

**91st Meeting of the
Metro Area Transit Coordinating Board
September 28, 2022 – 8:00 am
*Virtual Meeting***

Meeting Agenda

1. Call to Order and Introductions
 - a. Denise Kolpack, Fargo City Commissioner

2. Action Items:
 - a. July 13, 2022 Meeting Minutes
 - b. RFP for MATBUS Planning Study – Julie Bommelman & Lori Van Beek

3. Informational Items:
 - a. Transit Asset Management Plans for 2022-2025 – Jordan Smith
 - b. Vehicle Replacement Procurement Update – Jordan Smith
 - c. Update on MnDOT 2023 Operating Grant Application Award – Lori Van Beek
 - d. Update on Farebox Implementation of Account-based System – Lori Van Beek & Jordan Smith
 - e. July-August 2022 Operations Report – Cole Swingen & Lori Van Beek

4. Other Business

**90th Meeting of the
Metro Area Transit Coordinating Board
July 13, 2022
Virtual Meeting**

Members Present:

Jim Aasness, Dilworth City Council
Kevin Hanson, Chair
Steve Lindaas, Moorhead City Council
Brad Olson, West Fargo City Commission
Larry Seljevold, Moorhead City Council
John Strand, Fargo City Commission
Annie Wood, MSUM

Members Absent:

Brian Arett, Valley Senior Services
Paul Grindeland, Valley Senior Services
Jackie Maahs, Concordia College
Arlette Preston, Fargo City Commission
Brit Stevens, NDSU
Teresa Stolfus, M|State

Others Present:

Heidi Benke, City of Fargo
Julie Bommelman, City of Fargo
Shaun Crowell, City of Fargo
Ari Del Rosario, FM Metro COG
Taaren Haak, City of Moorhead
Luke Grittner, City of Fargo
Michael Maddox, FM Metro COG
Jordan Smith, City of Moorhead
Cole Swingen, City of Fargo

1. Call to Order and Introductions

a. Ari Del Rosario, Assistant Transportation Planner, FM Metro COG

Chair Hanson called the meeting to order. A quorum was not present at the start of the meeting. Therefore, after introductions, the Chair continued to informational item 3.a. before circling back to the action items once a quorum was present.

Ari Del Rosario introduced himself as the new FM Metro COG representative on the MAT Coordinating Board, replacing Michael Maddox.

2. Action Items

a. October 20, 2021 Meeting Minutes

Both the meeting minutes for October 20, 2021 and February 16, 2022 were voted on together.

b. March 16, 2022 Meeting Minutes

A motion to approve both meeting minutes was made by Mr. Olson and seconded by Mr. Lindaas. The motion was voted on and unanimously approved.

c. MATBUS Procurement Manual Update – Cole Swingen

Mr. Swingen reminded the board that MATBUS had started their triannual review at the time of the last Coordinating Board meeting. This covers the past four years of operations, ensuring FTA compliance. There were a few items that were updated as part of this process. This included updating federal clauses such as ADA access, prohibition on certain telecommunications, veterans hiring preference on capital construction projects, and solid waste disposal. Purchase thresholds were also updated for compliance with federal and state requirements, as well as removing references to appealing a bid protest to FTA as part of bid protest procedures.

A motion to recommend approval of the updated MATBUS Procurement Manual to the Fargo City Commission and Moorhead City Council was made by Mr. Strand and seconded by Mr. Lindaas. The motion was voted on and unanimously approved.

d. Proposed Moorhead College U-Pass Rates for 2022-23 – Taaren Haak

Ms. Haak presented a table of the proposed Moorhead College U-Pass Rates for 2022-23. These rates were calculated based on enrollment numbers at the different Moorhead colleges. Overall, there was a decrease in enrollment across all schools in the 2020-21 school year. The tables included projected U-Pass revenue and the fee distribution percentages by college.

Chair Hanson asked to confirm if these proposed rates were discussed with the schools. Ms. Wood confirmed that they had these conversations with MATBUS in the spring.

