



APPENDIX A

Existing Conditions Report

Existing Conditions Technical Memorandum

December 2024

Table of Contents

1. System History and Background	1
2. Performance Measures	2
2.1. Service Efficiency & Effectiveness	2
2.2. Safety	5
3. MATBUS Operational Overview	5
3.1. Recent Operational Changes	6
3.2. Demographic Profile	7
3.3. Fixed Route Service Operations Review	18
3.4. Non-Fixed Route Service Operations Review	27
4. Fare Structure	32
4.1. MATBUS Fare Policy and Structure	32
4.2. Fare Media and Types	33
4.3. Fixed Route Rides by Customer and Fare Type	35
4.4. Fare Performance	36
4.5. Peer Comparisons	39
5. Existing Plan Integration	40
5.1. 2045 Fargo-Moorhead Metropolitan Transportation Plan: Metro Grow	40
5.2. 2050 Fargo-Moorhead Metropolitan Transportation Plan: Transportation Moving Ahead	42
5.3. Metro Area Transit (MATBUS) Transit Reorganization Study	42
5.4. MATBUS Transit Authority Study	43
5.5. MATBUS Transit Facility Study	44
5.6. MATBUS 2021-2025 Transit Development Plan	44
6. Transit Hub and Transfer Review	45
6.1. Transfer Analysis	45
7. Mission Statement, Goals, and Core Values Documentation	47
8. Existing and Future Financials	47
8.1. Historical Financials	47
8.2. Future Financials	49

1. System History and Background

MATBUS, the Fargo-Moorhead Metro Area Transit system, is the public transportation system serving the communities of Fargo and West Fargo, North Dakota, and Moorhead and Dilworth, Minnesota. MATBUS provides fixed route and demand response transit service throughout the metro area with 19 fixed routes running Monday through Saturday. MATBUS operates three service modes – Fixed-Route Bus Service, MATBUS On-Demand, and MAT Paratransit.



- **Fixed-Route Service** is the backbone of MATBUS' services and includes routes in Fargo, West Fargo, Moorhead, and Dilworth. The service also operates within the North Dakota State University (NDSU) and Minnesota State University–Moorhead (MSUM) campuses. Citywide service continues throughout the year while University service operates primarily during the NDSU academic year to connect staff, students, and faculty from off-campus locations to the center of campus.
- **MATBUS On-Demand**, formerly TapRide, is an on-demand transit service offered in the Fargo Industrial Park and on the NDSU Campus and its surrounding area. The service is meant to connect fixed-route riders to Fargo Industrial Park businesses and NDSU students to and from campus after fixed-route service ends.
- **MAT Paratransit** offers door-to-door paratransit service to complement its fixed-route service. It is a shared ride, origin-to-destination ADA complimentary service for eligible individuals with disabilities. This service serves as a “safety net” for individuals who, because of their disabilities, are unable to use fixed-route services.

Public transportation has operated in the area as early as the 1870s, starting as horse-drawn omnibuses and transitioning in the early 20th century to streetcars and then buses. In the mid-20th century, as the personal automobile grew in popularity, the transit system's finances began to decline. This shift was coupled with the ongoing sprawl of urban and suburban development into once-rural areas. By 1971 public subsidies were required, and public management of the service began in 1974. Beginning in the 21st century, transit agencies, cities, and their residents began valuing walkable urban communities as desirable places to live and work, leading to a resurgence in the desire for an effective public transportation system.

Regardless, the MATBUS system still faces challenges, ranging from serving portions of the metropolitan area that continue to sprawl away from the urban core to maintaining transit's attractiveness and competitiveness in an area where the use of the private automobile is relatively unconstrained by parking limitations or severe congestion. The system is also still recovering from the COVID-19 pandemic which reduced transit ridership across the country. Most recently, the metropolitan area transitioned to a Transportation Management Area, requiring the development of a more coordinated system and resulting in a decrease in federal funding.

2. Performance Measures

Federally required performance-based measures allow MATBUS to review trends over time and make operational decisions to ensure the transit system adheres to both federal targets and local standards. The National Transit Database (NTD) records financial, operating, and asset conditions of transit systems across the United States annually, allowing agencies to make multi-year comparisons and perform their own trend analyses. In addition, FTA uses NTD data to apportion funding to urbanized and rural areas. Key metrics include Vehicle Revenue Miles, Vehicle Revenue Hours, Passenger Miles Traveled, Unlinked Passenger Trips, and Operating Expenses. A summary of NTD performance measures for the Fargo-Moorhead region is provided in Table 1, broken out by fixed route and paratransit service, as well as by North Dakota and Minnesota services.

Table 1: National Transit Database (NTD) Performance Measures for Fixed Route and Paratransit by Year

	Performance Measure	Fargo - West Fargo					Moorhead - Dilworth				
		2019	2020	2021	2022	2023	2019	2020 ¹	2021	2022	2023
OVERALL	Passenger Trips (UPT)	1,396,884	885,604	835,041	889,763	917,203	492,839	425,747	370,615	351,795	383,279
	Revenue Hours (VRH)	104,354	97,149	109,274	96,496	93,727	41,317	41,740	41,008	38,483	38,575
	Revenue Miles (VRM)	1,291,852	1,178,307	1,295,341	1,164,872	1,133,380	552,273	595,139	536,059	501,505	509,534
	Passenger Trips per Revenue Hour	13.4	9.1	7.6	9.2	9.8	11.9	10.2	9.0	9.1	9.9
	Operating Expense	\$8,324,269	\$8,994,556	\$8,823,216	\$10,956,070	\$11,272,421	\$2,754,524	\$2,985,174	\$3,225,142	\$3,574,466	\$3,816,354
	Passenger Revenue	\$853,178	\$198,637	\$176,941	\$659,308	\$595,179	\$423,386	\$141,704	\$319,873	\$346,875	\$365,658
	Operating Cost per Passenger	\$5.96	\$10.16	\$10.57	\$12.31	\$12.29	\$5.59	\$6.78	\$8.70	\$10.16	\$9.96
	Operating Expense-to-Revenue Ratio	9.8	45.3	49.9	16.6	18.9	6.5	21.1	10.1	10.3	10.4
	Passenger Trips	1,343,534	848,312	782,239	834,392	859,658	482,667	418,341	363,726	343,863	374,928
FIXED	Revenue Hours	81,464	80,189	83,157	68,248	65,922	34,812	35,738	35,427	32,434	32,462
	Revenue Miles	967,238	939,436	951,896	794,727	741,381	477,934	435,144	477,974	436,712	434,401
	Passenger Trips per Revenue Hour	16.5	10.6	9.4	12.2	13.0	13.9	11.9	10.3	10.6	11.5
	Operating Expense	\$6,833,334	\$7,509,635	\$7,010,496	\$8,705,578	\$8,912,572	\$2,478,901	\$2,583,072	\$2,936,632	\$3,235,736	\$3,454,868
	Passenger Revenue	\$693,452	\$157,804	\$101,863	\$500,901	\$415,555	\$368,115	\$119,084	\$276,882	\$297,017	\$309,405
PARATRANSIT	Operating Cost per Passenger	\$5.09	\$8.85	\$8.96	\$10.43	\$10.37	\$5.14	\$6.06	\$8.07	\$9.41	\$9.21
	Operating Expense-to-Revenue Ratio	9.9	47.6	68.8	17.4	21.4	6.7	21.7	10.6	10.9	11.2
	Passenger Trips	53,350	37,292	52,802	55,371	57,545	10,172	7,406	6,889	7,932	8,351
	Revenue Hours	22,890	16,960	26,117	28,248	27,805	6,505	6,002	5,581	6,049	6,113
	Revenue Miles	324,614	238,871	343,445	370,145	391,999	74,339	159,995	58,085	64,793	75,133
	Passenger Trips per Revenue Hour	2.3	2.2	2.0	2.0	2.1	1.6	1.9	1.2	1.3	1.4
	Operating Expense	\$1,490,935	\$1,484,921	\$1,812,720	\$2,250,492	\$2,359,849	\$275,623	\$402,103	\$288,510	\$338,730	\$361,486
	Passenger Revenue	\$159,726	\$40,833	\$75,078	\$158,407	\$179,624	\$55,271	\$22,620	\$42,991	\$49,858	\$56,253
	Operating Cost per Passenger	\$27.95	\$39.82	\$34.33	\$40.64	\$41.01	\$27.10	\$29.61	\$41.88	\$42.70	\$20.79
	Operating Expense-to-Revenue Ratio	9.3	36.4	24.1	14.2	13.1	5.0	17.8	6.7	6.8	6.4

Source: National Transit Database (NTD), 2019 - 2023 (Data for 2024 had not been released and confirmed as of drafting this report)

¹ 2020 NTD Report for Moorhead unavailable, internal reporting used in its place.

2.1. Service Efficiency & Effectiveness

Service efficiency and effectiveness are measured by comparing operating expenses to both hours of service and the number of passenger trips provided. The onset of the COVID-19 pandemic has impacted these metrics nationwide as operating expenses are on the rise while ridership remains lower than pre-

pandemic levels for most transit agencies. To determine MATBUS's service efficiency and effectiveness metrics, 2020-2023 data provided by MATBUS and data from the NTD were reviewed for fixed route and demand-response services in both Fargo and Moorhead. This review found that fixed route operations have become more streamlined and efficient since 2021, nearly doubling the number of passengers per revenue hour when comparing 2023 to 2020. At the same time, total revenue hours have dropped by 49 percent. This indicates that service reductions in 2022 had little to no impact on overall ridership on MATBUS fixed route services.

Figure 1: Fixed Route Annual Operating Expenses vs. Revenue Hours (2020-2023)

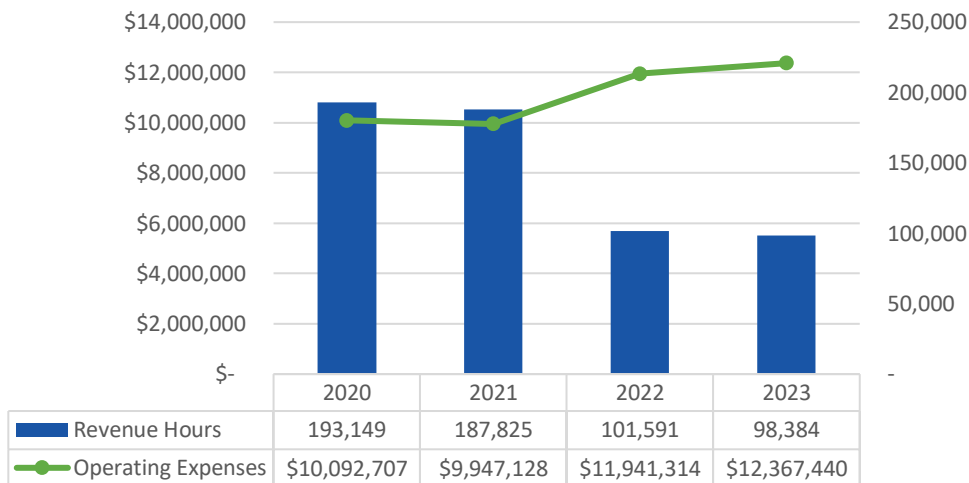


Figure 2: Paratransit Annual Operating Expenses vs. Revenue Hours (2020-2023)

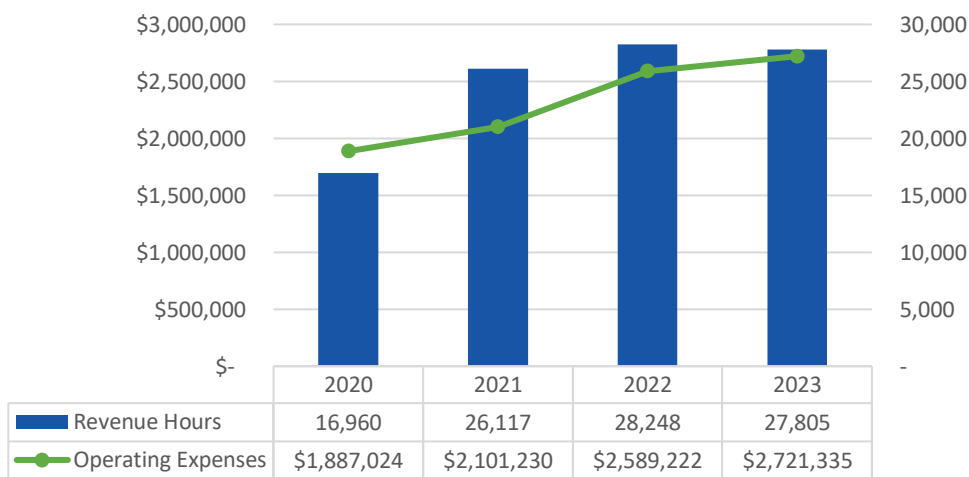


Figure 3: Passengers per Revenue Hour (Fixed Route)

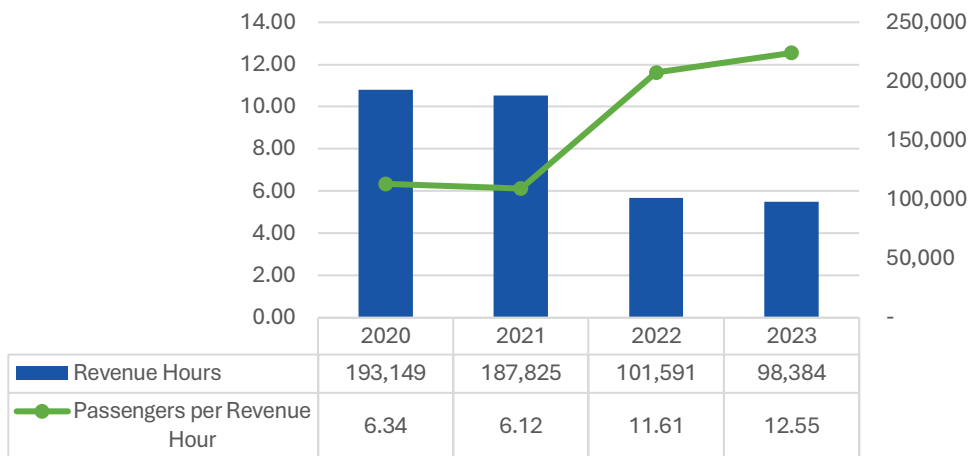


Figure 4: Passengers per Revenue Hour (Paratransit)

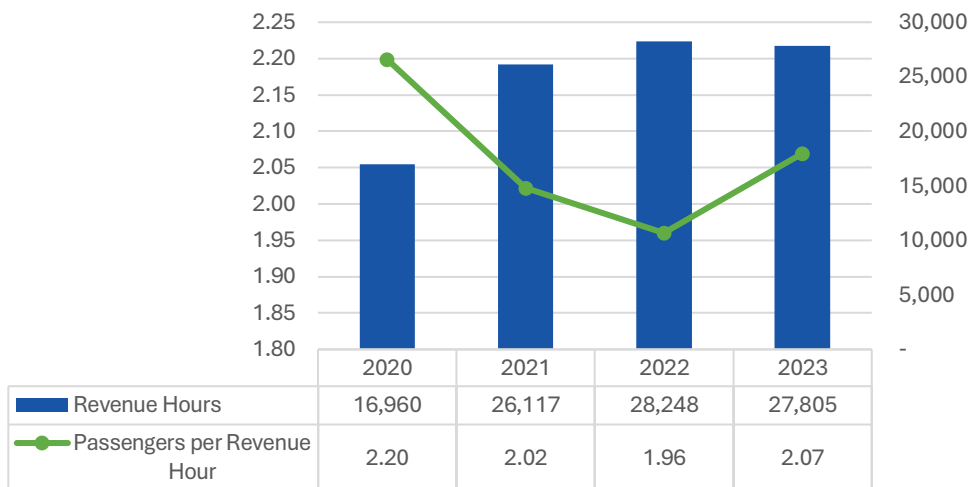


Figure 5: Fixed Route per Revenue Hour and Per Passenger Cost (2020-2023)

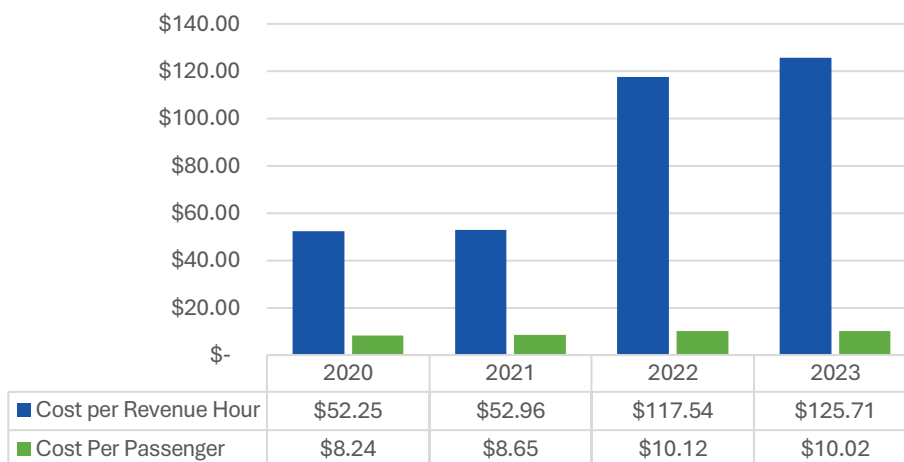
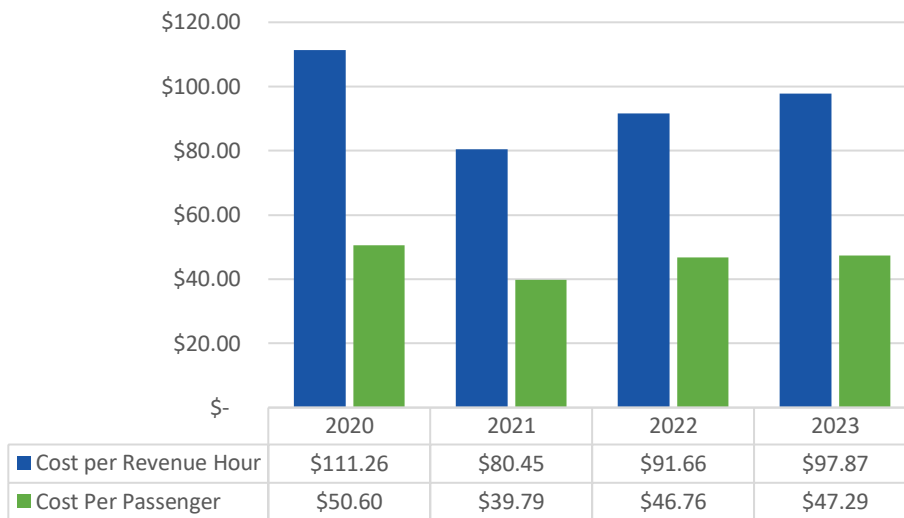


Figure 6: Paratransit per Revenue Hour and Per Passenger Cost (2020-2023)



2.2. Safety

In addition to measures related to transit service, MATBUS tracks measures that relate to safe and reliable operations. Safety measures are addressed in more detail in the Public Transportation Agency Safety Plan (PTASP). Table 2 compares safety targets across fixed route, paratransit, and Metro Senior Ride between 2022 and 2023.

