impact would still be expected, and survey respondents noted that reliability is their top concern for riding transit, and many trips are expected to be time sensitive. It is difficult to anticipate how many deviations would be expected when no transit currently exists. In addition, the operations staff needed to support the dispatching of deviations may be a strain on a small system with limited staff. Finally, this model would have similar startup costs and requirements as fixed route, which are likely to be a burden on Unalaska at the onset. However, this model may be worth considering in the future.

Pros	Cons
• Removes barriers to accessing transit • Satisfies paratransit requirement • Efficient with moderate to high ridership	• Inefficient if ridership is low • Difficult and costly start-up process • Managing deviations can be difficult • Reliability may be impacted • Concept may be difficult to message to customers

Traditional Demand-Response

What it is:

Demand-response service is any service that does not operate on a fixed route, typically one that responds to requests from passengers and dispatches vehicles to transport riders door-to-door or corner-to-corner within a set service area. Under the traditional model, riders generally are expected to call the day before to arrange a ride, and rides may be shared between riders going in the same direction. For the purposes of this study, demand-response service is distinct from ADA required paratransit because it is available to all riders, not merely those with qualifying disabilities. As noted above, this model is currently used by KATS in Kodiak, shown in **Figure 10**, to help overcome barriers in accessing transit, and is primarily used by transit-dependent riders.

Figure 11: A KATS demand-response bus in Kodiak. Image source: KATS

This arrangement may be best for an area with a small, dispersed population, or an area in which many transit users have disabilities and would otherwise require paratransit anyway. This model obviates the need for additional paratransit by giving all riders access to the same demand-response

service. It is most cost-effective in an area without sufficient demand or density for fixed-route service and would likely be cheaper than running paratransit alongside an underutilized fixed-route service.

The two primary disadvantages of demand-response service are cost per ride and passenger inconvenience. Agencies typically spend more per rider on demand-response transit, where higher ridership typically requires proportionally more vehicles and service hours, than on fixed route transit, where higher ridership leads to greater efficiencies. It is also a disadvantage for the passenger experience: the need to reserve rides a day in advance also makes the service difficult for many people to use and restricts its potential to attract all but the most transit-dependent riders, further diminishing efficiency. KATS, for example, reported that about half of its riders are over 50.

What it means for Unalaska:

Unalaska has a small service area that is similar to that served by demand-response transit in Kodiak. This service could likely be combined or coordinated with the existing shuttles operated by the senior center for cost savings. However, based on results from the transit study pilot and the survey as well as the unique demographics of Unalaska, demand for transit in Unalaska may exceed that which is sustainable for traditional demand-response service. Furthermore, the concentrated nature of origins and destinations in Unalaska and the constrained road system – even more so than in Kodiak - likely makes a demand-response system unnecessary.

In fact, there is the real possibility that costs to the city for this type of service would exceed the cost of comparable taxi service. KATS spent $32.03 per passenger ride on its demand-response service in 2025 (FTA, 2024 -b). A median trip in Unalaska on any mode is 3 miles, about the distance from the airport to the PCR (Replica Places, 2025). This trip by taxi, based on 2025 rates established by Unalaska City Council, would cost $15; a five-mile trip from Alaska Ship Supply to Ounalashka Community Park would cost $23 (City of Unalaska, 2025). However, if the City were to subsidize or contract with taxi services, ADA requirements would apply, requiring the provision of accessible vehicles or equivalent service with comparable waiting times for passengers with disabilities (Service Under Contract, 2024). This would increase per-ride costs above current taxi rates. Despite this added cost, if the city's primary interest in transit is in improving mobility, subsidizing taxi services for residents and workers and providing complementary paratransit may still be more cost-effective than providing demand-response transit for the average rider.

This type of arrangement would also likely be somewhat competitive with taxi services on the island, and could meet resistance from that industry, although taxis would likely still reserve a strong share of trips by people who cannot or do not wish to plan a day ahead. KATS encountered resistance from the taxi industry, and as a result reached an agreement that the list of pickups for the day had to be printed out at the beginning of the day, to distinguish it from truly on-demand service.

Pros	Cons
• Removes barriers in physical access to transit • Satisfies paratransit requirement • Used successfully by KATS in Kodiak	• Calling a day in advance is a barrier for most discretionary riders • Higher cost per rider if ridership is moderate or high

Microtransit

What it is:

Microtransit is a technology-enabled form of demand-response transit that also operates in a set service area. Rather than requiring reservations the day before like traditional demand-response service, riders typically request a ride through an app or via phone and can get a ride within a few minutes. Routes are dynamically routed, and often shared, resulting in a user experience similar to Uber or Lyft's pooled ride options, as in **Figure 11**. It is typically operated by third-party providers who provide turnkey solutions, reducing the administrative burden on jurisdictions. It can also be operated in-house using dispatching software, but the agency must take on more vehicle maintenance, driver contracting, and other considerations themselves.

Similar to traditional demand response, microtransit has higher costs per rider than a fixed route service with moderate ridership. The added convenience of being able to request a ride in near real-time with an app has made it very popular in many parts of the country.

The City of Avalon, CA, a town of 3500 people, offers microtransit through Circuit, a vendor, having switched from a fixed-route system during the pandemic. A Circuit shuttle is shown in **Figure 12.** Avalon is located on Santa Catalina Island and enjoys a surge of tourists in the summers but is not connected by road to the rest of southern California, leading to demand for transit. In an interview, staff reported that ridership was up 67% compared to their fixed route service offered in 2019. However, this comes with both benefits and drawbacks: COAST is having trouble meeting demand as a result, leading to longer waiting times. With small vehicles, microtransit does not scale well and so meeting demand with more service is not financially sustainable beyond a certain point. This can cause frustration with riders as wait times increase and reliability in turn degrades. Staff also noted challenges with internet bandwidth, required for dispatching vehicles in real time.

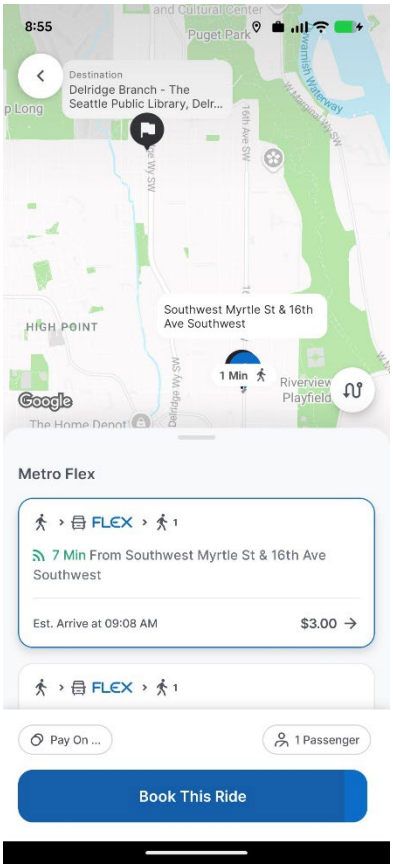


Figure 12: The user interface on a microtransit app is typically similar to that of Uber or Lyft.

Figure 13: A microtransit shuttle operated by Circuit in Avalon, CA. Image source: Circuit.

What it means for Unalaska:

Microtransit could offer Unalaska several advantages. First, it could remove barriers in access to transit, particularly in areas with limited sidewalks or for grocery trips where people are less willing to walk from a stop to their home. It would be less feasible, but also less necessary, to invest in bus stops or other capital projects because trips could begin and end anywhere and waiting time could be minimized if riders could come to the curb just as a vehicle is approaching. Additionally, costs could be agreed to upfront with a vendor, reducing the potential for surprises as well as the upfront cost and effort to start a transit agency. While per-rider costs may start out similar to those of traditional demand-response, as the service becomes more popular there are more opportunities to form pooled rides. Finally, this service could be implemented relatively quickly because it does not require the City to start a transit agency from scratch.

The biggest risk to Unalaska is that service becomes too popular and service – along with costs – would need to scale up to meet demand or wait times would spike. This could potentially be managed by raising fares. Additionally, the service is less convenient for users without smart phones or credit cards, but most vendors offer a call center option for users without smart phones or data plans, and prepayment options could potentially be worked out with local stores for people without credit cards.

This arrangement has the potential to compete with existing taxi service and may cause resistance from the community or the local taxi businesses. However, there are options that could integrate the existing taxi companies into a microtransit solution. This could benefit drivers by offering a central dispatch system and more reliable income, and could streamline the experience for riders while subsidizing fares. These options will be considered more in depth in the upcoming **Microtransit and Fixed Route Operating Models** section.

The project team identified one microtransit provider, Via, that would be willing to bring microtransit to Unalaska, and its estimates are used for the operating cost and ridership assumptions listed in subsequent sections. Circuit, the provider for the City of Avalon, found it logistically infeasible to serve Unalaska. Other microtransit providers that were not contacted include RideCo, Transloc, and Spare.

Pros	Cons
• Removes barriers to access • Does not require additional paratransit • Easy and fast start-up process with minimal administrative burden or capital investment • Costs are predictable	• Does not scale well if ridership increases significantly • Wait times can be variable as demand fluctuates • Possible resistance from community or taxi drivers • Less convenient for non-smart phone users

Ridership Estimates

The project team used ridership from the 2018 transit pilot and peer agencies to compare and estimate riders per vehicle hour in Unalaska, shown in **Table 4**[5]. Riders per vehicle hour is a standard metric used in the industry to make apples-to-apples comparisons of productivity across systems with different service levels and sizes, and is averaged out over the year. A vehicle hour is one vehicle operating for one hour; three vehicles in service for 12 hours each is 36 vehicle hours.

Table 4: Riders per vehicle hour of peer agencies.

Agency	Service Model	Riders per Vehicle Hour[6]
Glacier Valley Transit (Girdwood)	Deviated fixed route	12
Key West Transit, Key West, FL	Fixed route	10
Unalaska (Jan 2018 pilot)	**Fixed route**	**6.3**
Ride Sitka	Fixed route	6
Unalaska (Via estimate)	**Microtransit**	**4.5**
Kodiak Area Transit System	Demand response	4
Unalaska (Aug 2018 pilot)	**Fixed route**	**3.7**
COAST (Avalon, CA)	Microtransit	3
Bethel Transit System	Fixed route	2

[5] Ketchikan was omitted from this list because staff there advised that the context was too different from Unalaska's to make a meaningful comparison.
[6] FTA, 2024 -b

Peer agencies ranged from two riders per vehicle hour (Bethel) to 12 (Glacier Valley Transit) in 2024, with fixed route services trending toward the higher end and microtransit and demand response services at the lower end (FTA, 2024 -b). Glacier Valley Transit may be an outlier because it has a ski area and is very tourism oriented. Via projected microtransit ridership in Unalaska at 4.5 riders per vehicle hour. The Unalaska transit pilots in January and August 2018, in contrast, served 6.3 and 3.7 riders per vehicle hour, respectively. This may be an overestimation because the pilots did not charge a fare; ridership is inversely correlated with fares (Zhang et al, 2022). On the other hand, the pilot had longer hours on weekends with very low ridership in earlier and later hours, and our proposed schedule is designed to focus on service hours when the highest ridership is expected.

Based on these estimates, we expect that transit in Unalaska would serve about 3.5 -6.5 riders per vehicle hour, as shown in **Table 5.** High estimates would correspond with the busiest fishing seasons with more seasonal workers, whereas low estimates would correspond with less busy times of year. Though these estimates are not specific to one service model, we expect that fixed route would also tend to have higher ridership than microtransit because it has greater capacity.

Based on projected service levels, the medium estimate would result in **190 riders** per weekday or about **52,800 riders** per year.

Table 5: Ridership Estimates

Metric	Low Estimate	Medium Estimate	High Estimate
Riders per vehicle hour	3.5	4.80	6.5
Riders per weekday	140	190	260
Riders per week	740	1010	1370
Riders per year	38,500	52,800	71,500

One opportunity to increase ridership in the future could be to partner with the Unalaska City School District to complete some school trips. This would require coordination over fare, funding, and rider expectations, among other issues. The survey results indicated that at least some community members are concerned about adults sharing rides with children in a transit environment (either for children's safety or adults' comfort), so this possibility should be explored with parents and schools first.

Recommended Service Model

Phased Approach

We recommend that Unalaska take a phased approach. First, we recommend that Unalaska implement **microtransit**. Of the four models described above, microtransit requires the least effort to

set up and carries the lowest initial risks and capital costs. Then, if demand increases and microtransit is no longer the most cost-efficient way to meet demand, Unalaska could pivot to **a deviated fixed route model** in the future. Given the time required to set up a deviated fixed route transit system, this process should begin before it is needed.

This phased approach carries the following benefits. First, it allows Unalaska to get up and running quickly with transit while taking the time needed to set up a fixed route system. Second, the data gleaned from microtransit could be useful in planning a deviated fixed-route system, if the City decides to pivot in the future. The City can ensure that the contract allows them rights to the origin-destination data generated from microtransit trips, providing an accurate and current picture of transit demand.

The following section explains how microtransit and deviated fixed route service could be operated in Unalaska.

Microtransit and Deviated Fixed Route Operating Models

An operating model refers to who takes ownership of what aspects of delivering transit service - putting buses on the ground. In order to bring microtransit to Unalaska, it must be decided how different aspects of operations will be handled. Different models require different levels of City involvement and afford the City more or less control over details. This section evaluates potential operating models for microtransit and fixed-route service in terms of rider experience, City staff involvement, and other key considerations. Different models also have different implications for funding, as described in **How Service Model Affects Funding.** Proposals obtained from specific vendors are included in **Appendix B: Quotes and Proposals.**

Microtransit Operating Models

As explained previously, microtransit is a technology-enabled form of demand-response transit that operates in a set service area. Rather than requiring reservations the day before like traditional demand-response service, riders typically request a ride through an app (as in **Figure 1**) or via phone and can get a ride within a few minutes. Routes are dynamically routed, and often shared, resulting in a user experience similar to Uber or Lyft's pooled ride options. The operating model can span a spectrum ranging from minimal City involvement to a high degree of involvement. While microtransit is typically operated by third-party providers who provide turnkey solutions, reducing the administrative burden on jurisdictions, it can also be operated in-house using dispatching software.

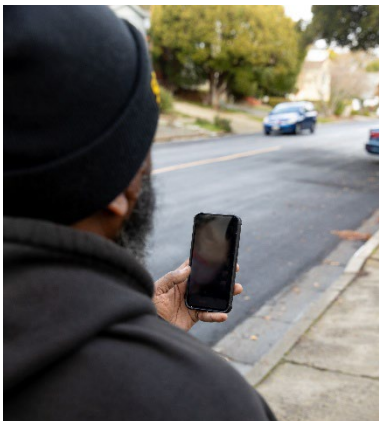


Figure 14: Passengers have the option to request microtransit rides through an app. Image: National Rural Transit Assistance Program

There are three key components that must be provided for a microtransit system to function: technology, vehicles, and drivers. Nearly all microtransit operators use dispatching technology developed in the private sector, as there is no need to re-invent the wheel. The

other two components can be owned and managed either publicly or privately. **Table 6** summarizes the main features of these different models. In **A Proposed Service Plan for Unalaska**, this report presented a proposed service plan using the turnkey service model, at the cost of about $910,000 per year, plus a $83,500 start-up cost. However, the table shows that various other models are possible and have different potential to integrate with taxi companies.

Table 6: Microtransit operating models

		Vehicles	
		Provided by City	Provided by Vendor
Drivers	Work for the City	**Maximum Control** • Ideal when there is an existing fleet and driving staff • Requires most involvement by City • Example: Wheels2U, Norwalk, CT	**Direct Employment** • Examples: many human services transportation programs
	Work for Vendor	**Partial Control (Model 1)** • Ideal when there are existing maintenance staff and facility • Can use grant funding to acquire vehicles • Example: DART Connect, Southern Delaware	**Turnkey Model (Model 2)** • Vendor manages everything as a prime contractor; least City involvement • Example: Arlington On-Demand, TX **City as Contractor (Model 3)** • Contract with vendors or taxi companies who provide technology, drivers and vehicles • Medium degree of City involvement • Examples: Kansas City Area Transportation Authority (past)

Three of these models, as indicated in the table, are further evaluated below, and their approximate costs are summarized in the table that follows. These models were chosen because they are the most appropriate for a city with no prior experience operating transit and no existing fleet or transit staff.

Model 1: Partial Control

What it Is:

Under this model, the City would contract a vendor who would hire drivers and dispatch them using their own software, but the City would provide the vehicles for the vendor to use and maintain. This model is used by the Delaware Transit Company to operate microtransit in a large, rural region of Delaware.

Advantages and Disadvantages:

An advantage to this model is that the City would be eligible for Federal Transit Administration (FTA) funds to purchase vehicles, whereas a vendor who purchases vehicles themselves would not. The City would also retain full control over the vehicles and could ensure they are accessible and optimized for the needs of riders with special needs, while avoiding responsibility for employing and training drivers. **Figure 2** shows how users can select special needs they have when signing up for the DART Connect service in Delaware. However, the City would also be fully responsible for procuring vehicles and shipping them to Unalaska. An estimate for shipping minivans through AML is included in **Appendix B**.

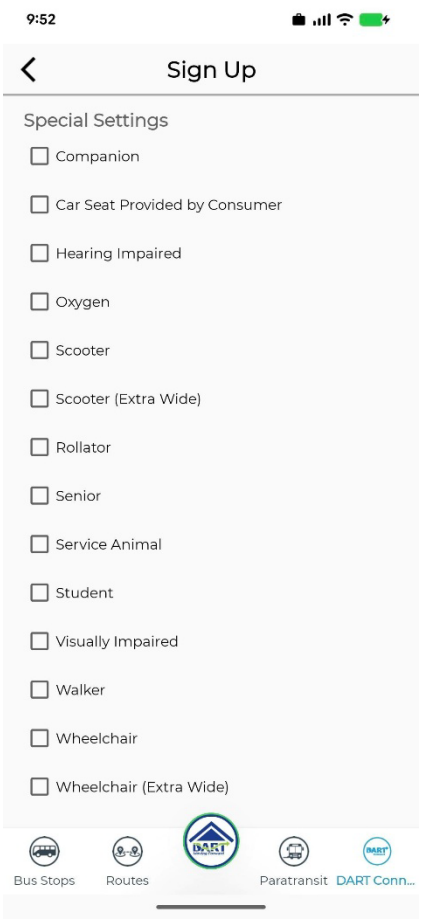


Figure 15: Users of DART Connect can indicate special needs when signing up.

What it Means for Unalaska:

This model is typically used by cities or transit agencies that have an existing fleet, which Unalaska does not. Purchasing fleet could make sense if the City intends to keep the vehicles for a while, because only about four vehicles are expected to be needed. However, there is a risk that the City chooses to transition to fixed-route service with larger vehicles sooner than expected and the microtransit vans would be costly to resell and transport off-island.

Potential to Integrate with Taxis

Under this model, dedicated drivers would drive City-owned vehicles to fulfill ride requests. However, one vendor noted that there is the potential to subcontract with taxis on the same software platform for overflow, such as during peak fishing season. With this arrangement, if a vendor cannot fulfill all requests with their own drivers and vehicles, they may send requests to taxi drivers active in the area and pay on a per-trip basis. Fares, insurance, and other considerations would need to be negotiated in advance.

Model 2: Turnkey solution

What it Is:

This is the most common model of microtransit in the United States and was thus explained in more detail in the **Service Model Comparison** section. Under this model, a third-party vendor plans and operates the service entirely, including hiring drivers, leasing and maintaining vehicles, dispatching rides, and fulfilling Americans with Disabilities Act (ADA) requirements for accessible vehicles, as shown in **Figure 15.**

Figure 16: A Via van in King County, WA loads a passenger in a wheelchair. Image: King County Metro

This could all be accomplished by one vendor, as Via does in Arlington, Texas. Alternatively, a prime contractor could use a subcontractor for certain items and operate as a team, which would result in a similar experience for the City. For example, the Iride Inglewood workforce transportation program in Los Angeles County is operated by RideCo, a technology company, who subcontracts with Circuit, a fleet managing company.

Advantages and Disadvantages

This model carries several advantages. Convenience is foremost: The requirements from City staff for this type of model are minimal (though not zero), as most administrative burden is handled by the vendor. Costs are also predictable because they are agreed to under contract with the provider. The tradeoff is that the City retains less control over the individual drivers, vehicles, and daily operations. In addition, if prices increase or the City wishes to change models or vendors, it may be more disruptive to customers because every aspect of the service would change. Finally, there is a risk that few, if any, vendors would bid on a RFP in Unalaska due to its remoteness and small size. Via provided an informal proposal and expressed interest, but other potential operators either did not respond to the project team's outreach or deemed it infeasible to serve Unalaska. Via's participation is also not guaranteed, and a lack of competition may give Unalaska less leverage in negotiations.

What it Means for Unalaska:

The City has expressed a desire to minimize staff time required to operate a transit system, and this solution accomplishes that goal best. Some staff time still needs to be accounted for, however, as described in **Implementation Considerations**. If desired, some of this work can be given to a consultant to manage under the City's brand, although in Unalaska, in-person monitoring will likely still need to be done by City staff.

While there are several turnkey microtransit operators throughout the country, Via was the only one who thus far has responded to inquiries and shown interest in serving Unalaska. However, there are many potential vendors who may be interested if they respond to the RFP as a team, as was described above with Iride in Inglewood, CA.

Potential to Integrate with Taxis

Microtransit operators using this model typically lease vehicles from a third party, but Via staff confirmed that it is possible to contract instead with local taxi companies if preferred. In this case, the vendor would treat drivers as independent contractors and pay them hourly just as they would if they hired new drivers. Unalaska's cost due to Via therefore would not change. Under this model, these drivers would have to choose whether to drive for Via, continue as private taxi drivers, or potentially split their time; in this regard, this model does not truly integrate with taxi companies but gives them opportunities for different or additional employment. Depending on what they earn currently, taxi drivers therefore may see this approach as less desirable and could potentially still see it as competition that undercuts their private operations.

Also, to meet ADA requirements, at least one accessible vehicle must be available to provide a similar level of service to passengers with disabilities as those without; this vehicle would need to be procured or leased separately if the existing taxi fleet is not ADA accessible.

Given these challenges, integrating taxis with the turnkey operating model is not recommended.

Model 3: City as Operator/Subsidized Taxi Rides

What it Is:

In this model, the City directly hires contractors who provide vehicles, drivers, and technology, managing the contracts themselves individually rather than delegating this task to a turnkey provider. This can take various forms, but the form that is most compatible with existing taxi companies would be to acquire technology that provides a central dispatching system for shared rides that taxi drivers can opt into as independent contractors, allowing them to accept riders on pooled trips subsidized by the City. There are many providers of this type of technology, such as QRyde, RideCo, and SHARE mobility. To ensure a minimum availability of vehicles during service hours, at least some drivers should be paid hourly and dedicated exclusively to microtransit. Others may accept rides on a per-trip basis as overflow, and continue accepting private, unsubsidized rides otherwise. This approach could help to manage fluctuations in demand driven by seasonal employment. From the rider perspective,

this could be set up to feel similar to a ride-hailing app like Uber or Lyft, where they can choose either a shared (subsidized) or private (unsubsidized) ride from one app.

The Kansas City Area Transportation Authority (KCATA) previously used this approach to power its on-demand service, RideKC Freedom On Demand (P. Comer, personal communication, February 24, 2026). The service provided a $5 discount off cab rides to seniors and riders with disabilities on trips within a three-county bi-state service area; the general public could also use the platform to call a taxi and pay full fare. The city hired a contractor, zTrip, to manage the service. zTrip in turn subcontracted with RideCo to provide the dispatching software. Drivers were originally independent contractors who could intermingle the KCATA trip with their own private trips and drove their own vehicles. Since its inception, KCATA has shifted its model and their contractor now provides the vehicles and subcontracts with drivers who work set shifts, but the customer experience and subsidy are similar.

Advantages and Disadvantages

This model provides the most likely opportunity to incorporate an existing taxi fleet and drivers. The ability to call in additional overflow capacity during times of peak demand can help improve reliability for riders. Costs are directly related to ridership, which can fluctuate but can make planning easier once a baseline ridership estimate is established. Customers may also prefer this option because it is the most similar to their current rider experience and provides door-to-door service. It would bring them added convenience of being able to use one app to request either a private or shared ride, rather than calling individual taxi companies directly. Lastly, this app could potentially be made available to private taxi users as well, facilitating taxi operations and fare payment while saving time spent dispatching. If this is the case, taxi companies may be willing to contribute to the platform cost. However, the project team has not engaged any taxi companies in this idea.

