

BLUE TRANSIT CASE STUDY: CONNECTING PUBLIC-PRIVATE PARTNERSHIPS AND STATE SUPPORT TO IMPROVE RURAL RIDERSHIP

NADO Collaborative Learning Group Capstone

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Project at a Glance

“Everyone has a white bus.” That phrase, spoken by consultant Ken Hosen, was a subtle truth that exposed a glaringly obvious issue for the Heart of Texas Rural Transit District (HOTRTD). In today’s world where everything and everyone competes for your attention, time, and energy, how do you make your transit service stand out?

This case study explores how a simple, yet powerful design change made a lasting impact on a rural transportation system. With support from the Texas Department of Transportation’s (TxDOT) Transit Technical Services Program (TTSP), HOTRTD leveraged private consulting and marketing expertise to completely reimagine its public brand.

The result was “Blue Transit”, a bold new identity that departed from the traditional white-bus aesthetic by adopting a distinctive Acapulco blue design. But the success of the project wasn’t just visual. Since its launch in 2021, Blue Transit has substantially increased ridership each year and won national awards while doing so.

Background

The Heart of Texas Rural Transit District (HOTRTD) was established in 1972 in response to the federal government’s initiative to fund public transportation for rural and disadvantaged communities. Today, HOTRTD is one of 40 officially designated Rural Transit Districts in Texas, providing essential transit services across Bosque, Falls, Freestone, Hill, and Limestone counties.

HOTRTD operates entirely through funding from the TxDOT and the

Federal Transit Administration (FTA) under the Section 5311 Rural Area Formula Program. Through this support, the district offers curb-to-curb, low-cost transit options that connect residents not only within their home counties but also to neighboring counties across the transit region.

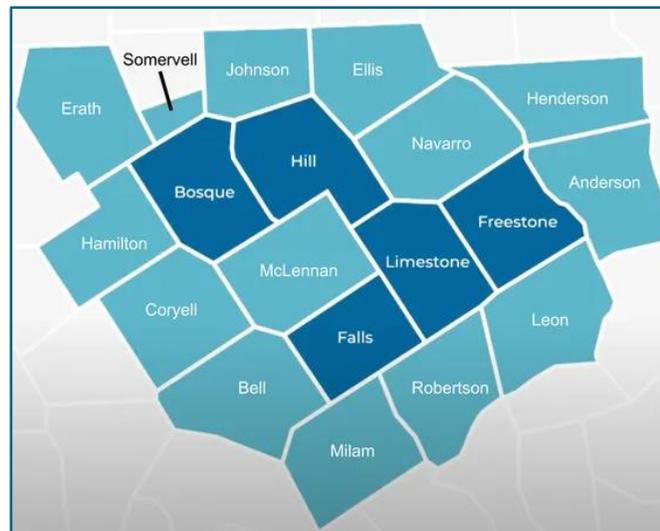


Figure 1. HOTRTD Service Map

Dark Blue = Local Service Area Light Blue = Long-Distance Service Area

Source: HOTRTD Website, 2025

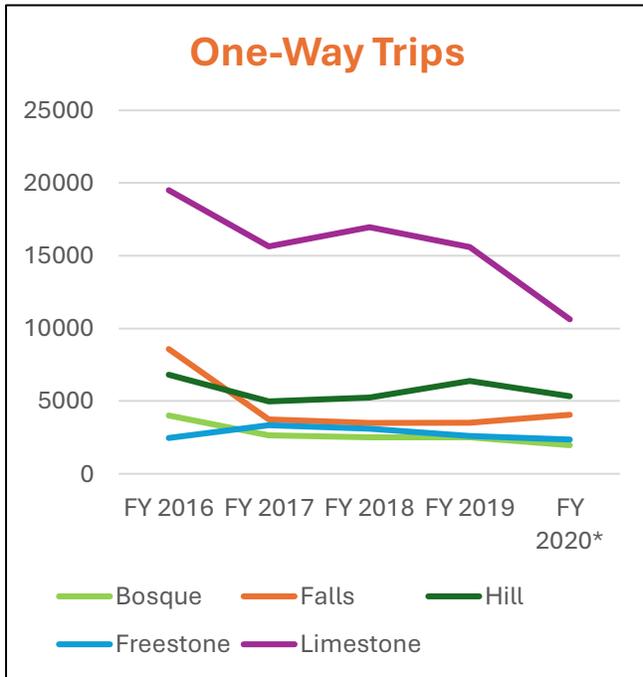


Figure 2. Annual Ridership Trend by County from FY2016 to FY2020

Source: HOTRTD 2021 Comprehensive Operations Analysis

Problem Statement

In 2015, McLennan County withdrew from the Heart of Texas Rural Transit District, resulting in an anticipated drop in the district’s overall ridership.