Table 2: Safety Targets (2022-2023)

Safety Target	Fixed Route				MAT Paratransit		Metro Senior Ride (Moorhead/Dilworth)	
	Moorhead		Fargo		2023	2022	2023	2022
	2023	2022	2023	2022				
Total Injuries	0.60	0.40	1.17	1.00	0.00	0.00	0.00	0.00
Injuries per 100,000 VRM	0.13	0.08	0.13	0.11	0.00	0.00	0.00	0.00
Total Fatalities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fatalities per 100,000 VRM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Safety Events	1.40	1.20	2.00	1.80	0.20	0.20	0.00	0.00
Safety Events per 100,000 VRM	0.29	0.25	0.24	0.19	0.06	0.06	0.00	0.00
Mean distance between major mechanical failures	9,000	9,000	9,000	9,000	12,000	12,000	12,000	12,000

3. MATBUS Operational Overview

The MATBUS partnership was established through a Joint Powers Agreement. MATBUS is currently implementing the 2024 Reorganization Study and is operating under an Interim agreement. With the reorganization of MATBUS, several changes were made to the existing agreement to account for the proposed organizational framework. These changes are discussed in **Section 5.3 Metro Area Transit (MATBUS) Transit Reorganization Study**.

The Metro Area Transit (MAT) Coordinating Board serves in an advisory role and provides recommendations. The board consists of members appointed by the following governing bodies or institutional entities who are recognized as having a financial stake in the operation of MATBUS:

- Two (2) Fargo City Commission Members;
- Fargo Transit Director;
- Fargo Finance Director;
- Two (2) Moorhead City Council Members;
- Moorhead Finance Director;
- Moorhead Administrative Designee;
- West Fargo Administrative Designee;
- Dilworth Administrative Designee;
- Fargo-Moorhead Metropolitan Council of Governments Director; and
- NDSU Designee.

The MAT Coordinating Board is responsible for providing a coordinated public transit system within the Fargo-Moorhead Metropolitan Area. The MAT Coordinating Board facilitates and oversees a coordinated decision-making process between the City of Fargo and the City of Moorhead regarding the delivery of public transit and ensures that decisions are developed in consultation with other local units of government, public institutions, stakeholders, and the general public. The Primary functions of the board include:

- Development of new Joint Powers Agreement (JPA) between Fargo and Moorhead;
- Oversee transition to 2025 organizational structure / staffing plan;
- Ensure implementation of budget principles for 2025/2026;
- Continue ongoing coordination with the City of Dilworth, City of West Fargo, NDSU, Moorhead Area Colleges and other partners through the organizational transition;
- Coordination with MnDOT, NDDOT and Metro COG on state and Federal programming decisions and approval of the Cost Allocation Plan,(Exhibit A);and
- Guidance and input on the pending Transit Development Plan (TDP) update.

The Federal Transit Authority shall provide funding to the city of Fargo as the Designated Recipient. As the Designated Recipient, Fargo shall provide funding to participating entities. This requires a coordinated decision-making process to verify funds are shared in an equitable manner. The participating entities will continue to use an existing locally developed coordination process based on decades of cooperative Federal aid programming for public transit.

3.1. Recent Operational Changes

Changes to the MATBUS Organizational Framework are described in in [Section 6.3. Metro Area Transit \(MATBUS\) Transit Reorganization Study](#). Since the publishing of the MATBUS 2021-2025 Transit Development Plan in December 2021, there have been several recent changes to the agency's fixed route service.

- **Routes 1, 2, 3, 4, 5, 11, 14, 15, and 24** were reduced by an hour Monday through Saturday. Service now ends at approximately 10:15 PM rather than 11:15 PM.

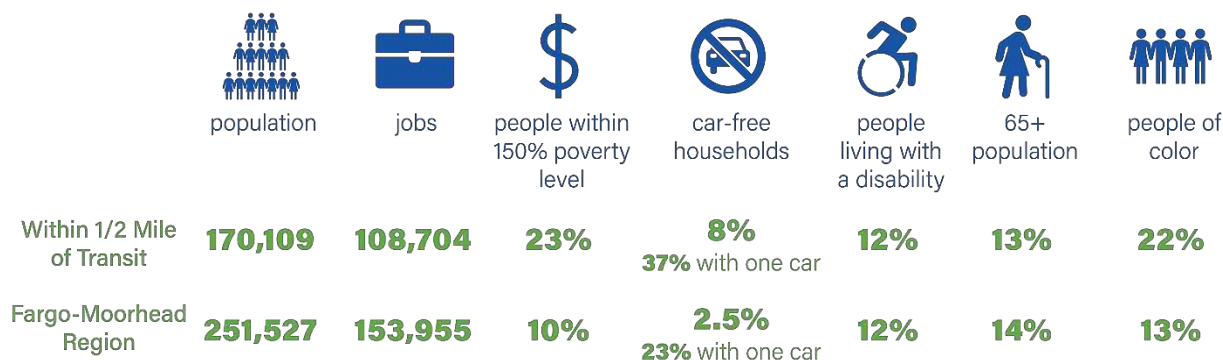
- **Routes 6 and 9** are no longer interlined. The buses no longer alternate trips between the two routes. **Route 6** also operates along a slightly modified route to serve the commercial area directly north of Center Avenue E.
- **Route 13U** was suspended. This route served North Dakota State University and operated every 30-to-60-minutes every Monday through Saturday from 6:15 AM to 11:15 PM.
- **Route 15** was reduced from a 15-minute schedule to a 30-minute schedule during the morning rush hour from 6:14 AM to 10:40 AM. The route was increased from a 60-minute schedule to a 30-minute schedule from 5:45 PM to 10:14 PM. The route also operates along a slightly modified route near West Acres Mall.
- **Route 16** was extended by an hour Monday through Saturday. Service now ends at 7:40 PM rather than 6:45 PM.
- **Routes 17** was reduced by an hour Monday through Saturday. Service now ends at 9:40 PM rather than 10:45 PM.
- **Route 18** operates along a slightly modified route, now extending to the Osgood Golf Course along the southern portion of the route.
- **Route 20** operates along a slightly modified route, now serving additional commercial areas along 13th Avenue S.
- **Route 24** operates along a slightly modified route near West Acres Mall.
- **Route 31** was expanded. The route now extends east along 17th Avenue N to serve the Fargodome and University Village. The new routes follows the recently eliminated Route 32E/32W.
- **Routes 32E and 32W** were eliminated. These routes served North Dakota State University and the residential neighborhood south of the university. The routes operated every 30-minutes Monday through Friday from 7:25 AM to 6:00 PM.

3.2. Demographic Profile

This section presents an analysis of current demographics in the Fargo-Moorhead area. The purpose of the analysis is to understand whether MATBUS is meeting the mobility needs of the community, whether there are gaps in service, and/or parts of the service area that are not receiving sufficient service to satisfy travel needs.

To this end, the analysis looks at demographic and socioeconomic characteristics that explain the origins of trips in the service area such as the distribution and relative concentration of the general population and subsets of the population that are typical users of transit – low-income individuals, persons of color, and seniors, who are disadvantaged groups that MATBUS may want to prioritize when designing transit service. The analysis also looks at characteristics that explain trip destinations such as the distribution of jobs in the service area and the origin-destination travel patterns of work and school trips and all other trips – shopping, medical, social and recreational, errands, etc.

Figure 7: Demographic Profile



Source: Remix, 2050 Metropolitan Transportation Plan, US Census

In looking at these variables, the analysis builds an assessment of whether MATBUS is providing adequate access to the areas of the city with the highest trip activity and personal mobility needs, and whether the design of the service is providing convenient travel options along major origin-destination trip patterns. The findings of this analysis helped MATBUS rethink its transit service offering to not only increase access to economic and quality of life opportunities for disadvantaged groups in the service area but also to provide adequate service to the largest travel markets in the MATBUS service area.

- Job Distribution
- Population Density
- Low-Income Households
- Senior Population
- BIPOC Population
- Vehicle-Free Households

Figure 9: Employment Density

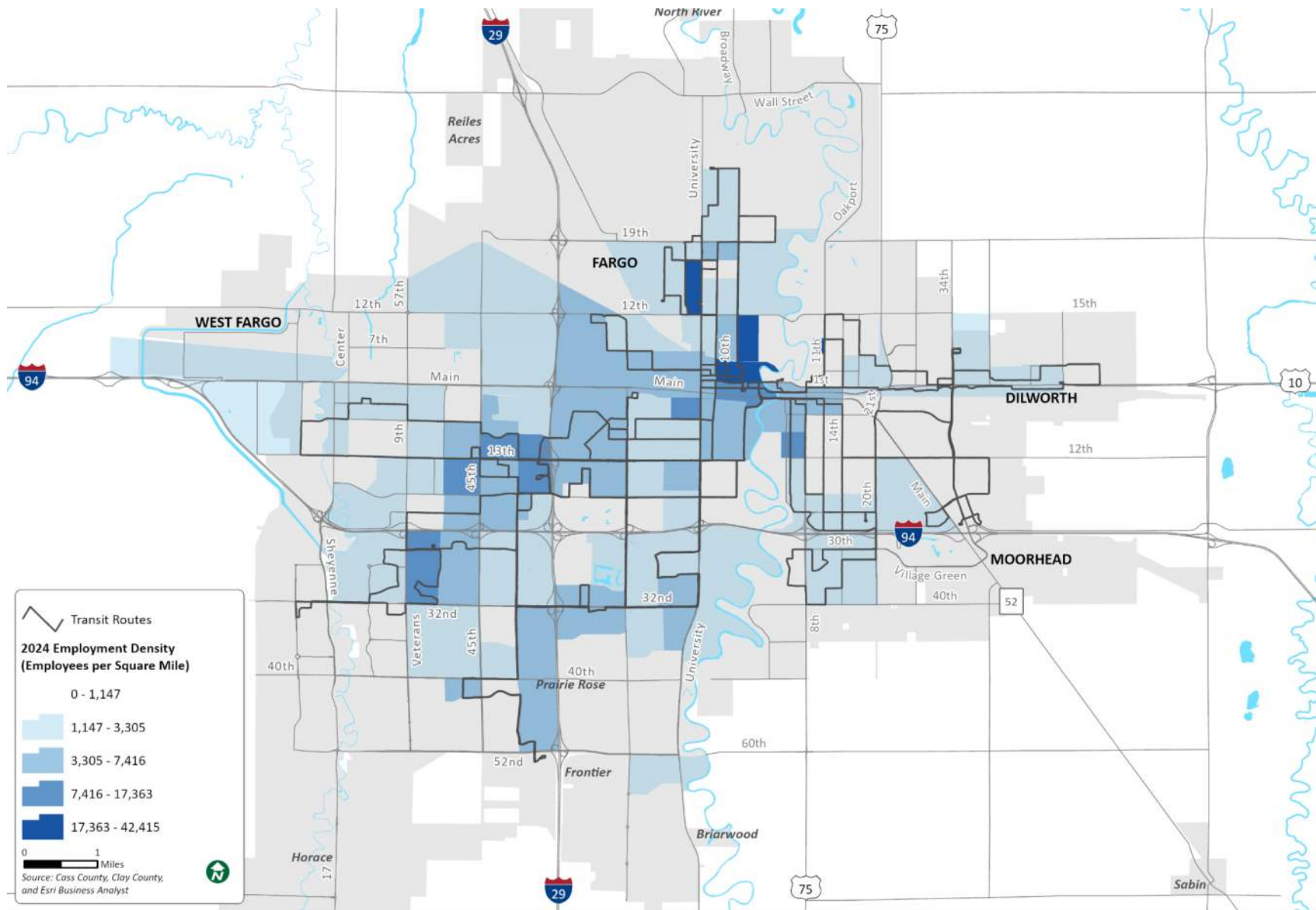


Figure 10: Housing Growth (2021-2035)

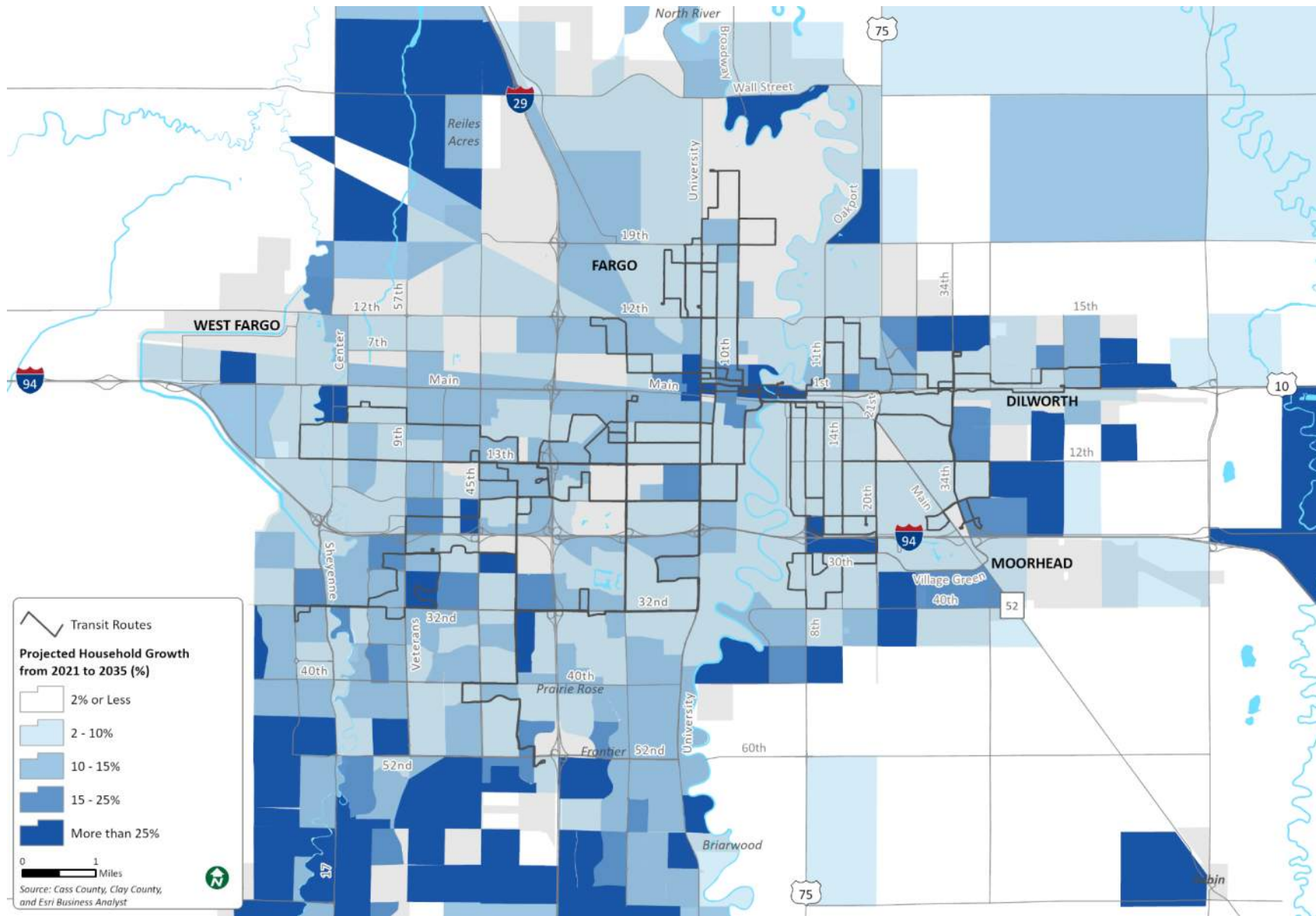


Figure 11: Job Growth (2021-2035)