Despite the benefits, this model has significant complications for the City. The City would need to provide staffing for a call center or subcontract with a taxi provider to accept subsidized rides by phone. Because vehicles would be privately owned by taxi operators, they would not be branded as Unalaska transit vehicles, which would miss a key marketing opportunity and may confuse riders. Financial considerations abound as well. A fare and payment structure would need to be decided upon to take advantage of the efficiencies of shared rides while incentivizing drivers to participate. It would be more difficult to predict operational costs if the overflow model is used; it would be wise to set a not-to-exceed budget amount for this service. There will also be fewer, if any, state or federal grants available for this type of service. Finally, the City would still need to ensure that ADA-accessible vehicles are provided, which most existing taxis likely are not.

What it Means for Unalaska:

The City would take on a more active role in this model to ensure a safe and quality rider experience. Responsibilities include monitoring rider wait time and vehicle availability to see if demand is being met, particularly during periods when demand surges and overflow drivers may be tapped. City staff would also need to handle rider complaints, monitor driver attendance and performance, provide communications to riders during extenuating circumstances, and ensure the safety of both drivers and vehicles. This could include maintenance checks, training, and drug and alcohol testing; in addition, if

separate paratransit service is not provided, drivers need additional training for assisting passengers with disabilities (National Center for Applied Transit Technology, 2023). Finally, while some technology platforms offer AI-driven automated call centers, the City may wish to provide human support as a backup to encourage riders less comfortable with technology to participate.

Costs to the City would depend on how much of the taxi ride the City decides to subsidize. The City could choose to offer a flat subsidy, as KCATA did, which keeps the cost per ride stable for the City but makes them vary by demand for the customer. Alternatively, the City could offer all taxi rides within the service area at a flat fee for customers, such as $4 per ride, and make up the difference in subsidies, leading to variable costs per ride for the city.

This model can take other forms as well. The city could instead contract with the senior center or school district to provide vehicles and/or drivers, or with another transportation company. A senior center would be eligible for Section 5310 transit funds, designated for programs that serve seniors, rather than Section 5311 transit funds, which supports general transportation in rural areas.

Models Not Evaluated

As shown previously in **Table 6,** some public agencies deliver microtransit by hiring drivers directly as agency employees. This approach is not recommended for Unalaska, because ongoing staff time is required to hire, train, and manage these employees, and the City has little experience employing transit drivers. If separate paratransit service is not provided, drivers need additional training for assisting passengers with disabilities (National Center for Applied Transit Technology, 2023). This would result in operating costs and staff time that may be difficult to accurately estimate in advance. An additional challenge is that more of the burden of on-call staff coverage would shift onto the City. Finally, public employees may command higher salaries and be subject to more rules such as minimum shift lengths and increasing labor costs.

Recommended Microtransit Operating Model

The best way forward for Unalaska's microtransit service depends on the City's priorities. If the most important consideration is an easy-to-implement service that minimizes City staff involvement and financial risk and can get on the ground quickly, **Model 2 - Turnkey** is the best solution. With this option, a vendor will handle most aspects of service implementation, though City staff will need to provide support in the ways discussed.

If the most important consideration is that taxis be integrated in order to gain political and public support, and to save on costs, **Model 3 – City as Operator** should be considered. This model requires more City involvement to set up and operate but would be a rather smooth transition for customers and would likely reduce most community resistance to transit, as expressed in the survey results. However, the financial implications are less certain because costs are highly dependent on how the service is used, which may be different than how a bus would be used. While taxis are not true public transit, they can accomplish the same goal of improving mobility in Unalaska.

Both options require some upfront costs, but neither is a permanent arrangement, and the model can be shifted later if the City's priorities shift or outcomes are not as expected.

Challenges and Risks

As mentioned previously, the primary risk to the customer experience with any microtransit model is that higher than expected demand leads to degradation of service. For the City, there are fewer risks to turnkey microtransit than fixed route transit or subsidized taxis because costs are agreed to in advance for the initial contract term. However, the lack of competition among providers willing to serve Unalaska could lead to cost increases in the future and give the City less leverage unless terms are agreed to that limit cost increases year over year. Additionally, providers could go out of business or decide not to renew contracts, leading to a gap in service if another solution cannot be found quickly enough. This risk could be mitigated by requiring potential operators to provide information on how long they have been in business, what type of funding they receive (including venture capital funding), and how the contract would be affected if they decided to shut down.

Deviated Fixed-Route Operating Models

Deviated fixed-route transit delivery offers two fundamental options: the City operates the service directly, or it contracts with a private operator to run service on its behalf. Unlike microtransit, where technology platform selection and taxi integration create a more complex set of models, fixed-route and deviated fixed-route service have a well-established contracting structure and a deeper pool of potential operators. This section explores the two primary operating models for deviated fixed route service. Fixed route service is also mentioned because it is more common among peer agencies, but the operating model is the same.

Direct Operation

Under this model, the City employs drivers directly and owns and maintains the vehicles. This approach gives the City maximum control over service quality, scheduling, and labor standards, but requires the most internal capacity to sustain.

As with microtransit, direct operation of deviated fixed-route transit tends to make the most sense when an agency already has vehicles, drivers, and maintenance infrastructure in place. In the Bozeman, Montana area, the demand-responsive service was directly operated from the outset because the Human Resource Development Council already had buses and drivers in place from its legacy senior transportation program. The capital and staffing groundwork had already been laid, making direct operation a natural fit. Unalaska does not have comparable existing assets, which makes this model a heavier lift as a starting point for fixed-route service.

Contracted Operation

Under this model, the City contracts with a private company to hire and manage drivers, maintain vehicles, and handle day-to-day operations, while the City retains oversight and accountability for the service. Contracts are most commonly structured as a fixed fee per revenue hour or mile, which gives the City predictable costs and a clear basis for performance monitoring.

A practical place to identify potential operators is among companies already providing bus service in or near the area. Because they already have vehicles, licensed drivers, and local operating experience, companies providing charter or school bus service in the region are practical starting points for identifying potential operators. If no such operators are active in Unalaska, a search should extend to mainland Alaska. National transit management firms also compete for these contracts and have the systems and experience to stand up a new service relatively quickly.

When fixed-route transit launched in Bozeman approximately 20 years ago, the first contract was awarded to a national transit management firm; the second contract cycle was won by a regional charter bus company. This experience illustrates that both types of operators are viable candidates and that the contracting model can be sustained over multiple contract cycles as local capacity develops.

Recommended Fixed Route Operating Model

As with microtransit, the difference between deviated fixed route operating models is a matter of how much control the City wants to exert as well as how much time it has to dedicate to managing the transit system. if the City wishes to minimize the administrative burden of hiring drivers, maintaining vehicles, and planning service, then contracted operation is the best fit as an operating model.

A Proposed Service Plan for Unalaska

This section synthesizes the results from the survey, peer research, and local knowledge of Unalaska to outline a service model and plan for Unalaska. It explains the proposed service model, provides a schedule and map, and explains some key challenges and risks associated with the plan.

Finding a Microtransit Provider

As discussed in the **Microtransit and Fixed Route Operating Models** section, Unalaska will find it most convenient to hire a turnkey microtransit operator. This can be done by issuing a Request for Proposals (RFP).

The team spoke with representatives from Via to assess feasibility of microtransit in Unalaska and estimate ridership and costs. While the selected vendor may have different costs, Via's estimate provides a high-level estimate of the costs associated with bringing microtransit to Unalaska.

The following sections explain how microtransit could work in Unalaska, using Via's proposal as a model, but these considerations would also apply if the City opts for any other vendor, or Operating Model 3. This study does not advocate for a particular operator and acknowledges that an operator would need to be competitively procured. A fixed route service plan is detailed in **Appendix A: Fixed Route Service Plan.**

Service Plan

Service Area

A proposed service area for microtransit is shown in **Figure 17,** representing the airport in the north and Ounalashka Community Park and Offshore Systems Inc. in the south. This service area represents a ½ mile radius around the major through-roads in town: Airport Beach Road, Captains Bay Road, and Broadway. It includes many residential and commercial neighborhoods including the Valley, Lake, Westward, Alyeska, Downtown, Standard Oil Hill, the Amaknak Retail District, and Unisea. We do not recommend serving Ballyhoo Road to the City Dock initially, because cruise ship and AMHS ferry arrivals have been too infrequent and inconsistent in recent years to justify the expense. Those areas would be better served by taxis or charter services. However, if cruise ship volumes increase, this may be justified in the future and would be easy to change. From 2023-2024, Unalaska saw an 80% increase in arriving cruise ship tourists, the highest in the state. However, volumes remain low so future growth is uncertain.

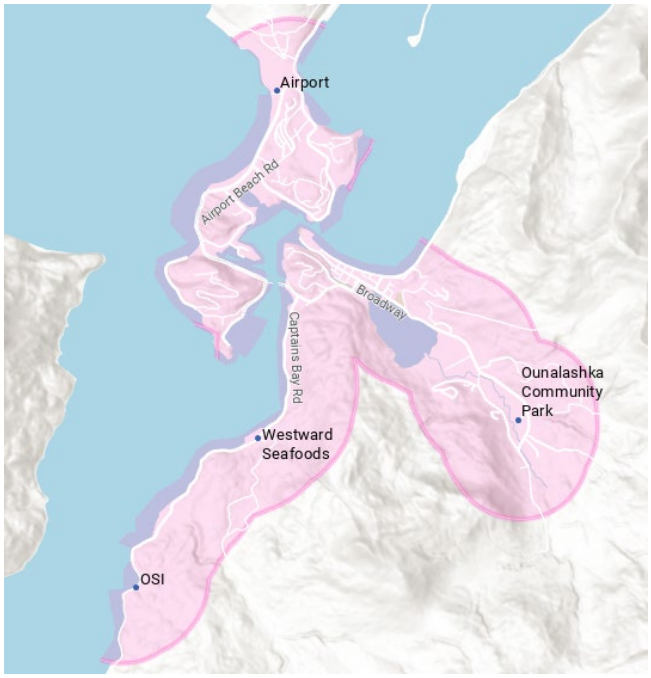


Figure 17: The proposed service area for Unalaska microtransit

Schedule

To attract riders, it is important that service not only goes where people want to go, but also that it is offered when they want to travel. In the survey, respondents were most interested in service between 6:00 AM and 7:00 PM on weekdays. The Replica Places model estimates that 80% of weekday trips within Unalaska begin between these hours (Replica Places, 2025), and management at Unisea confirmed that 12-hour shifts turn over between 6:00 AM and 7:00 AM and again from 6:00 PM and 7:00 PM, with Westward on a similar schedule. K-12 students also primarily travel within these hours. Ride Sitka and KATS terminate service around 7 PM, as do many other rural agencies. While offering service beyond 7:00 PM would give people more flexibility, it is not likely to be as valuable in Unalaska, where there are fewer options for evening activities. Thus, we recommend starting with a Monday - Friday span of service from approximately 6:00 AM to 7:30 PM, which can always be expanded later if demand and resources exist, potentially one night per week to start. For example, if a significant number of Unisea workers who end shifts at 7:00 PM want to visit the PCR, they would need a way to get home later in the evening.

For weekend travel, survey respondents showed strong interest in afternoon service, with less interest earlier in the morning. A good starting point is Sunday service from noon to 5 PM and Saturday service from 7:00 AM to 7:00 PM, which captures 71% of trips on a typical Saturday as modeled in Replica Places. Though this level of service is less than most transit systems in larger cities, it is fairly common in smaller cities. KATS operates only from 10:00 AM -3:00 PM on weekends, while Ride Sitka does not operate any weekend service.

The recommended hours of operation for Unalaska are summarized in **Table 7.**

Table 7: Proposed hours of operation

Main Route	Weekday	Saturday	Sunday
Span of service	6:00 AM – 7:30 PM	7:00 AM – 7:00 PM	Noon – 5:00 PM

Headways (frequencies) are not relevant to a microtransit service plan, because transit is designed to arrive on-demand rather than on a fixed schedule. However, waiting times are an important part of the customer experience. For service in Unalaska, Via estimates a typical wait during the peak period of 6-9 minutes. This should be monitored to determine if demand or supply should be managed.

Estimated Operating Costs

Operating Costs

Compared to fixed route transit, the costs of microtransit are typically easier to anticipate and plan for when they are charged by a third-party vendor with an all-inclusive cost structure and held under contract, renewed annually. Costs will typically be divided into two categories. **One-time upfront costs** include vehicle shipping and retrofitting, technology installation, in-vehicle hardware, and

branded vehicle wraps. These costs are estimated in the **Capital or other Fixed Costs** section. **Operational costs** are those associated with running the system and are charged annually, such as staffing, maintenance, operations, and insurance.

The expected operational costs for service under each model are shown in **Table 8.** Model 2 estimates, which are based off of the actual proposal from a potential vendor, should be viewed as a ceiling of potential costs since an RFP could find another vendor who is able to serve the area more efficiently.

Table 8: Proposed Costs

Model	Operational Costs (Annual)	City Administrative Costs (Annual)
Model 1 (Partial control)	$780,000 – 810,000	$100,000
Model 2 (Turnkey)	$910,000[7]	$50,000
Model 3 (Taxis)	$560,000 – 1.02 million	$100,000

Operational Cost Considerations (Microtransit)

- **Service levels:** All operations cost estimates are based on the proposed service plan detailed in the **A Proposed Service Plan for Unalaska** section, which included up to three vehicles in service at a time.
- **Staff time**: Estimates for staff time for Model 2 are based off of conversations with other agencies who estimated that a part-time staff member would suffice. Estimates for Models 1 and 3 are very rough because fewer peers are available, but are based off of the assumption that more staff time would be required than under Model 2.
- **Drivers**: This estimate assumes that drivers are paid similar wages as Unalaska staff, though they would not be employed by the City. With 84 service hours per week and three vehicles in service most of the time, an estimated 6.5 FTE staff would be needed.
- **Taxi Subsidy**: The Model 3 estimate assumes that taxi fares cover all operational expenses and is based on actual 2025 taxi fares regulated by the Unalaska City Council Resolution 2025-06. It is assumed that the City pays the full fare minus a $4 fare paid by the rider. The range is based on high and low ridership estimates of 38,500 and 71,500 trips per year at an average of 3.5 miles and $17 each; If trips are pooled or fares are negotiated with cab companies, this number would decrease.

[7] Based on the proposal from Via.

- **Insurance**: Assumes $1000 per microtransit van for insurance based on a quote from the Unalaska Risk Manager (Debbie Hanson-Zueger, personal communication, March 3, 2026). For taxi subsidies, we assume that seven taxis would be ensured at a similar rate.
- **Fuel costs:** Based on average cost per vehicle hour among select vanpool agencies in CA, OR, and WA, states that have similar gas prices to Alaska.

Fare Revenue

Riders' willingness to pay a fare is difficult to gauge through a survey, because stated preference often differs significantly from revealed preference, or actual behavior. Therefore, the 2025 survey did not ask riders about fare. However, the 2018 transit study found that surveyed riders said they were willing to pay anywhere from $0-10 for a fare and recommended $2-4 per person. Ride Sitka, The Bus in Ketchikan, Key West Transit, and COAST in Avalon, CA all charge $2 fares, while Glacier Valley Transit is free but accepts donations. Many agencies that do charge fares give discounts for seniors or low-income residents.

However, given the high need in Unalaska and the high cost of taxis, riders may be willing to pay more, especially given recent inflation and the higher cost of living there. If we assume a fare of $4 per person, with no discounts, expected annual fare revenues based on projected ridership would be as shown in **Table 9**.

Table 9: Projected fare revenues

Low Estimate	Medium Estimate	High Estimate
$154,000	$211,200	$286,000

While the revenue that fares provide can be substantial, there are drawbacks as well. Charging any type of fare is a barrier to ridership for people unfamiliar with the system and how to pay, or who do not carry cash. While microtransit could potentially collect fares through the app, provisions would still need to be made for people without access to credit cards or smartphones. Additionally, the City would need to manage fare revenue, which can be particularly time-consuming if cash is involved and may not be worth the amount earned.

There are a number of systems that do not charge a fare in order to maximize ridership and minimize administrative costs. In Alaska, this includes Glacier Valley Transit, the Ketchikan Indian Community, and the Native Village of Unalakleet. If Unalaska can find ways to replace that revenue, this is an option that should be considered to increase access and encourage ridership.

Capital or other Fixed Costs

How Service Model Affects Capital Needs

This section provides cost estimates for capital, or fixed costs. Fixed costs are one-time costs that apply regardless of how much service is offered and typically must be paid before service can begin. This study recommended a phased approach of microtransit as an initial service, with potential transition to deviated fixed-route service if demand grows. Both models potentially require the same five categories of capital investment: revenue vehicles; stops, shelters, and passenger amenities; vehicle storage and maintenance; transit centers or mobility hubs; and pedestrian access to transit. The type of asset needed, the scale of investment, and the urgency of each category differ between them. Some microtransit models can avoid certain types of capital investment entirely by assigning the responsibility to a vendor, as with maintenance facilities. The vendor may have access to their own maintenance solution and would charge the city for its use as part of operational costs.

Microtransit uses vans or minivans dispatched dynamically in response to rider requests, so it is assumed that riders do not need to spend as much time waiting outside. Therefore, stops are not fixed, and the immediate need for passenger amenities like shelters is lower, although some higher-use or weather-exposed locations may warrant early investment. Deviated fixed-route or fixed-route service follows a defined route and schedule with designated stops, creating a clearer case for stop amenities from the outset and requiring larger cutaway buses rather than vans. This analysis assumes that stop amenities are provided only along the fixed route portion of a deviated fixed route system; for deviations, which could pick up anywhere in the zone, it is not feasible to provide stops.

Vehicle storage and maintenance are requirements under both service models. The service model does not change that need; what varies is how it is arranged, who is responsible for it, and whether the City makes an investment into its own facility or rents space via a vendor for another facility.

In addition to service model, the ownership and delivery model chosen by the City will affect how capital costs appear in the budget and what share of costs is eligible for federal funding. The next section describes the five key categories of capital investment and their financial implications.

Types of Capital Investment

Revenue Vehicles

The vehicle type required depends on the service model. Microtransit operates most efficiently with vans or minivans, which are smaller, lower-cost vehicles suited to dynamic routing and frequent stops in a compact service area. Deviated fixed-route service requires cutaway buses, which offer greater passenger capacity, are purpose-built for transit operations, and must meet ADA accessibility requirements as a vehicle specification rather than as an add-on. A cutaway bus is shown in **Figure 5**.

Both vehicle types are available new or used. New vehicles carry higher unit costs but typically include warranties and better lifecycle predictability. Used cutaway buses are common among Alaska systems

Figure 18: Cutaway bus. Image: National Rural Transit Assistance Program

due to lower acquisition costs, though remote location adds complexity to delivery, maintenance and parts availability.

In either service model, vehicles may be City-owned capital assets or provided by a contracted vendor and paid for as part of the operating cost. This distinction has significant financial implications.

Stops, Shelters, and Passenger Amenities

Passenger amenities range from minimal to substantial depending on location, use level, and service model. Three tiers of investment are relevant for Unalaska:

Signs are the minimum investment at every boarding location. A basic bus stop sign establishes the stop identity, supports wayfinding, and is required at all designated stops for fixed-route transit. Unit costs are low, particularly if fabricated through an existing public works or DOT sign shop.

Figure 19: A bus shelter in Ketchikan. Image: Bryan Costales, Creative Commons

Benches represent a middle tier of investment, appropriate at stops with regular use where passengers may wait. Not every stop requires a bench, and deployment can be phased as ridership patterns become clearer.

Shelters, as shown in **Figure 6**, are the highest investment and most appropriate at stops with consistent ridership, longer wait times, or significant weather exposure. Unalaska's climate makes weather protection a meaningful consideration at select locations. Deviated fixed-route service, with its defined stop locations, creates a clearer basis for shelter investment from the outset. Under microtransit, shelter needs are more limited and can be addressed incrementally at higher-use locations.

Vehicle Storage and Maintenance

Vehicle storage and maintenance are requirements under either service model. The service model does not change that need; what varies is how storage and maintenance are arranged and who is responsible for the associated costs.

A dedicated City-owned transit garage is not required to initiate service. The City previously evaluated construction of a large-vehicle storage facility and developed an estimate of approximately $4 million (2021 dollars) for a 5,000-square-foot unheated storage building (Cameron Dean, personal communication, January 30, 2026). Given the scale of that investment relative to a small startup system, the recommended approach avoids new facility construction and instead prioritizes use of existing City or shared facilities, or contracted maintenance arrangements.

Transit Center / Mobility Hub

A formal transit center or mobility hub is not assumed for startup operations under either service model. A small system can function effectively with clearly identified boarding locations, limited transfer activity, and use of existing civic or commercial spaces where appropriate.

If transit service grows and transfer activity increases, a modest facility investment may become warranted. Any such investment would be optional, scalable, and could be phased incrementally rather than programmed upfront.

Pedestrian Access to Transit

Federal accessibility standards require that new or altered transit stops in the public right-of-way include accessible connections to existing pedestrian circulation paths, consistent with the Public Right-of-Way Accessibility Guidelines. This does not require construction of a comprehensive sidewalk network, but it does mean that pedestrian access improvements must be considered when stops are established or modified.

In Unalaska, roadway and transit responsibilities are currently held by the same entity, which allows pedestrian access improvements to be coordinated with transit investments rather than treated as separate obligations. Improvements are location-specific and conditional, and may include short sidewalk segments, curb ramps, or paved access paths at select stops.

The minimum physical requirements vary by site conditions. At all stops, the boarding pad must be a firm, stable surface measuring at least 8 feet deep by 5 feet wide, graded to a maximum 1:48 slope, with a direct connection to the roadway edge (U.S. Access Board, 2023). Where an existing sidewalk or pedestrian path is present at or immediately adjacent to the stop location, the boarding pad must connect to it. Where no pedestrian infrastructure exists, PROWAG requires an accessible connection to the street.[8] This is typically accomplished by building a sidewalk to the nearest corner with a ramp at the corner. However, the application of this standard in truly undeveloped locations is ambiguous. The City may wish to consult with peer transit agencies in Alaska to understand how this is applied in practice.

[8] Now enforceable as DOT regulatory standard as of January 17, 2025

No systemwide cost estimate is provided for this category. Costs are best addressed on a location-by-location basis as stop locations are finalized.

How Service Model Affects Funding

The five capital categories described previously represent real costs that must be covered under any service model. What varies is how those costs appear in the budget, and that depends on the ownership and delivery model the City chooses. The distinction between capital and operating costs has direct implications for federal funding.

Capital vs. Operating Cost Classification

When the City owns vehicles or facilities directly, those costs are classified as capital expenditures. When the same assets are provided by a contracted vendor as part of a turnkey service agreement, their cost is embedded in the contract price and treated as an operating expense. The physical assets are the same; the financial classification is not.

A city may also purchase vehicles with capital funds and make them available to a contracted vendor to operate. This arrangement, used by several transit agencies nationally, preserves the capital classification of the vehicle's purchase while still allowing a vendor to handle operations. Vendor-owned vehicles provided as part of a turnkey contract do not qualify for federal funding.

Passenger amenities (signs, benches, and shelters) are capital expenditures regardless of the operating model, because they are fixed assets owned by the city whether or not a vendor operates the service. All three amenity types therefore qualify for Alaska's sliding scale match rate under Section 5311, as described below.

FTA Match Rates and the Alaska Sliding Scale

FTA grant programs for capital projects always require the requesting agency to provide some amount of local match. Local match requirements vary depending on cost classification, and Alaska communities benefit from a sliding scale that significantly improves the national baseline rates.

Under the standard national rates for Section 5311, capital projects require an 80% federal / 20% local match, and operating costs require a 50% federal / 50% local match. Alaska qualifies for a federal lands sliding scale under 23 U.S.C. 120(b)(1), which increases the federal share based on the proportion of federal and Indian lands in the state. For Unalaska, this yields approximately 94% federal / 6% local for capital, and approximately 57% federal / 43% local for operating (FTA, 2024 -a).

Formula Section 5311 capital grants generally offer better match rates for Alaska communities than competitive Section 5339 grants, which carry the standard 80/20 rate rather than the sliding scale. If the Qawalangin Tribe were to serve as the applicant rather than the City, Tribal Transit Program grants under Section 5311(c) carry no local match requirement at all.