A motion to recommend approval of the 2022-23 Moorhead U-Pass Rates totaling \$80,075 to the Moorhead City Council was made by Mr. Lindaas and seconded by Ms. Wood. The motion was voted on and unanimously approved.

3. Informational Items

a. Public Transportation Agency Safety Plan (PTASP) Update – Jordan Smith

Mr. Smith spoke about the annual process to update the Public Transportation Agency Safety Plan (PTASP) as required by FTA. Some of the major changes incorporated into the update included updating safety targets for 2022, adding an infectious disease mitigation component, adding a safety committee approval date, removing a safety culture target, removing a workdays lost target, and moving the audit log to be an exhibit to the plan. Mr. Smith also presented safety target tables which included fatality targets set at zero, reliability measures, safety event rates and injuries.

b. Status of Vehicles Ordered and the Need for Future Flexibility – Jordan Smith

Mr. Smith explained that they have just finished up the process of the Duluth Transit Authority purchasing consortium for fixed-route buses. New Flyer had requested a 24% price increase compared to the price originally submitted in the proposal. MATBUS is still in negotiations with New Flyer to finalize a price. This has impacts on grant funding budgeted for bus purchases. Some options MATBUS are exploring to address this budget shortfall include combining grant funds, purchasing fewer buses than originally planned, and taking some of the amenities off the buses. As an example, this could include not requiring a stainless-steel frame which could bring the price of buses down.

MATBUS had a discussion with North Central Bus regarding a paratransit bus order two weeks ago. The costs of paratransit buses have risen even more dramatically than fixed-route buses. This is largely due to a slowing of production and re-prioritization at Ford who have been producing chassis for paratransit buses. Currently, Elkhart has 9,000 buses on backorder with only 3,000 chassis allotted to them annually. The City of Fargo has 4 buses on order and is at the top of the priority list. They are hoping to have the buses early next year. The City of Moorhead has 2 buses on order and they have been told that the buses may be ready in 4 years. MATBUS has been thinking about other alternatives in the meantime including utilizing some of their smaller vehicles for paratransit.

Considering that that the maintenance of existing buses will be particularly crucial, Chair Hanson asked if there have been any issues buying parts to ensure that the current fleet lasts longer. Mr. Smith confirmed that they have had issues getting parts. Costs have gone up and quality has also noticeably decreased.

c. Update on First Transit Contract Amendment #1 for 2023 – Julie Bommelman

Ms. Bommelman presented the highlights of an amendment to their existing agreement with First Transit. This includes an increase in management fees by 6.23% and an increase in driver wages by 3%. The management fees provide eight full-time employees, and total driver costs would increase by 5.13% for step increases and improved health benefits. The starting wage for 2023 will be \$21.90. This is quite high compared to other transit agencies regionally, so MATBUS hopes that this will help with the recruitment and retainment of drivers. The contract terms will be amended to ensure that the City has access to technology or surveillance equipment provided by the Contractor installed on a City-owned asset. First Transit has installed DriveCam video used for driver safety training and GeoTab for vehicle performance data.

Mr. Strand asked about the status of vacant driver positions. Ms. Bommelman explained that there are six openings that need to be filled prior to the start of the school year. Having drivers ready for service includes the hiring and training process. Ms. Bommelman added that MATBUS is in a much better position than they have been in over the past two years. At one point there were eighteen vacancies.

Mr. Strand also added that MATBUS may need to be prepared for even more driver wage increases if the labor market continues to tighten and other agencies continue to offer more competitive wages. Ms. Bommelman agreed that they will need to readdress this issue if there continue to be vacancies.

Chair Hanson asked about what the budget and state and federal funding currently look like to cover these costs, including fuel. Ms. Bommelman explained that they bid for fuel six months in advance to lock-in fuel prices during that time. For North Dakota, their transit funding is based on license plate sales across the state. This funding has remained stable. Federal funding has increased 25% for FY2023. The federal government is aware of these challenges and the industry has been responsive to the need of increased funding.