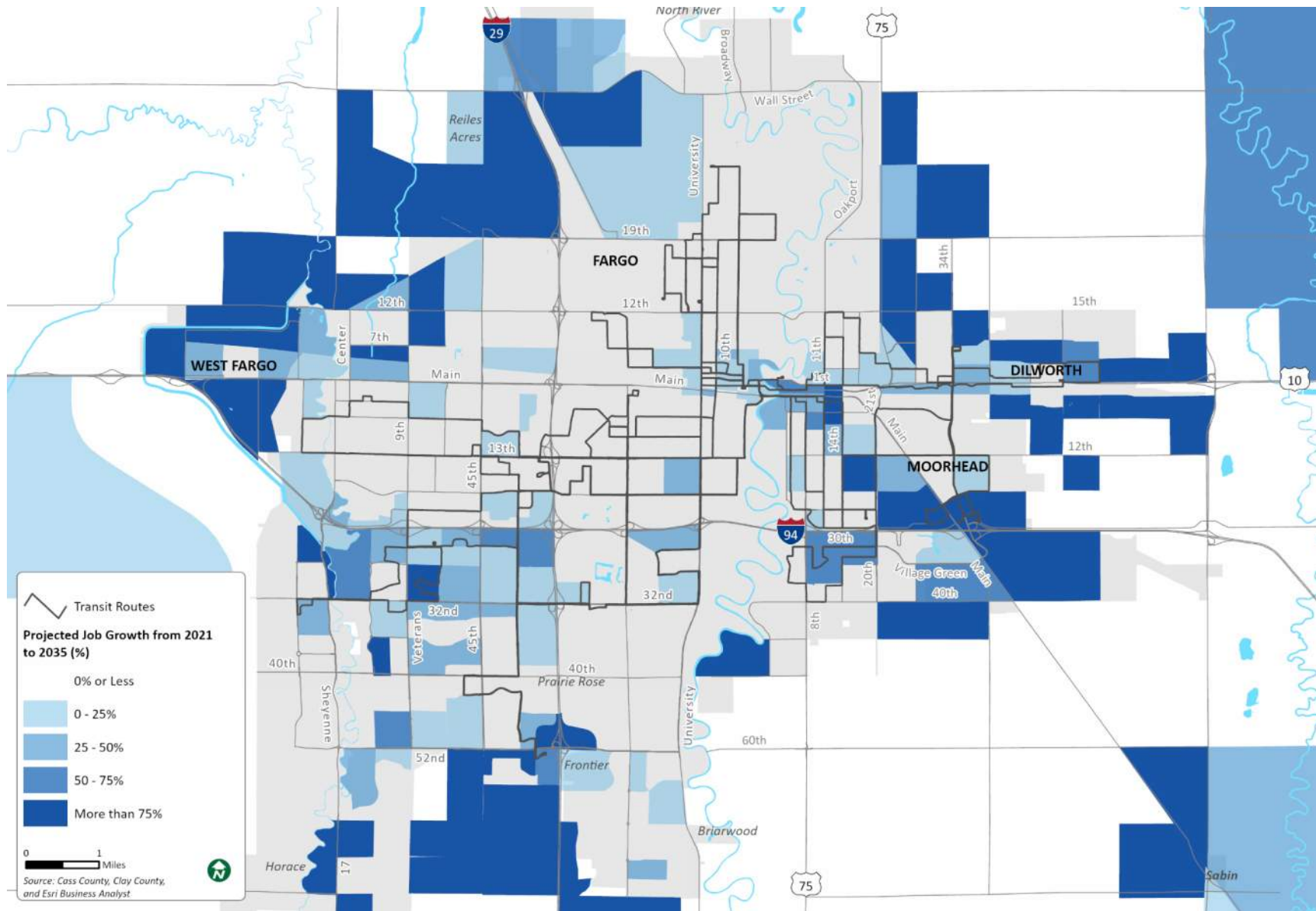


Figure 12: BIPOC Areas of Concentration

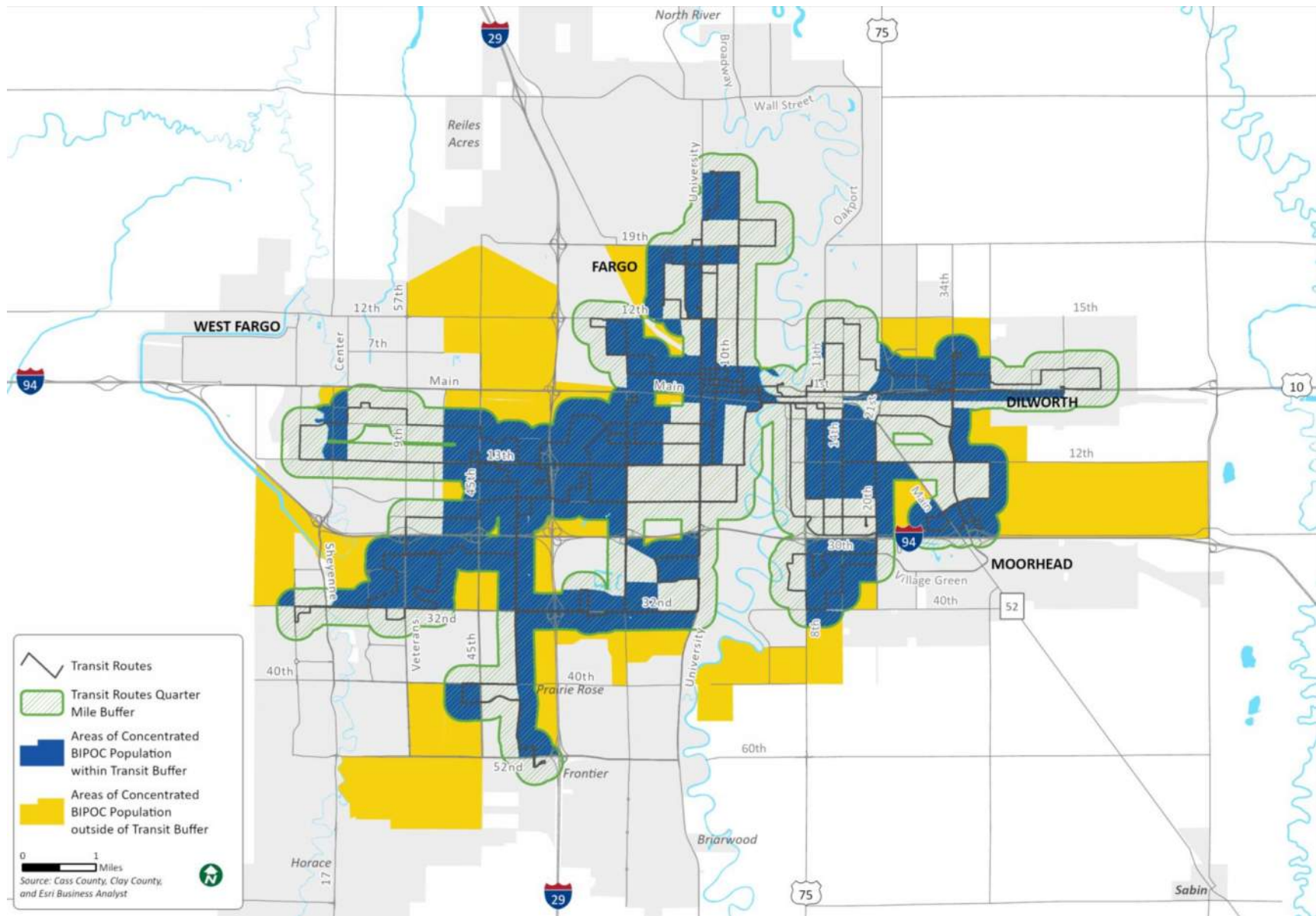


Figure 13: Low-Income Areas of Concentration

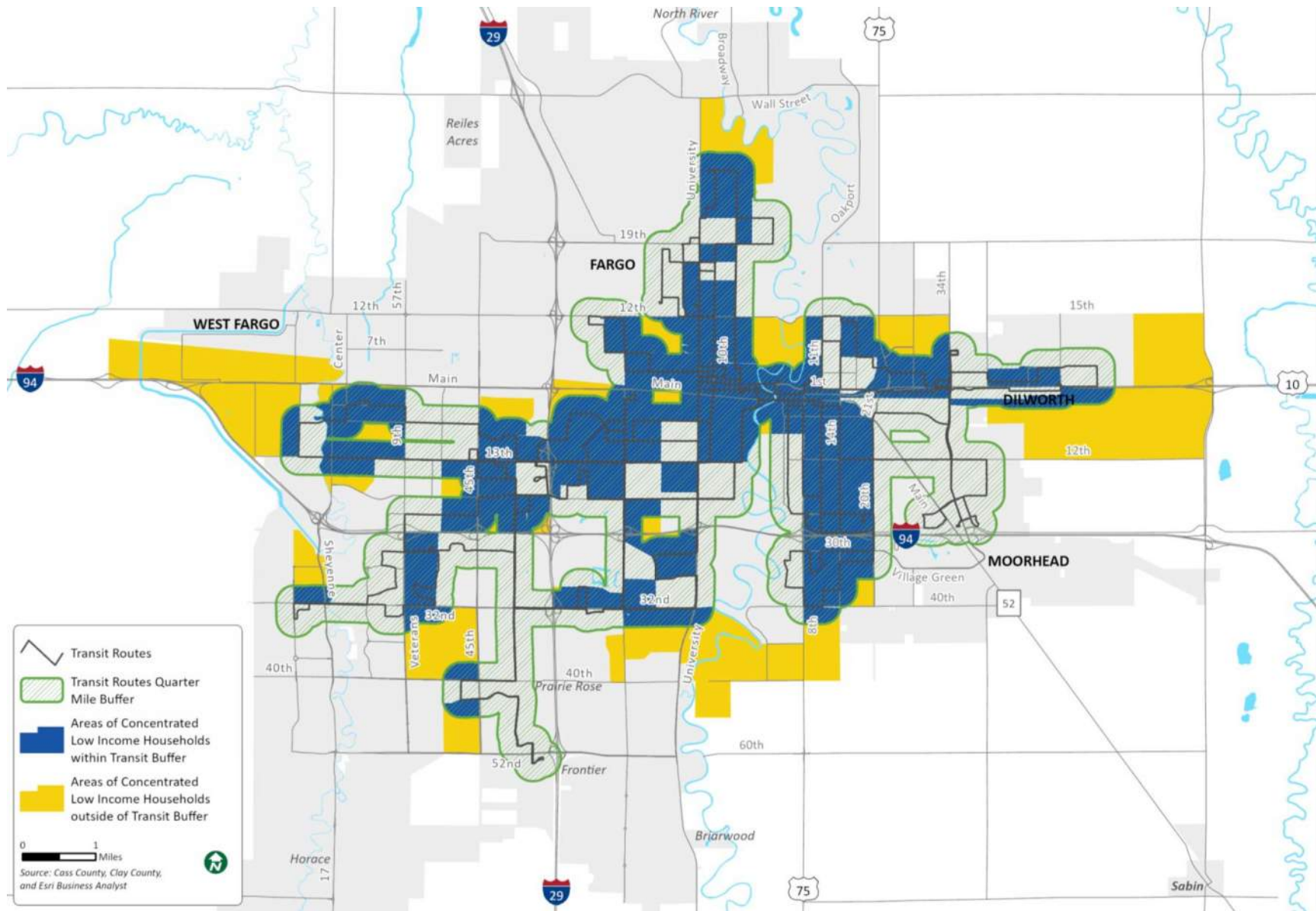


Figure 14: Age 65+ Areas of Concentration

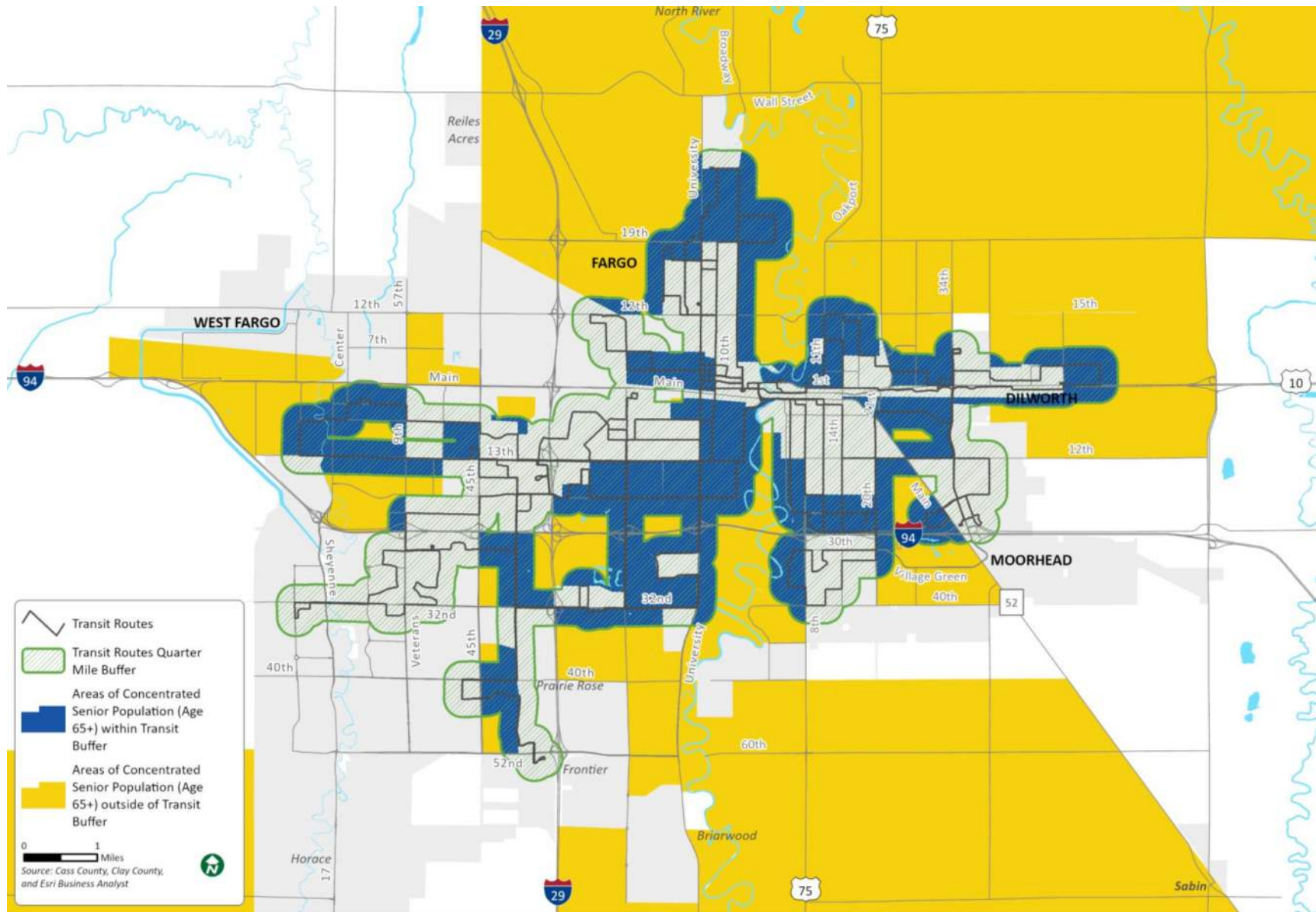


Figure 15: Limited Vehicle Access Areas of Concentration

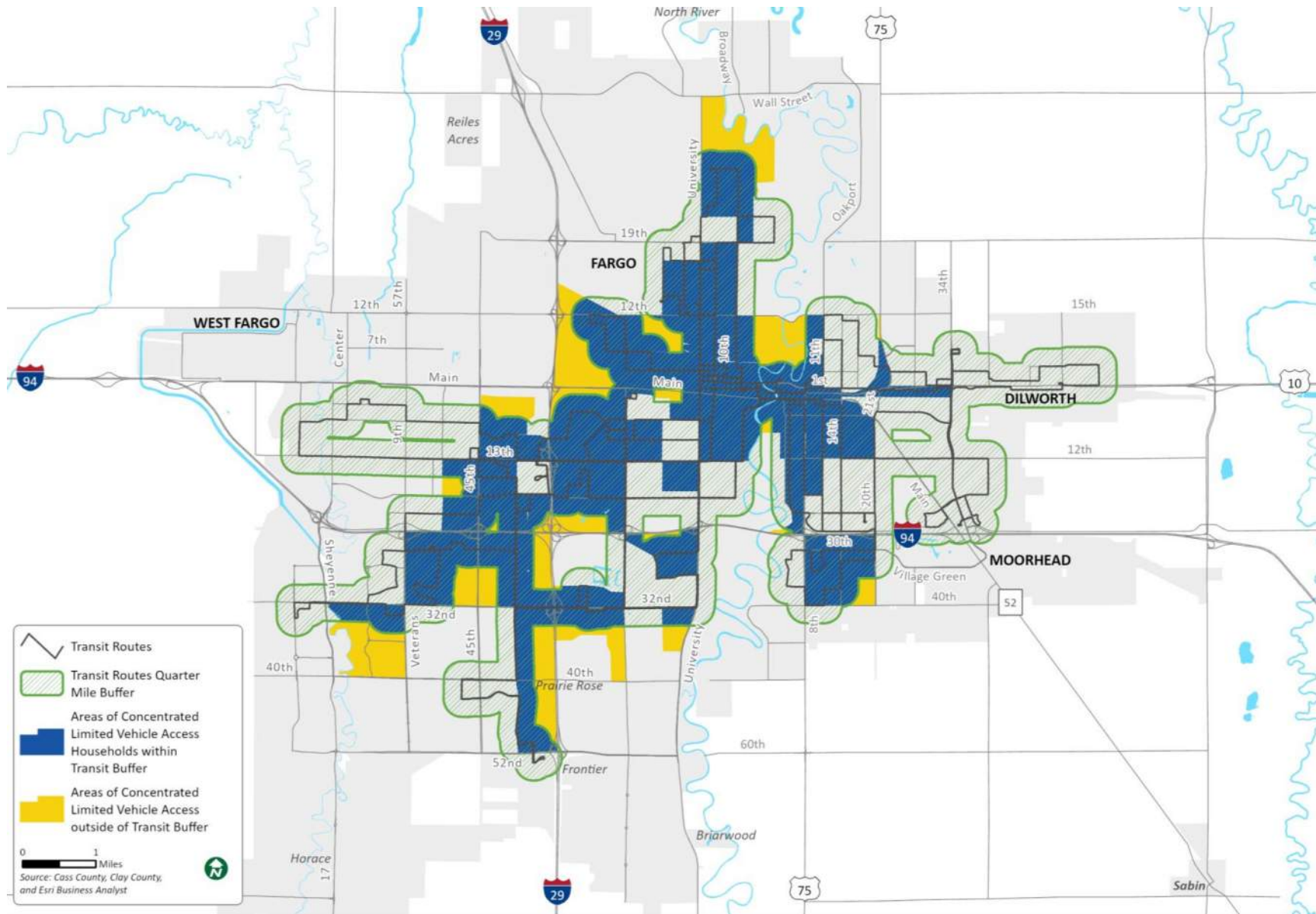
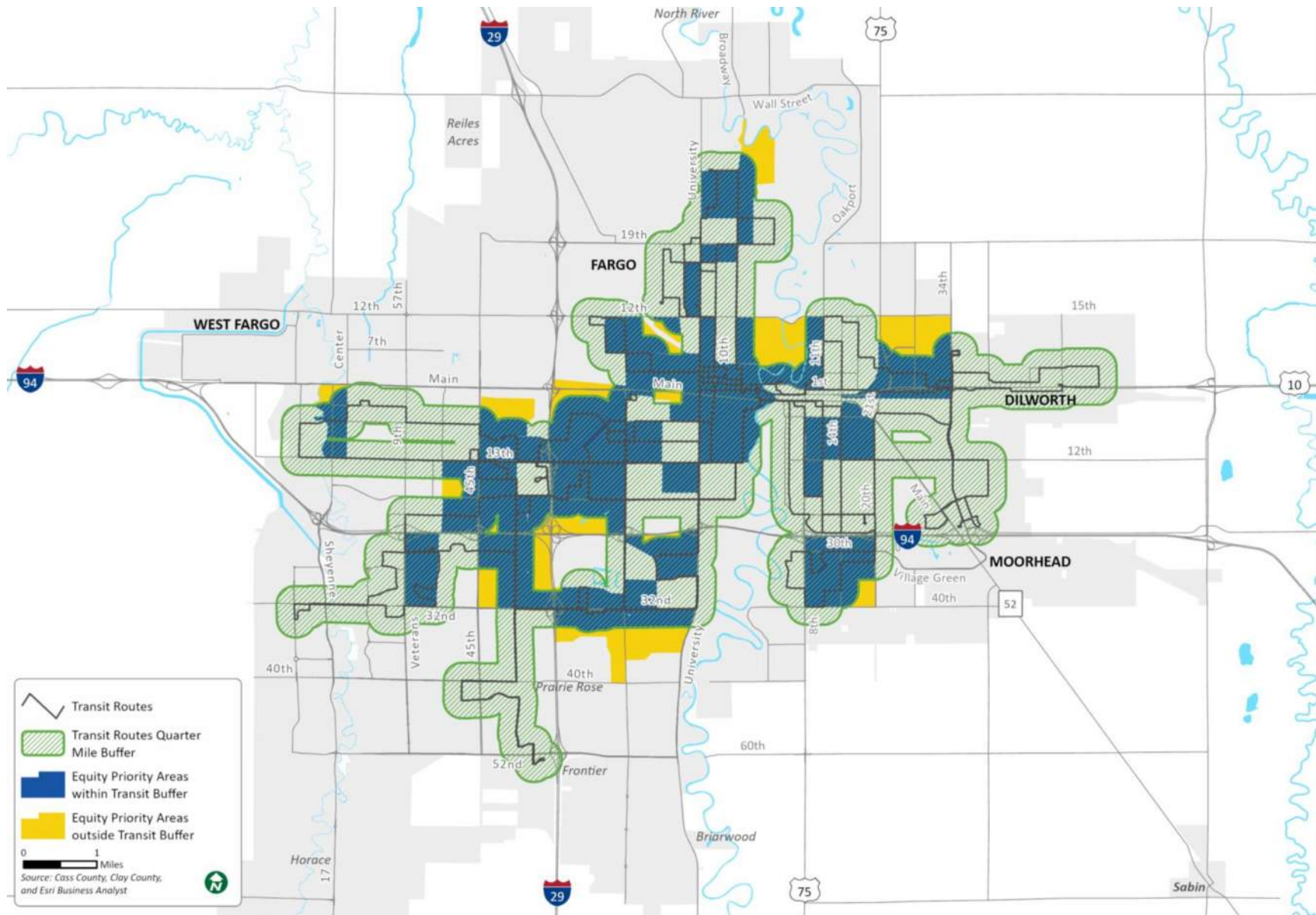


Figure 16: Equity Priority Areas Coverage Analysis



3.3. Fixed Route Service Operations Review

3.3.1. Fixed Route Service Overview (August 2024)

MATBUS provides fixed-route service via 19 active routes that carry users throughout the Fargo-Moorhead Metropolitan Area—Fargo and West Fargo in North Dakota and Moorhead and Dilworth in Minnesota. Fixed-route service is the backbone of the MATBUS catalog of services and operates on Monday through Friday from 6:15 AM to 10:15 PM and on Saturday from 7:15 AM to 10:15 PM. Buses do not run on the holidays of New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. MATBUS ends service early on Christmas Eve.

The Ground Transportation Center (GTC), located at 502 NP Avenue in Fargo, serves as a central hub for bus operations. The GTC is the main transfer hub between Moorhead and Fargo routes. It offers seating and restrooms. At the GTC, Dispatch Team Members assist in trip planning, selling fare media, coordinating transfers between bus routes, safely dispatching buses departing the GTC, and bike and bus training. Passes may be purchased 15 minutes after opening until 7:00 PM, Monday through Saturday. The GTC is open on Monday through Friday from 6:00 AM to 10:15 PM and on Saturday from 7:00 AM to 10:15 PM. Other “Transit Hubs” include:

- West Acres Shopping Center Transit Hub
- North Dakota State University (NDSU) Transit Hub (A. Glenn Hill Center2)
- Marriott Transit Hub (Courtyard by Marriott, Moorhead)
- Dilworth Walmart Transit Hub

MATBUS services are timed to meet each other at these various transfer hubs, with connections between the Moorhead and Fargo services occurring at the GTC. The additional “satellite” hubs are used to facilitate timed connections between buses serving suburban areas. See **Section 6 Transit Hub and Transfer Review**. The 19 fixed routes span the metropolitan area carrying passengers from the Hector International Airport in the North via Route 13 to the Walmart Supercenter in the South via Route 18 and from Rendezvous Park in the West via Route 24 to East Dilworth via Route 6. An overview map of the MATBUS fixed-route system is given in Figure 7.

Table 3 provides a Fixed Route Service Overview as of August 2024, detailing service and operational characteristics, including frequency and span of service. MATBUS routes range in frequency from seven to 60 minutes between routes. As is also shown in Table 3, in Fargo and West Fargo the agency operates 14 routes from roughly 6:15 AM to 10:15 PM on Monday through Friday and 7:15 AM to 10:15 PM on Saturday. There is no Sunday Service. Routes 31, 32 (E and W), 33, 34 and a demand-response service directly serve North Dakota State University (NDSU) and operate on weekdays only, with Routes 31, 32, 33 operating only during the fall and spring semesters.



Figure 17: MATBUS Fixed Route Network

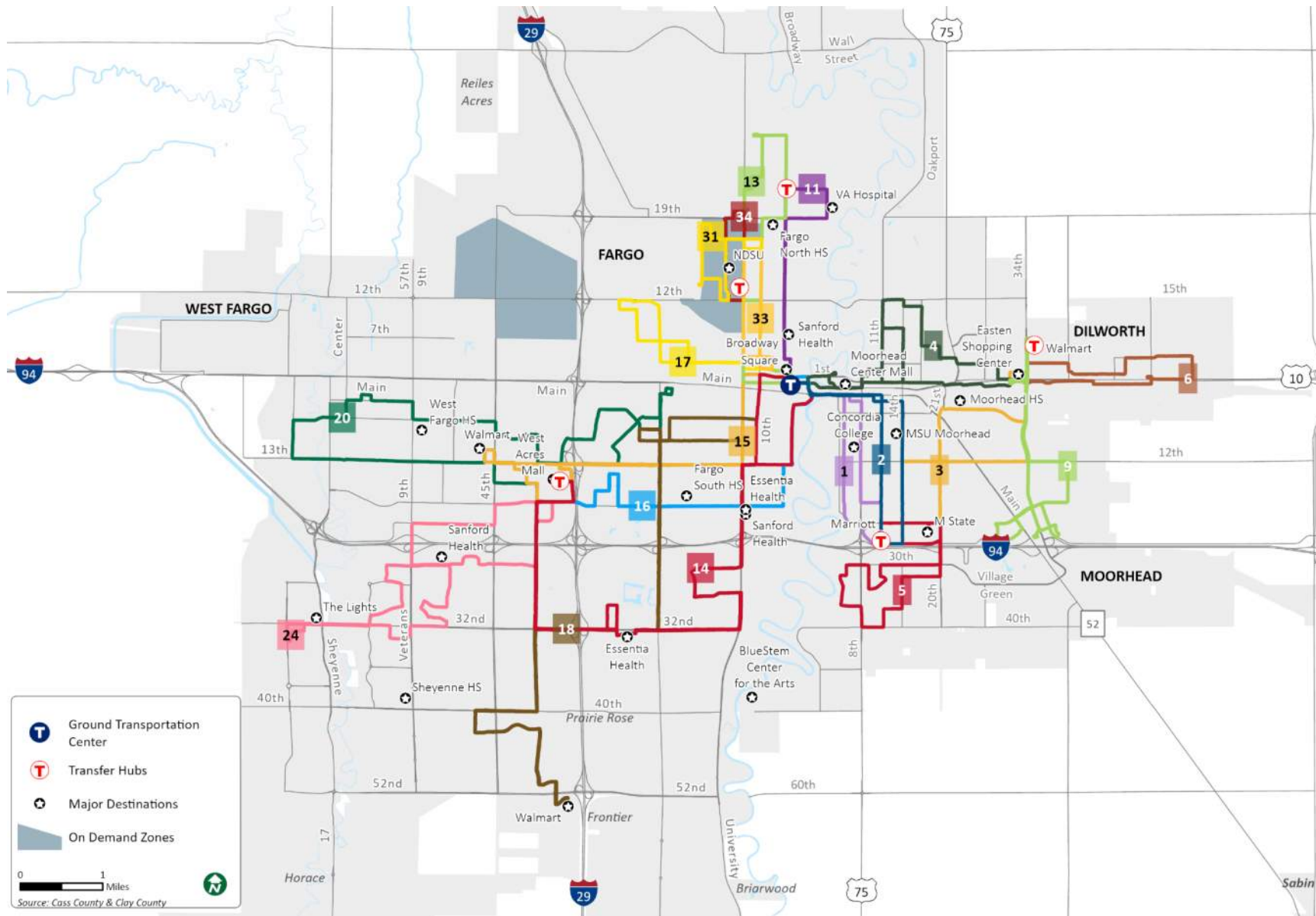


Table 3: Fixed Route Service Overview (August 2024)

			Monday - Friday		Saturday	
Rt.	Description	Inter-lining	Freq. (min)	Span	Freq. (min)	Span