Alaska receives an annual formula apportionment of Section 5311 funds, and the sliding scale rates described above represent the maximum federal share available. The actual availability of funds in

any given year depends on Alaska DOT & PF's current apportionment and state match capacity. The City should confirm current funding availability and match requirements directly with Alaska Community Transit before programming specific projects. (Federal Transit Administration, n.d.)

The Ownership Decision Is a Financing Decision

The difference in match rates between capital and operating costs is substantial and should be considered explicitly when evaluating operating models.

The primary way that the decision of a operating model will impact cost classification is the decision of who purchases and owns vehicles. If the City purchases and owns vehicles, that purchase qualifies for the FTA capital match rate. On a $500,000 fleet purchase, the local contribution would be approximately $45,000 under the Alaska sliding scale capital rate. If the same vehicles are provided by a turnkey vendor and their cost is embedded in the operating contract, the vehicle purchase is not eligible for the FTA capital match rate. The local share of that equivalent cost then rises to approximately $215,000[9]. The vendor model offers real administrative advantages, but those advantages carry a measurable cost in local funding burden.

Passenger amenities are always classified as capital and always qualify for the sliding scale rate, regardless of how service is delivered. For a $100,000 shelter installation, the local contribution under the Alaska sliding scale is approximately $9,000, compared to $20,000 at the standard federal rate. Further detail on cost methodology and assumptions is provided in the Appendix.

Cost Estimates and Assumptions

This section provides capital cost estimates for both microtransit and fixed-route service. Key assumptions and considerations for cost estimates are provided below.

- **Maintenance facility**: If the City opts to maintain its own vehicles, a maintenance facility will be required. We recommend that the City require a vendor to maintain vehicles if possible. This analysis assumes that the City does not build a maintenance facility.
- **Vehicles**: For microtransit, this estimate assumes that the City purchases four vans, allowing for three in-service vehicles at a time plus one spare. Vehicles are assumed to be wheelchair accessible.
- **Vehicle shipping and other Unalaska factors:** If the City purchases its own vehicles, they will need to be shipped to Unalaska. This estimate assumes four vans or cutaway buses are shipped from Seattle; actual costs will vary if shipped from another location. A quote from Alaska Marine Lines is provided in the **Appendix**. Cost estimates for microtransit include an Unalaska line item incorporating marine transport by barge ($5,000–$6,250 per van), cold-

[9] This estimate assumes that the ultimate cost to Unalaska for vehicle procurement is about the same whether the City purchases vehicles directly or pays a contractor to lease vehicles as an operating expense. In reality, vendors do not typically break out costs by expense type.

weather package ($1,500–$3,500 per van), and corrosion protection ($500–$1,500 per van). For cutaway buses, these ranges increase to $8,000-$13,000 for transport; $5,000-$12,000 for a cold-weather package, and$1,500-$4,000 for corrosion protection. These are not reflected in the vehicle purchase prices derived from the American Public Transportation Association (APTA) vehicle database.

- **Vehicle purchase prices:** This estimate is based on Washington State data from the APTA 2025 Vehicle Database, used as the nearest available proxy for Alaska pricing; this is likely the most applicable comparison due to existing shipping routes. Used cutaway buses are a common alternative among Alaska systems, typically 5–10 years old with 100,000–200,000 miles.
- **Shelter unit costs** are based on a component build-up methodology adjusted for Unalaska-specific conditions including barge freight, foundation requirements, and contractor mobilization. Shelters are not required, but a limited number of shelters at key locations, such as transfer points for fixed-route service, may improve rider experience. Shelters would also ease the transition to fixed-route service, when shelters will be essential to attracting and retaining riders. Signs are similarly recommended but not required initially.
- **Sidewalks and curb cuts:** Sidewalks will be necessary when fixed-route transit is implemented and will help to improve access even for microtransit; however, sidewalk construction costs are not estimated as part of this study.
- **Software**: The low value is based on a proposal from RideCo, a software vendor, which is a fixed cost. The high value based on a proposal from QRyde, which proposes charging per ride (53,000 trips per year at $1.50 per ride). Both proposals are provided in the Appendix.

Microtransit Capital and Fixed Costs

Microtransit capital costs are generally low, because there are no set bus stops required, although they may enhance the customer experience. Different operating models vary in terms of which types of costs are incurred as fixed costs versus operating costs. Capital costs associated with any model include in-vehicle hardware and software. The costs of vehicles, on the other hand, can be either fixed costs or incorporated into operating expenses based on the operating model. The City may pay these costs directly or indirectly through a vendor, but ultimately the City will incur a cost for them one way or another.

Other costs only apply to certain operating models. Vehicle purchase and shipping, for example, applies to Models 1 and 2 but under Model 3 (subsidized taxis), individual taxi operators would absorb these costs and pass them on in the form of operating costs. A maintenance facility, for example, would be required under Model 1 (Partial control), but under Models 2 and 3, this responsibility falls to other entities and so costs are typically passed on as operating costs because access to maintenance facilities is rented. Cost estimates provided below therefore have larger ranges for Model 3 (City as Operator), because those costs are more responsive to ridership levels. **Table 11** summarizes microtransit costs by operating model. Potential grant awards are also provided based on the service

model; these are for planning purposes only and do not guarantee that Unalaska would be eligible for or receive a grant.

As shown in **Table 11**, capital costs for Models 1 and 3 vary significantly due to many unknowns and decisions about software, vehicles, and taxi operations. Each has the potential to be more or less expensive than Model 2, which is the most predictable because costs would be agreed to ahead of time with a single vendor. Model 3, overall, would likely be the least expensive in terms of both capital and operational costs, but these estimates are highly dependent on ridership and therefore less reliable.

Table 10: Planning-Level Capital Cost Estimate — Microtransit | Approximate 2026 Dollars

	Model 1 Partial Control	Model 2 Turnkey[10]	Model 3 Taxis/City as Operator
Essential Capital and One-Time Costs			
Microtransit vans (4)	$393,000 - $720,000	$83,500	n/a
Unalaska factors	$28,600 – $46,000		n/a
In-vehicle Hardware (tablet mount, etc.)	$1,020		$1,020
Software Installation and Deployment	$20,500 -$ 66,500		$20,500 -$ 66,500
Vehicle branding[11]	$18,400		n/a
Total Essential Capital Costs (Est.)	**$460,000 - $852,000**	**$83,500**	**$21,500 - $67,500**
Suggested Capital Costs			
Signs and shelters[12]	$269,000 - $576,000	$269,000 - $576,000	$269,000 - $576,000
Total Essential and Suggested Capital Costs (Est).	**$809,000 – $1.6 million**	**$353,000 - $660,000**	**$290,500 - $643,500**
Costs Potentially Eligible for Grants			
Vans, Unalaska factors, signs and shelters	$648,000 - $1.2 million	$252,000 - $541,000	$252,000 - $541,000
Total Essential and Suggested Costs after Grants (Est.)	**$161,000 - $400,000**	**$101,000 - $119,000**	**$38,500 - $102,500**
Operating Costs (Est).	**$880,000 - $910,000**	**$960,000**	**$660,000 - $1.12 million**

[10] Based on the Via proposal, provided in the appendix.
[11] Heaps, 2025.
[12] Not required initially but recommended in limited locations. This estimate assumes four locations.

Fixed-Route Capital Costs

Fixed-route service requires greater upfront capital investment than microtransit, primarily because designated stop locations create a clear case for passenger amenities from the outset, and because cutaway buses carry higher unit costs than the vans used for microtransit. Unlike microtransit, where capital costs shift substantially depending on the operating model chosen, fixed-route capital costs do not vary greatly between direct operation and contracted operation. **Table 12** presents planning-level capital cost estimates for vehicles and stop amenities (APTA, 2025). Vehicle storage and maintenance, a transit center, and sidewalk improvements are excluded from the totals; costs for these categories depend on site-specific conditions and delivery decisions not yet made.

Table 11. Planning-Level Capital Cost Estimate — Deviated Fixed | Approximate 2026 Dollars

Item	Cost
Cutaway buses (4)	$606,000 – $887,000
Unalaska factors	$86,000 - $217,000
Signs (20)	$6,100 - $17,400
Benches (5)	$12,300 - $30,700
Shelters (10)	$670,000 - $1.4 million
Total Capital Costs	**$1.33 million - $2.46 million**

Benefits

Travel Time and Mobility

The main benefit of introducing transit to Unalaska is improving the transportation options and quality of life for people living, working, and visiting there, particularly those who cannot or choose not to drive. Young people, seniors, and seasonal workers without vehicles will primarily benefit from improved mobility and freedom, as will full-time residents with unreliable vehicles.

Compared with walking or biking, transit will offer travel time savings for most trips over about a half a mile (walking) or two miles (biking), once waiting times are accounted for. Compared to those modes it will also provide a more comfortable and safer trip during extreme weather or after dark. **Table 10** summarizes anticipated travel times between common destinations. Because congestion is typically light in Unalaska, we do not expect transit to offer travel time savings compared to driving.

Table 12: Estimated travel times by mode

From	To	Distance	Transit [1]	Walk	Bike
Ounalashka Community Park	Safeway	3.9 miles	18 mins	86 mins	21 mins
Grand Aleutian Hotel	Airport	1 mile	12 mins	22 mins	5 mins
Westward Seafoods	PCR	2.7 miles	15 mins	59 mins	14 mins
[1] Includes median wait time of 8 minutes					

Economic Activity

In addition, people who become newly economically active as a result of improved transportation options may spend money that will contribute to Unalaska's economy, but the effect will likely be limited. The 2018 transit study estimated that an estimated 1643 newly economically active people per day would spend a daily average of $29 each on entertainment, apparel, or dining out, based on US national averages and an assumption that 25% of the car-free population would become economically active. This led to an estimate of $1400 per day in increased sales tax revenue.

Unfortunately, this is likely an overestimate for Unalaska for several reasons. First, a large portion of the expected rider population is seasonal workers, who work very long shifts with little free time, while saving money to send home. Because many workers have meals provided onsite, they are also less likely than the average American to eat out. Second, there are limited shopping and entertainment options in Unalaska compared to an urban or suburban area where most of the US population lives. Management staff at Unisea reported that the PCR and Aquatic Center are popular destinations for their workers after work, but they have passes so they do not need to spend money there. Finally, the assumption of economically active people per day greatly exceeds this study's projected ridership per day.

To calculate the adjusted sales tax revenue amount, we consider the Alaska-specific estimate for consumer spending, which is based on Anchorage. We remove expenses related to dining out or entertainment and consider only shopping and apparel. This results in an adjusted estimate of $5 per day per rider. At this rate, even if all 160 daily riders spend $5 per day, we would expect the net increase in sales tax at 3% to be about $25 per day.

Implementation Considerations

Implementing a new microtransit service will require attention to several important details to ensure a safe, affordable, compliant, and convenient solution that serves riders. This section helps the City

anticipate and prepare for the various responsibilities involved both for itself and for any vendor hired to handle administrative and operational functions.

Microtransit

Vendor Requirements

The City must ensure that the contract with a vendor clearly details who will handle each aspect of transit operations so that the City is not left with unexpected responsibilities. Any responsibilities that the City wants the vendor to take on should be detailed in the RFP so that vendors' proposals make similar assumptions and can be budgeted accordingly. Some of the key aspects that must be addressed include the following:

Rider Experience

- **Mobile App:** Riders should have access to an app that allows them to book and track rides; City staff can download and try out other apps developed by the vendor. The proposal should explain what level of app customization is assumed with the budget.
- **Call center:** Riders without smartphone access must have the ability to call in to request or schedule a ride or ask questions. If the vendor provides this, the cost structure for this should be outlined (i.e., whether the vendor charges a flat hourly rate or on a per-call basis). Most vendor-supplied call centers are located off-site and staff multiple systems; this leads to cost efficiencies, but the tradeoff is that the representative is unlikely to understand local references to locations, such as "the PCR."
- **Fare Payments:** The app should accept payments through linked credit cards, but riders should be able to pay for a ride even if they do not have a credit card or smartphone.
- **Pre-scheduling:** Riders ideally would schedule rides ahead of time, particularly for recurring trips, such as commuting to work or school. These trips should be able to accept either a desired arrive-by time or depart-by time.
- **Service Plan**: The vendor should propose a service plan with a number of vehicles and an expected wait time for riders and provide a justification for this estimate.
- **Accessibility:** The vendor must provide for at least one ADA accessible vehicle to be in service at all times. The vendor should also be able to accommodate child seats.

Figure 20: Considering the rider experience allows everyone to be able to ride. Image: National Rural Transit Assistance Program

Cost

- **Fixed or Start-Up Costs:** The contract should clarify if fixed costs, such as vehicle procurement or technology fees, are charged as one-time costs or incorporated into the operating costs.

- **Inflation:** The contract should state whether costs can increase during the contract and by how much. An annual increase cap can help the City plan for costs more effectively.

Emergency Circumstances and Standard Operating Procedures

- **Technology Outage:** A contingency plan must be in place in the event of a technology outage.
- **Safety and Incident Response:** The vendor must explain their plan to manage collisions or security incidents and reduce service disruptions if one occurs.
- **Other Standard Operating Procedures:** Other circumstances that must be considered include vehicle breakdowns and extreme weather.

Staffing

- **Driver Shortages:** The vendor should explain their plan to address potential driver shortages when hiring drivers.
- **Driver training:** The contract should outline how much influence the City will have over the driver training curriculum and how it will be conducted.
- **Driver screening:** The vendor must ensure that drivers meet drug and alcohol screening requirements (Ghimire, et al, 2023).

Other

- **Marketing and Branding:** The service will need to be marketed, which will likely include vehicle branding and other forms of advertisements (see **Figure 8**). Potential riders should also have an option to learn how to use the mobile app. Collaborating with the senior center or PCR could be helpful.
- **Data ownership:** The City should have ownership over all trip and rider data, including origins and destinations, trip times and dates, and rider demographics, so this data can be analyzed to improve service or inform future fixed-route service.

Figure 21: The vehicle branding of Iride Inglewood helps promote the program. Image: Alta Planning + Design

- **Cancellation:** The contract should state how much notice is required for either party to either cancel or decline to renew the contract.
- **Facility requirements:** Any facilities expected to be provided by the City should be clearly laid out in the contract.
- **Vehicle maintenance:** The vendor should explain where and how they will maintain, inspect, and clean vehicles.

- **Pilot Testing:** The vendor should indicate their willingness to pilot test the service with City staff and stakeholders before the service is launched.
- **Coordination:** The City will need to coordinate with the vendor and communicate regularly, and cultural differences may arise between a new, non-local technology company and a public agency.
- **Data coverage:** The vendor should state their experience working in remote areas where data coverage may be more limited, and plans to mitigate any issues.

City Requirements

In addition to these RFP requirements, the City should do its own research prior to selecting a vendor. This could include downloading an app for another service that uses that vendor, and experiencing the booking experience as a rider (up until the point of actually booking the ride).

Prior to finalizing a contract, it would also be wise to ensure that mobile data coverage in Unalaska will be sufficient for the vendor's technology. A small pilot could ensure that mobile service covers the entire proposed service area and test if there are any times of day when service may lag.

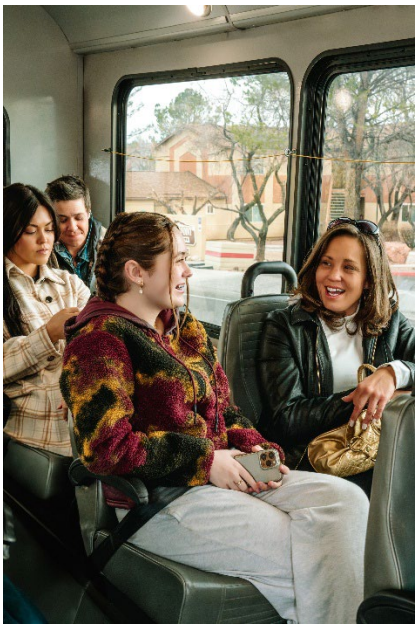


Figure 22: It is important that the City maintain relationships with riders. Image: National RTAP

Regardless of which model is chosen, the City will need dedicated staff capacity to manage the system, handle FTA reporting, audit contractor performance, coordinate with the governing board, and serve as the public face of the service, including handling rider complaints. This helps riders see that the City cares about their experience, and public support remains strong. A governing board is required under any service model and establishing and managing that board is a City responsibility that should be planned for early. Day-to-day operations can be delegated; system accountability cannot.

In addition, the City would need to be involved in setting up the technology and integrating it with the fleet. A Chief Technology Officer at the Delaware Transit Company, who uses Model 1, reported significant involvement in customizing the app (Wayne Henderson, Personal communication, January 7, 2025). Lastly, staff will need to keep an eye on the budget, though this effort is minimal because a vendor contract would have a not-to-exceed amount.

Adding Fixed-Route Service in the Future

If the City decides to implement microtransit service, there would still be an opportunity to consider the addition of fixed-route service in the future if demand warrants higher-capacity transit. While there

are no known examples of a U.S. transit agency fully transitioning from microtransit to fixed-route service, there are agencies that have added fixed-route service in addition to their existing demand response service. Other agencies provide a combination of microtransit and fixed-route service, using microtransit demand data to help inform changes that improve the system.

For example, Sioux Area Metro in Sioux Falls, SD hired Via to manage their operations in 2023, and they implemented a new network design that incorporated microtransit and fixed-route service in 2024 (Schneider, 2024). Via used microtransit data to uncover latent demand for fixed-route service, including an extension to the airport and additional early-morning trips on select fixed routes (Berkovits, 2025). The additional fixed-route service freed up seats for the microtransit service to serve customers who cannot access the fixed routes. In a similar vein, High Valley Transit in Utah integrated microtransit and fixed-route services from its inception in 2021 and has also used microtransit data to support the addition of two new fixed routes and other updates to its network (Berkovits, 2025). Unalaska could similarly use data on microtransit usage to verify the proposed fixed-route plan and determine if the service area should be expanded or reduced and which key destinations must have their own stops.

Factors to Consider

The National Rural Transit Assistance Program (RTAP) published a report in 2019 called *Moving from Demand Response to a Deviated Fixed-Route Best Practices* (RTAP, 2019). Using Wabash County Transit as the main case study, an agency in Indiana that was exploring the move from demand-response service to a deviated fixed-route service, the report provides a summary of considerations when contemplating a change to this service type, most of which can also apply to a move to fixed-route service.

The report encourages agencies to collect baseline information, including interviews with existing transit agency staff, an inventory of existing conditions and services, establishing a project steering committee, outreach to both current and potential riders to understand how a change in service type may affect their ability to use the system, and doing a peer system comparison. It also suggests that agencies consider alternatives by using established performance measures to determine the best course of action (see the Potential Metrics section below). These alternatives include maintaining the status quo, continuing with the same operating model but expanding the service area or capacity of the system, or changing the service type, typically to fixed-route or deviated fixed-route.

If a decision is made to implement a fixed-route or deviated fixed-route service, the following items should be considered, some of which have been discussed previously or are outlined in the **Potential Funding Sources** section.

- Route design, including stop locations, frequency of service, travel pattern, number of vehicles, fare structure, etc.
- Funding options will depend on whether the new service is directly operated or operated through a contract.

- The development of a marketing plan to explain how fixed-route service differs from microtransit.
- Transit training to help current customers learn how to use the new service.
- Understanding ADA requirements for fixed-route or deviated fixed-route service and considering different options for how best to provide mandated ADA paratransit service.

If the City does decide to transition from microtransit to fixed-route service, either in whole or in part, the timing of this transition will need to be carefully coordinated to avoid a gap in service. While changes in demand can be difficult to forecast, certain factors, such as changes in employment in fisheries or significant growth in the cruise industry[13], could influence demand in the coming years. Careful consideration will also be needed to determine whether new vehicles need to be procured and the timeline for any vehicle purchases or leases.

Potential Metrics

The collection of key metrics is an important way to understand how a transit system is performing. The following performance metrics may be useful to help determine whether fixed-route service may be warranted, either in addition to, or in lieu of, microtransit service:

- **Demand** – The number of passengers per revenue hour can help determine whether there is enough demand to consider switching to fixed-route service. Some transit agencies set thresholds, often 6-8 passengers per revenue hour, as a trigger to study whether moving some, or all, of the microtransit service to fixed-route service would be more efficient. It should be noted, however, that microtransit usage is not always a direct corollary for fixed-route demand because the characteristics of one service model may attract certain riders more than the other. For example, riders who cannot walk to a stop may not be able to ride fixed-route transit but may be eligible for paratransit. If these riders are a significant part of the population using microtransit, demand for fixed-route transit may not materialize.
- **Cost** – Cost is another important factor to consider, particularly if additional microtransit vehicles need to be added to address increased demand. Cost comparisons are often made on a per passenger rate, but the start-up costs of a new fixed-route system also need to be considered. Annual operating costs to run a fixed-route service are estimated in **Operating and Fixed Costs.** An advantage of fixed-route service over microtransit is that operating costs are more likely to remain predictable if enough service is provided initially because the larger vehicle capacity can absorb additional demand.
- **Reliability and Wait Times** – This is one of the biggest differences between the user experience of riding fixed-route service versus using microtransit. If properly planned, fixed-route service tends to be more reliable than microtransit because travel and wait times are

[13] Cruise ship operators have reported that growth is hindered by concerns about reliable air transportation since most cruises to Unalaska are one-way. (Dan Blanchard, personal communication to Heather Haugland, January 18, 2026).

based on a schedule and thus do not fluctuate much. Microtransit wait and travel times can vary widely for each trip depending on demand and whether trips are shared. If average wait times on microtransit increase beyond what the average wait time would be for fixed-route service, this will lead to a degradation of service quality unless vehicles are added, which can be expensive, or a switch to fixed-route service is made. It should be noted, however, that shorter wait times do not necessarily equate to better customer experience if the wait occurs outside in inclement weather. Waiting outside is typically required for fixed-route transit but not necessarily microtransit, where users can track the vehicle while indoors and be assured that it will wait a reasonable amount of time for them to come outside. Regardless of the service model employed, the ability to track a vehicle's location or estimated arrival time on an app can help ease riders' uncertainty about when the vehicle will arrive.

- **Trip Clustering** - While demand and costs are important, fixed-route service works best if trips tend to fall along linear paths. This will likely be the case in Unalaska due to the nature of the road network and land uses, but microtransit data can be very useful for identifying whether trips are clustered or spread out. If trips are spread throughout the service area, it is difficult for fixed-route service to efficiently serve most desired trips and walk times can be long.
- **Peak Concentration –** Similar to trip clustering, fixed-route service works best when trips consistently occur in certain time bands. Microtransit data can easily identify when and how often trips occur to each location. It's possible that fixed-route service would be more efficient at certain times of day and microtransit could fill in during lower-usage times of day or days of the week.
- **Average Trip Length** – Longer average trip lengths (4-5 miles) lend themselves better to fixed-route service because aggregating longer trips on a single vehicle is more efficient than doing so with multiple microtransit vehicles. Conversely, shorter trips are often better served by microtransit. Currently, the average trip length of any mode in Unalaska is 3.5 miles (Replica, 2025), but microtransit data will be able to show average trip lengths specific to that mode.
- **ADA and Equity Impacts** – One of the advantages of microtransit is that it can serve persons with disabilities and populations that are not concentrated in the densest parts of the service area within its core model. Paratransit and on-demand service needs for underserved populations can be expensive additions to fixed-route service. Deviated fixed-route service can help address some of these issues, but often at the cost of reliability and travel time.

Lessons Learned for Implementing Fixed-Route Service: An Alaskan Example

The Kenaitze Indian Tribe, which used to solely provide limited-eligibility demand-response service, implemented Kahtnu Area Transit, the first fixed-route service on the Kenai Peninsula, in December 2025[14]. Compared to Unalaska, the Kenai Peninsula has a higher population and a greater populated area to serve, but they can provide useful lessons learned for implementing fixed route transit for the first time. Kenaitze Tribe staff provided key lessons learned in a conversation with the project team (Brandi Bell, personal communication, February 6, 2026). The most difficult aspect of their startup was

[14] For more information, visit https://kahtnutransit.com/routes/

signing Memorandums of Agreement with businesses to allow buses to stop in their parking lots. This was necessary to avoid the many requirements that Alaska DOT & Public Facilities (AKDOT & PF) would have imposed to allow buses to stop on state roads, but it still required significant coordination and negotiation. Unalaska could reduce this burden by engaging with AKDOT & PF early and using city-owned land where possible for stops. In addition, staff recommended implementing a process for reporting to the National Transit Database, which is required for all FTA fund recipients, though requirements for small rural agencies are lower than for larger cities.