However, even prior to McLennan’s departure, HOTRTD’s ridership had remained stagnant. In the years that followed, the remaining counties of Bosque, Falls, Freestone, Hill, and Limestone continued to experience a steady decline in ridership.

With limited administrative staff and budget constraints, HOTRTD lacked the internal capacity to conduct a detailed

analysis of the root causes behind the downturn. By 2020, and in anticipation of the operational disruptions posed by the COVID-19 pandemic, the district recognized the need for external support to help identify solutions for correcting ridership shortfalls.

Project Objectives and Scope

After identifying a concerning trend in declining ridership, the Heart of Texas Rural Transit District established a clear goal: to uncover and resolve the factors hindering ridership and diminishing the system’s relevance within the community.

To achieve this, HOTRTD applied for support through the Texas Department of Transportation’s Transit Technical Services Program (TTSP). The Transit Technical Services Program provides focused technical assistance to Rural Transit Districts (RTD) and State Funded Urban Transit Districts (SUTD) in five areas:¹

- Financial management and analysis.
- Capital project development.

¹ Texas Department of Transportation. *Transit Technical Services Program*.

<https://www.txdot.gov/business/grants-and-funding/public-transportation-grants/transit-technical-services-program.html>

- Policy, Procedure and Program Document Development.
- Operational and service analysis.
- Strategic Planning, Performance and Organizational Development

HOTRTD staff determined that Operational and Service Analysis was the area of greatest need. Upon receiving TTSP assistance, the district selected consulting firm KFH Group to conduct a comprehensive operations analysis (COA) to assess the system’s performance and provide actionable recommendations.

Implementation and Key Activities

Project implementation followed a two-phase approach:

Phase One involved the TTSP-supported Comprehensive Operations Analysis completed by March 2021. The consulting firm, KFH Group, conducted a detailed review and developed recommendations across eight priority areas, one of which was Marketing and Branding. This area proved to be a significant concern for HOTRTD. As stated in the analysis:

“The current service has no real name, and system identifiers or brand. It has a very low profile with white buses with a red stripe and the words ‘Rural Public Transit,’ often with no real name or telephone number.”²

Based on these findings, it was determined that a complete overhaul of the brand identity including the name, color scheme, and website was critical to the future success of the district.



Figure 3. Image of bus before and after Blue Transit color change
Source: HOTRTD 2025

² KFH Group. *Comprehensive Operations Analysis: HOTRTD Public Transit Final Report*. March 2021, p. 3-20

Phase Two focused on implementing those recommendations. HOTRTD selected local firm Four Columns Marketing to lead the development of the new branding and marketing strategy. Key activities from this phase included:

- The official rebrand of the transit service as “Blue Transit”
- A refreshed fleet design featuring Acapulco blue buses
- An interactive, standalone website: www.gobluetransit.com
- Promotional materials including flyers, a launch video, and coordinated public outreach efforts.

Of HOTRTD’s total fleet of 22 buses, the first four featuring the new Acapulco blue branding were deployed in late 2021. The rebranding process is ongoing, with the final four buses expected to be updated and in service by the end of 2025.

Project Success

Blue Transit was not just transformative for HOTRTD’s image, it became a regional success story. One of the most notable outcomes was the dramatic increase in ridership following the rebrand.

- In FY 2022, ridership increased by 23%
- In FY 2023, ridership increased again by 27%
- In FY 2024, the district recorded an astonishing 33% increase
- Early projections for FY 2025 suggest continued growth

Blue Transit’s success did not go unnoticed. In September 2023, HOTRTD received the National Association of Development Councils’ (NADO) Excellence in Regional Transportation Award, a program of NADO’s RPO America and the NADO Research Foundation, recognizes noteworthy projects and programs in rural, small metropolitan, and larger



Figure 4. HOTRTD staff accepting the 2023 NADO Excellence in Regional Transportation Award.