Moorhead / Dillworth Routes						
1	Downtown, Concordia, Hopkins Elementary, Marriot, Brookdale Mall, Library	Rt. 3	30	6:15 AM – 10:15 PM	30	6:15 AM – 10:15 PM
2	Downtown, Hornbacher's MSUM, Hopkins Elementary, Marriott	Rt. 5	30 15 min between 2:15-6:15p during MSUM academic year	6:15 AM – 10:15 PM	30	7:15 AM – 10:15 PM
3	Marriott, Cashwise, Target, Moorhead High, 24th Ave., and 14th St	Rt. 1	30	6:16 AM – 10:19 PM	30	7:19 AM – 10:19 PM
4	Downtown, Park View Terrace, Courthouse, Churches United, Target, Walmart, Cash Wise, DMV, Moorhead Center Mall, Hjerkomst	-	30	6:16 AM – 10:16 PM	30	7:16 AM – 10:16 PM
5	Marriott, M State, Hornbacher's Lakeland	Rt. 2	30	6:16 AM – 10:16 PM	30	7:16 AM – 10:16 PM
6	Walmart, Community Center, Houge Estates, City Hall, CVS Pharmacy	Rt. 9	60 Additional trip at 6:10p	6:40 AM – 7:10 PM	60	7:40 AM – 6:10 PM
9 ¹	Walmart, Cash Wise, Horizon, Vista, Sanford, Menard's, Axis Clinicals	Rt. 6	60	7:10 AM – 5:40 PM	60	7:10 AM – 6:40 PM
Fargo / West Fargo Routes						
11	GTC, Sanford, VA Hospital, Hornbacher's Fargo North	Rt. 14	30 60	6:15 AM – 6:40 PM 6:45 PM – 10:10 PM	30 60	7:15 AM – 6:40 PM 6:45 PM – 10:10 PM
13	GTC, Klai Hall, Barry Hall, Roosevelt, Hornbacher's U32 Apartments, NDSCS, SHAC, Memorial Union, Family Fare, Renaissance Hall	Rt. 15	30 60	6:15 AM – 6:40 PM 6:15 PM – 10:10 PM	60	7:15 AM – 10:10 PM
14	Prairie, Island Park, Sanford, Kmart, Family Fare, Essentia, Rasmussen College, West Acres, YMCA, Hornbacher's Courthouse	Rt. 11	30 60	6:10 AM – 7:10 PM 6:15 PM – 10:10 PM	30 60	7:10 AM – 7:10 PM 6:15 PM – 10:10 PM
15	GTC, Holiday, Bethany Homes, Fraser, CVS, West Acres, Target, TJ Maxx, Walmart, Job Service of ND, Courthouse	Rt. 13	30 15 30	6:14 AM – 10:40 AM 10:00 AM – 6:45 PM 5:45 PM – 10:14 PM	30	7:14 AM – 10:14 PM
16	GTC, Fargo High Rise, Lindenwood Park, Essentia Clinic, Fargo South High, Cash Wise, West Acres, Public Library	-	60	6:15 AM – 7:40 PM	60	7:15 AM – 7:40 PM
17	Madison School, YWCA, Centre, University Manor	Rt. 18	60	6:15 AM – 9:40 PM	60	7:15 AM – 9:40 PM
18	GTC, Bethany Homes, SEHS, Avalon West, Essentia, Hornbacher's Microsoft, Walmart	Rt. 17	60	6:15 AM – 10:15 PM	60	7:15 AM – 10:15 PM
20	West Acres, ShareHouse, WF High, WF City Hall/Police, High Rise, Sanford Clinic, Walmart, Cass Co. Jail, SEHS, Islamic Center	-	60	6:21 AM – 9:55 PM	60	7:21 AM – 9:55 PM
24	West Acres, Sanford Medical Center, Cash Wise, Bluestem Dr./26th Ave., Costco	-	60	6:30 AM – 10:10 PM	60	7:30 AM – 10:10 PM
NDSU Routes						
31 ²	Minard, Steven Hall, Wallman Wellness, Peltier Complex, Research and Technology Park, University Village, Fargodome, High Rises	-	20	7:40 AM – 6:20 PM	-	-
33 ²	NDSU Hub, Klai Hall, Barry Hall, University Village, SHAC	-	10	6:55 AM – 7:15 PM	-	-
34 ²	Transit Hub, Reed/Johnson Halls, Fargodome, NDSCS, Niskanen	-	20	7:44 AM – 4:44 PM	-	-

¹Route 9 will enter the Vista Center parking lot Monday - Friday from 8:00 AM to 12:30 PM. Outside of these days and hours, riders can request door accessibility. Riders wishing to be dropped off at the door can notify the driver when they board the bus.

²NDSU Campus Circulators. Routes operate Monday-Friday during the NDSU academic year (U-Pass Program)

¹Route 9 will enter the Vista Center parking lot Monday - Friday from 8:00 AM to 12:30 PM. Outside of these days and hours, riders can request door accessibility. Riders wishing to be dropped off at the door can notify the driver when they board the bus.