Potential Funding Sources

The success of microtransit will depend on the City's ability to identify and secure reliable funding sources to establish and sustain service; nearly all transit agencies in the United States receive some type of state or federal funding for capital, operations, or both. There is currently no dedicated federal or state funding program exclusively for microtransit operations. Instead, communities typically assemble funding by combining existing rural transit formula funds, discretionary grant programs, and local matching sources. Each funding source has different eligibility requirements, eligible activities, and levels of competitiveness that should be considered. Funding is available through both state and federal sources.

At the state level, the most recent state FY2027 Notice of Funding Opportunity (NOFO) for Alaska Community Transit (ACT), the division of AKDOT & PF that handles public transportation, had an application deadline in December 2025, but a NOFO is expected to be available for FY2028 funding later this year with a similar timeline (AKDOT & PF, 2025). AKDOT & PF offers a wide range of funding opportunities that assist communities at different points to deploy transit services through ACT.

Figure 23: Grants for capital funds can help purchase bus stop amenities. Image: National RTAP

After identifying community needs, the City can apply through ACT for Section 5311 grants to fund capital and operating costs. Section 5311 grants are likely the primary funding source for future transit operations in Unalaska. Once transit service is established, transit providers can apply to receive funds for technical assistance through ACT's Rural Transportation Assistance Program (separate from the National Rural *Transit* Assistance Program). The program is not a direct operating funding source but can support capacity building, training, and compliance preparation as the City develops transit services. These Alaska-based funding sources and resources will be useful for Unalaska as they explore future fixed-route transit service.

Additionally, federally recognized tribes can apply through Tribal Transit Program funding. Federally recognized tribes may apply directly to FTA under the Tribal Transit Program (Section 5311(c)). In some Alaska communities, tribal governments serve as the lead transit provider or partner with local

governments to operate service. This could be achieved in Unalaska by partnering with the Qawalangin Tribe.

At the national level, the future of many grant programs is uncertain, but some programs are likely to continue to have ongoing NOFOs and available funding. USDOT's Rural Surface Transportation Grant Program can provide significant capital grants, though grants are very competitive and cannot be used for operating expenses. The National RTAP program requires that applicants already be section 5311 recipients to get funding. It can be used for training and technical assistance projects and other support services tailored to meet the specific needs of transit operators in rural areas. It will be important for staff to monitor the status of those funding opportunities and carefully consider which opportunities to apply for.

Other funding opportunities that were created as part of the Bipartisan Infrastructure Law run through FY2026 and may not continue if not reauthorized by Congress. Programs such as the USDOT's Strengthening Mobility and Revolutionizing Transportation (SMART) were authorized through FY2026 and are not expected to issue additional Notices of Funding Opportunity under current federal law. Other discretionary programs, such as the Innovative Coordinated Access and Mobility (ICAM) program, remain active but are highly competitive and limited in scale.

Table 13 summarizes the different funding and technical assistance opportunities available for microtransit. The opportunities are listed descending in order of strategic importance. The City of Unalaska should prioritize applying to and coordinating opportunities near the top of this list.

Table 13: Microtransit Funding and Technical Service Opportunities

Funding Source	Where to Apply	More Information	Relevant eligible activities	Recommended applicant
Rural Public Transportation Formula Grants (FTA 5311)	AKDOT & PF Alaska ACT via BlackCat (state grant cycle) Alaska ACT Portal	5311 Grants, Alaska Community Transit, Transportation & Public Facilities, State of Alaska	Includes a broad range of transit capital and operating expenditures[15] [16]	City of Unalaska
Rural Transportation Assistance Program (RTAP)	AKDOT & PF Alaska ACT via BlackCat (state grant cycle). Alaska ACT Portal	Rural Transportation Assistance Program, Alaska Community Transit, Transportation & Public Facilities, State of Alaska	Capacity building for new and existing transit providers for rural areas. Can include funding for training programs, professional development programs, or educational conferences.	City of Unalaska
Tribal Transit Program Funds 5311(c)(1)(B)	Tribes apply directly to FTA FTA NOFOs	Tribal Transit Program Funds, Alaska Community Transit, Transportation & Public Facilities, State of Alaska	For federally recognized Indian tribes to provide public transportation services on and around Indian reservations or tribal land in rural areas. Includes a broad range of transit capital and operating expenditures.	Qawalangin Tribe of Unalaska in partnership with City of Unalaska
Grants for Buses and Bus Facilities Competitive Program and Low or No Emission Bus Program	Federal Transit Administration Grants.gov	Grants for Buses and Bus Facilities Program | FTA	Purchase of buses, vans and related equipment, and electric vehicles	City of Unalaska coordinating with AKDOT & PF

[15] AKDOT & PF, n.d. -a
[16] AKDOT & PF, n.d. -b

Rural Surface Transportation Grant Program	U.S. Department of Transportation Apply through MPDG NOFO MPDG NOFO	The Rural Surface Transportation Grant Program | US Department of Transportation	Developing an integrated mobility management system, a transportation demand management system, or on-demand mobility services in a rural area.	City of Unalaska
National RTAP	Federal Transit Administration Community Rides Grant Program National RTAP	Rural Transit Solutions | National RTAP	Existing rural systems that receive Federal Transit Administration (FTA) Grants under Section 5311.	City of Unalaska
BUILD Grant Program	U.S. Department of Transportation BUILD Grants NOFOs	Better Utilizing Investments to Leverage Development (BUILD) Grant Program | US Department of Transportation	Planning or capital expenses for surface transportation, including public transportation projects. Operating expenses are not eligible.	City of Unalaska

Conclusion and Next Steps

This study evaluates the feasibility of transit in Unalaska, suggests potential service types and delivery models and suggests either a turnkey microtransit model or a subsidized taxi ride model, depending on the City's goals. Model 3, subsidized taxi rides, has the potential to be the least expensive and to integrate with existing taxi fleet. However, this model would need to be implemented with guardrails such as a service area, maximum trip length, and clear agreements between taxis and the City. It is also less predictable in terms of cost and will require some City staff effort. Model 2 has the most predictable costs and the least City effort but may be more expensive than taxis if ridership is low to moderate.

As a next step, the City should begin coordinating with Alaska Community Transit to confirm which grant programs they would qualify for and receive further guidance on implementing a new system and then work with City council to establish a budget for transit service. Discussions with providers at peer agencies, such as the Kenaitze Indian Tribe, would also help the City more fully weight its options in deciding a path forward. Intermediate steps include applying for grants and confirming service models. Once funding has been secured and decisions about service models have been finalized, the City can issue an RFP. Finally, additional engagement at all stages with stakeholders like taxi companies, Unalaska residents, and the senior center will help gain public buy-in and lay out the groundwork for productive conversations going forward. These recommended actions are summarized in **Table 14.**

Table 14: Near-term and medium-term action items

Action Item	Timeline
Coordinate with ACT about grant eligibility and guidance	Near-term
Continue public and stakeholder engagement to build support and address community concerns	Near-term
Establish budget	Near-term
Network with peer agencies	Near-term
Apply for grants	Medium-term
Confirm service characteristics	Medium-term
Issue RFP	Medium-term

References

ADA Compliance. (n.d.). *810 Transportation facilities – ADA compliance*. ADA Compliance. https://www.ada-compliance.com/ada-compliance/810-transportation-facilities

Alaska Department of Transportation & Public Facilities (AKDOT & PF). (2025). SFY2027 NOFO: Rural public transit grant (Section 5311 rural transit grants and Section 5339 bus & bus facilities grants) [PDF]. https://dot.alaska.gov/transit/docs/NOFO-FY27-Rural-Public-Transit-Grant.pdf

Alaska Department of Transportation & Public Facilities. (n.d. -a). Eligible operating activities. https://dot.alaska.gov/transit/pt_projects_operating.shtml

Alaska Department of Transportation & Public Facilities. (n.d. -b). Eligible operating activities. https://dot.alaska.gov/transit/pt_projects_capital.shtml

American Public Transportation Association (APTA). (2025). *Public transportation vehicle database*. https://www.apta.com/research-technical-resources/transit-statistics/vehicle-database/

Berkovits, D. (2025, April 29). *Microtransit ridership data informs fixed-route upgrades across growing cities.* Via. https://ridewithvia.com/resources/microtransit-ridership-data-informs-fixed-route-upgrades-across-growing-cities.

BusCMMS. (2024). *Solar bus shelters: 1–2 MWh per stop*. https://buscmms.com/blog/solar-bus-shelters-1-2-mwh-per-stop

City of Unalaska. (2025, January 28). *Resolution 2025-06: A resolution of the Unalaska City Council establishing taxicab rates for calendar year 2025* [Council resolution]. City of Unalaska. https://www.unalaska.gov/sites/default/files/fileattachments/mayor_and_city_council/meeting/10370/11a_resolution_2025-06_taxicab_rates.pdf.

Federal Transit Administration. (n.d.). *Federal share / local match*. U.S. Department of Transportation. https://www.transit.dot.gov/funding/federal-share-local-match

Federal Transit Administration. (2024 -a). *FTA C 9040.1H: Rural Areas Formula Grant Programs Guidance* (Circular No. C9040.1H). U.S. Department of Transportation. https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C9040.1H-Circular-11-01-2024.pdf

Federal Transit Administration. (2024 -b). *2022–2024 NTD annual data metrics* [Data set]. U.S. Department of Transportation. https://data.transportation.gov/Public-Transit/2022-2024-NTD-Annual-Data-Metrics/ekg5-frzt/about_data

Florida Department of Transportation, Research Center, & National Center for Transit Research (U.S.). (2006, July 1). Guidebook for start-up transit agencies (Final report, BD 549-14; NCTR 576-04). University of South Florida, Center for Urban Transportation Research. National Center for Transit Research (U.S.). https://rosap.ntl.bts.gov/view/dot/39379

Ghimire, S., Bardaka, E., Monast, K., Wang, J., & Wright, W. (2023). *Policy, management, and operation practices in U.S. microtransit systems*. Transport Policy. https://doi.org/10.1016/j.tranpol.2023.10.011.

Heaps, R. 2025. How Much Does it Cost to Wrap a Car? *Kelley Blue Book.* Accessed February 5, 2026, from How Much Does It Cost to Wrap a Car? - Kelley Blue Book.

National Center for Applied Transit Technology. (2023, November). *On demand transit and microtransit: Where and why*. Retrieved January 14, 2026, from https://n-catt.org/guidebooks/on-demand-transit-and-microtransit-where-and-why/how-to-successfully-launch-a-microtransit-service/.

National Cooperative Highway Program. (2014). *Independent cost estimates for design and construction of transit facilities in rural and small urban areas* (NCHRP Report No. 22086). National Academies Press. https://nap.nationalacademies.org/read/22086/

National Rural Transit Assistance Program (RTAP). (2019). *Moving from demand response to a deviated fixed-route: Best practices* (Best Practices Spotlight). Rural Transit Assistance Program. https://n94067.eos-intl.net/elibsql16_N94067_Documents/Resource%20Share%20Files/Moving%20from%20Demand%20Response%20to%20a%20Deviated%20Fixed-Route%20Best%20Practices%20.pdf

National Rural Transit Assistance Program. (2024). Transit planning & evaluation. National RTAP. https://www.nationalrtap.org/Toolkits/Transit-Managers-Toolkit/Operations-and-Planning/Planning-and-Evaluation

National Rural Transit Assistance Program (RTAP). (2025, February 3). Fixed route bus requirements. National RTAP. https://www.nationalrtap.org/Toolkits/ADA-Toolkit/Service-Type-Requirements/Fixed-Route-Bus-Requirements.

Replica Places, Spring 2025. Accessed December 3, 2025, from www.replicahq.com.

RSMeans. (2025). *RSMeans building construction cost data*. Gordian.

Schneider, B. (2024, October 3). *Can Microtransit and Regular Buses Live in Harmony? Bloomberg*. https://www.bloomberg.com/news/articles/2024-10-03/sioux-falls-microtransit-revamp-brings-buses-and-on-demand-vans-together

Schmitt, A. (2018, October 1). We should put a bus shelter at every stop in America. *Streetsblog USA*. https://usa.streetsblog.org/2018/10/01/opinion-we-should-put-a-bus-shelter-at-every-stop-in-america

Service under contract, 49 C.F.R. § 37.23 (2024). Retrieved from https://www.ecfr.gov/current/title-49/subtitle-A/part-37/subpart-B/section-37.23

Transportation Research Board. (2001). *Special Report 258: Contracting for Bus and Demand-Responsive Transit Services: A Survey of U.S. Practice and Experience.* Federal Transit Administration. Available at https://onlinepubs.trb.org/onlinepubs/sr/sr258.pdf.

U.S. Access Board. (2023). Public rights-of-way accessibility guidelines (PROWAG). https://www.access-board.gov/prowag/

U.S. Census Bureau. (2024). Units in structure (Table B25024), American Community Survey 5-year estimates, 2019–2023 [Data set]. U.S. Department of Commerce. https://data.census.gov

Wolf, S. (2025, March 6). Bus stops. *Grow Smart RI*. https://growsmartri.org/bus-stops/

Zarenski, E. (2025, February 21). *Construction inflation & PPI 2025*. Construction Analytics. https://edzarenski.com/2025/02/21/construction-inflation-2025-2-21-25/

Zhang, Y., Zhao, X., & Wang, Y. (2022). Exploring the impacts of COVID-19 on public transport ridership: A case study of Beijing. Transportation Research Part A: Policy and Practice, 163, 98–113.

Statement on Generative AI

Generative AI was used to research and draft capital cost considerations and to edit the finished report for grammar and style.

Appendix A: Fixed Route Service Plan

This section details a potential fixed-route service plan for Unalaska once sufficient demand is established through microtransit.

Routing

We recommend that Unalaska implement two fixed routes: One main route down Airport Beach Road and East Broadway Avenue, and a secondary route starting near Alyeska and traveling down Broadway and then Captains Bay Road. A timed transfer near Broadway & 5th St would facilitate connections and maximize access to popular amenities like the PCR and library. These routes will be referred to as the Main Route and the Captains Bay Route for the purposes of this study. If desired, these routes could be given more locally adapted names that would help brand them, such as the Whale Route or the Salmon Route.

Both proposed routes are illustrated in **Figure 24.**

Figure 24: Fixed route service plan

Main Route

The Main Route, at 10.6 miles round trip, is similar to the one proposed during the 2018 transit study but with a difference in how the ends of the Main Route are handled. Instead of a loop around Ounalashka Community Park and Steward Road, we propose an out and back down Steward Road, with a terminal and layover at the park. This park would allow for the operator to use a restroom and turn the bus around, if the park remains open year-round. It would maintain access to the Qawalangin Tribe with a stop at the north end of Steward Road, a short walk away on a sidewalk.

At the north end of the Main Route, we propose a live loop from Airport Beach Road, past the airport, down Biorka Drive. A live loop means that the bus will not layover at the north end; rather, it continues south down Biorka Drive to start its return trip after a stop at the airport. This loop allows the bus to reach the industries and bunkhouses along Biorka Drive with minimal deviation. Due to the short length of this route, a layover is not needed on the north end and the need for recovery time should be minimal. As with the microtransit service area, we do not recommend serving the City Dock at this time, but this could be reevaluated if cruise ship or AMHS volumes increase in the future.

Captains Bay Route

The Captains Bay Route, with a total round-trip distance of 7.5 miles, would also live-loop by turning around near Offshore Systems Inc. It is recommended that the City coordinate with OSI to see if turning around in their facility is possible to make it possible to serve this area. If not, the route could turn around at North Pacific Fuel or Westward Seafoods further north. On the north end, the bus would turn around by looping through Broadway/ 1st Street / Bayview Ave before continuing back south on Broadway. In order to facilitate a timed connection with the Main Route, the route would layover in front of the PCR. While this layover would create a delay for through-riders, it would allow riders to transfer between routes in both directions and greatly expand access. It would also provide adequate restroom availability.

Schedule

The Main Route has an estimated running time of 45 minutes, allowing for two vehicles to cover the route at 30-minute headways with 15 minutes of recovery time at the end of each round trip. This recovery time will help maintain reliability because any delays should not stack up and cause the following trip to depart late. The Captains Bay Route has an estimated running time of 23-26 minutes, allowing for 4-7 minutes of recovery time, which is achievable by one vehicle at 30-minute headways. These estimates use a conservative average speed assumption of 15 MPH for the Main Route and 17 MPH for the Captains Bay Route, which makes fewer stops. This is consistent with peers and accounts for the time spent stopping at bus stops and traffic signals, assisting passengers, and deploying ramps.

The recommended schedule is summarized in

Table 15**,** with the span of service matching that recommended for microtransit.

Table 15: Recommended service characteristics

Main Route	Weekday	Saturday	Sunday
Buses come every…	30 mins	30 mins	30 mins
Span of service	6 AM – 7:30 PM	7:00 AM – 7:00 PM	Noon – 5:00 PM
Captains Bay Route	**Weekday**	**Saturday**	**Sunday**
Buses come every…	30 mins	30 mins	30 mins
Span of service	6:00 AM – 7:00 PM	7:00 AM – 7:00 PM	Noon – 5:00 PM

Transfers between routes

A well-timed transfer between the Main Route and Captains Bay route will minimize overall travel time and help make the bus more competitive with driving. While it can be a challenge to accommodate riders transferring in all directions (from northbound or southbound Captains Bay to northbound or southbound Main Route and vice versa), it is possible by introducing a pause at the transfer point in the middle of both routes. This pause would allow buses from all four directions to meet in or around 5th St & Broadway so that riders have time to transfer between vehicles. This pause could double as a layover spot for operators. The last trip would be timed to depart the starting point at 7:00 PM, so that workers leaving processing plants can catch it shortly after, and the timed transfer would be designed to ensure that no transferring riders get stranded.

Additional Considerations Affecting Ridership

Access to transit is an important consideration for attracting riders. In Unalaska, the lack of sidewalks is a challenge, but the limited road network means that most destinations will be relatively close to a bus stop. Improving sidewalks and crossings along routes between bus stops and key destinations will make accessing transit safer and more convenient.

Comfortable bus stops are another important consideration, and one that was mentioned in two survey comments. In Unalaska, protection from wind, snow, and rain, as well as lighting for darker months, is of particular importance. Bus stops will be considered in the capital improvements estimates in a future memo.

Operating Cost Estimates

Starting up a transit agency in Unalaska would carry a variety of capital and operating costs which are difficult to foresee before a more detailed operating plan is in place, including paratransit. In order to estimate operating costs at a high level and compare them with microtransit, we compared other agencies' data on operating cost per revenue hour for 24 systems in Alaska that operate shuttle-type buses holding no more than 15 passengers, which would likely be the bus type best for Unalaska because operators are not required to hold a Commercial Driver's License. These agencies include

some of the peers mentioned previously, as well as systems in other cities and towns in Alaska. While some of these cities are not peers to Unalaska, we expect that operating costs per hour, which are driven by labor and maintenance costs, are related more to location and bus type than ridership, service model or city context. **Table 16** summarizes these costs per hour.

Table 16: Operating costs per hour for comparable services in Alaska

Agency	Service Type	Cost per Revenue Hour[17]
Basic Unified Multi Path Services, Ninilchik Village	Fixed Route	$266.35
Ride Sitka	Fixed Route	$178.25
Kenaitze Indian Tribe	Demand Response	$144.12
Metropolitan Area Commuter System, Fairbanks	Demand Response	$144.07
Sunshine Transit, Talkeetna	Demand Response	$141.59
Asa'carsarmiut Tribal Council Transit Service	Demand Response	$135.56
Native Village of Fort Yukon	Fixed Route	$134.99
Kodiak Area Transit System	Demand Response	$119.53
Native Village of Unalakleet	Demand Response	$113.07
Petersburg Indian Association	Demand Response	$112.53
Average		$111.84
Catholic Community Service, Sitka	Demand Response	$108.72
Capital Transit, Juneau	Demand Response	$108.46
HCA transit, Hydaburg	Demand Response	$105.55
Soaring Eagle Transit, Gulkana Village	Fixed Route	$99.71
Municipality of Anchorage	Demand Response	$86.76
Craig Tribal Association	Fixed Route	$83.43
Bethel Transit System	Fixed Route	$79.52
The Bus, Ketchikan	Demand Response	$78.23
Central Area Rural Transit System, Soldotna	Demand Response	$77.94
Chickaloon Area Transit System (Transit)	Demand Response	$68.28
Glacier Valley Transit, Girdwood	Fixed Route	$67.30
Valley Transit, Wasilla	Demand Response	$60.98
Soaring Eagle Transit	Demand Response	$57.48
Central Area Rural Transit System	Demand Response	$52.92

[17] Federal Transit Administration. (2024). *2022–2024 NTD annual data metrics* [Data set]. U.S. Department of Transportation. https://data.transportation.gov/Public-Transit/2022-2024-NTD-Annual-Data-Metrics/ekg5-frzt/about_data

We use the average cost in Alaska as an estimate for the operating costs in Unalaska because research on the consumer price index suggests that its cost of living is comparable to that of Sitka and Bethel and slightly lower than larger cities like Anchorage and Juneau.[18]

The average operating cost per hour for comparable services in Alaska is $112, about 30% higher than the $85/hour Via proposal for microtransit; 15 of the 24 systems listed here cost more per hour than the microtransit proposal. However, the Via proposal does not include administrative time that would be required on the City side. Of course, microtransit also has a lower capacity than fixed route, and cost per rider is another meaningful comparison point. When demand begins to exceed that which microtransit can provide at adequate service levels, then fixed route will become more efficient in terms of cost per rider.

If Unalaska operated a fixed route system at $112 per revenue hour, with 30-minute headways (three buses at a time) and the operating hours outlined previously, operating costs would be an estimated $1.48 million per year. Capital costs will be estimated in a future memo.

[18] Compare Cost of Living (2025, December). Salary.com. Retrieved January 14, 2026, from https://www.salary.com/tools/cost-of-living-calculator/dutch-harbor-ak-compare-cities?.

Appendix B: Quotes and Proposals

- Via proposal
- QRyde proposal
- HBSS proposal
- Alaska Marine Lines quote

Unalaska Microtransit Proposal

December 2025

Simulation parameters replicate key service design inputs.

Booking model:
On-demand

Stops model:
Curb-to-curb

Maximum trip distance:
Uncapped

Hours of operation:
Weekdays, 6 AM – 7:30 PM
Saturdays, 7 AM – 7 PM
Sunday, 12 PM - 5 PM

Vehicle size:
5 seats + 1 wheelchair

We recommend a few additional settings based on experience.

These algorithm settings typically lead to the most efficient service.

Maximum pickup wait:
30 minutes

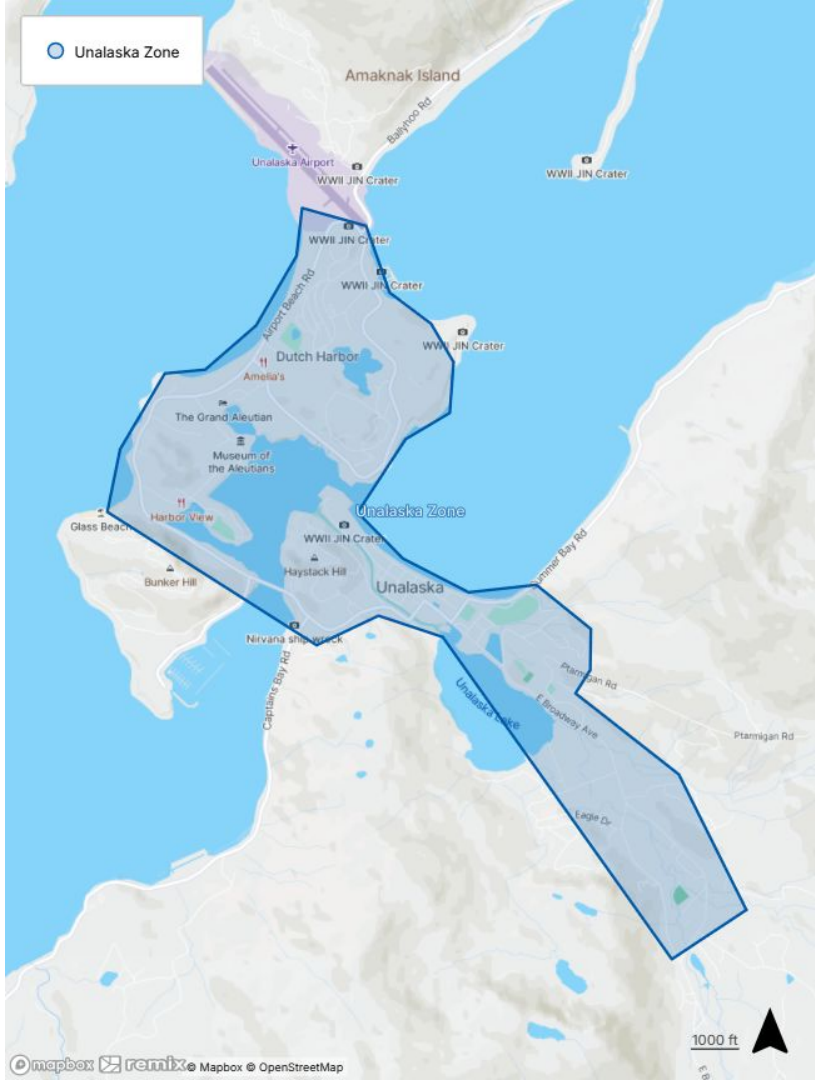
Maximum walking distance:
N/A (curb-to-curb)

Maximum allowable detour:
No more than 1.5x direct distance or 15 minutes.