Chair Hanson also asked if there has been any discussion about needing to increase transit fares. Ms. Bommelman noted that most transit agencies have been holding steady on the cost of their fares. MATBUS does not wish to negatively impact returning ridership by increasing fares at this

time. The priority right now is getting ridership levels back to normal before looking to increase fares. The last time fares changed was back in 2012.

d. Moorhead 2023 Budget / MnDOT Grant Application – Julie Bommelman

In the absence of Lori Van Beek, Ms. Bommelman explained that Minnesota has different funding formulas and also provides greater funding for transit. MATBUS is currently operating under a temporary suspension of evening service hours from 9:45pm to 11:15pm due to driver shortages. However, they do anticipate going back to full service in the 2023 budget. The five-year Transit Development Plan for 2021-25 recommends service increases. However, due to continuing labor shortages and the current economic situation, new service increases are not proposed at this time. The overall operating budget change from 2022 to 2023 is \$745,828 (19.37%). This change still needs to be reflected in the MnDOT Grant Application budget numbers. Moorhead received about \$3 million in CARES Act funding, while Fargo received about \$8 million. Moorhead will be using CARES Act funding as the local share for the MnDOT grant for both Moorhead and Dilworth services. The remaining local share consists of farebox revenue (including the college U-Pass fees), advertising, concession revenue, and interest earned.

The next slide showed a proposed budget table, comparing 2022 to 2023 by transit service type. MnDOT asked that budgets not exceed 10% over the previous years. Any increases over 10% would require justification. Grant funding is competitive and MnDOT may not fully fund the grant. Also, the City Manager or City Council may adjust services levels during budget deliberations as needed for future sustainability as CARES and ARPA grants are consumed.

e. Results from Request for Proposals – Cole Swingen

Mr. Swingen reminded the board of the bids MATBUS has requested. Since the last meeting, they have gone through the process of reviewing most of the requests for proposal. This has included receiving bids, meeting with the companies and evaluating the proposals.

Shelter window cleaning and the **shelter snow removal** contracts have been approved by the Moorhead City Council and the Fargo City Commission. Both contracts were awarded to Valley Green and Associates. MATBUS did receive one other RFP for shelter window cleaning. The evaluation team ended up choosing Valley Green Associates due to having a larger team and their previous work. Currently, MATBUS is waiting on MnDOT's review of both procurements before offering the contract.

The process to bid for **custodial services at GTC & MTG** is still ongoing. MATBUS has a bidder in mind, however that bidder needs to be registered with SAM.gov before they can be awarded the contract.

Considering that MATBUS awarded a contract to a company that didn't have the lowest bid, Mr. Lindaas asked whether they have adjusted in the RFP to address situations like this in the future. Mr. Swingen clarified that according to the RFP process, MATBUS isn't required to go with the lowest bid as long as there is a justification for better quality of service.

Chair Hanson asked if Mr. Swingen had anything to add regarding the RFPs. Mr. Swingen added that they should have an update on the custodial services RFP by the next coordinating board meeting.

f. 2022 March-June Operations Report – Cole Swingen

Mr. Swingen presented a summary of transit ridership. There has been a mix of ridership increases and decreases systemwide when comparing current ridership to ridership last year. One notable difference is the substantial increase in college ridership in the first half of the year. Mr. Swingen noted that the system was fare-free from January to April last year. The Industrial Park TapRide has been successful (40% increase) compared to last year. Paratransit ridership has continued to increase on top of having weathered the pandemic without much disruption. Fixed-route ridership has still not bounced back to pre-pandemic levels. Metro Senior Ride ridership continues to increase.

Mr. Strand asked if the Link FM service is running this weekend for the Street Fair. Mr. Swingen confirmed that it is, despite having to be rerouted due to construction on Center Ave.

g. Interesting Transit Articles

No articles were attached in this meeting packet.

4. Other Business

Hearing no other business, the meeting was adjourned at 8:46 AM.



MAT Board
Action Items
September 28, 2022

(701) 232-7500

matbus.com

650 23rd St N. Fargo, ND 58102



MATBUS Planning Study

Action Item B

The Transit Authority Study was completed and made recommendations for the transition to a large urban system.