²NDSU Campus Circulators. Routes operate Monday-Friday during the NDSU academic year (U-Pass Program)

3.3.2. Ridership

In 2023, a total of 1,234,586 riders were provided on MATBUS fixed routes. Of these trips, 30 percent were attributed to Moorhead and Dilworth service while the remaining 70 percent were attributed to Fargo and West Fargo. Annual ridership has been increasing between three to five percent in recent years with 2023 ridership at 68 percent of 2019 levels. While 2024 annual ridership was not yet available at the time of this review, the first half of the year experience a five percent increase over 2023.

Figure 18: Annual Fixed Route Ridership (2019-2023)

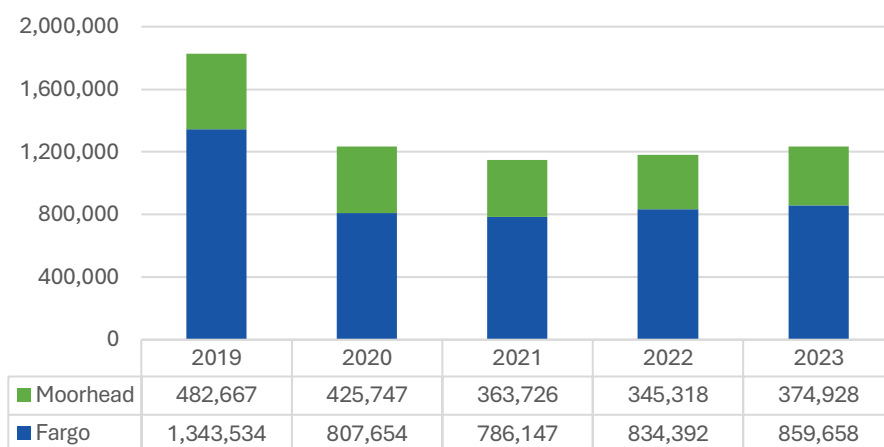


Figure 19: Average Fixed Route Ridership by Day (2023)

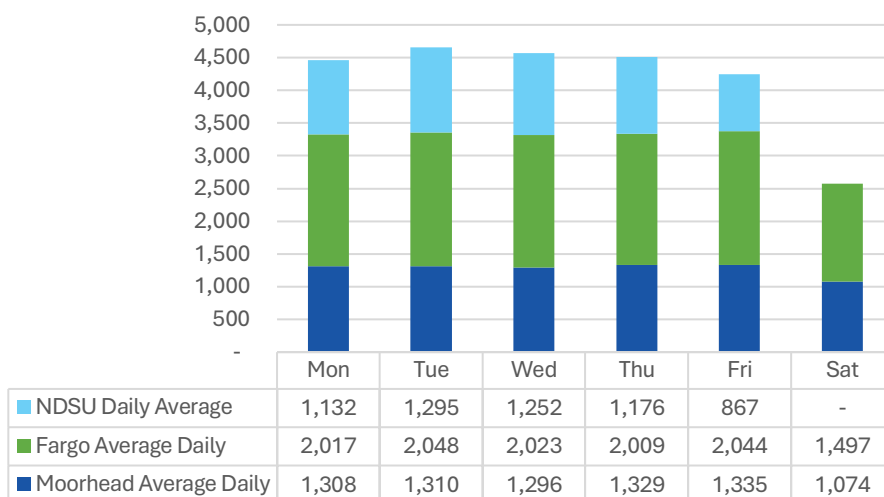
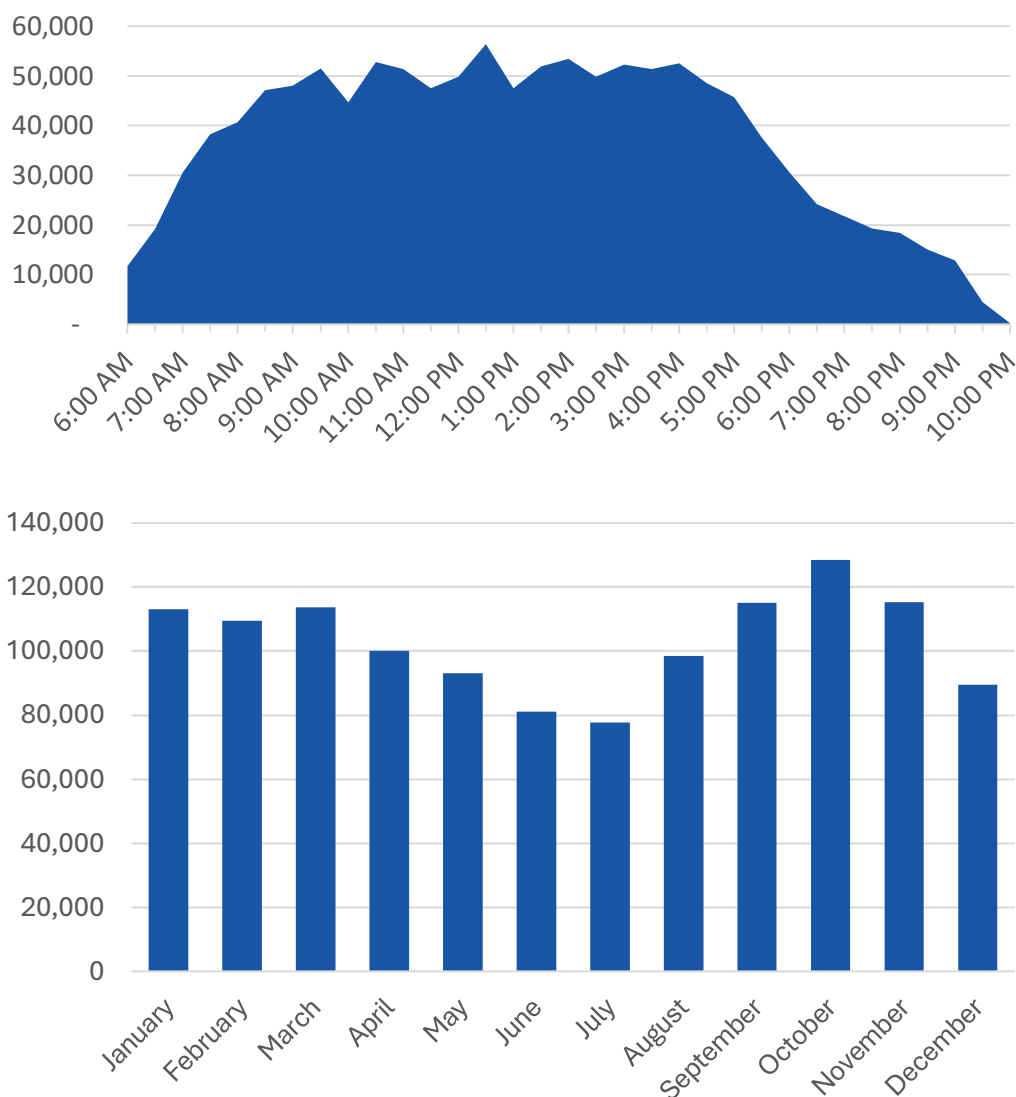


Figure 20: Total Rides by Hour (2023)



3.3.3. Fixed Routes Common Destinations

The stop locations with the highest annual boardings are in higher-density transit-supportive areas, which are logical points of higher trip generation due to the proximity of housing, commercial establishments, and a supportive pedestrian infrastructure and other amenities. Three of the five stops with the highest daily boardings are transfer hubs, so their position on the list does not necessarily indicate a high demand for service to their respective broader geographic areas. The highest traffic stop is the GTC, and the busiest stop in Moorhead is at the Marriott Transit Hub. The Dilworth Walmart stop is both an important destination and a transfer point. Common destinations are examined in detail in individual route profiles. Sample automatic passenger counter (APC) data from September 2024 was mapped to show boarding and alighting data by stop across the entire MATBUS system (see Figure 21 and Figure 22). GTC is an outlier in terms of overall ridership and was therefore excluded from stop level mapping to allow other higher ridership locations to stand out on their own.

Figure 21: Average Weekday Ridership by Stop (September 2024)

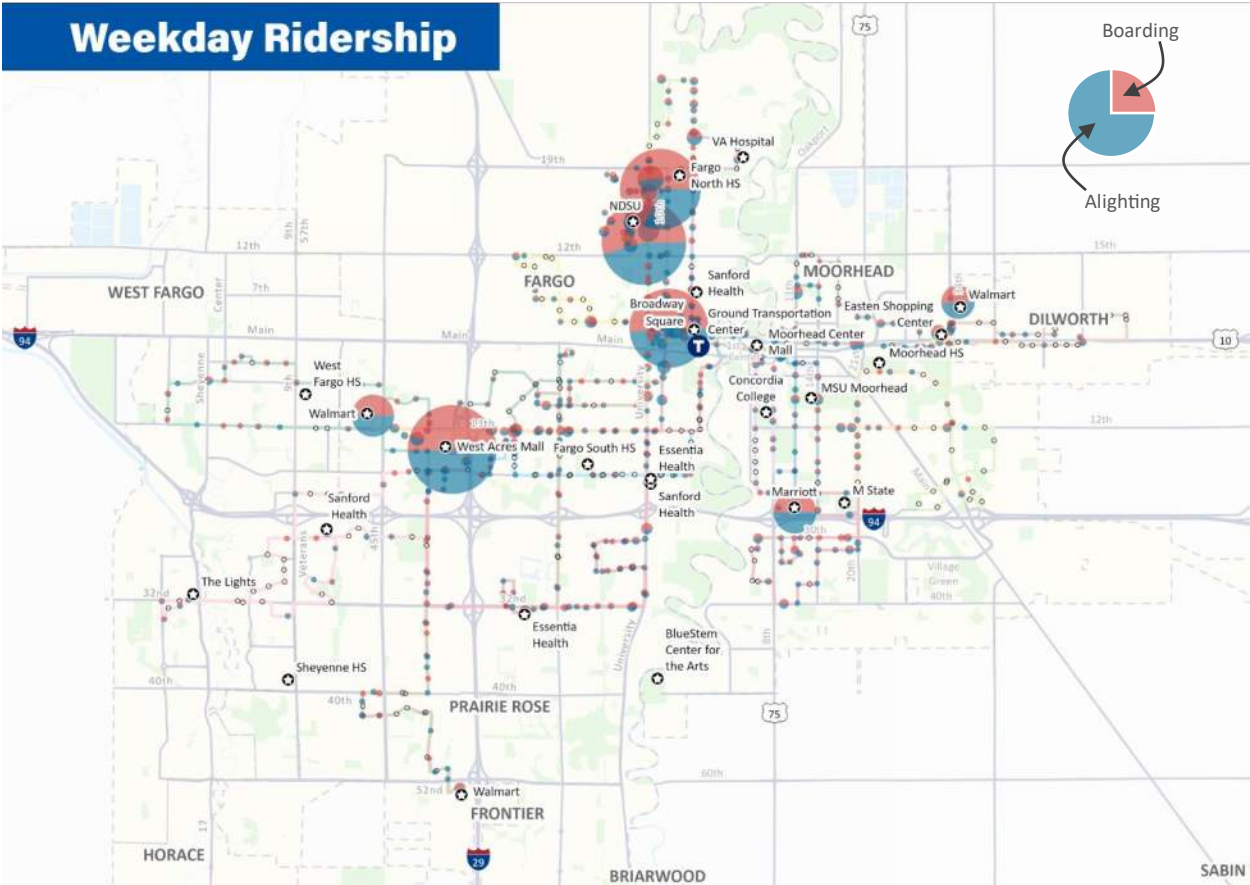
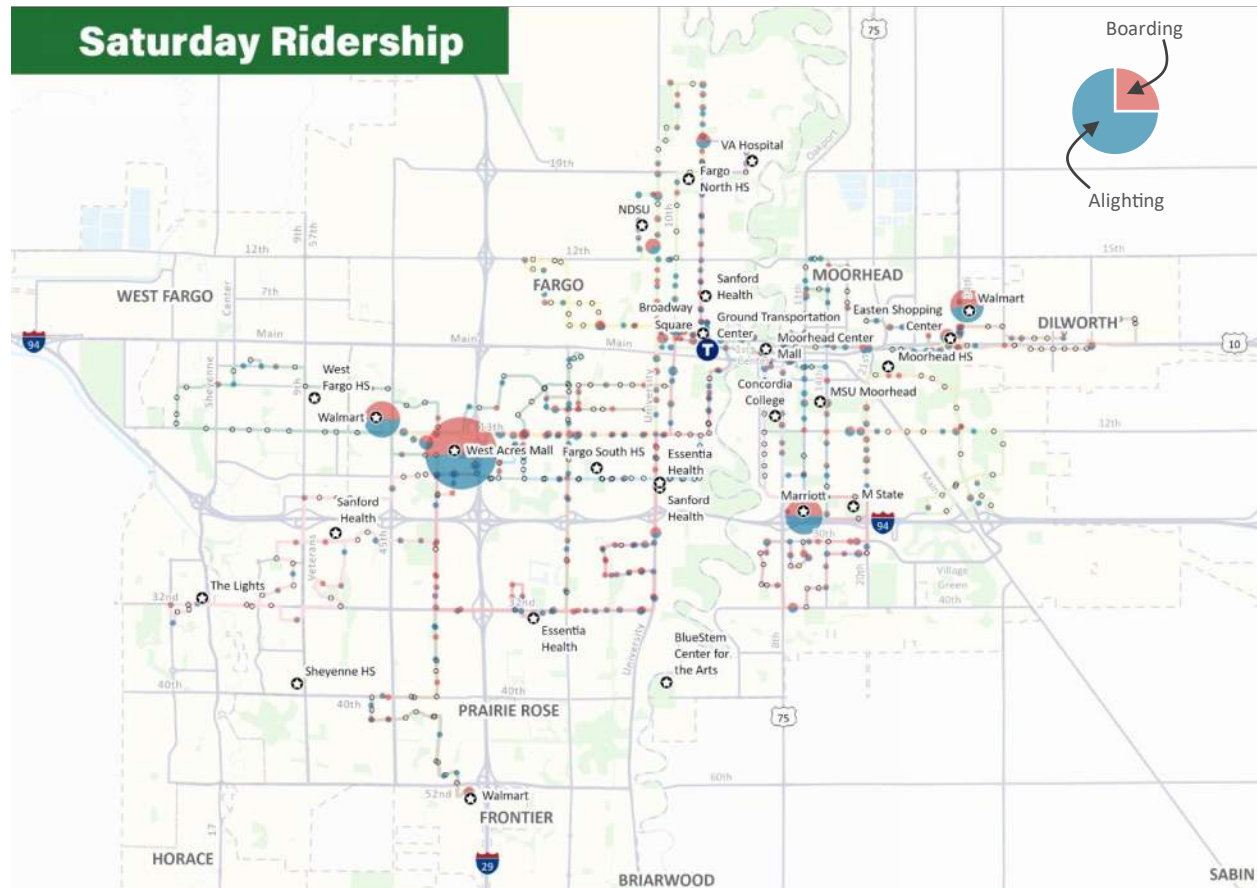


Figure 22: Average Saturday Ridership by Stop (September 2024)



3.3.4. Major Detours

The current MATBUS Detour Policy states that routes may be detoured from their usual paths due to road closures for construction or events. In order to ensure clarity and reliability for passengers, detours will be in place for the full service day unless otherwise noted. During detour operations, the temporary route segment will – unless otherwise noted – operate under the “flag stop” policy, meaning passengers can board or deboard the bus at any corner or intersection along the route where the driver deems it is safe to do so.

For long-term detours, temporary MATBUS stop signs may be installed and designated as bus stops. “Not in Service” stickers may also be placed over existing MATBUS stop signs. During long-term detours, a passenger may request a temporary bus stop at a particular location, MATBUS staff will review it for reasonable accommodation.

MATBUS customers are notified of detours through rider alert emails and updates to the detours page on the MATBUS website.

Below is a list of recent detours on the MATBUS system.

- **Route 1** operated on a significant detour during Summer 2024 due to street construction on 4th Ave S, 6th St S, and 5th Ave S. Route 1 took 8th St between 24th Ave & 3rd Ave inbound to the

GTC. Riders were able to request pick-up or drop-off at any safe intersection along the route detour path.

- **Route 2** operated on a detour during Fall 2024 due to the continued progress of the 11th St Underpass Project. 2nd Ave S was closed between 10th St & 12th St. Outbound Route 2 took 9th St between Main & 3rd Ave S, and inbound Route 2 took Main Ave between 14th St & 11th St. This project will potentially have additional detour changes in the future.
- **Route 4** operated on a significant detour for approximately 2.5 years beginning in Spring 2024 due to the 11th St Underpass Project. Phase One closed down 1st Ave between 9th St and 12th St. This project will potentially have additional detour changes in the future.
- **Route 13** operates on a detour if University Dr. N is closed at 19th Ave N after a Fargodome event. Bus stops and Shelters on University Dr. N between 19th Ave N & 15th Ave N cannot be serviced during the road closure. Riders can request pick-up or drop-off at any safe location along the detour route.
- **Routes 14, 15, and 18** operated on a detour during Summer and Fall 2024 due to the closure of the intersection of NP Ave and 8th St. N. Each route continued north on 10th St. N, turned east onto 1st Ave N, then turned south onto 5th St. N. Riders were able to request pick-up or drop-off at any safe intersection along the route detour path.
- **Route 24** operates on a detour if 31st Ave S is closed during a Scheels Arena event. Bus stop (E) and the bus stop on the corner of 51st St. S & 32nd Ave S cannot be serviced during event detours. Riders can request pick-up or drop-off at any safe location along the detour route.