Simulation Results

A Unalaska Microtransit Zone

Results	Low	Medium *Likeliest*	High
Typical Performance			
Weekday Ridership *Boardings*	100	**140**	240
Fleet Size *Vehicles required at peak, excluding spares.*	2	**3**	4
Productivity (Daily Avg.) *Boardings / Revenue Hour*	~4.0	**~4.5**	~5.1
Typical Wait (Peak Period) *Minutes*	6 - 9 min	**6 - 9 min**	7 - 10 min
Annual Totals			
Annual Ridership *Passenger Boardings*	32,000	**44,000**	62,000
Annual Vehicle-Hours *Hours*	8,000	**10,000**	12,000



Ridership estimates are developed using demographic characteristics and performance results for comparable services.

Estimated Demand

Number of daily boardings.

=

Zone Population & Employment

The number of people living and working in the proposed zone.

X

Expected Capture Rate

The share of the total population expected to use microtransit if it were available.

Due to the inherent uncertainty of predicting demand, **results are provided as a range**.

Ridership is projected for a period 6-12 months from the service launch.

Results are provided as a range to help with budgeting assumptions.

High-Demand Scenario

Medium-Demand Scenario

Low-Demand Scenario

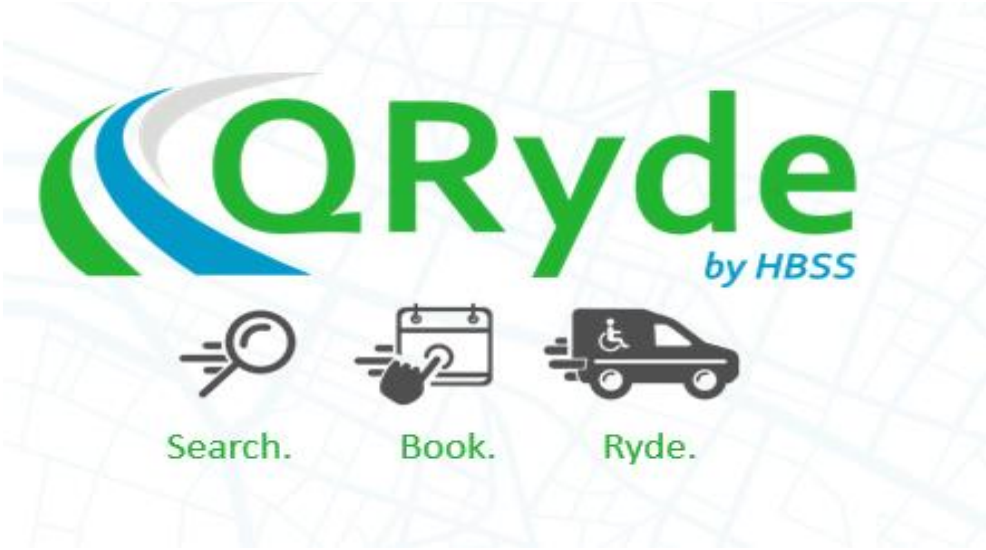
Turnkey Microtransit Pricing

Pricing Proposal for City of Unalaska

Via Transportation

	Fleet Composition	Total Cost in Year 1 (Not-to-Exceed)	One-Time Upfront Costs[1]	Annual Operational Costs	Per Vehicle Hourly Rate
Weekdays Only 6am-10pm	3 Passenger Vans (Incl. 1 WAV), Plus 1 Spare Vehicle	$0.94M	$83.5k	$0.86M	$85.80
Weekdays 6am-7:30pm + Saturday 7am-7pm + Sunday 12pm-5pm	3 Passenger Vans (Incl. 1 WAV), Plus 1 Spare Vehicle	$0.99M	$83.5k	$0.91M	$85.80

(1) Includes technology installation fee, vehicle shipping WAV retrofits, in-vehicle hardware and vehicle wraps.



An HBSS Connect Corp Microtransit System Price Proposal

for

City of Unalaska, Alaska

Prepared for

KELLY DUNN
Civic Data Analyst Associate I|
Alta Planning + Design, Inc.
206.210.6749
Seattle, WA | altago.com

January 2026

(This quote is good for 12 months from the above date)

HBSS Connect Corp
1075 Westford Street, Lowell, MA 01851
P 978.379.0010 F 978.379.0014
www.hbssonline.com

PriceQuote 2
QRyde_Company_Profil 4
QRyde_References 6
QRyde_Demonstration_Video_Links 9

350 West Woodrow Wilson Ave. Suite 311C
Jackson, MS. 39213

1075 Westford St. Suite 304
Lowell, MA. 01851

January 22, 2026

KELLY DUNN
Civic Data Analyst Associate I|
Alta Planning + Design, Inc.
206.210.6749
Seattle, WA | altago.com

Dear Ms. Dunn,

This letter represents your quote for a QRyde Microtransit Software system and services for the City of Unalaska, Alaska from HBSS Connect Corp.

Proposed Products and Services

Products

Dispatch 360 with GSE (Global Scheduling Engine)– client records, trip booking, automated dispatch of new trip orders to best vehicle options, continuous route optimization, vehicle GPS tracking.

EPAD Driver App – Driver Mobile App, electronic schedules, real time trip updates, GPS vehicle tracking. 6 EPAD tablet licenses.

Rider App and Portal – provide riders with real time updates on current trip status, allow riders to book trips and manage trips (cancel), supports payment options such as fare card, and credit card for trips such as private pay that require rider payments.

IVR – provide riders with automated trip notifications 10-15 minutes before arrival. Can provide automated notices in pickup time changes in schedule.

Reporting and Dashboard – provide users with the ability to review reports and data on graphical dashboards as well as reports for real time and weekly, monthly review of system performance

Services

Software and database hosting services including backups

Software support services 24/7 – email, chat, phone, screenshare

Software Maintenance Services

Software Deployment Services to include:

- Spin up server and software installation.
- Database Setup and configuration for scheduling
- Learning Management System (LMS) video training
- Remote On-line Training
- Microtransit service area zones configuration and geofencing for vehicle deployments
- GO live support.

Budget

This quote is based on 6 vehicle licenses and a 48-month term.

Initial Deployment Fee: $65,000 – covers all deployment services listed.

Initial purchase of 10,000 trip service fees at $1.50 per trip for total of $15,000. Additional trips beyond initial 10,000 will be billed monthly at $1.50 per trip. Trip service fees cover all software support, maintenance, backup services and trip processing costs.

We are looking forward to working with you on this project.

Sincerely,

Stephen Pellegrini

Stephen Pellegrini
Director of Business Development, HBSS Connect Corp.
610-350-7403 | stevep@qryde.com

About QRyde

QRyde by HB Software Solutions (HBSS) is a technology-based transportation management solution designed to connect providers, communities, and riders while enabling cost-effective transportation to diverse destinations. To deliver low-cost rides sustainably, market saturation and advanced data integration are critical. QRyde leverages software intelligence and analytics to process vast volumes of travel demand data at both zonal and regional levels.

QRyde Cloud is built to securely store, process, and protect this data while delivering smart, actionable solutions for all transportation stakeholders. As a first-in-class, best-of-breed cloud-based transportation management system, QRyde includes built-in artificial intelligence and big data management capabilities.

What We Have Been Doing

HB Software Solutions has been developing transportation software solutions for agencies across the United States for over two decades. Our mission has been to make transportation management more efficient, reliable, and accessible. The QRyde Comprehensive Shared Ride Scheduling Platform delivers app-based ride booking, call center optimization, competitive bidding, shared-ride cost sharing, and more.

Today, QRyde is deployed across more than 20 U.S. states, serving over 4,500 cities and supporting more than 90 million rides. The platform supports ADA and paratransit services within public transportation and ensures compliance with Federal Transit Administration (FTA) requirements while maximizing ride-sharing efficiency.

Markets We Serve

Public Transit:
Paratransit / ADA, Statewide DOTs, Regional Coordination, and On-Demand Microtransit.

Healthcare:
NEMT Brokers, Commercial Transportation Providers, Managed Care Organizations, Healthcare Facilities, and Behavioral Support and Developmental Services.

Education:
Special Education, K–12, and Higher Education.

Employment:
QRyde Shuttles, Carpooling, and Ride Sharing.

International:
Smart city transportation solutions including solid waste management systems, distribution systems, intelligent transportation solutions, and citizen service platforms.

QRyde Cloud Platform

QRyde Cloud delivers a comprehensive set of tools including client profile management, ride booking, scheduling, dispatching, routing, ride-sharing optimization, HIPAA-compliant billing, electronic fare cards, and contract management. The platform supports text, voice, and browser-based user experiences within a unified system.

QRyde's Record

Often described as one of the best-kept secrets in the public transit software industry, QRyde has consistently emerged as a vendor of choice in competitive procurements. Major statewide deployments with Georgia DOT and Mississippi DOT expanded QRyde solutions to more than 145 transit operations.

QRyde was the industry's first Windows and Linux-based multi-tenant transportation management system, built on an open-architecture, plug-and-play framework with robust support capabilities.

Selected Client Feedback

Prairie Hills Transit:
"QRyde is currently used by area nursing homes through a portal to schedule resident transportation. The customer support received from the QRyde team for over 12 years has been phenomenal." – Barbara Cline, Vice President, CTAA and Executive Director.

Cherokee County Transit:
"The system has raised our efficiency by allowing us to track drivers and reduce radio traffic. Drivers adapted to the tablets faster than expected."

MARTA:
"Since 1998, when HBSS first began working with MARTA, the organization has grown from managing 1,200 trips per day to over 16,000 trips per day."

For more information, visit: https://qryde.com

QRyde References

HBSS has a comprehensive, professional understanding of how to develop scalable and replicable systems. The company handles large Web-based portal development and deployment projects, including:

- **Southeast Vermont Transit (SEVT)**, Vermont awarded HBSS the Microtransit Software Services for the development and deployment of a Microtransit pilot project in Windsor.
- **The Tri-Valley Transit**, Vermont selected HBSS for the development and deployment of Microtransit pilot project in Middlebury.
- **State-wide Paratransit scheduling and dispatching system** for Mississippi serving 64 counties, processing 30,000 trips with the capability to expand to 100,000 trips on a single system. Over $3M development effort.
- **The Tri-Valley Transit (TVT),** Vermont awarded HBSS the Paratransit Scheduling and Dispatch Software to ease operations of the state-wide system in the state of Vermont.
- **State-wide Paratransit scheduling and dispatching Software** as a Service (SaaS) system for Georgia serving 80 counties, processing 30,000 trips with the capability to expand to 100,000 trips on a single system. Over $2million development effort.
- **Penquis Community Action Program (PCAP)** selected HBSS to replace its current legacy Stratagen scheduling and dispatching software system.
- **St. Clair County Transit District (SCCTD)** selected HBSS to deploy both a paratransit and on-demand solution in Illinois.
- **The Regional Transportation District (RTD)** is utilising HBSS QRyde for its Paratransit Scheduling and Management System project in Denver, Colorado. RTD has drivers in the 344-vehicle fleet currently and ridership at pre-covid time (2019) was 127,330.
- **Owen County Public Transit** in Kentucky chose HBSS for its Public Transportation Scheduling and Routing Software project.
- **Montachusett Regional Transit Authority's (MART)** NEMT brokered transportation system serves 75% of the State of Massachusetts (i.e., 4 out of 9 regions in MA), utilizing 250+ transportation providers to deliver 20,000 trips/day, serving over 400,000 MA citizens under 8 human services transportation programs. MART uses HBSS QRyde software for this over $10 million development effort. In addition, HBSS provides an ADA Paratransit service for MART and our software platform has recently been utilized to provide and manage a microtransit system within the city of Fitchburg, MA for MART.
- **Dallas Area Regional Transit's** MyRideNorthTexas transportation portal to serve 16 county regions, utilizing 400+ transportation providers, serving a population of 7 million people. Over $1.2 million development effort.

- **Transit Authority of Northern Kentucky (TANK)**, Kentucky recently awarded HBSS the project for Paratransit Scheduling Software services by replacing their existing software, providing TANK with an intuitive, easy to use GIS-based scheduling and routing software that increases the efficiency of the service.

Southeast Vermont Transit (SEVT)

Name: Randall Schoonmaker

Telephone Number: 802-463-2474

Mailing Address: 45 Mill Street, Wilmington, VT 05363

E-Mail Address: RandyS@moover.com

Customer Since: 2022- on going

Value of Contract: $ 35,715.60

Scope of Work: SEVT, working with the Vermont Agency of Transportation (VTrans), the Town of Windsor, Mount Ascutney Hospital, and other partners provides on-demand microtransit service in Windsor. By leveraging technology and partnership networks, SEVT and its collaborators aim to provide residents of Windsor with convenient access to transportation options tailored to their needs. The on demand microtransit service in Windsor represents a proactive approach to enhancing mobility, promoting sustainability, and fostering community well-being through accessible transportation solutions.

Community Rides Microtransit

Name: Amanda Carlson

Telephone Number: 802-272-9699

Mailing Address: 20 Gable Place, Barre, VT 05641

E-Mail Address: amanda@communityridesvt.org

Customer Since: 2023- on going

Value of Contract: $ 70K

Scope of Work: With the help of HBSS and it QRyde software platform, Community Rides has implemented a microtransit service that enables them to efficiently manage and arrange transportation journeys, including workforce commutes, while also facilitating on-demand trip requests through the consumer portal. The transportation service operates from Monday to Friday, spanning from 7:00 AM to 6:00 PM, providing convenient access to mobility solutions throughout the week.

Montachusett Regional Transit Authority

Contact Person Name: Taimur Khan

Telephone Number: 617-953-6395

E-Mail Address: Taimur.Khan@mrta.us

Mailing Address: 1427R Water Street, Fitchburg, MA 01420

Year of installation /Customer Since: 2001-Ongoing

Average daily riders: 758,771

Average number of vehicles in service: 559

Description of service area: Urban and Suburban

QRyde Demonstration Video Links

QRyde Automated Scheduling – GSE
Overview of automated scheduling for Guaranteed Service Entities.
https://www.screencast.com/t/Jgk3QUaYTKC

QRyde Dispatch 360
Dispatcher tools and real-time operational controls.
https://www.screencast.com/t/ybklAznztf1o

QRyde NEMT
Non-Emergency Medical Transportation features and compliance support.
https://www.screencast.com/t/cp6ADdFK10jC

QRyde Reporting Dashboard
Reporting, analytics, and performance insights.
https://www.screencast.com/t/7G1ZpzbDPQS

QRyde IVR & Appointment Reminders
IVR capabilities and automated reminder workflows.
https://www.screencast.com/t/zMRc7EYPUoN

Microtransit service for Unalaska, Alaska

Stephen Pellegrini, HBSS Connect Corp
01/04/2026

Currently, there are 8 taxi companies operating in Unalaska. Based on published rates, a 1-mile trip would cost $7.00 for one person, and $13.00 for two persons. Looking at the layout of the city, average distance for a trip is likely 2 miles making the cost $20.00. Assuming round trip this would make the cost $40.

Most residents do not have cars. If the above example trip was needed daily this would make the weekly cost of transportation for 2 people $200 a week or $800 a month. This makes using taxis as a daily public transportation option prohibitively expensive.

A microtransit service would need to bring the cost of a trip down to a reasonable number such as $5-$8 per one way trip per person to promote daily use.

There are several ways to do this. Identify high volume traveled corridors where multi-loading of passengers could increase the revenue per hour for the service during peak hours – these trips could be offered at a lower rate.

Provide some form of subsidy from the city per trip to lower the cost of each trip for consumers.

Implement a microtransit scheduling and trip booking system to promote rapid trip booking by consumers increasing trip volume, and instant dispatch to the available vehicles working in the microtransit system for those time slots. Enroll some or all of the taxi services in the microtransit system to provide dedicated vehicles/drivers for designated time slots and geographic trip corridors that the microtransit service would operate.

QRyde Solution

QRyde's microtransit software could connect the available taxi vehicles for the microtransit service from contracted taxi companies to consumers requesting trips via our QRyde mobile rider app and/or AI phone agent with taxi drivers on the clock for the microtransit service using the QRyde driver app. The QRyde automated dispatching system would assign the trips in real time to the best available driver. Riders would pay for the service via credit cards. Another payment option would be the QRyde fare card system where riders could charge the card (via cash at the city office or check, or via credit card), then use the QRyde fare card to pay as they ride.

QRyde would handle the payment processing, and payment disbursement to the taxi companies electronically.

Current Taxi Services Operating in Unalaska

Alaskan Taxi

- **Phone:** (907) 391-2129 [Alaskan Ta…tch Harbor]
- **Mailing Address:** P.O. Box 302, Unalaska, AK 99685 [Alaskan Ta…tch Harbor]
- **Ownership / Corporate Info:** Not available from public records.
- **Website:** Not found.

Aleutian Taxi

- **Phone:** (907) 359-9322 [unalaska.gov]
- **Mailing Address:** P.O. Box 920144, Dutch Harbor, AK 99692 [unalaska.gov]
- **Physical Address:** 109 Salmon Way (per Alaska Handbook / MapQuest) [alaskahandbook.com], [mapquest.com]
- **Ownership:** Not directly listed; identified as a local taxi provider since at least 2005 [unalaska.gov], [yellowpages.com]
- **Website:** Not found.

Blue Checker Taxi

- **Phone:** (907) 581-2186 [unalaska.gov], [mapquest.com]
- **Mailing Address:** P.O. Box 921296, Dutch Harbor, AK 99692 [unalaska.gov]
- **Ownership / Corporate Info:** Not available from public records.
- **Website:** Not found.

Bruce Taxi

- **Phone:** (907) 359-7337 [unalaska.gov], [yellowpages.com]
- **Address:** Not listed.
- **Ownership / Corporate Info:** Not found.
- **Website:** Not found.

Island Taxi

- **Phone(s):** (907) 359-4227, (907) 359-3800, (907) 359-7076 [unalaska.gov]
- **Mailing Address:** P.O. Box 921275, Unalaska, AK 99692 [unalaska.gov]
- **Corporate Info:**
    - Entity: Island Taxi LLC
    - Registered: October 7, 2025; **Good Standing**
    - Registered Agent: Rowena Gaspar
    - Principal Address: 161 W Broadway Ave, Unalaska, AK 99685 [bizapedia.com], [alaskacompanydir.com]

    - Members: Karoly Gaspar and Rowena Gaspar [bizapedia.com], [alaskacompanydir.com]
- **Website:** Not found.

Linda P Taxi / Blue Checker Taxi #2

- **Phone:** (907) 359-3000 [unalaska.gov], [yellowpages.com]
- **Address / Ownership / Website:** Not found.

Star Taxi

- **Phone:** (907) 359-3375 [unalaska.gov]
- **Mailing Address:** P.O. Box 920354, Dutch Harbor, AK 99692 [unalaska.gov]
- **Ownership / Corporate Info:** Not listed.
- **Website:** Not found.

Viprint Taxi

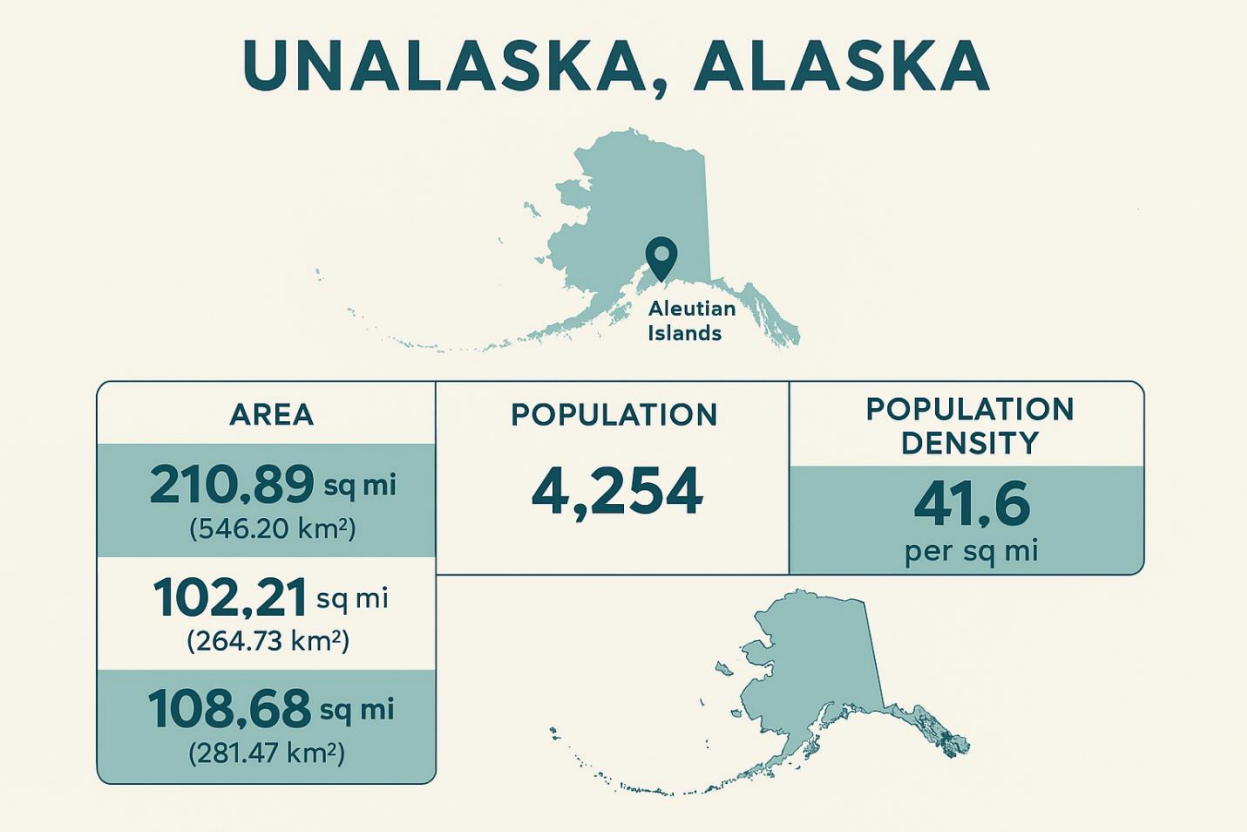
- **Phone:** (907) 359-5555 [unalaska.gov], [yellowpages.com]
- **Corporate Info (Viprint Taxi LLC):**
    - Registered: February 3, 2025; **Good Standing** [alaskacompanydir.com], [bizapedia.com]
    - Principal Address: 348 Raven Way, Unalaska, AK 99685 [alaskacompanydir.com], [bizapedia.com]
    - Mailing Address: P.O. Box 920804, Dutch Harbor, AK 99692 [alaskacompanydir.com], [bizapedia.com]
    - Registered Agent / Owner: Reynald John Elardo [alaskacompanydir.com], [bizapedia.com]
- **Website:** Not found.