Source: HOTRTD, September 2023

areas that help meet regional needs through various program areas.³

But beyond the numbers, the true measure of success lies in the people who rely on the service. Whether it's an elderly resident traveling to dialysis, a disabled veteran reaching the VA, or a student commuting to college, each ride matters to the person taking it and the community it supports. Blue Transit has met its mission by helping citizens reach their destinations safely, reliably, and with dignity.

Lessons Learned

This project revealed several important lessons that will guide future transit initiatives at HOTRTD and potentially other rural districts.

First, a distinct brand identity is essential, even in rural transportation. When selecting a color for the new bus design, the marketing team consulted HOTRTD leadership and ultimately drew inspiration from the Executive Director's 1968 Shelby Mustang. The vehicle's Acapulco blue finish offered a rare and memorable color that became the visual cornerstone for Blue Transit's identity.

Second, state and federal agencies can provide critical support beyond funding. In this case, TXDOT acted as a strategic partner through its Transit Technical Services Program, offering targeted technical assistance. This support was particularly valuable for a small rural agency with limited administrative capacity.

Finally, the project's success depended heavily on collaboration with local partners, stakeholders, and the public. Community buy-in, word-of-mouth outreach, and shared responsibility of the brand helped Blue Transit establish trust and visibility across the service area.

³ National Association of Development Organizations (NADO). 2023 Excellence in Regional Transportation Awards: Heart of Texas Council of Governments, HOTCOG Rural Transit District is Singing the BLUEs. <https://www.nado.org/awards/excellence-in-regional-transportation-award/>

Conclusion

The Blue Transit project demonstrates how a targeted rebranding effort supported by technical assistance, community engagement, and private partnership can revitalize a rural transit system. By leveraging TxDOT's Transit Technical Services Program, HOTRTD was able to identify root causes behind declining ridership, implement corrective actions, and produce a brand that now stands out across the region.

As other rural transit districts face similar challenges, HOTRTD's approach offers a transferable model for success. It shows what's possible when small agencies pair local insight with external expertise to reimagine their place in the community.

So, when you're traveling in the Heart of Texas, where can blue take you?

Glossary

Acapulco Blue – A distinctive shade of blue introduced by Ford Motor Company in the late 1960's and gained popularity through the Ford Mustang.

COA – *Comprehensive Operations Analysis*. A consultant-led evaluation of a transit district's performance and operations used to identify issues and make actionable recommendations.

Curb-to-Curb Service – A transit service model in which vehicles pick up and drop off riders at the curb of their specified locations, often used in demand-response rural transit.

Demand-Response Transit – A flexible transit service that operates in response to passenger requests rather than following fixed routes or schedules.

Four Columns Marketing – A local marketing firm contracted by HOTRTD to lead the Blue Transit rebranding effort, including logo design, outreach materials, and website development.

FTA – *Federal Transit Administration*. A U.S. Department of Transportation agency that administers federal funding and provides technical assistance for public transportation systems.

HOTCOG – *Heart of Texas Council of Governments*. A regional agency that coordinates planning and services for member governments in Central Texas, including regional transit oversight.

HOTRTD – *Heart of Texas Rural Transit District*. A TxDOT-designated rural transit district providing public transportation in Bosque, Falls, Freestone, Hill, and Limestone counties.

KFH Group – A public transportation consulting firm contracted by HOTRTD through TTSP to conduct the Comprehensive Operations Analysis (COA).

NADO – *National Association of Development Organizations*. A national organization that promotes regional development and collaboration amongst development organizations in the US.

Ridership – The total number of individual passenger trips taken on a transit system during a specific time period.

RPO America – *Rural Planning Organizations of America*. A program affiliated with NADO that supports rural transportation planning and development efforts across the United States.

RTD – *Rural Transit District*. A designation by TxDOT for transit agencies operating in rural Texas communities, typically funded through FTA and TxDOT grant programs.

Section 5311 – A federal grant program administered by FTA to support rural and small urban public transportation systems across the U.S., including operations and capital expenses.

SUTD – *State-Funded Urban Transit District*. Urban transit agencies in Texas receive operational funding from TxDOT rather than the Federal Transit Administration.

TTSP – *Transit Technical Services Program*. A TxDOT initiative that provides non-financial technical assistance to RTDs and SUTDs in areas like operations analysis, planning, financial management, and policy development.

TxDOT – *Texas Department of Transportation*. The state agency responsible for managing transportation systems in Texas, including funding and oversight of rural and urban transit programs.