- Redefine Organizational Management Structure
- Determine Governance Arrangement
- Simplify Cost Allocation
- Identify Federal Funding Distribution

Recommended Action: The requested motion is to make the following recommendation to the Fargo City Commission and Moorhead City Council: distribute a request for proposals to implement the study's recommended actions in the transition to a large urban system.



MAT Board Informational Items

September 28, 2022

(701) 232-7500

matbus.com

650 23rd St N. Fargo, ND 58102



Transit Asset Management Plans for 2022-2025

Informational Item A

The original Transit Asset Management Plans (TAM Plans) were approved in 2016 as part of the Transit Development Plan. The plans were updated in 2018. The plans must be updated every four years and are due to FTA by October 1, 2022.

Changes incorporated into the update include:

- Removing shelters as not considered facilities
- Only including non-revenue vehicles over \$50,000
- Adjusting targets to reflect available funding sources
- Prioritizing asset replacement based on State of Good Repair scale which includes life years, life miles, life maintenance costs and condition rating



Transit Asset Management Plans for 2022-2025

Performance Management for all Assets -- Table 1

Assets	Performance Measure	
	TAM Target; No More Than	TAM System Target to Meet
<i>Equipment: All revenue and non-revenue service vehicles & equipment assets >\$50,000</i>	10% exceed Useful Life Benchmark	90%
<i>Rolling Stock: All revenue vehicles</i>	10% exceed Useful Life Benchmark	90%
<i>Facilities: Maintenance, administrative, passenger</i>	10% exceed Useful Life Benchmark	90%

Useful Life Benchmark for transit vehicles -- Table 2

Category	Typical Characteristics				FTA Minimum Life		MATBUS Useful Life Benchmark	
	Length	Approx. GVW	Seats	Average Cost 2017	(Whichever comes first)		(Whichever comes first)	
					Years	Miles	Years	Miles
Heavy-Duty Large Bus Class 700	35 to 60 ft.	33,000 to 40,000	27 to 40	\$471,000 - 524,000	12	500,000	12	500,000
Light-Duty Mid-Sized Bus Class 400	25 to 35 ft.	10,000 to 16,000	16 to 25	\$79,000 to \$206,000	5	150,000	5	150,000
Non-Revenue Automobile		10,000 to 20,000	3 to 12	\$20,000 to \$55,000	4	100,000	10	150,000
Revenue Automobile		<10,000	3 to 12	\$20,000 to \$55,000	4	100,000	4	100,000

Useful Life Benchmark for transit facilities -- Table 3

Category	Usage	Useful Life Benchmark (Years)
		Garage-Operations-Admin. Facility – Metro Transit Garage
Transfer Facility – Ground Transportation Center	Administrative Offices/Restrooms/Passenger Seating/Dispatch	40



Vehicle Replacement Procurement Update

Informational Item B

- Duluth Transit Authority Consortium
- Piggy-Back on Other Transit Agency Procurements
- Paratransit Replacement Vehicles
- Metro Senior Ride Vehicles



MnDOT 2023 Operating Grant Application Award

Informational Item C

The State of Minnesota Department of Transportation (MnDOT) recently notified grantees that due to higher than anticipated cost increases, all urban grantees were allocated a 10% increase in 2023 based on their 2022 approved grant budgets.

Moorhead's request was for a 19% increase. The unfunded budget equals \$545,263 as follows:

	<u>2023 Requested</u>	<u>2023 Awarded</u>	<u>Difference</u>
Fixed Route	\$3,884,137	\$3,428,100	(\$456,037)
State share 80% (\$365,096)			
Paratransit/Senior Ride			
State share 85% (\$75,842)	\$712,926	\$623,700	(\$89,226)



MnDOT 2023 Operating Grant Application Award (Continued)

Potential Service Cuts:

- Potential service cuts could include making permanent the temporary suspension of night service. Full service ends at 11:15 p.m., but since January 10, 2022, we have ended service at 9:45 p.m. due to staff shortages.
- Reducing hours or frequency on routes that have low ridership. Data is being reviewed to determine if this is feasible.
- Route 2C, which operates during the MSUM academic year, Monday through Friday, from 2:30 p.m. to 6:30 p.m. could also be eliminated. Route 2C was reinstated on August 15, 2022, after being suspended the previous academic year. Route 2C increases frequency to every 15 minutes rather than 30 minutes during peak afternoon commute.
- Sunday Paratransit service could be eliminated for Moorhead/Dilworth residents. Service was added in 2017 and is not required under the Americans with Disabilities Act since there is no Sunday fixed route service.