3.3.5. Existing Fleet

The Cities of Fargo and Moorhead currently own the entirety of their vehicle fleet for both fixed-route service and demand response services. Under the proposed reorganization framework, each city would continue to own all of its fixed-route vehicle fleet, but the cities would evaluate lease options (Moorhead to Fargo) for the paratransit vehicle fleet. For fixed routes, Fargo owns 31 vehicles and Moorhead owns 12. In addition, 18 vehicles are dedicated to paratransit service, 4 to Senior Ride, and 2 to microtransit, bringing the total fleet count to 67 vehicles.

Figure 23: Fleet Counts

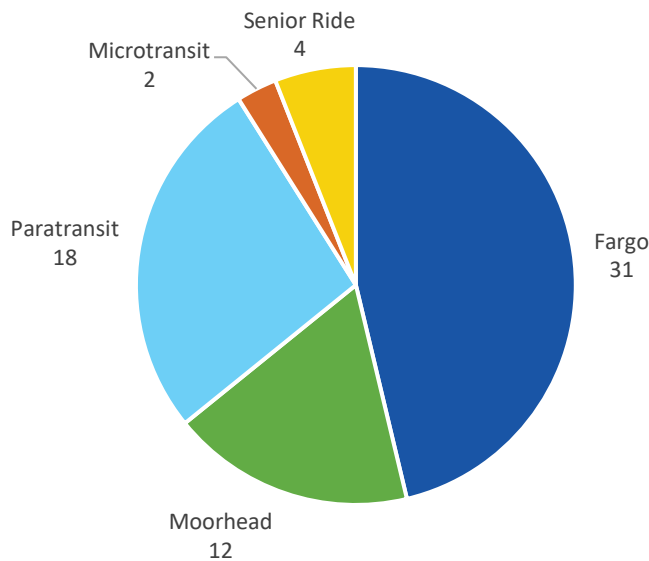


Table 4: Vehicle Counts by Make & Model

Vehicle Make/Model	Count
Chrysler	1
Pacifica	1
Dodge	3
Grand Caravan	3
Ford	19
E450	13
Transit 350	6
New Flyer	43
35' Low Floor	5
35' Low Floor Hybrid	2
35' Xcelsior	30
40' Xcelsior Hybrid	6
Ram	1
Promaster	1
Grand Total	67

Figure 24: Count of Vehicles by Vehicle Year

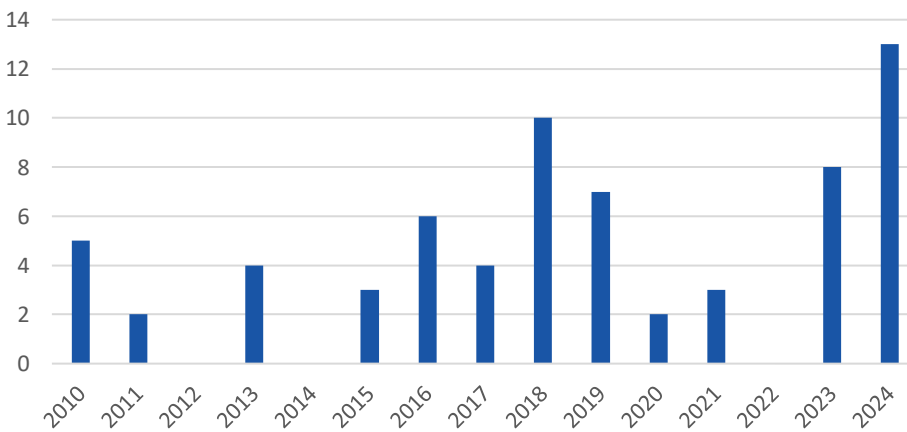
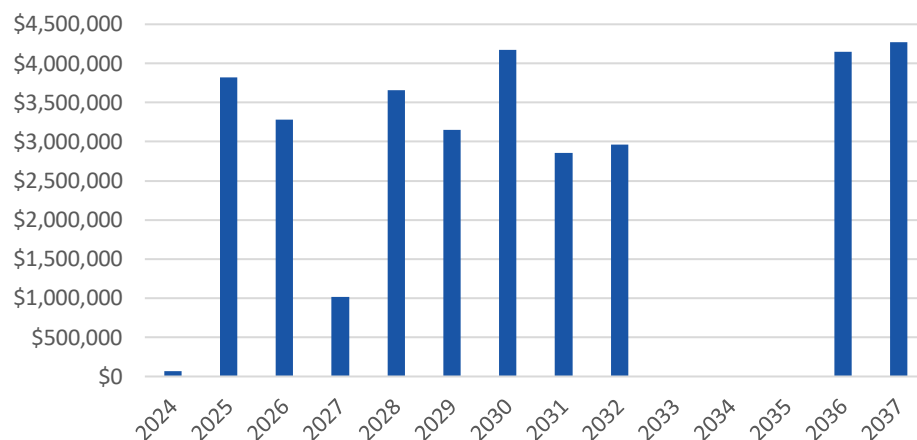


Figure 25: Total Replacement Costs by Year (anticipated)



3.4. Non-Fixed Route Service Operations Review

3.4.1. MATBUS On-Demand

MATBUS On-Demand is a free on-demand transit service offered in the Fargo Industrial Park and on the NDSU Campus and its surrounding area. Using the TransLoc app, users can book a personalized ride for up to five people within the designated service area, with pick-up and drop-off points of their choosing.

In March 2023, TapRide rebranded to become MATBUS On-Demand. The services previously offered from TapRide remained largely the same with service offered at the Fargo Industrial Park and on the North Dakota State University (NDSU) campus during the academic year. To book a ride, riders can download the free TransLoc app to ride with up to 5 people. If riders do not have a smartphone, they can let their fixed route driver know to connect MATBUS On-Demand services or call the Ground Transportation Center (GTC).

Services at the Fargo Industrial Park are offered between the hours of 6:15 AM to 10:15 PM Monday through Friday year-round. The Fargo Industrial Park is connected to the fixed route service at two locations, Whales of a Wash bus shelter (Connects to Route 17) and West Acres MATBUS hub (Connects to Routes 15, 15, 16, 20, & 24).

Services on the NDSU campus are offered from 6:45 PM to 10:15 PM during the academic year Monday to Friday. This service is meant to provide students with free, on-demand rides after fixed route campus service has ended for the day. The shuttle service area includes R.H. Barry Hall in Downtown Fargo.

On-Demand Performance

Ridership data was observed on MATBUS On-Demand from March 6, 2023 through October 31, 2024. Trends are largely driven by the NDSU service zone, which makes up nearly 60% of overall ridership. When school is in session, monthly ridership averages over 560 rides. In the summer months, when NDSU service is not operating, ridership ranges between 250-300 rides.

Figure 26: MATBUS On-Demand Rides per Month

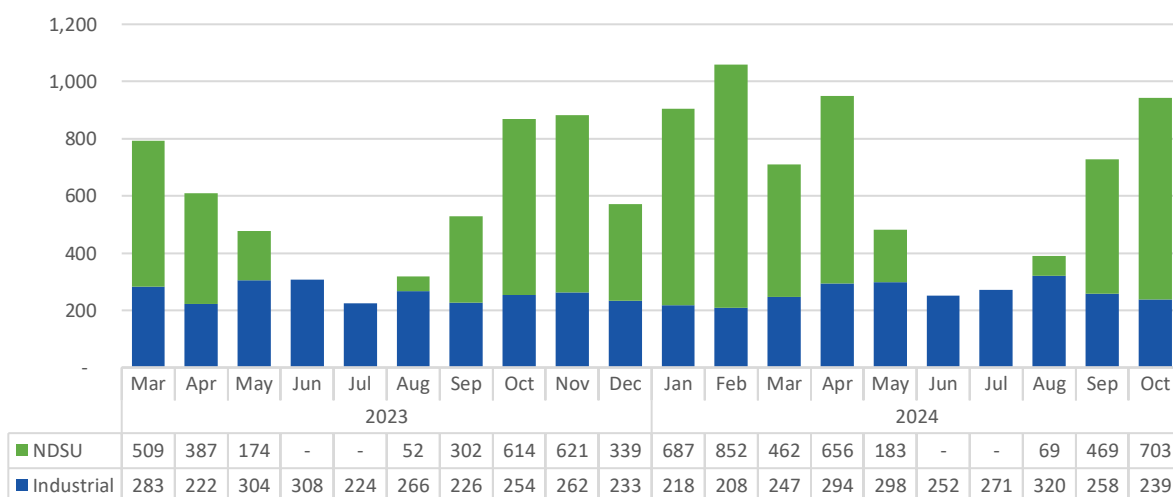
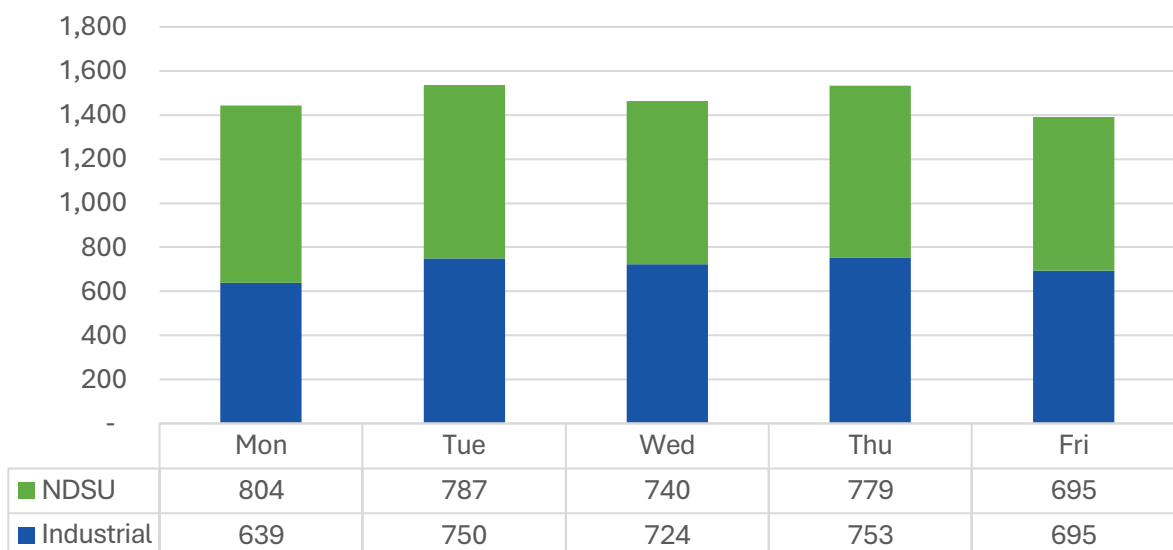
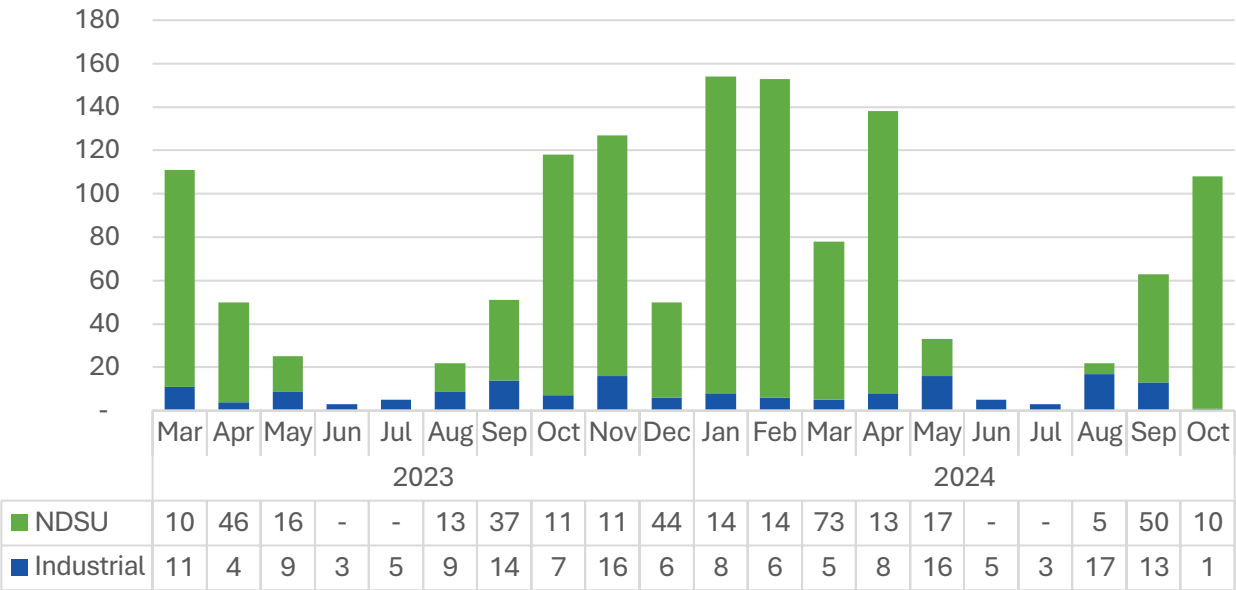


Figure 27: MATBUS On-Demand Daily Ridership (2023)



On average, MATBUS On-Demand experienced 65 trip cancellations per month. 13% of these cancellations occurred in the Industrial zone while the remaining 87% occurred in the NDSU zone. Of the 1,319 trip cancellations during the review period, 239 (18%) were identified as no-show, meaning the rider did not show up for their trip.

Figure 28: MATBUS On-Demand Cancellations & No Shows by Service Area



On-Demand Origins & Destinations

MATBUS On-Demand origin and destination data was reviewed for the months of September and October 2024. In the Fargo Industrial Park service area, the West Acres Transit Hub was a major trip generator and connection point for riders. Other top destinations included Thrifty White Pharmacy, GPK Products, Jefferson Lines, and the Whale of a Wash bus shelter, which serves as a connection point to Route 17.

In the NDSU Campus Service Area, origin and destination trends mimic travel patterns from the existing fixed routes that operate during the day. Top destinations, as shown in Figure 29, include the NDSU Wellness Center, Ehly Hall, and University Village.

Figure 29: On-Demand Origins & Destination (September-October 2024)



3.4.2. MAT Paratransit

MATBUS offers door-to-door paratransit service to complement its fixed-route service. MAT Paratransit service is available in accordance with the Americans with Disabilities Act (ADA) to people with disabilities who have obtained a Special User Card from the Transit Offices for the Cities of Fargo and Moorhead. While typically the minimum provision for Paratransit requires service within a set distance of fixed-routes service, MAT Paratransit operates within the entire city limits of Moorhead and Dilworth, Minnesota, and Fargo and West Fargo, North Dakota. MAT Paratransit operates as a shared ride service, so vehicles often pick up multiple passengers traveling to different destinations at the same time.

Paratransit service is generally available during the following periods.

- Monday – Friday: 6:15AM – 10:15 PM
- Saturday: 7:15 AM – 10:15 PM
- Sunday: 7:00 AM – 5:00 PM

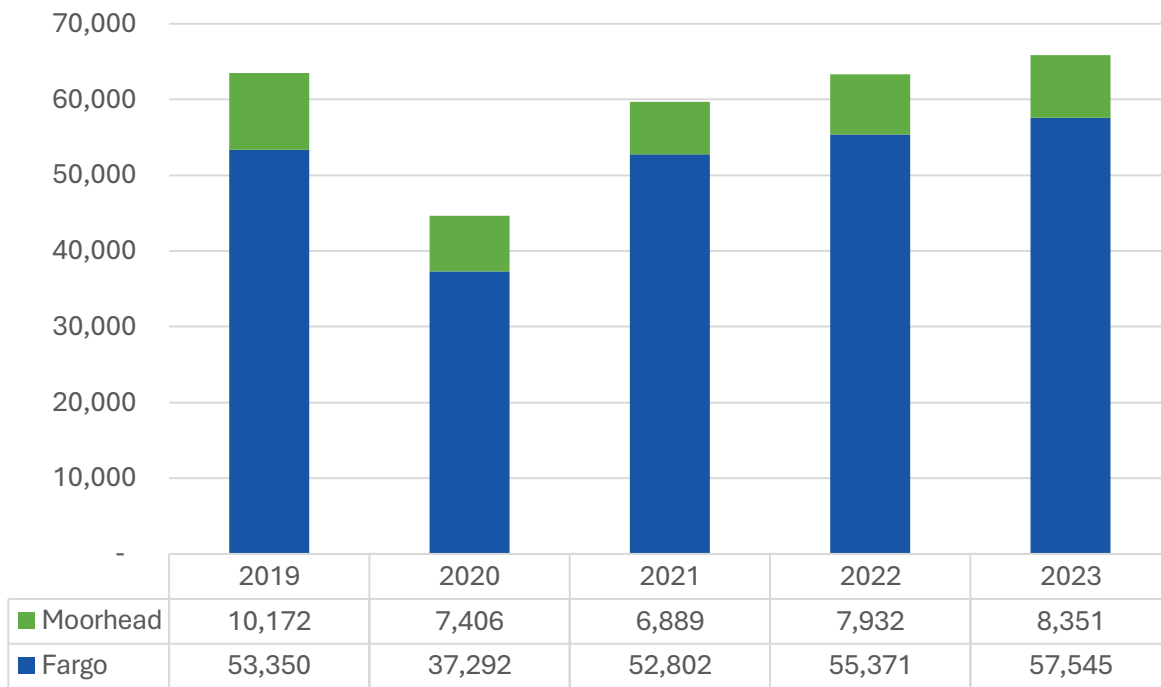
The cost of each ride is \$3.00 per passenger, though personal attendants and children under the age of seven can ride for free if accompanying an eligible passenger; a coupon book of 20 tickets is also available for \$60.00.