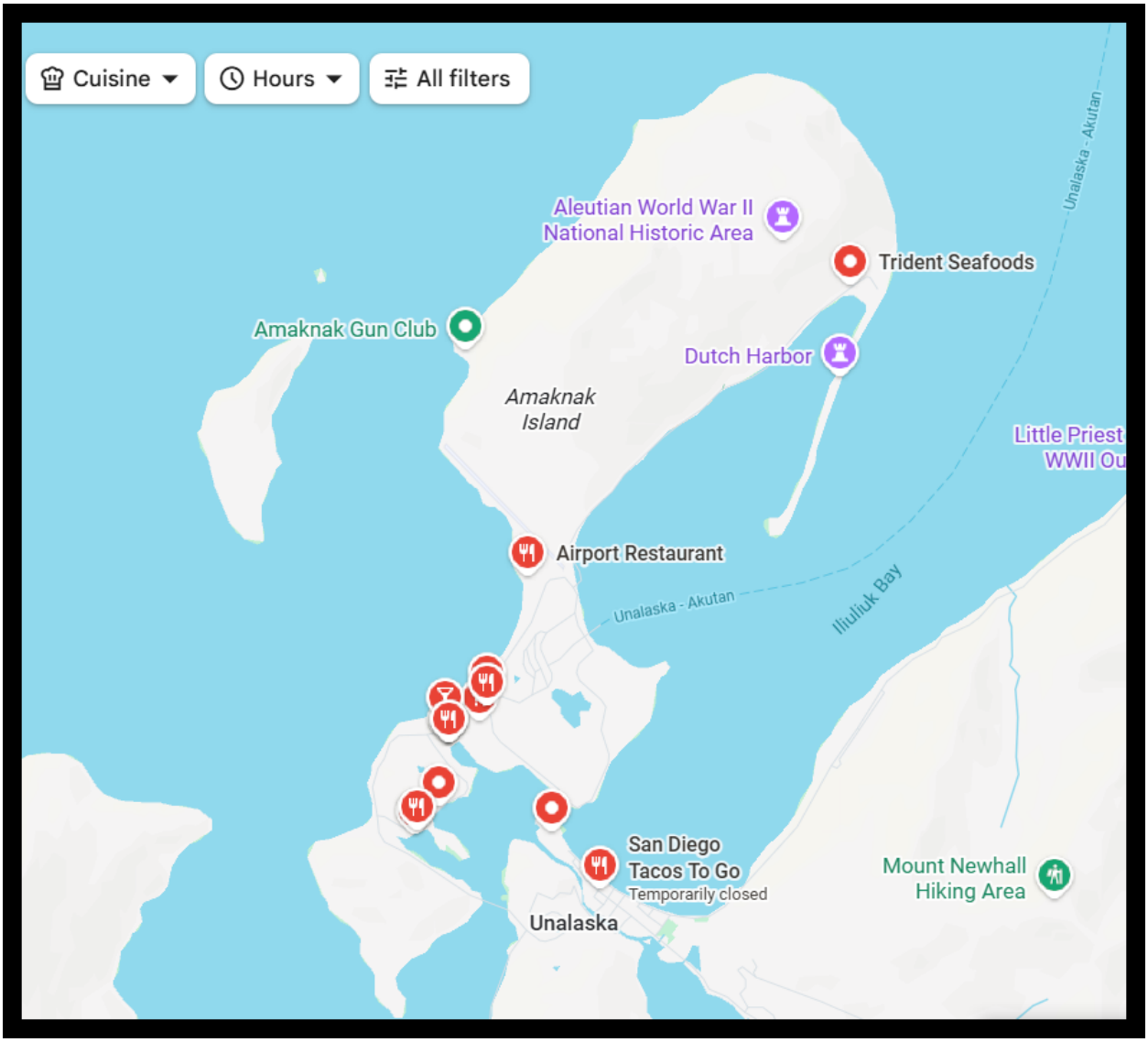
City Taxi Rate Information

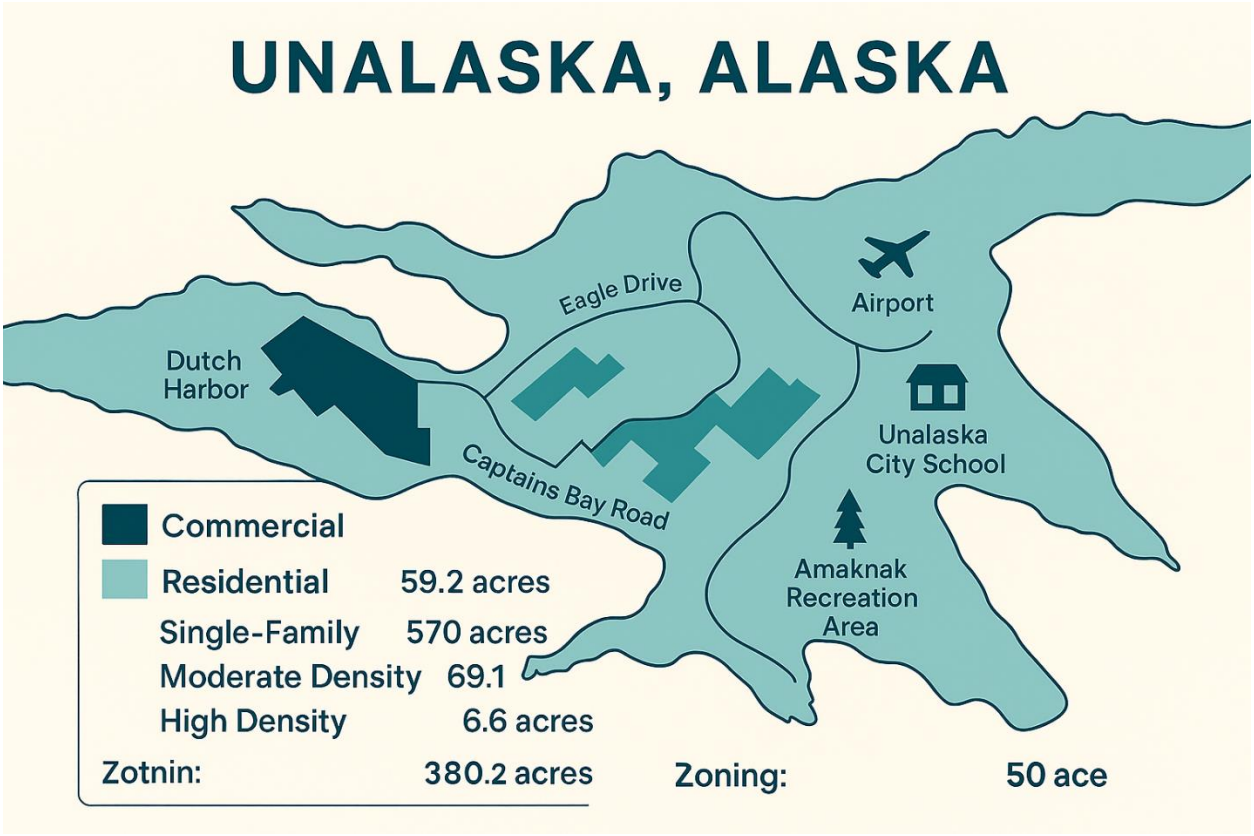
The City of Unalaska publishes standard taxi rates for all licensed operators:

- **Flag drop:** $3.00
- **Per 1/10 mile:** $0.40
- **Additional fare (over two passengers):** $6.00
- **Waiting time:** $1.50 per minute
- **Charter service:** $90.00 per hour [unalaska.gov], [yellowpages.com]

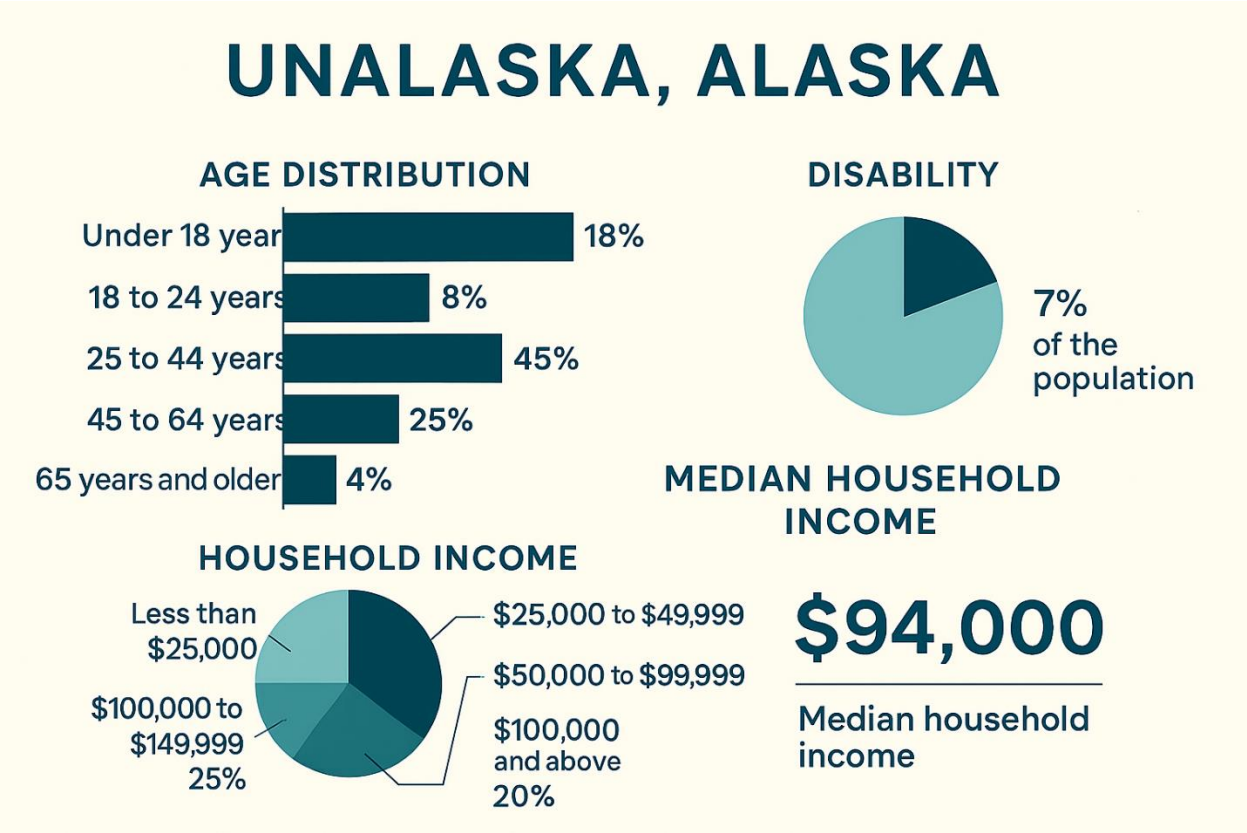
Geography


UNALASKA, ALASKA
Aleutian Islands
AREA
210,89 sq mi
(546.20 km²)
102,21 sq mi
(264.73 km²)
108,68 sq mi
(281.47 km²)
POPULATION
4,254
POPULATION DENSITY
41,6
per sq mi


Cuisine
Hours
All filters
Aleutian World War II National Historic Area
Trident Seafoods
Amaknak Gun Club
Dutch Harbor
Amaknak Island
Unalaska - Akutan
Airport Restaurant
Unalaska - Akutan
Iliuliuk Bay
San Diego Tacos To Go
Temporarily closed
Unalaska
Mount Newhall Hiking Area


UNALASKA, ALASKA
Eagle Drive
Airport
Dutch Harbor
Unalaska City School
Captains Bay Road
Amaknak Recreation Area
Commercial
Residential 59.2 acres
Single-Family 570 acres
Moderate Density 69.1
High Density 6.6 acres
Zotnin: 380.2 acres
Zoning: 50 ace

Demographics



Population

- **Total: ~4,254 residents (2020 Census)**

Age Distribution

- **Under 18 years: ~18% (≈765 people)**
- **18–24 years: ~8% (≈340 people)**
- **25–44 years: ~45% (≈1,915 people)**
- **45–64 years: ~25% (≈1,065 people)**
- **65 years and older: ~4% (≈170 people)**

(Unalaska has a relatively young, working-age population due to its fishing industry.)

Disability Status

- **Estimated population with a disability: ~6–7% of residents**
  → ≈255–300 individuals
  (Includes physical, cognitive, and sensory disabilities; ACS 5-year estimates.)

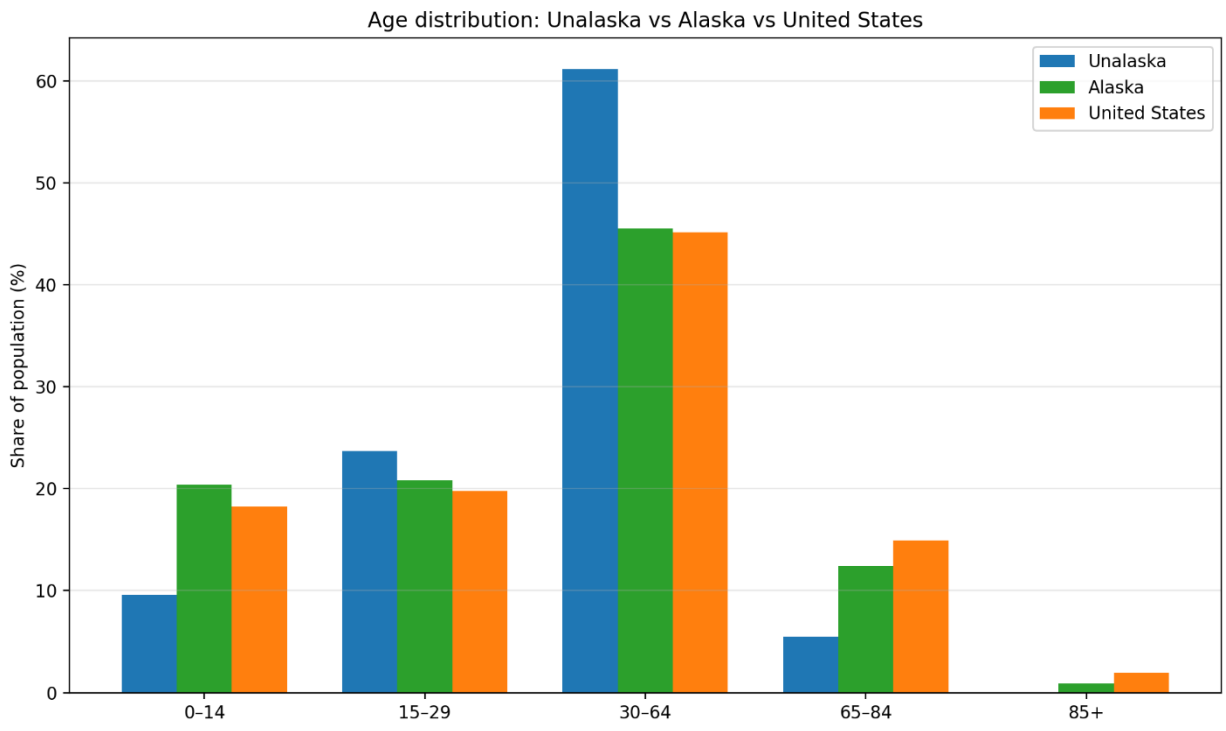
Income Categories

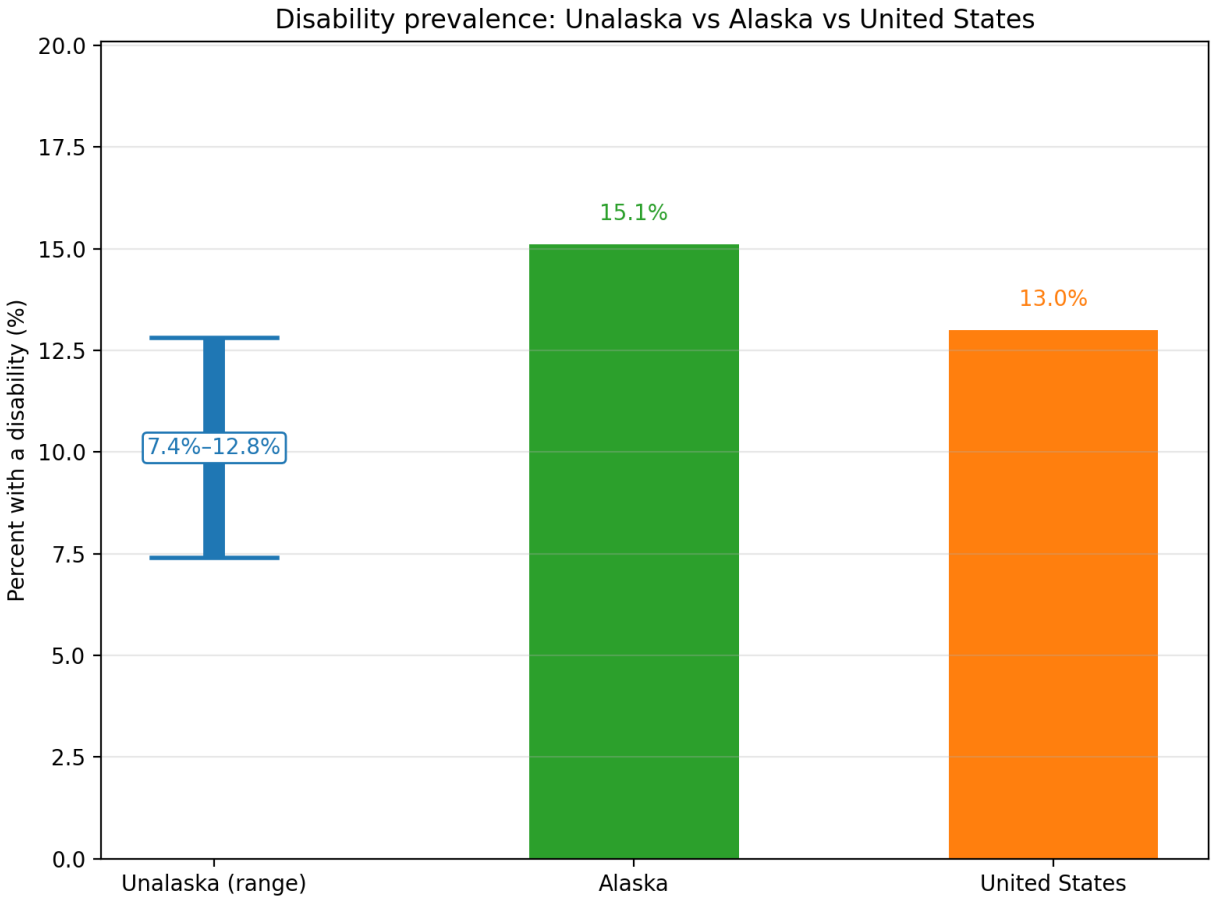
- **Median Household Income: ~$94,000**
- **Income Breakdown:**
  - **Less than $25,000: ~8% (≈135 households)**
  - **$25,000–$49,999: ~12% (≈200 households)**
  - **$50,000–$99,999: ~35% (≈585 households)**
  - **$100,000–$149,999: ~25% (≈420 households)**
  - **$150,000 and above: ~20% (≈335 households)**

(Unalaska's income levels are higher than the U.S. average due to the seafood industry and remote location costs.)

Other Key Stats

- **Poverty Rate: ~8%**
- **Employment: Dominated by fishing, seafood processing, and port services.**


Age distribution: Unalaska vs Alaska vs United States
Unalaska
Alaska
United States
Share of population (%)
0
10
20
30
40
50
60
0–14
15–29
30–64
65–84
85+


Disability prevalence: Unalaska vs Alaska vs United States
Percent with a disability (%)
20.0
17.5
15.0
12.5
10.0
7.5
5.0
2.5
0.0
7.4%–12.8%
15.1%
13.0%
Unalaska (range)
Alaska
United States

Alaska Marine Lines, Inc.
5615 W. Marginal Way S.W.
Seattle, WA 98124
www.lynden.com/aml

Rate Quote **AML251203105**
Quote Date **03 Dec 2025**

Requested by:
Kelly Dunn
Phone: (206) 210-6749
Email: kellydunn@altago.com

Prepared by:
Ally Olds
Phone: (800) 326-8346
Email: CSWAKHI@lynden.com

Description: Budgetary Rate - Bus

Origin	ORG	DST	Destination	Routing	Mode
Seattle, WA	SEATTLE	DUTCH HARBOR	Dutch Harbor, AK	Dock - Dock	Water - Barge

Qty	Commodity	Pkg Type	Description	Dimensions (LxWxH)	Weight	Total Wt	Min Qty	Rate	Basis	Rated As	Charge
1	1740-002	EACH	Breakbulk - Vicinity 27'6" Bus	27'6" x 8'3" x 9'10"	29,101	29,101	1	305.00	PLF	27.50	$8,387.50
			Marine Assessment Fee (Vehicles)					44.00	EACH	1.00	$44.00
			Terminal Handling Charge: Dutch Harbor (Vehicles)					125.00	EACH	1.00	$125.00
			Fuel Related Surcharge					20.50%	PCT		$1,719.44
			Subtotal	226.9 sq ft / 2,230.9 cu ft		29,101 lbs					$10,275.94

Origin	ORG	DST	Destination	Routing	Mode
Seattle, WA	SEATTLE	DUTCH HARBOR	Dutch Harbor, AK	Dock - Dock	Water - Barge

Qty	Commodity	Pkg Type	Description	Dimensions (LxWxH)	Weight	Total Wt	Min Qty	Rate	Basis	Rated As	Charge
1	1740-002	EACH	Breakbulk - Catalyst Bus	36'11" x 8'6" x 11'4"	30,500	30,500	1	305.00	PLF	36.92	$11,260.60
			Marine Assessment Fee (Vehicles)					44.00	EACH	1.00	$44.00
			Terminal Handling Charge: Dutch Harbor (Vehicles)					125.00	EACH	1.00	$125.00
			Fuel Related Surcharge					20.50%	PCT		$2,308.42
			Subtotal	313.8 sq ft / 3,556.3 cu ft		30,500 lbs					$13,738.02

Origin	ORG	DST	Destination	Routing	Mode
Seattle, WA	SEATTLE	DUTCH HARBOR	Dutch Harbor, AK	Dock - Dock	Water - Barge

Qty	Commodity	Pkg Type	Description	Dimensions (LxWxH)	Weight	Total Wt	Min Qty	Rate	Basis	Rated As	Charge
1	1740-002	EACH	Breakbulk - TL/TH400 Bus	20'0" x 6'11" x 9'2"	9,500	9,500	1	305.00	PLF	20.00	$6,100.00
			Marine Assessment Fee (Vehicles)					44.00	EACH	1.00	$44.00
			Terminal Handling Charge: Dutch Harbor (Vehicles)					125.00	EACH	1.00	$125.00
			Fuel Related Surcharge					20.50%	PCT		$1,250.50
			Subtotal	138.3 sq ft / 1,268.1 cu ft		9,500 lbs					$7,519.50

Estimated Total	679 sq ft / 7,055 cu ft	69,101 lbs	**$31,533.46**

General Quote Notes

FOR ALL SHIPMENTS GOING FROM SEATTLE TO WESTERN ALASKA: Please deliver cargo to AML YARD 5: 6700 West Marginal Way SW, Seattle, WA 98106. Toll-Free: 1-800-426-3113

Please make a Booking with Customer Service and reference quote number to ensure proper rating.

Rates herein are valid for 30 days from the date shown above.

Rates apply between Carrier's terminals only, and do not include pickup or delivery.

Rates and charges stated herein are estimates based on the description provided and shall not be construed as a tariff. Freight charges shall be assessed based on the actual weight and dimensions verified when cargo is received.

Carrier's liability shall be limited as outlined in Alaska Marine Lines's STB AKMR RULES TARIFF 100 (available online at www.lynden.com); cargo valued at $75,000 or greater will be assessed an additional charge of 2% of the total value as declared on the bill of lading.

CREDIT: Until you have been approved for credit with Alaska Marine Lines, you will be required to pay your freight charges in full before release of your cargo at the destination port.

Alaska Marine Lines, Inc.
5615 W. Marginal Way S.W.
Seattle, WA 98124
www.lynden.com/aml

For the hub ports of Dutch Harbor, Naknek, Dillingham, Bethel, Nome, and Kotzebue, Alaska Marine Lines' equipment must be made available at the dock by 30 calendar days (including weekends and holidays) following initial delivery or prior to our next barge arrival. Alaska Marine Lines equipment destined for Western Alaska villages must be made available at the traditional barge landing by 45 days (including weekends and holidays) following initial delivery. If the equipment is not available, the Bill-to Party will be responsible for detention charges of $5.00 per day for 20' equipment and $8.00 per day for 40' equipment which will accrue until the equipment is picked up by the Carrier on the next subsequent arrival.

Cargo is transported on open deck barge. Shipper is responsible to sufficiently pack or prepare goods to withstand the normal rigors of barge transportation. Please visit our website for packaging instructions, available at http://www.lynden.com/aml/tools/tariffs-and-forms.html.