MnDOT 2023 Operating Grant Application Award (Continued)

Revenue Sources:

- Federal 5307 - MnDOT requires that 50% of Moorhead's Federal 5307 grant appropriation be used for operating. However, there are options to:
 - Increase use of Federal 5307 funding for operating to substitute for the State unfunded costs.
 - Operating deficits can be Federally funded 50% FTA and 50% local.
 - State grant funds can be used as part of the 50% local match to the extent available.
 - Preventive maintenance and ADA operating costs can be federally funded 80/20.
- Federal CARES Act and ARPA funds have been programmed or utilized for the local match and can continue to be used until fully expended (estimated 2026). Increasing the local match up to 50% will spend these funds earlier.



Account-Based Fare System Implementation

Informational Item D

- The new fare structure with Connect Smartcards and Mobile Ticketing went live on May 4, 2022
- Final acceptance of the account-based system was approved on September 2, 2022.
- Features include: MATBUS Connect web page and app, Customer Portal, and mobile ticketing app.
- August riders used the following payment methods on MATBUS:

36%	Cash and Free (Children, Disabled Veterans, Personal Care Attendants)
23%	U-Pass
6%	Magnetics and Old Smartcards
<u>34%</u>	New Connect Smartcards and Mobile Ticketing
100%	TOTAL



Ridership

Informational Item E
January 1 – August 31 Fargo Ridership by Route

Period	Route 11	Route 13	Route 14	Route 15	Route 16	Route 17
2021	33,720	42,161	73,089	177,495	14,781	20,066
2022	29,013	45,098	61,770	147,554	18,386	20,586
Change	-13.96%	6.97%	-15.49%	-16.87%	24.39%	2.59%

Period	Route 18	Route 20	Route 24	LinkFM	Ind. Park TapRide	Paratransit
2021	19,885	18,640	11,802	3,861	3,065	33,412
2022	24,638	17,466	11,922	2,245	4,425	36,511
Change	23.90%	-6.30%	1.02%	-41.85%	44.37%	9.28%

Period	Route 31	Route 32	Route 33	Route 34	Route 36	NDSU TapRide
2021	2,677	20,937	24,685	6,183	6,897	1,106
2022	7,460	42,557	66,351	12,144	11,583	3,233
Change	178.67%	103.26%	168.79%	96.41%	67.94%	192.31%



Ridership

January 1 – August 31 Moorhead Ridership by Route

Period	Route 1	Route 2	Route 3	Route 4	Route 5	Route 6	Route 9
2021	37,882	51,217	38,783	83,559	31,622	7,392	2,612
2022	40,685	52,428	31,471	68,358	28,542	6,019	2,381
Change	7.34%	2.36%	-18.85%	-18.19%	-9.74%	-18.57%	-8.84%



Ridership

January 1 – August 31 College Ridership

Period	NDSU	MSUM	Concordia	M State	NDSCS
2021	68,771	6,913	3,472	2,501	250
2022	164,877	11,798	6,641	4,610	235
Change	96,106	4,885	3,169	2,109	-15
% Change	139.75%	70.66%	91.27%	84.33%	-6.00%