MAT Paratransit Performance

Contrary to fixed route ridership, MAT Paratransit experience a quick recovery following the onset of the pandemic. Averaging a 15 percent growth rate since 2020, ridership in 2023 surpassed 2019 (pre-

pandemic) levels with 65,896 rides. Moorhead ridership accounts for 13 percent while Fargo accounts for the remaining 87 percent of MAT Paratransit ridership.

Figure 30: MAT Paratransit Annual Ridership (2019-2023)



3.4.3. LinkFM

LinkFM is a free circulator route connecting the downtowns of Fargo and Moorhead that operates during designated community-sponsored events. Prior to January 1, 2020, LinkFM service operated on a daily basis. LinkFM maintains the same routing with each event that it serves, providing service to 12 stops throughout the two downtowns.

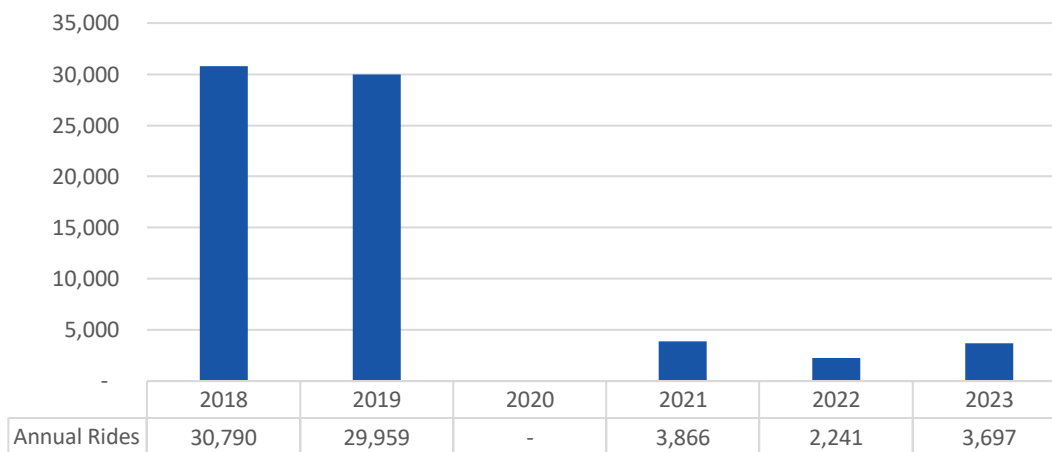
Figure 31: LinkFM Route Map (2024)



Events served in 2024 included:

- **Frostival Frozen Fortress** at Viking Ship Park (January 27, 2024)
- **Celtic Festival** at Hjemkomst Center (March 16, 2024)
- **Scandinavian Festival** at Hjemkomst Center (June 21-22, 2024)
- **Downtown Fargo Street Fair** (July 18-20, 2024)
- **Trollwood Mainstage Musical** at Bluestem Center for the Arts (July 16-20, 23-27, 2024)
- **Pride in the Park** at Bluestem Center for the Arts (August 10, 2024)
- **Pangea: Cultivate our Cultures** at Hjemkomst Center (November 16, 2024)

Figure 32: LinkFM Annual Ridership



4. Fare Structure

4.1. MATBUS Fare Policy and Structure

Table 5: Fare Policy and Structure

MATBUS Fare Products	Fare	Multiplier
Fixed Route		
Single Ride Full Fare	\$1.50	-
Single Ride Discounted Fare*	\$0.75	0.5x
1-Day Pass (Cash)	\$5.00	3.3x
120-Day College Semester Pass**	\$60.00	40.0x
31-Day Business Pass***	\$27.00	18.0x
Package of 20 Single-Ride Tickets	\$30.00	20.0x
Paratransit		
Single Ride for ADA paratransit-eligible riders	\$3.00 (cash or prepaid coupon)	2x
General public on Sundays	\$25.00	13.3x
Non-emergency medical rides****	\$38.00	12.7x
Metro Senior Ride		
Single Ride	\$3.00	2x

*Older adults (60+), people with disabilities, Medicare holders, youth (K-12th grade)

** Available for students, faculty and staff that are not included in the U-Pass Program

***Available for purchase by employers only

****Available only for residents of skilled nursing and ICF-IID facilities

MATBUS offers a variety of services and fare types, shown in Table 5: Fare Policy and Structure above. Each fare product includes a fare and a multiplier (the number of single ride fares required to cover the cost of the product). Multipliers serve as a point of comparison for the peer agencies shown in Table 8, and low multipliers generally make a pass more attractive for potential riders.

Discounted or reduced fares are available to adults aged 60 and older, people with disabilities, Medicare card holders and youth from kindergarten to 12th grade. Reduced single ride fares are half of the standard single ride fare. Passengers determined as eligible for discounted rates are required to show their ID to the bus operator when boarding.

Free transfers are offered on the fixed route system within 90 minutes of boarding the bus. Connect smartcards automatically register any travel within 90 minutes as a free transfer, and those using the Connect App can add a free transfer ticket when activating their initial ticket. Passengers paying in cash must request a transfer ticket when boarding their first bus. Daily and monthly limits are applied when using the Connect smartcard or Connect App. *See the Fare Capping section below for more information.*

MATBUS provides two door-to-door services: Paratransit is available for eligible passengers with a disability, and Metro Senior Ride is available for adults aged 60 and older. Both services cost \$3 per ride. On Sundays, when fixed route service does not operate, the general public can book door-to-door services for \$25.

MATBUS provides fare-free service on fixed routes to the following groups:

- Children preschool aged and younger
- Service-connected veterans
- Personal care attendants
- College students with student IDs (see below for more detail).

4.2. Fare Media and Types

MATBUS accepts four different fare media for fixed route services:

- **Cash fares**
 - o Passengers can pay with bills or coins, and change is given via coupons that are only usable for MATBUS transit.
 - o Cash can be used to purchase single rides, day tickets, and 20-ride coupon books.
 - o Free transfers are available within 90 minutes of boarding.
- **MATBUS Connect card**
 - o The Connect card is a contactless reloadable card that is available for free.
 - o Cards can be ordered online and shipped or purchased at the Ground Transit Center (GTC).
 - o Passengers can load funds online or at the GTC using cash, checks, cards, gift certificates, or vouchers.
 - o Fares are capped each day and per month; therefore, day tickets and monthly passes are not available through Connect.
 - o Free transfers are available within 90 minutes of boarding.

- **MATBUS Connect app**
 - o The Connect app allows passengers to activate tickets for use 5 minutes before scanning mobile ticket.
 - o Passengers can load funds online or at the GTC.
 - o Free transfers are available within 90 minutes of boarding.
- **U-Pass**
 - o College students can ride fare-free with a valid student ID from North Dakota State University (NDSU), Minnesota State University Moorhead (MSUM), Concordia College, Minnesota State Community and Technical College Moorhead (M State), or North Dakota State College of Science Fargo (NDSCS).

Table 6: Fixed Route Fare Media

Fixed Route			
Fare Media		Purchase Method	Applicable Fare Types
Cash fare		On-board farebox	Single ride, day ticket, 20-ride coupon books
Stored value card	<i>Connect Card</i>	Online purchase or at the GTC	Single ride
Physical ticket			
Mobile ticketing	<i>Connect App</i>	Purchase on mobile app	Single ride
Prepaid coupon		Onboard or at the GTC	20-pack of single rides
Transfers		Free, transfer ticket provided on board or through the app	Single ride
Other acceptable proof of payment:			
NDSU, MSUM, M State, Concordia, or NCDSC student ID			

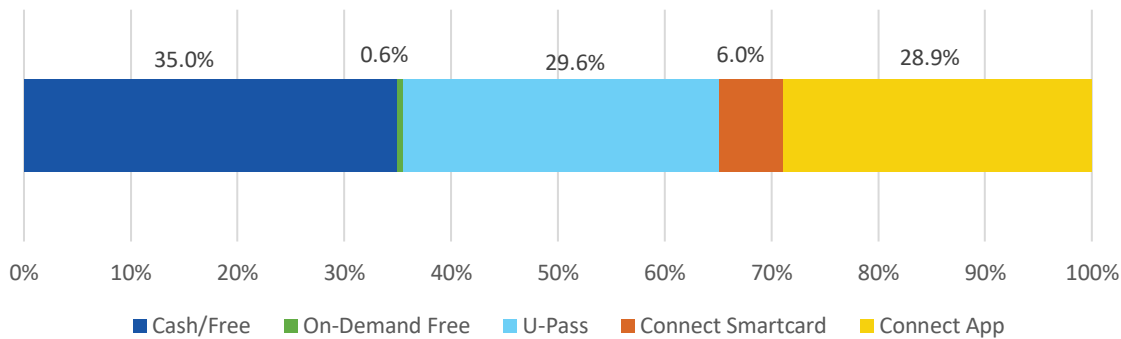
ADA paratransit-eligible riders using door-to-door paratransit services can use all payment methods available to fixed-route riders. In addition to cash fares and the Connect card and app, paratransit riders can pay for rides using coupons and checks. Coupons are sold in books of 20 and can be purchased onboard or at the Metro Transit Garage (MTG).

Table 7: Paratransit Fare Media

MATBUS Paratransit			
Fare Media		Purchase Method	Applicable Fare Types
Cash fare		On-board farebox	Single ride, 20-ride book
Stored value card	<i>Connect Card</i>		Single ride
Mobile ticketing	<i>Connect App</i>		Single ride
Prepaid coupon		Purchased onboard or at Metro Transit Garage	20-pack of single rides
Check			Single Ride

4.3. Fixed Route Rides by Customer and Fare Type

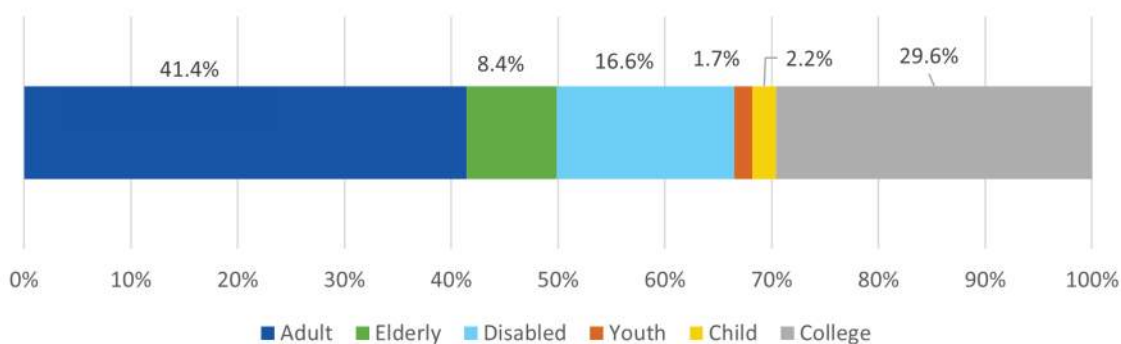
Figure 33: Fixed Route Rides by Fare Type (2023)



MATBUS Connect was rolled out in 2022 and allows users to pay for rides through a smartcard or smartphone (Connect app). Figure 33 shows that in 2023, roughly one-third of passengers use MATBUS Connect, with 29% paying with the Connect app and 6% paying with Connect smartcards. Connect is not the most popular form of fare payment, however; 35% of rides are paid for with cash or are fare-free. The large proportion of riders using cash have important equity implications. Passengers who pay with Connect have their fares capped at \$3 per day. Because cash rides are not fare-capped, a passenger purchasing a day pass with cash would pay \$2 more to access the same service. Cash payers are more likely to be low income or unbanked – therefore, the higher costs associated with paying with cash are likely disproportionately falling on those who are least able to afford them.

Almost 30% of rides are U-Pass rides, which allows students at North Dakota State University, Minnesota State University Moorhead, Concordia College and Minnesota State Moorhead to ride the bus for free with a valid student ID.

Figure 34: Fixed Route Rides by Customer (2023)



Over 40% of all fixed route rides are taken by adults, and an additional 30% are taken by college students, which is likely due to the U-Pass program (Figure 34Error! Reference source not found.). Almost a fifth of MATBUS riders are disabled, and another 8% are elderly.

4.3.1. Fareboxes

MATBUS uses Genfare's Fast Fare farebox for in-vehicle fare collection. Each farebox accepts contactless tapping, magnetic strip swiping and card insertion, and cash (bills and coins) and has a scanner for mobile application payments. The current technology allows for fare capping but is not enabled for open payment.

4.3.2. Fare Capping

GenFare Fast Fare fareboxes allow for fare capping, which limits the amount of money a rider spends on rides during a day and/or month. Fares are capped at \$3 a day for adults and riders with discounted fares. Fares are capped at \$42 a month for adults and \$27 a month for riders with discounted fares. Because fare capping is based on the account associated with the card or app, riders must choose one method or the other to have their fares appropriately capped.



4.3.3. Open Payments

Fast Fare fareboxes can be modified to accept open payments with GenPay software. Open payment allows passengers to pay with chip-enabled credit or debit cards. This provides additional flexibility for passengers, who do not need to register for a transit card or an online account to ride MATBUS. To use GenPay, transit agencies must pay a flat fee based on average ridership and a fixed percentage per transaction.

4.4. Fare Performance

Operating costs on MATBUS have increased while fare revenue has decreased. It is important to note that this is not unique to MATBUS. Many transit providers across the country have experienced similar trends over the past 5-10 years as expenses have risen at the same time ridership has fluctuated significantly – primarily because of the COVID pandemic.

MATBUS's fare performance sharply declined at the start of the COVID-19 pandemic in 2020 and has not yet recovered to pre-COVID levels as of 2023. Fixed route fare revenue decreased by almost three-quarters from 2019 to 2020, and while revenue saw strong growth in 2021, fare revenue numbers have not recovered to pre-COVID levels (Figure 35). At the same time, fixed route operating expenditures have increased and in 2023 were 150% of pre-COVID levels (Figure 36).

Figure 35: Fixed Route Fare Performance (2018-2023)

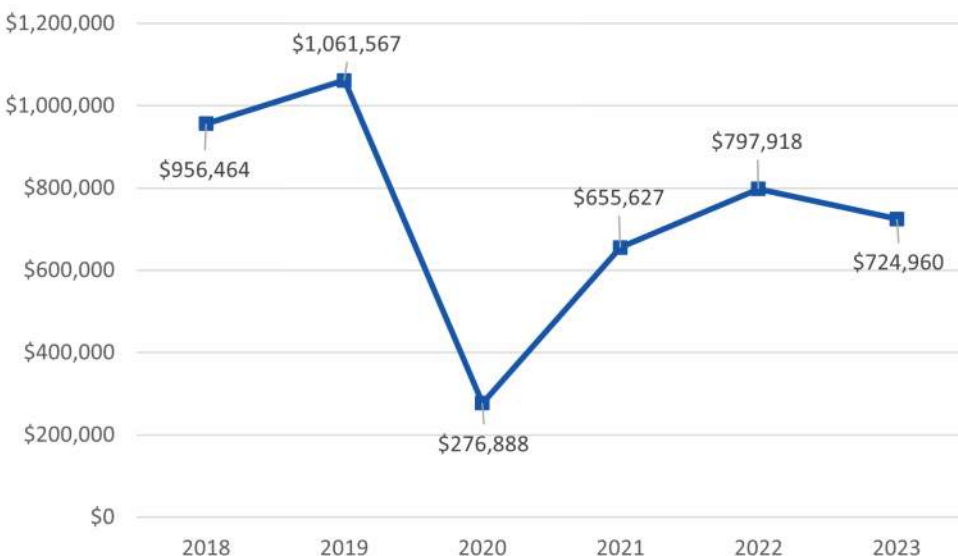
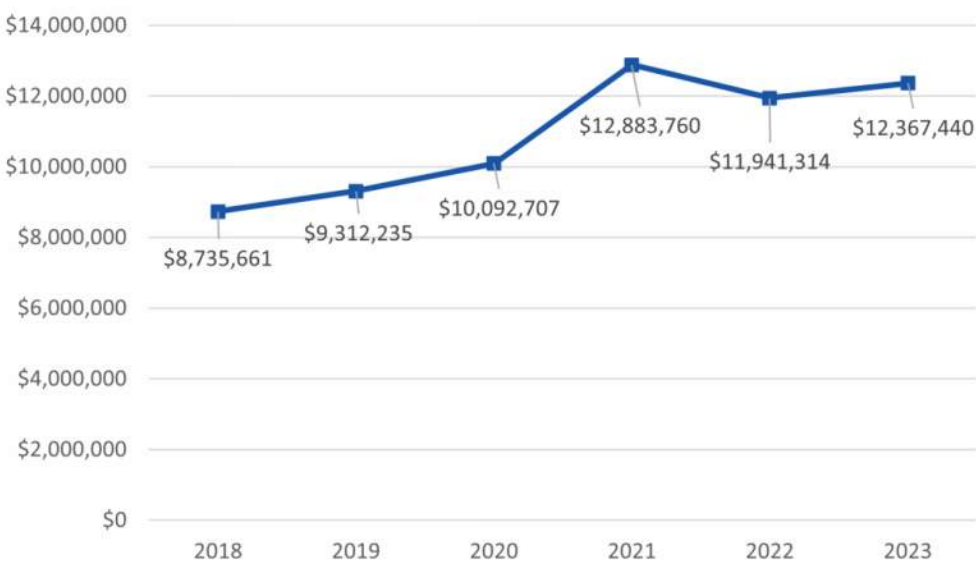


Figure 36: Fixed Route Operating Expenditures (2018-2023)



Systemwide ridership and farebox recovery have been declining since 2018. Again, this is a national trend and is not unique to MATBUS.