All services are subject to the standard terms and conditions of our Surface Transportation Board tariff (available at http://www.lynden.com/terms-conditions.html) and the bill of lading published therein. Any bill of lading or other shipping document issued shall not be effective to the extent it conflicts with our terms and conditions. By shipping with Alaska Marine Lines, you are acknowledging acceptance of our terms and conditions.

Estimate is based on current rates. Actual freight charges shall be subject to increases and surcharges in effect at the time of shipment.

Consolidation charges are applied as a flat charge per 20' container ($275.00) or 20' platform ($400.00), which includes consolidation and physical transfer of the cargo from Shipper's vehicle, plus an additional per bill of lading charge of $20 for non-hazardous cargo or $60 for hazardous cargo; charges are not subject to fuel surcharge.

Carrier's liability under the Extended Liability program shall be subject to a maximum limitation of $75,000 per Package (as that term is defined in section 2 of Carrier's bill of lading) or, for Goods not deemed a Package, $75,000 for all Goods identified on any single bill of lading issued by Carrier. The charge for any excess valuation declaration shall be two percent (2%) of the value so declared and inserted in the bill of lading.

TERMS AND CONDITIONS

1. DEFINITIONS.

a. "Carrier" refers to the Lynden entity engaged by Shipper to provide transportation services with respect to the goods. For a list and description of the various Lynden entities, please visit our website at: **WWW.LYNDEN.COM**.

b. "Consignee" refers to the entity identified by Shipper and agreed by Carrier as the entity to receive the goods.

c. "Goods" refers to those items of goods, cargoes, commodities and other personal property with respect to which Carrier has been requested to or does perform transportation services, including all items and materials associated with the goods, such as any boxes, crates, cradles, pallets, tanks, platforms, flatracks and/or containers.

d. "Entity" refers to all forms of business entities as well as to natural persons.

e. "Load" refers to all goods of Shipper in/on a single container, flatrack, platform, trailer, etc.

f. "Shipper" refers to the entity engaging Carrier with respect to the goods as well as the owner(s), consignor, consignee and all others who may have right of claim by, through or with respect to the goods.

g. "Shipment" refers to all goods identified on a singularly numbered bill of lading or air waybill, as applicable (but which bill of lading or air waybill may contain multiple parts).

h. "Package," for purposes of COGSA and as otherwise applicable herein, shall mean: i) the entire contents (including all individual packages, boxes and crates and all Goods contained in each such package, box or crate) of a shipping device in the case of goods transported by Carrier in or on a shipping device defined as including, but not limited to, containers, vans, trailers (of all kinds), tanks, platforms or flatracks; or ii) the entire content of a unitized lift in the case of goods bundled, strapped or otherwise secured together and forming a unit transported by Carrier and not otherwise loaded in or on a shipping device; or iii) any individual unit of cargo including machinery, equipment and other items transported as a single unit without further consolidation; or iv) in the case of bulk goods or goods not otherwise defined herein, the totality of goods identified on a singularly numbered bill of lading issued by Carrier. Notwithstanding the foregoing, in the event that Carrier consolidates goods from different customers into/onto a shipping device or as a portion of a unitized lift, for Carrier's benefit and not at the direction of Shipper, the "package" definition in subsections (i) and (ii) above shall be modified such that content is defined as that portion of the content being transported for Shipper.

2. FREIGHT AND OTHER CHARGES.

a. Freight, Storage and Other Charges. Freight, storage and other charges of Carrier shall be as identified by Carrier in its applicable rate quotation, transportation agreement, bill of lading, air waybill and/or tariff, and invoicing, as applicable. Freight, storage and other charges based upon inaccurate or incomplete instructions or particulars may be recalculated by Carrier at any time without advance notice.

b. Other Charges and Expenses. Shipper shall be responsible for all charges and expenses relating to the goods and/or their transportation, including, without limitation, all dues, taxes, duties, fines and penalties, advances made by Carrier, additional costs and expenses incurred by virtue of Shipper's actions, omissions or failure to comply with its obligations hereunder, as well as those incurred as a result of unforeseen or extraordinary circumstances.

c. Payment. Freight, storage and other charges shall be deemed fully earned upon tender of the goods by Shipper for transportation and payable in advance and prior to delivery unless otherwise agreed in writing by Carrier. Amounts due Carrier shall be paid in U.S. dollars without deduction or offset. Interest on amounts due but not paid shall accrue at the rate of one and one-half percent (1.5%) per month. Shipper, including all entities falling within the definition of that term above, shall be jointly and severally liable for payment of all amounts due Carrier.

d. Lien. Shipper, including and on behalf of all entities falling within the definition of that term above, agrees that Carrier shall be entitled to a security interest in and lien upon all present and future inventory, fixtures, equipment, personal property of Shipper, including without limitation all goods of Shipper in Carrier's constructive or actual possession, and all accounts, accounts receivable, general intangibles, cash, chattel paper, deposits, and similar property, to secure the payment of any freight, storage or other charges or amounts owed by Shipper to Carrier, with such security interest and lien to survive delivery and otherwise remain until all amounts due have been paid to Carrier in full. Shipper authorizes Carrier to file financing statements and agrees that Carrier may exercise all rights available hereunder, at law and/or in equity for and in furtherance of the same, including store and/or sell such goods, at the risk and expense of Shipper, unless and until all such amounts have been paid to Carrier.

3. INFORMATION FROM SHIPPER. Shipper warrants the accuracy and completeness of all information, instructions and particulars relating to the goods, including their nature, description, special characteristics, marks, number, weight, volume and quantity, etc., upon all of which Carrier shall rely. Shipper shall reimburse Carrier for any loss or expense (including additional charges) resulting from any such inaccurate or incomplete information, instructions or particulars.

4. HAZARDOUS GOODS. Shipper must identify to Carrier in writing prior to shipment any goods which require specialized handling or are dangerous or hazardous, and Carrier must specifically agree in writing to transport the same. In such an event, Shipper shall provide complete and accurate handling instructions and information, including relevant safety procedures, and shall be responsible for the completion of all documentation required and otherwise for compliance with applicable regulations and laws relating to the goods and/or their transportation. Should, in Carrier's opinion, any goods create a risk of harm to persons or property and/or make the transportation impractical, Carrier may discharge, store and/or dispose of any or all such goods at Shipper's sole risk and expense.

5. REFRIGERATED, PERISHABLE AND VALUABLE GOODS. Shipper must identify to Carrier in writing prior to shipment any perishable, temperature controlled, keep from freezing, chilled or frozen goods, and Carrier must specifically agree to transport the same. In such an event, Shipper shall identify in writing to Carrier the nature of the goods and the specialty conditions, temperature, humidity, etc. under which they are to be transported and shall also be responsible for tendering the goods to Carrier with a uniform core temperature below that at which the goods are to be transported. Carrier shall not be responsible for freezing down or reducing the core temperature of goods but, rather, only for maintaining an ambient temperature in the relevant conveyance such that the core temperature of such goods remains within ten (10) degrees Fahrenheit of the temperature at which such goods were tendered to Carrier. Carrier shall not be responsible for stains, discolorations, holes, chafing, breakage or splitting of lumber, timber, plywood, wood products, etc., whether or not protected and/or covered. Shipper shall not tender for transportation any art objects, bank bills, coins, currency, drafts, notes, valuable papers, precious metals, precious stones, antiques or any other rare, old, precious or semi-precious articles of extraordinary value. Shipper shall not tender for transportation any live animals without prior notice and Carrier's express consent.

6. TENDER OF GOODS. Shipper shall be responsible for tendering the goods to Carrier at the time and place identified, with all such goods to be in good order, count and condition, and packaged, protected, packed, stowed and/or shored sufficiently to withstand the rigors of storage and transportation, including without limitation transportation by uncovered barge and exposure to weather, moisture, humidity, heat, rolling, pitching and similar barge movements, if applicable.

7. ROUTES, METHODS, ETC. Carrier shall perform with due diligence but does not warrant or guarantee any particular speeds or departure/arrival dates/times. Carrier shall have liberty with respect to the selection of conveyances, routes, procedures, modes and methods of transportation. Carrier shall not be responsible for any delay, inability to perform or failure to perform caused by events beyond its direct and reasonable ability to control, including without limitation, ice or other conditions preventing or delaying a vessel in reaching a loading or discharge berth, the loading or unloading of cargo, or the departure of a vessel. In the event of such a hindrance or delay, Carrier shall, if feasible, notify Shipper and request alternate instructions, or if insufficient time exists or instructions are not provided Carrier may, at Shipper's risk and expense, deviate, discharge, store and/or dispose of the goods as it deems reasonable under the circumstances.

8. LIBERTIES. Carrier shall be at liberty to call at any port/place to replenish fuel, oil, stores or other necessaries and/or make repairs. Carrier may deviate in attempt to save life or property, and with respect thereto may leave the cargoes in a position believed safe. Carrier may select any route, speed, transportation arrangement believed reasonable under the circumstances, including tandem barge towage if by water. In the event of accident, danger, damage, disaster or other event occurring after departure on any voyage or trip which, in the opinion of Carrier, prevents or may prevent the safe completion of such, Carrier may deviate, discharge, store and/or dispose of goods at Shipper's risk and expense.

9. IN-TRANSIT STORAGE. Upon Shipper's instruction or with its consent, Carrier may store goods in-transit. Upon notice to and approval from Carrier (which shall not be unreasonably withheld), Shipper shall be given access to goods stored in-transit during normal business hours for the facility, provided that Shipper is accompanied by a representative of Carrier and an additional access charge may apply. All storage of the goods shall be deemed in-transit and subject to these terms and conditions unless agreed otherwise by Carrier in writing, including through Carrier's issuance of a warehouse receipt.

10. DELIVERY OF GOODS. Carrier shall deliver or arrange for delivery of the goods to Consignee at the location identified by Shipper and agreed by Carrier. Consignee shall be obligated to receive and take the goods as promptly as they can be discharged/unloaded from the conveyance, with such discharge/unloading to be at Shipper's risk and expense. Goods received and taken by Consignee, tendered to Consignee and refused or otherwise not received and taken, seized by government authority and/or under legal process, which cannot be delivered because of Shipper's act, fault or neglect, including inaccuracy/inadequacy of instructions or particulars, or which for any other reason beyond Carrier's control have not promptly been received and taken, shall nonetheless be deemed fully delivered to Consignee and Carrier's responsibility with respect to such goods and this agreement shall thereupon cease. Any actions taken by Carrier with respect to the goods thereafter shall be performed as Shipper's agent and at Shipper's risk and expense.

11. INTERNATIONAL TRANSPORTATION BY AIR. In the event of international transportation by air, the Montreal Convention may be applicable. In such an event, the transportation by air shall be subject to said Convention and Carrier's liability for loss/damage to the goods shall be limited in accordance with said Convention, which shall override anything herein to the extent of any conflict. Shipper should contact Carrier directly, and review its applicable schedule/tariff(s), available at **WWW.LYNDEN.COM**, for more information as to international transportation by air.

12. TRANSPORTATION BY WATER. In the event of transportation by water, domestic or international to/from the United States, the U.S. Carriage of Goods By Sea Act (COGSA) shall be incorporated herein and applicable at all times the goods are in Carrier's custody, care and/or control, including before loading to the vessel, through transportation, after discharge and until delivery. In addition, for transportation by water, Shipper hereby authorizes transportation on deck and/or by unmanned barge, and acknowledges that New Jason/General Average and Both to Blame clauses shall be applicable and incorporated herein. Shipper should contact Carrier directly, and review its applicable schedule/tariff(s), available at **WWW.LYNDEN.COM**, for more information as to transportation by water.

13. LOSS/DAMAGE TO GOODS. Carrier's liability with respect to the goods, and/or Shipper, Consignee and/or any other person or entity claiming by, through or with respect to the goods, and whether for loss, damage, delay, shortage, misdelivery, failure to deliver or otherwise, shall be only as follows:

a. Exceptions. Carrier shall not be liable for any loss, damage, delay, shortage, misdelivery, failure to deliver or other result caused by: act of God; peril of land, sea or air; act of terrorism; act of public enemy; act of war; act of public or government authority or other with apparent authority; fire, unless caused by the actual fault or privity of Carrier; pandemic, epidemic and/or quarantine; act or omission of Shipper, its agent or representative; strike, lockout or other labor dispute; sabotage; riot or other civil commotion; wastage in bulk or weight or arising from the nature of the goods; inherent vice or latent defect of the goods; improper and/or insufficient packing, securing, packaging, marking or addressing; compliance with instructions from Shipper; goods loaded by Shipper into sealed containers or other packages, providing the seal or package remains unbroken and not physically damaged; errors in operation or navigation of a vehicle, vessel or other conveyance; or any other cause or event arising without the actual fault and privity of Carrier.

b. Consequential Damages. Carrier shall not be liable for any indirect, consequential or special damages of any type or nature whatsoever and howsoever arising, including without limitation any claim for loss of profits, loss of income, loss of business opportunity, business interruption, loss of use and/or loss of ability to use undamaged component or system parts, regardless of whether resulting from negligence, breach or otherwise, and/or whether such may have been foreseeable.

c. Limitation of Liability and Option to Declare Higher Value. Subject to section 11 (international transportation by air) and section 12 (transportation by water), above, as applicable, Carrier's liability with respect to the goods, and whether for loss, damage, delay, shortage, misdelivery, failure to deliver or otherwise, shall be the lesser of the actual cost to repair, replace and/or deliver the goods or the valuation applicable to Carrier identified directly below:

ALASKA MARINE LINES, INC.	:	$500 per package/cfu under COGSA However, in some cases Alaska Marine Lines, Inc. has accepted certain extended liability for cargo loss or damage as outlined in its tariffs. Such tariff provisions shall supersede this Bill of Lading when in conflict, but only to the extent of such conflict.
ALASKA MARINE TRUCKING, LLC	:	$.50 (fifty cents) per pound.
ALASKA WEST EXPRESS, INC.	:	$.10 (ten cents) per pound.
LTI, INC.	:	$.10 (ten cents) per pound.
LYNDEN AIR CARGO, LLC	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN AIR CARGO (PNG) LTD.	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN LOGISTICS, INC. (FKA LYNDEN INTERNATIONAL)	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN LOGISTICS SERVICES, INC.	:	$.10 (ten cents) per pound.
LYNDEN TRANSPORT, INC.	:	$20 (twenty dollars) per pound, up to a maximum of $200,000 per load.

All amounts above are in US dollars. Notwithstanding the foregoing, for goods originating in Canada and transported by motor Carrier, Carrier's liability shall be the lesser of the actual cost to repair, replace and/or deliver the goods or CAN $2.00 per pound, up to a maximum of US $200,000 per load.

However, if Shipper has declared in writing to Carrier a valuation for the goods which is higher than the foregoing amount, and Carrier has agreed to carry the goods at the higher valuation so declared, then Carrier's liability shall be the lesser of the actual cost to repair, replace and/or deliver the goods or the higher valuation so declared and agreed, with Shipper to pay increased freight charges for any such declaration as set forth in Carrier's applicable rate tariff and/or other schedule of charges.

Carrier shall not be liable to Shipper or any other claiming by, through or with respect to the goods, whether for loss, delay, shortage, misdelivery, failure to deliver or otherwise, or in tort, contract or upon any other theory, other than as set forth herein, and Shipper agrees to indemnify and hold Carrier harmless (including legal fees and costs) from and against any other or further loss, damage, expense, liability, claim, fine, penalty and/or suit arising out of or in any fashion whatsoever relating to the goods or their transportation.

d. Delivery and Inspection. Delivery of the goods without written notification of damage on the bill of lading, way bill or delivery receipt shall be prima facie evidence that the goods have been delivered in the same good order, count and condition as when initially received by Carrier.

e. Claims. As a condition precedent to any recovery against Carrier:

1. The goods must be carefully inspected by Shipper or Consignee immediately upon delivery, and any loss or damage which would then be evident must be noted in writing to Carrier on the bill of lading, waybill or delivery receipt, or the goods shall be conclusively presumed to have been delivered in the same good order, count and condition as when initially received by Carrier;
2. In the event of any loss or damage not ascertainable at delivery, written notice must be given to Carrier within three (3) days of delivery for transportation by water, under COGSA, within seven (7) days of delivery for U.S. domestic air transportation, and otherwise within fifteen (15) days of delivery, after which time and with no written notice having been given it shall be conclusively presumed that the goods were delivered in the same good order, count and condition as when initially received by Carrier;
3. In the event of goods delayed, lost or otherwise not timely delivered, Carrier must be given written notice within three (3) days of delivery for transportation by water, under COGSA, within seven (7) days of delivery for U.S. domestic air transportation, and otherwise within fifteen (15) days of delivery, or from the date upon which the goods should have been delivered, or the goods shall be conclusively presumed to have been delivered in the same good order, count and condition as when initially received by Carrier;
4. Carrier shall have a reasonable opportunity to inspect the goods, including their packing and packaging, in the same condition as upon delivery and before any alteration or destruction thereof;
5. Written claim for loss/damage, specifying the full particulars thereof and the amount(s) being claimed, must be filed with Carrier within ninety (90) days, for U.S. domestic air transportation, or otherwise within nine (9) months of delivery, from the date on which the goods should have been delivered, or the date on which Carrier disallowed the claim or pertinent part of the claim, whichever is later;
6. Suit against Carrier must be filed within one (1) year for transportation by water, under COGSA, within one (1) year for U.S. domestic air transportation, or otherwise within two (2) years, from delivery, the date which the goods should have been delivered, or the date on which Carrier disallowed the claim or pertinent part of the claim, whichever is later; and
7. There shall be no recovery against Carrier until freight and all charges due Carrier with respect to the goods and/or their transportation have been fully paid and received by Carrier.

14. SUBCONTRACTING. Carrier shall be entitled to subcontract on any terms and/or conditions the whole or any part of the transportation services, including without limitation to its affiliated entities, with all such subcontractors entitled to the same limitations upon, and exemptions and defenses to, liability granted to Carrier hereunder, at law or otherwise.

15. EXTENSION OF BENEFITS. All limitations upon, and exceptions and defenses to, liability granted to Carrier hereunder, or at law or otherwise shall be automatically extended to all parent, subsidiary and/or affiliated entities of Carrier (including its and their respective owners, directors, officers, employees and agents) and to all vessels, vehicles, aircraft, conveyances, carriers, contractors, subcontractors, stevedores, managers, agents and all other persons/entities and equipment utilized and/or providing any services whatsoever with respect to the goods or their transportation.

16. BILLS OF LADING, AIR WAYBILLS, RECEIPTS, ETC. Bills of lading, air waybills, receipts, etc. may be signed by the respective agents and representatives of the parties, including in counterparts and/or by electronic means; upon Shipper's consent, verbal or otherwise, Carrier may complete and/or sign for and on behalf of Shipper, as its authorized agent for such limited purposes.

17. INTEGRATION AND CONSTRUCTION. Upon tender of goods to Carrier, Shipper shall be deemed to have consented and agreed to these terms and conditions, which shall be applicable to all services provided by Carrier and supersede any bill of lading, air waybill, receipt or other document from any entity other than Carrier, including any such document from Shipper. These terms and conditions shall not be modified except through a writing signed by an authorized representative of Shipper and the executive officer of Carrier; no other agent, employee or representative of Carrier has authority to alter, modify or waive these terms and conditions. These terms and conditions, along with Carrier's applicable schedule(s) and tariff(s), available at **WWW.LYNDEN.COM**, incorporated herein by reference as applicable, constitute the entire agreement between the parties, and supersede all prior and contemporaneous agreements, regarding the goods or their transportation, written and oral. This agreement shall be construed neutrally, and as the mutual assent of both parties, rather than for or against a party. The headings used herein are for convenience of reference only.

18. LAW, DISPUTES AND IMMUNITY. The general maritime law and federal transportation laws of the United States shall govern this agreement to the extent applicable, and otherwise the laws of the State of Washington shall govern. Any dispute relating to this agreement, the goods or their transportation shall be resolved through litigation in the state or federal court in Seattle, Washington, with the parties consenting to its jurisdiction and the applicability and convenience of said venue, and with the substantially prevailing party to recover its reasonable legal fees and costs. If Shipper is a Native American Tribe or subsidiary, affiliated or related entity ("Tribe"), afforded protection by tribal sovereign immunity or treaty rights including but not limited to immunity from process, suit, liability, judgment or collection (including enforcement of judgments on tribal land by attachment), in engaging Carrier hereunder Shipper/Tribe has specifically agreed, including through its governing council or body, that Shipper/Tribe hereby provides a limited waiver of its sovereign immunity and tribal rights against process, suit, liability, judgment and collection with respect to this agreement, agrees to be bound in all respects by the terms and conditions hereof, consents to service of process by registered or certified mail and the exclusive jurisdiction of the courts identified above with respect to any dispute, and agrees that the laws identified above shall govern this agreement and any such dispute, to the exclusion of any tribal laws, and any state or federal laws specifically protective of Tribe.

Alaska Marine Lines, Inc.
5615 W. Marginal Way S.W.
Seattle, WA 98124
www.lynden.com/aml

Rate Quote **AML260205041**
Quote Date **05 Feb 2026**

Requested by:
Kelly Dunn
Phone: (206) 210-6749
Email: kellydunn@altago.com

Prepared by:
Jacquelyn Fullerton
Phone: (800) 326-8346
Email: CSWAKHI@lynden.com

Description: Toyota Sienna Minivan

Toyota Sienna Minivan

ORG	DST	Routing	Mode
SEATTLE	DUTCH HARBOR	Dock - Dock	Water - Barge

Qty	Commodity	Pkg Type	Description	Dimensions (LxWxH)	Weight	Total Wt	Min Qty	Rate	Basis	Rated As	Charge
1	1080-000	EACH	Auto - Toyota Sienna Minivan	17'0" x 6'5" x 5'8"	4,800	4,800		4,668.00	FC		$4,668.00
			Marine Assessment Fee (Vehicles)					47.00	EACH	1.00	$47.00
			Terminal Handling Charge: Dutch Harbor (Vehicles)					150.00	EACH	1.00	$150.00
			Fuel Related Surcharge					20.50%	PCT		$956.94
			Subtotal	109.1 sq ft / 618.1 cu ft		4,800 lbs					$5,821.94

Rate applies to automobiles not exceeding 19' in length x 7'6" wide or 7' high. If the automobile exceeds any of these dimensions, a higher rate shall apply as stipulated in Alaska Marine Lines Tariff. Autos must have at least 4 1/2" ground clearance for securing the auto in the container.

Rates apply between Carrier's terminals only, and do not include pickup or delivery.

Vehicles received for shipment must not have over one-quarter (1/4) tank combustible fuels. Vehicles received containing more than 1/4 tank of fuel will be assessed an Excess Fuel Drain charge as per Carrier's tariff STB AKMR 100, series, Rule 987.

PASSENGER VEHICLES, gas, diesel or hybrid powered, NX 22' L nor 7'6 W nor 7' H 1080-000

1. Rates are in dollars and cents per vehicle; rates are based on overall dimensions, including cargo racks, bike racks, mirrors, hitches, etc. Cargo racks must be enclosed and designed to be attached to the vehicle. Bike racks must be empty.
2. All shipments must be prepaid in full, unless credit has been established, in writing, with the Carrier.
3. The following articles may NOT be shipped under the provisions of this Item: Hazardous Materials, Items of Extraordinary Value, Goods shipped for sale or speculation, or Firearms.
4. If through no fault of the Carrier, the vehicle is inoperable, a charge will be assessed for loading and off-loading as specified in STB AKMR 100, series, Rule 987 (Vehicles/Machines, Motor acceptance of).
5. Vehicles received containing more than 1/4 tank of fuel will be assessed a charge for fuel tank drainage in addition to all other freight charges as specified in tariff STB AKMR 100, series, Rule 987 (Vehicles/Machines, Motor acceptance of).
6. Carrier has the option to load vehicles to closed containers, platforms, or loose to barge. Carrier will not be liable for any damage due to weather, Viz.: water, ice, salt, wind or acts of God.
7. Autos may not exceed the Gross Vehicle Weight Rating (GVWR) as specified by the manufacturer. For complete auto loading specifications, see STB AKMR 100, series Rule 355 (Automobile and Vehicle Loading Specifications).
8. Rates apply between Carrier's terminals only.
9. Household goods or personal effects, as described in AKMR 100, series, Item 560 may be placed in enclosed areas of the vehicle provided they are secured by the shipper, and after weight of goods has been provided to Carrier. Shipper must declare weight of goods on the bill of lading. Items are subject to a released value of $0.10 per pound, per article, value subject to provisions listed in AKMR 100, series, Item 560. Items will be considered as shipper load and count, and accepted to all items.
10. Carrier's tariff STB AKMR 100, series, Rules 730 (Payment Of Freight Charges - Prepayment Required) shall apply and freight charges must be prepaid.