Ridership

2022 YTD through August Metro Senior Ride (Moorhead/Dilworth)

METRO SENIOR RIDE 2022									
MOORHEAD & DILWORTH, MINNESOTA									
Month	MOORHEAD SENIORS			DILWORTH SENIORS			TOTAL PASSENGERS		
	2022	2021	% Change	2022	2021	% Change	2022	2021	% Change
January	560	466	20.17%	65	12	441.67%	625	478	30.75%
February	460	485	-5.15%	28	38	-26.32%	488	523	-6.69%
March	723	548	31.93%	54	50	8.00%	777	598	29.93%
April	583	458	27.29%	67	36	86.11%	650	494	31.58%
May	616	450	36.89%	56	39	43.59%	672	489	37.42%
June	626	532	17.67%	76	63	20.63%	702	595	17.98%
July	512	551	-7.08%	61	53	15.09%	573	604	-5.13%
August	614	583	5.32%	91	80	13.75%	705	663	6.33%
September									
October									
November									
December									
TOTAL	4,694	4,073	15.25%	498	371	34.23%	5,192	4,444	16.83%

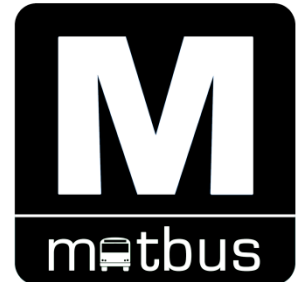
Memorandum

To: MAT Coordinating Board

From: Lori Van Beek, Moorhead Transit Manager

Date: September 20, 2022

RE: Update on MnDOT 2023 Operating Grant Application Award



The State of Minnesota Department of Transportation (MnDOT) recently notified grantees that due to higher than anticipated cost increases, all urban grantees were allocated a 10% increase in 2023 based on their 2022 approved grant budgets. Moorhead's request was for a 19% increase. The unfunded budget equals \$545,263 as follows:

	<u>2023 Requested</u>	<u>2023 Awarded</u>	<u>Difference</u>
Fixed Route	\$3,884,137	\$3,428,100	(\$456,037)
State share 80% (\$365,096)			
Paratransit/Senior Ride			
State share 85% (\$75,842)	\$712,926	\$623,700	(\$89,226)

Potential Strategies:

Revenue Sources: MnDOT requires the amount of the Federal 5307 grant appropriation to be used for operating at 50%. However, Moorhead may choose to increase their use of Federal 5307 funding to substitute for the State unfunded costs. This would require a budget adjustment and federal grant revision. Federal operating funds are split 50 federal and 50 local; however, State grant funds can be used as local match to the extent available. Also, preventive maintenance and ADA operating costs can be federally funded 80/20. Federal CARES Act and ARPA funds have been programmed or utilized for the local match and can continue to be used until fully expended (estimated in 2026). Increasing the local match up to 50% will spend these funds earlier.

Potential Service Cuts: Permanently reducing service hours would require a public hearing.

- Potential service cuts could include making permanent the temporary suspension of night service. Full service ends at 11:15 p.m., but since January 10, 2022, we have ended service at 9:45 p.m. due to staff shortages.
- Route 2C, which operates during the MSUM academic year, Monday through Friday, from 2:30 p.m. to 6:30 p.m. could also be reduced. Route 2 was reinstated on August 15, 2022, after being suspended the previous academic year.

- Sunday Paratransit service could be eliminated for Moorhead/Dilworth residents. Dilworth could be asked to provide local funds to assist in continuing Sunday Paratransit to their residents.

Memorandum

To: MAT Coordinating Board

From: Lori Van Beek, Moorhead Transit Manager
Jordan Smith, MATBUS Fleet & Facilities Manager

Date: September 20, 2022

RE: *New Farebox System Update – Final Acceptance*



The new account-based system and fare structure went live on May 4, 2022, and included a MATBUS Connect web page, a customer portal, new Connect Smartcards and mobile ticketing. Passengers set up an online account and place value using a credit card on their MATBUS Connect cards. The MATBUS Customer Care Center staff accepts cash, check or credit card to load cards for individuals who don't have access to a smart phone, computer or credit card. Mobile tickets can be set up on a smart phone and funds reloaded. The customer portal and mobile ticket app track daily and 31-day spending for fare capping.

Final acceptance of the system was approved on September 2, 2022. In August, the method of payment used by MATBUS passengers was:

36% Cash and Free
23% U-Pass
6% Old Magnetics and Smartcards
34% New Connect Smartcards and Mobile Ticketing
100% TOTAL