Estimated Total	109 sq ft / 618 cu ft	4,800 lbs	**$5,821.94**

General Quote Notes

Next Steps:

1. **Fill out an AML Bill of Lading - required for all shipments:** Customer completed bills of lading are subject to review and correction by Carrier.
2. **Make a booking:** If you are ready to schedule your shipment, please complete a shipping request on our website.
   Book a Shipment | Alaska Marine Lines (lynden.com)
3. **Deliver your cargo in Seattle:**
   Alaska Marine Lines
   6110 W. Marginal Way SW
   Seattle, WA 98106

   Dropoff Instructions:
   www.lynden.com/aml/about/locations/

Alaska Marine Lines, Inc.
5615 W. Marginal Way S.W.
Seattle, WA 98124
www.lynden.com/aml

For shipments requiring pre-payment, please remit check payments to:
AML
P.O. Box 34026
Seattle, WA 98124-1026

Online payments can be made at http://www.lynden.com/pay/

Fuel Surcharge: Rates are subject to Carrier's applicable fuel surcharge in effect at the time of shipment.

ESTIMATE: Rates and charges stated herein are estimates only based on the shipment specifications provided, including, but not limited to, cargo description, dimensions, and weight, as well as requested origin and destination points, and shall not be construed as a tariff. Freight charges shall be assessed based on the actual weight, dimensions and services provided as verified and rates in effect when cargo is received.

Personal Property Restrictions - Pickup Trucks: Personal property is not permitted above the level of bed sides and must be adequately secured and protected by shipper. Load is subject to carrier inspection and approval.

Personal Property Restrictions: Personal effects are not permitted in the front seat or on the floor behind the driver's seat, and must not obstruct visibility through the windows. 360 degree visibility is required. Personal effects are not permitted on roof or racks unless loaded to a car-top carrier designed specifically for such use.

Carrier's liability shall be limited as outlined in Alaska Marine Lines' STB AKMR RULES TARIFF 100 (available online at www.lynden.com); cargo valued at $75,000 or greater will be assessed an additional charge of 2% of the total value as declared on the bill of lading.

CREDIT: Until you have been approved for credit with Alaska Marine Lines, you will be required to pre-pay your freight charges in full.

Demurrage: For the hub ports of Dutch Harbor, Naknek, Dillingham, Bethel, Nome, and Kotzebue, Alaska Marine Lines' equipment must be made available at the dock by 30 calendar days (including weekends and holidays) following initial delivery or prior to our next barge arrival. Alaska Marine Lines equipment destined for Western Alaska villages must be made available at the traditional barge landing by 45 days (including weekends and holidays) following initial delivery. If the equipment is not available, the Bill-to Party will be responsible for demurrage charges of $10.00 per day for 20' equipment and $14.00 per day for 40' equipment which will accrue until the equipment is picked up by the Carrier on the next subsequent arrival.

Rates herein are valid for 30 days from the date shown above.

Cargo is transported on open deck barge. Shipper is responsible to sufficiently pack or prepare goods to withstand the normal rigors of barge transportation. Please visit our website for packaging instructions, available at http://www.lynden.com/aml/tools/tariffs-and-forms.html.

FOR SHIPMENTS FROM ANCHORAGE TO WESTERN ALASKA: Please deliver cargo to 660 Western Drive, Anchorage, AK 99501. Toll-Free: 1-800-426-3113

All services are subject to the standard terms and conditions of Alaska Marine Lines' tariff and/or bill of lading (available at http://www.lynden.com/terms-conditions.html). Any bill of lading or other shipping document issued shall not be effective to the extent it conflicts with our terms and conditions. By shipping with Alaska Marine Lines you are acknowledging acceptance of our terms and conditions. When rates are offered that differ from our common carrier tariffs, those rates are offered as contract rates. By shipping with Alaska Marine Lines you are contractually accepting such terms and conditions and the rates offered, and pursuant to 49 U.S.C. §14101(b) you expressly waive any other rates and terms of service (including rights and remedies) which may be to the contrary.

WHARFAGE (VILLAGE PROVISION). Rates do not include wharfage and handling nor any costs associated therewith at the destination village. Rates do not include any charges assessed against the cargo by third parties claiming control of village landing site and/or the surrounding staging area. Shipper shall be responsible for the payment of such charges, if any, including but not limited to charges identified as wharfage, storage or access fees. Any such charges assessed against and paid by Carrier shall be reimbursed by Shipper. **EXCEPTION:** Carrier will not be responsible for charges imposed at Emmonak dock/landing facilities, including but not limited to wharfage and storage; Shipper is responsible to check with local authorities regarding rates and requirements for freight at the dock/landing facilities.

TERMS AND CONDITIONS

1. DEFINITIONS.

a. "Carrier" refers to the Lynden entity engaged by Shipper to provide transportation services with respect to the goods. For a list and description of the various Lynden entities, please visit our website at: **WWW.LYNDEN.COM**.

b. "Consignee" refers to the entity identified by Shipper and agreed by Carrier as the entity to receive the goods.

c. "Goods" refers to those items of goods, cargoes, commodities and other personal property with respect to which Carrier has been requested to or does perform transportation services, including all items and materials associated with the goods, such as any boxes, crates, cradles, pallets, tanks, platforms, flatracks and/or containers.

d. "Entity" refers to all forms of business entities as well as to natural persons.

e. "Load" refers to all goods of Shipper in/on a single container, flatrack, platform, trailer, etc.

f. "Shipper" refers to the entity engaging Carrier with respect to the goods as well as the owner(s), consignor, consignee and all others who may have right of claim by, through or with respect to the goods.

g. "Shipment" refers to all goods identified on a singularly numbered bill of lading or air waybill, as applicable (but which bill of lading or air waybill may contain multiple parts).

h. "Package," for purposes of COGSA and as otherwise applicable herein, shall mean: i) the entire contents (including all individual packages, boxes and crates and all Goods contained in each such package, box or crate) of a shipping device in the case of goods transported by Carrier in or on a shipping device defined as including, but not limited to, containers, vans, trailers (of all kinds), tanks, platforms or flatracks; or ii) the entire content of a unitized lift in the case of goods bundled, strapped or otherwise secured together and forming a unit transported by Carrier and not otherwise loaded in or on a shipping device; or iii) any individual unit of cargo including machinery, equipment and other items transported as a single unit without further consolidation; or iv) in the case of bulk goods or goods not otherwise defined herein, the totality of goods identified on a singularly numbered bill of lading issued by Carrier. Notwithstanding the foregoing, in the event that Carrier consolidates goods from different customers into/onto a shipping device or as a portion of a unitized lift, for Carrier's benefit and not at the direction of Shipper, the "package" definition in subsections (i) and (ii) above shall be modified such that content is defined as that portion of the content being transported for Shipper.

2. FREIGHT AND OTHER CHARGES.

a. Freight, Storage and Other Charges. Freight, storage and other charges of Carrier shall be as identified by Carrier in its applicable rate quotation, transportation agreement, bill of lading, air waybill and/or tariff, and invoicing, as applicable. Freight, storage and other charges based upon inaccurate or incomplete instructions or particulars may be recalculated by Carrier at any time without advance notice.

b. Other Charges and Expenses. Shipper shall be responsible for all charges and expenses relating to the goods and/or their transportation, including, without limitation, all dues, taxes, duties, fines and penalties, advances made by Carrier, additional costs and expenses incurred by virtue of Shipper's actions, omissions or failure to comply with its obligations hereunder, as well as those incurred as a result of unforeseen or extraordinary circumstances.

c. Payment. Freight, storage and other charges shall be deemed fully earned upon tender of the goods by Shipper for transportation and payable in advance and prior to delivery unless otherwise agreed in writing by Carrier. Amounts due Carrier shall be paid in U.S. dollars without deduction or offset. Interest on amounts due but not paid shall accrue at the rate of one and one-half percent (1.5%) per month. Shipper, including all entities falling within the definition of that term above, shall be jointly and severally liable for payment of all amounts due Carrier.

d. Lien. Shipper, including and on behalf of all entities falling within the definition of that term above, agrees that Carrier shall be entitled to a security interest in and lien upon all present and future inventory, fixtures, equipment, personal property of Shipper, including without limitation all goods of Shipper in Carrier's constructive or actual possession, and all accounts, accounts receivable, general intangibles, cash, chattel paper, deposits, and similar property, to secure the payment of any freight, storage or other charges or amounts owed by Shipper to Carrier, with such security interest and lien to survive delivery and otherwise remain until all amounts due have been paid to Carrier in full. Shipper authorizes Carrier to file financing statements and agrees that Carrier may exercise all rights available hereunder, at law and/or in equity for and in furtherance of the same, including store and/or sell such goods, at the risk and expense of Shipper, unless and until all such amounts have been paid to Carrier.

3. INFORMATION FROM SHIPPER. Shipper warrants the accuracy and completeness of all information, instructions and particulars relating to the goods, including their nature, description, special characteristics, marks, number, weight, volume and quantity, etc., upon all of which Carrier shall rely. Shipper shall reimburse Carrier for any loss or expense (including additional charges) resulting from any such inaccurate or incomplete information, instructions or particulars.

4. HAZARDOUS GOODS. Shipper must identify to Carrier in writing prior to shipment any goods which require specialized handling or are dangerous or hazardous, and Carrier must specifically agree in writing to transport the same. In such an event, Shipper shall provide complete and accurate handling instructions and information, including relevant safety procedures, and shall be responsible for the completion of all documentation required and otherwise for compliance with applicable regulations and laws relating to the goods and/or their transportation. Should, in Carrier's opinion, any goods create a risk of harm to persons or property and/or make the transportation impractical, Carrier may discharge, store and/or dispose of any or all such goods at Shipper's sole risk and expense.

5. REFRIGERATED, PERISHABLE AND VALUABLE GOODS. Shipper must identify to Carrier in writing prior to shipment any perishable, temperature controlled, keep from freezing, chilled or frozen goods, and Carrier must specifically agree to transport the same. In such an event, Shipper shall identify in writing to Carrier the nature of the goods and the specialty conditions, temperature, humidity, etc. under which they are to be transported and shall also be responsible for tendering the goods to Carrier with a uniform core temperature below that at which the goods are to be transported. Carrier shall not be responsible for freezing down or reducing the core temperature of goods but, rather, only for maintaining an ambient temperature in the relevant conveyance such that the core temperature of such goods remains within ten (10) degrees Fahrenheit of the temperature at which such goods were tendered to Carrier. Carrier shall not be responsible for stains, discolorations, holes, chafing, breakage or splitting of lumber, timber, plywood, wood products, etc., whether or not protected and/or covered. Shipper shall not tender for transportation any art objects, bank bills, coins, currency, drafts, notes, valuable papers, precious metals, precious stones, antiques or any other rare, old, precious or semi-precious articles of extraordinary value. Shipper shall not tender for transportation any live animals without prior notice and Carrier's express consent.

6. TENDER OF GOODS. Shipper shall be responsible for tendering the goods to Carrier at the time and place identified, with all such goods to be in good order, count and condition, and packaged, protected, packed, stowed and/or shored sufficiently to withstand the rigors of storage and transportation, including without limitation transportation by uncovered barge and exposure to weather, moisture, humidity, heat, rolling, pitching and similar barge movements, if applicable.

7. ROUTES, METHODS, ETC. Carrier shall perform with due diligence but does not warrant or guarantee any particular speeds or departure/arrival dates/times. Carrier shall have liberty with respect to the selection of conveyances, routes, procedures, modes and methods of transportation. Carrier shall not be responsible for any delay, inability to perform or failure to perform caused by events beyond its direct and reasonable ability to control, including without limitation, ice or other conditions preventing or delaying a vessel in reaching a loading or discharge berth, the loading or unloading of cargo, or the departure of a vessel. In the event of such a hindrance or delay, Carrier shall, if feasible, notify Shipper and request alternate instructions, or if insufficient time exists or instructions are not provided Carrier may, at Shipper's risk and expense, deviate, discharge, store and/or dispose of the goods as it deems reasonable under the circumstances.

8. LIBERTIES. Carrier shall be at liberty to call at any port/place to replenish fuel, oil, stores or other necessaries and/or make repairs. Carrier may deviate in attempt to save life or property, and with respect thereto may leave the cargoes in a position believed safe. Carrier may select any route, speed, transportation arrangement believed reasonable under the circumstances, including tandem barge towage if by water. In the event of accident, danger, damage, disaster or other event occurring after departure on any voyage or trip which, in the opinion of Carrier, prevents or may prevent the safe completion of such, Carrier may deviate, discharge, store and/or dispose of goods at Shipper's risk and expense.

9. IN-TRANSIT STORAGE. Upon Shipper's instruction or with its consent, Carrier may store goods in-transit. Upon notice to and approval from Carrier (which shall not be unreasonably withheld), Shipper shall be given access to goods stored in-transit during normal business hours for the facility, provided that Shipper is accompanied by a representative of Carrier and an additional access charge may apply. All storage of the goods shall be deemed in-transit and subject to these terms and conditions unless agreed otherwise by Carrier in writing, including through Carrier's issuance of a warehouse receipt.

10. DELIVERY OF GOODS. Carrier shall deliver or arrange for delivery of the goods to Consignee at the location identified by Shipper and agreed by Carrier. Consignee shall be obligated to receive and take the goods as promptly as they can be discharged/unloaded from the conveyance, with such discharge/unloading to be at Shipper's risk and expense. Goods received and taken by Consignee, tendered to Consignee and refused or otherwise not received and taken, seized by government authority and/or under legal process, which cannot be delivered because of Shipper's act, fault or neglect, including inaccuracy/inadequacy of instructions or particulars, or which for any other reason beyond Carrier's control have not promptly been received and taken, shall nonetheless be deemed fully delivered to Consignee and Carrier's responsibility with respect to such goods and this agreement shall thereupon cease. Any actions taken by Carrier with respect to the goods thereafter shall be performed as Shipper's agent and at Shipper's risk and expense.

11. INTERNATIONAL TRANSPORTATION BY AIR. In the event of international transportation by air, the Montreal Convention may be applicable. In such an event, the transportation by air shall be subject to said Convention and Carrier's liability for loss/damage to the goods shall be limited in accordance with said Convention, which shall override anything herein to the extent of any conflict. Shipper should contact Carrier directly, and review its applicable schedule/tariff(s), available at **WWW.LYNDEN.COM**, for more information as to international transportation by air.

12. TRANSPORTATION BY WATER. In the event of transportation by water, domestic or international to/from the United States, the U.S. Carriage of Goods By Sea Act (COGSA) shall be incorporated herein and applicable at all times the goods are in Carrier's custody, care and/or control, including before loading to the vessel, through transportation, after discharge and until delivery. In addition, for transportation by water, Shipper hereby authorizes transportation on deck and/or by unmanned barge, and acknowledges that New Jason/General Average and Both to Blame clauses shall be applicable and incorporated herein. Shipper should contact Carrier directly, and review its applicable schedule/tariff(s), available at **WWW.LYNDEN.COM**, for more information as to transportation by water.

13. LOSS/DAMAGE TO GOODS. Carrier's liability with respect to the goods, and/or Shipper, Consignee and/or any other person or entity claiming by, through or with respect to the goods, and whether for loss, damage, delay, shortage, misdelivery, failure to deliver or otherwise, shall be only as follows:

a. Exceptions. Carrier shall not be liable for any loss, damage, delay, shortage, misdelivery, failure to deliver or other result caused by: act of God; peril of land, sea or air; act of terrorism; act of public enemy; act of war; act of public or government authority or other with apparent authority; fire, unless caused by the actual fault or privity of Carrier; pandemic, epidemic and/or quarantine; act or omission of Shipper, its agent or representative; strike, lockout or other labor dispute; sabotage; riot or other civil commotion; wastage in bulk or weight or arising from the nature of the goods; inherent vice or latent defect of the goods; improper and/or insufficient packing, securing, packaging, marking or addressing; compliance with instructions from Shipper; goods loaded by Shipper into sealed containers or other packages, providing the seal or package remains unbroken and not physically damaged; errors in operation or navigation of a vehicle, vessel or other conveyance; or any other cause or event arising without the actual fault and privity of Carrier.

b. Consequential Damages. Carrier shall not be liable for any indirect, consequential or special damages of any type or nature whatsoever and howsoever arising, including without limitation any claim for loss of profits, loss of income, loss of business opportunity, business interruption, loss of use and/or loss of ability to use undamaged component or system parts, regardless of whether resulting from negligence, breach or otherwise, and/or whether such may have been foreseeable.

c. Limitation of Liability and Option to Declare Higher Value. Subject to section 11 (international transportation by air) and section 12 (transportation by water), above, as applicable, Carrier's liability with respect to the goods, and whether for loss, damage, delay, shortage, misdelivery, failure to deliver or otherwise, shall be the lesser of the actual cost to repair, replace and/or deliver the goods or the valuation applicable to Carrier identified directly below:

ALASKA MARINE LINES, INC.	:	$500 per package/cfu under COGSA However, in some cases Alaska Marine Lines, Inc. has accepted certain extended liability for cargo loss or damage as outlined in its tariffs. Such tariff provisions shall supersede this Bill of Lading when in conflict, but only to the extent of such conflict.
ALASKA MARINE TRUCKING, LLC	:	$.50 (fifty cents) per pound.
ALASKA WEST EXPRESS, INC.	:	$.10 (ten cents) per pound.
LTI, INC.	:	$.10 (ten cents) per pound.
LYNDEN AIR CARGO, LLC	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN AIR CARGO (PNG) LTD.	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN LOGISTICS, INC. (FKA LYNDEN INTERNATIONAL)	:	$.50 (fifty cents) per pound, but with a minimum of $50 per shipment.
LYNDEN LOGISTICS SERVICES, INC.	:	$.10 (ten cents) per pound.
LYNDEN TRANSPORT, INC.	:	$20 (twenty dollars) per pound, up to a maximum of $200,000 per load.

All amounts above are in US dollars. Notwithstanding the foregoing, for goods originating in Canada and transported by motor Carrier, Carrier's liability shall be the lesser of the actual cost to repair, replace and/or deliver the goods or CAN $2.00 per pound, up to a maximum of US $200,000 per load.

However, if Shipper has declared in writing to Carrier a valuation for the goods which is higher than the foregoing amount, and Carrier has agreed to carry the goods at the higher valuation so declared, then Carrier's liability shall be the lesser of the actual cost to repair, replace and/or deliver the goods or the higher valuation so declared and agreed, with Shipper to pay increased freight charges for any such declaration as set forth in Carrier's applicable rate tariff and/or other schedule of charges.

Carrier shall not be liable to Shipper or any other claiming by, through or with respect to the goods, whether for loss, delay, shortage, misdelivery, failure to deliver or otherwise, or in tort, contract or upon any other theory, other than as set forth herein, and Shipper agrees to indemnify and hold Carrier harmless (including legal fees and costs) from and against any other or further loss, damage, expense, liability, claim, fine, penalty and/or suit arising out of or in any fashion whatsoever relating to the goods or their transportation.

d. Delivery and Inspection. Delivery of the goods without written notification of damage on the bill of lading, way bill or delivery receipt shall be prima facie evidence that the goods have been delivered in the same good order, count and condition as when initially received by Carrier.

e. Claims. As a condition precedent to any recovery against Carrier:

1. The goods must be carefully inspected by Shipper or Consignee immediately upon delivery, and any loss or damage which would then be evident must be noted in writing to Carrier on the bill of lading, waybill or delivery receipt, or the goods shall be conclusively presumed to have been delivered in the same good order, count and condition as when initially received by Carrier;
2. In the event of any loss or damage not ascertainable at delivery, written notice must be given to Carrier within three (3) days of delivery for transportation by water, under COGSA, within seven (7) days of delivery for U.S. domestic air transportation, and otherwise within fifteen (15) days of delivery, after which time and with no written notice having been given it shall be conclusively presumed that the goods were delivered in the same good order, count and condition as when initially received by Carrier;
3. In the event of goods delayed, lost or otherwise not timely delivered, Carrier must be given written notice within three (3) days of delivery for transportation by water, under COGSA, within seven (7) days of delivery for U.S. domestic air transportation, and otherwise within fifteen (15) days of delivery, or from the date upon which the goods should have been delivered, or the goods shall be conclusively presumed to have been delivered in the same good order, count and condition as when initially received by Carrier;
4. Carrier shall have a reasonable opportunity to inspect the goods, including their packing and packaging, in the same condition as upon delivery and before any alteration or destruction thereof;
5. Written claim for loss/damage, specifying the full particulars thereof and the amount(s) being claimed, must be filed with Carrier within ninety (90) days, for U.S. domestic air transportation, or otherwise within nine (9) months of delivery, from the date on which the goods should have been delivered, or the date on which Carrier disallowed the claim or pertinent part of the claim, whichever is later;
6. Suit against Carrier must be filed within one (1) year for transportation by water, under COGSA, within one (1) year for U.S. domestic air transportation, or otherwise within two (2) years, from delivery, the date which the goods should have been delivered, or the date on which Carrier disallowed the claim or pertinent part of the claim, whichever is later; and
7. There shall be no recovery against Carrier until freight and all charges due Carrier with respect to the goods and/or their transportation have been fully paid and received by Carrier.

14. SUBCONTRACTING. Carrier shall be entitled to subcontract on any terms and/or conditions the whole or any part of the transportation services, including without limitation to its affiliated entities, with all such subcontractors entitled to the same limitations upon, and exemptions and defenses to, liability granted to Carrier hereunder, at law or otherwise.

15. EXTENSION OF BENEFITS. All limitations upon, and exceptions and defenses to, liability granted to Carrier hereunder, or at law or otherwise shall be automatically extended to all parent, subsidiary and/or affiliated entities of Carrier (including its and their respective owners, directors, officers, employees and agents) and to all vessels, vehicles, aircraft, conveyances, carriers, contractors, subcontractors, stevedores, managers, agents and all other persons/entities and equipment utilized and/or providing any services whatsoever with respect to the goods or their transportation.

16. BILLS OF LADING, AIR WAYBILLS, RECEIPTS, ETC. Bills of lading, air waybills, receipts, etc. may be signed by the respective agents and representatives of the parties, including in counterparts and/or by electronic means; upon Shipper's consent, verbal or otherwise, Carrier may complete and/or sign for and on behalf of Shipper, as its authorized agent for such limited purposes.

17. INTEGRATION AND CONSTRUCTION. Upon tender of goods to Carrier, Shipper shall be deemed to have consented and agreed to these terms and conditions, which shall be applicable to all services provided by Carrier and supersede any bill of lading, air waybill, receipt or other document from any entity other than Carrier, including any such document from Shipper. These terms and conditions shall not be modified except through a writing signed by an authorized representative of Shipper and the executive officer of Carrier; no other agent, employee or representative of Carrier has authority to alter, modify or waive these terms and conditions. These terms and conditions, along with Carrier's applicable schedule(s) and tariff(s), available at **WWW.LYNDEN.COM**, incorporated herein by reference as applicable, constitute the entire agreement between the parties, and supersede all prior and contemporaneous agreements, regarding the goods or their transportation, written and oral. This agreement shall be construed neutrally, and as the mutual assent of both parties, rather than for or against a party. The headings used herein are for convenience of reference only.

18. LAW, DISPUTES AND IMMUNITY. The general maritime law and federal transportation laws of the United States shall govern this agreement to the extent applicable, and otherwise the laws of the State of Washington shall govern. Any dispute relating to this agreement, the goods or their transportation shall be resolved through litigation in the state or federal court in Seattle, Washington, with the parties consenting to its jurisdiction and the applicability and convenience of said venue, and with the substantially prevailing party to recover its reasonable legal fees and costs. If Shipper is a Native American Tribe or subsidiary, affiliated or related entity ("Tribe"), afforded protection by tribal sovereign immunity or treaty rights including but not limited to immunity from process, suit, liability, judgment or collection (including enforcement of judgments on tribal land by attachment), in engaging Carrier hereunder Shipper/Tribe has specifically agreed, including through its governing council or body, that Shipper/Tribe hereby provides a limited waiver of its sovereign immunity and tribal rights against process, suit, liability, judgment and collection with respect to this agreement, agrees to be bound in all respects by the terms and conditions hereof, consents to service of process by registered or certified mail and the exclusive jurisdiction of the courts identified above with respect to any dispute, and agrees that the laws identified above shall govern this agreement and any such dispute, to the exclusion of any tribal laws, and any state or federal laws specifically protective of Tribe.