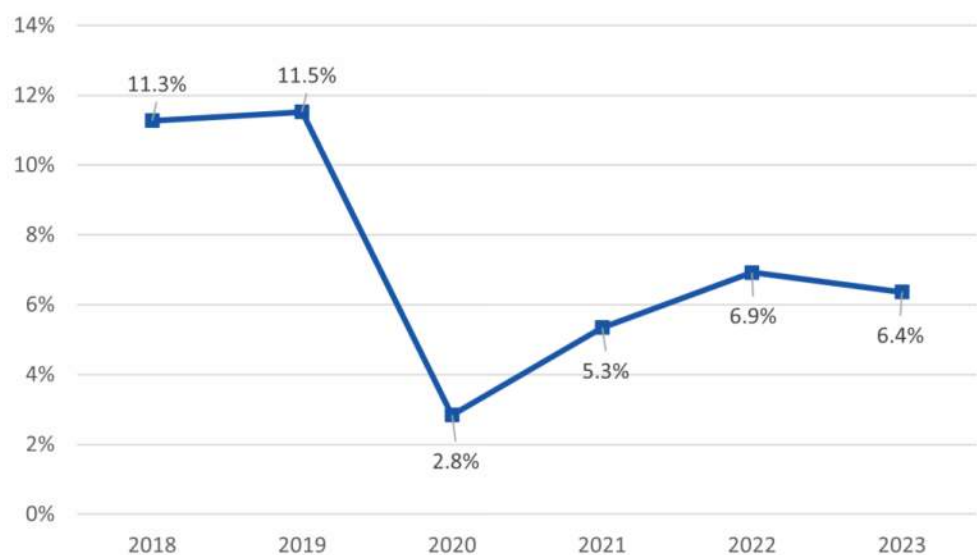
The decrease in systemwide ridership is entirely attributable to a decline in fixed route ridership, which in 2023 was 63% of pre-COVID ridership levels (Figure 37). Ridership reached its lowest point in 2021 and has seen marginal growth since then. In contrast, demand ridership numbers have increased and in 2023 reached 104% of 2018 levels.

Farebox recovery is the proportion of fare revenue collected as a percentage of operating costs. Farebox recovery dropped dramatically in 2020, falling from 11.5% to 2.8% (Figure 38). Farebox recovery has increased since its low point in 2020 but appears to have plateaued since 2022 (around 6%).

Figure 37: Total System Ridership (2018-2023)



Figure 38: Systemwide Farebox Recovery (2018-2023)



The average fare and cost per boarding (Figure 39 and Figure 40) illuminates the impact that ridership has on fares. The average fare per boarding dropped in 2020 but quickly rebounded and has surpassed pre-pandemic levels. In 2022, the increase in the 120-day student passes, monthly business passes, and non-emergency medical transit rides, as well as the increase in the monthly cap on fares, is reflected in the increase in fare per boarding between 2021 and 2022. The increase in fare per boarding between 2020 and 2021 could also be attributed to a change in travel patterns brought on by the pandemic – for example, passengers traveling only a few days per week might pay full price per ride without ever hitting the fare caps instituted in 2022.

The average cost per boarding more than doubled between 2018 and 2021 but has since leveled off at just under \$12 per boarding.

Figure 39: Average Fare per Boarding (2018-2023)

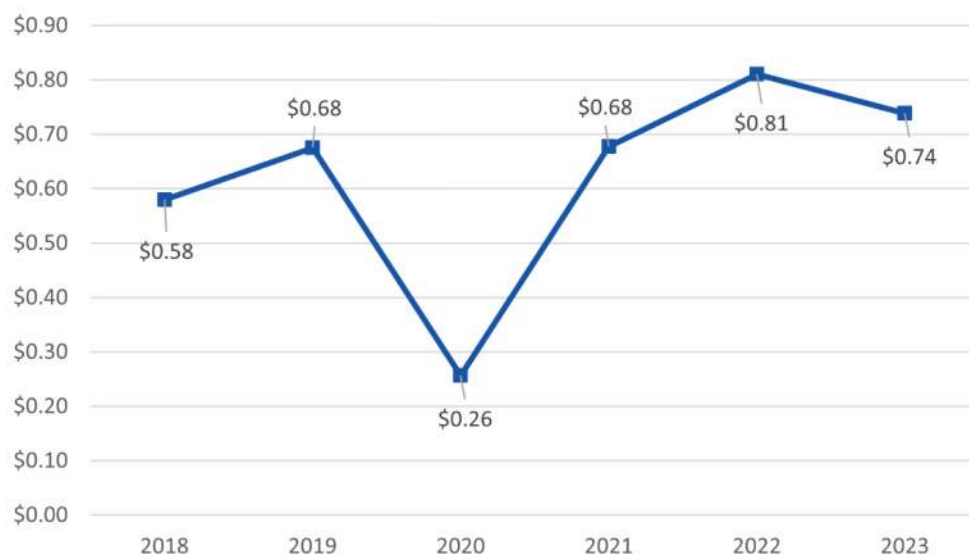
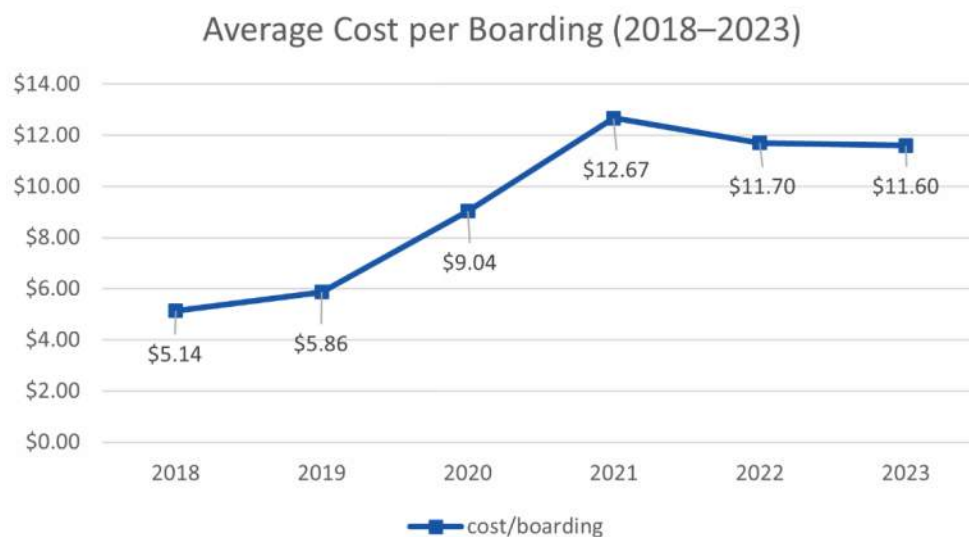


Figure 40: Average Cost per Boarding (2018-2023)



4.5. Peer Comparisons

Table 8 shows fare prices and multipliers for transit agencies located in other comparable regions: Bismar (Bismarck, ND), Cities Area Transit (Grand Forks, ND), Duluth Transit Authority (Duluth, MN), Metro Bus (St. Cloud, MN), and StarTran (Lincoln, ND). These regions were chosen because they have similar regional populations and either have a large university presence, are located in North Dakota, or both. MATBUS's single ride fare of \$1.50 matches three of the peer agencies' fares, though Metro Bus in St. Cloud is expected to raise their base fare to \$1.50 in 2025. Out of the peer agencies studied, only MATBUS provides fare capping. MATBUS's daily fare cap roughly aligns with the average day pass multiplier of the peer agencies, and the monthly fare cap is just above the average monthly pass multiplier. Unlike some peer agencies, MATBUS does not limit discounted rates to off-peak hours.

Table 8: Peer Agency Fare Comparison

Agency	Full Fare	Reduced Fare	Day Pass	Weekly Pass	Monthly Pass	Other Passes	Paratransit (Dial-a-Ride)	Fare Capping?
MATBUS	\$1.50	\$0.75	\$5.00 (3.3x)	N/A	\$27.00 (employer provided, 18x)	\$60 (120-day college semester pass, 40x)	\$3.00 (2x)	Yes \$3 daily (2x) \$42 monthly (28x)
Bis-Man Transit (Bismarck, ND)	\$1.50	\$0.75	\$6.00 (4x)	N/A	\$36.00 (24x)	\$24 (reduced rate monthly pass, 1.6x)	\$3.00 (2x)	No
Cities Area Transit (Grand Forks, ND)	\$1.50	\$0.60	\$5.00 (3.3x)	N/A	\$35.00 (23.3x)	\$18 (14-day pass) \$18 (summer youth pass) \$13 (10-ride pass)	\$3.00 (2x)	No
Duluth Transit Authority (Duluth, MN)	\$1.50 (peak)	\$0.75 (reduced and off-peak)	\$3.00 (2x)	\$15.00 (10x)	\$40.00 (26.7x)	\$55 (summer youth pass, 36.7x)	\$3.00 (peak, 2x) \$1.50 (off-peak, 2x)	No
Metro Bus (St. Cloud, MN)	\$1.25 ¹	\$0.60 (off-peak only) ²	\$4.25 (3.4x)	\$17.00 (13.6x)	\$47.00 (37.6x)	\$10.50 (10-ride pass)	\$2.50 (2x)	No
StarTran (Lincoln, NE)	\$1.25	\$0.60 (seniors only)	\$2.50 (2x)	N/A	\$17.00 (13.6x)	\$23 (20-ride pass, 18.4x) \$8 (low-income monthly pass, 6.4x) \$11 (senior saver 20-ride pass)	\$2.50 (2x)	No

¹ Metro Bus is expected to increase the base fare to \$1.50 in 2025.

² Metro Bus is expected to offer the reduced fare at all times of the day in 2025.

5. Existing Plan Integration

Several studies were reviewed to guide future transit needs throughout the region. The following summaries incorporate pertinent elements and recommendations of local and regional planning documents. The key points in each study relevant to the corridor area are summarized below by plan title. Previous studies reviewed include:

- Metro COG 2045 MTP: Metro Grow
- Metro COG 2050 MTP: Transportation Moving Ahead
- MATBUS Transit Reorganization Study
- MATBUS Transit Authority Study
- MATBUS Transit Facility Study
- MATBUS 2021-2025 Transit Development Plan

5.1. 2045 Fargo-Moorhead Metropolitan Transportation Plan: Metro Grow

The 2045 Fargo-Moorhead Metropolitan Transportation Plan, released in November 2019, is a collaborative effort of the Fargo-Moorhead Metropolitan Council of Governments and its member jurisdictions. This plan, also called Metro Grow, establishes a vision for transportation across the Fargo-Moorhead metropolitan area through the year 2045. It identifies an action plan for how the region can address long-term mobility, safety, and access needs through investments in the existing transportation system. The plan is developed to meet community goals, needs, and priorities by taking a multi-modal approach to the transportation system and considering potential future investments in the region's roadway, transit, bicycle, pedestrian, and freight systems. An update is required every five years. The

plan includes a review of recent transit planning efforts and asks about transit issues during Metro Grow engagement efforts. Some of the major issues identified through those efforts include:

- Extend the hours of operation to include Sundays
- Add bus service to Hector International Airport
- Provide direct service from NDSU to West Acres
- Desire for direct service in Fargo on 25th Street between 13th Avenue and 32nd Avenue South
- Provide improved access to jobs via extended routes
- More amenities at bus stops, like heated shelters
- Need for express service to suburban areas
- Investigation into options to unify planning and administration of what is currently two separate bus systems
- Potential to restructure MATBUS as a transit authority structure

The plan notes that the development patterns and growth predicted for the Fargo-Moorhead area show that future housing and job growth will be a mixture of new “greenfield” development on the current urban fringe and in outlying communities, and infill development that adds more density into existing urban areas. Thus, there will be more demand for longer auto trips from fringe areas or outlying community development, and new opportunities for new transit, bicycling, and walking trips from more dense and mixed-use development in the region’s urban core.

The infill development anticipated for already-developed portions of the urban area will create denser, mixed-use environments with higher travel densities. These developments will be small, incremental developments like converting a vacant lot, and some will be more significant like the Block 9 project in downtown Fargo. A denser, mixed-use type of environment will provide more incentive to ride transit over time. Transit service and parking policies should be evaluated during the life of the Metro Grow plan to track how these new developments are progressing and if there are reasons to adjust transit services to meet new service demands.

The plan introduces two development trends that will make express transit service potentially more attractive in the future:

- Longer average commute trips – as more housing development occurs on the urban fringe and in outlying communities, travel distances get longer. The longer commutes predicted for Fargo-Moorhead will make express / commuter transit service a more viable option.
- More centralized employment – as more employment occurs in one location, such as the central business district, express bus transit becomes a more viable option. The densification of employment in key areas of Fargo-Moorhead should make express / commuter transit a more viable option.

Finally, the plan introduces goals and objectives to guide transportation policy throughout the region. Supporting enhanced access to the existing and future MATBUS system is a plan goal with the following strategies:

- Improve pedestrian and bicycle connections to transit corridors.
- Implement streetscape elements that support transit.
- Develop a transit-intensive corridor with supportive infrastructure.
- Develop designated transit stops.

5.2. 2050 Fargo-Moorhead Metropolitan Transportation Plan: Transportation Moving Ahead

Metro 2050 is the region's 5-year update to the Metropolitan Transportation Plan (MTP) that will guide transportation investments through 2050. This effort focuses on developing regional goals and potential projects using existing conditions analysis and community feedback.

The MTP sets out to evaluate transportation-related needs and priorities in the region, adapt to population shifts, review policy direction, adjust for new legislation & guidance, and address other changes affecting the region. Developing and implementing the MTP is one of the most important responsibilities of Metro COG as a Metropolitan Planning Organization. In coordination with regional and local planning efforts, the MTP will move the entire Metro COG region toward a unified transportation vision.

Goals and objectives have been drafted for the 2050 MTP update. The draft goals include modifications and additions from the existing Metro Grow 2045 goals to reflect current needs and priorities. Transit access and reliability—supporting people's access to reliable transit service is a goal of the update, supported by the following objectives:

- Improve pedestrian and bicycle connections to transit corridors.
- Develop transit-intensive corridors with supportive infrastructure to enhance service reliability and encourage making trips by public transit.
- Support transit connections to other regional centers, including bus and rail services.
- Support the maintenance of efficient transit infrastructure, including the transit fleet.
- Promote right-sized transit services to increase transit access throughout the region, including micromobility and fixed route services.

5.3. Metro Area Transit (MATBUS) Transit Reorganization Study

The City of Fargo and the City of Moorhead completed this study in 2024 to evaluate a more consolidated transportation operation for the MATBUS system. This study was published in response to Fargo-Moorhead's recent designation as a Transportation Management Area (TMA) and the need to develop a more coordinated system. The study produced a general roadmap covering the transition of the current MATBUS system to a more consolidated transit operation. Six key elements are included in this evaluation:

- **Governance Recommendations:** The plan recommends a more administrative/technical board that retains the appropriate measure of visibility to the Moorhead City Council and Fargo City Commission. The proposed approach allows the new MAT Board to function as more of a day-to-day oversight entity with a mix of technical, administrative, financial, and political membership.
- **Recommend Organizational Structure/Staffing Plan:** The new organizational chart retains a single Transit Director and keeps two existing Assistant Directors, overseeing 1) Fleet and Facilities and 2) Operations. It also accounts for the retirement of the Moorhead Transit Manager. The new organizational chart introduces a more streamlined staffing plan.
- **Federal Transit Administration (FTA) Funding:** As a newly designated TMA, the FTA funds provided to the Fargo and the Moorhead will be impacted. FTA funds apportioned to the FM

TMA were reduced by approximately \$900,000. The decision was made to identify Fargo as the Designated Recipient for all FTA programs starting in the Federal Fiscal Year 2024. This serves to reduce the number of FTA grantees with FTA and over time create a more streamlined process for the distribution of FTA funds to the FM Metropolitan Area. It has not been decided whether the City of Moorhead will be a direct recipient or a sub-recipient of federal funding.

- **FTA Reporting Requirements:** This report discusses and presents considerations regarding how reporting for key FTA programs needs to be handled as the two systems move to a more consolidated operational structure, specifically a single designated recipient.
- **Cost-Sharing Concepts:** A new proposed structure was developed to split transit costs and revenue between benefiting parties with the MATBUS service area. Cost-sharing principles include the development of a new methodology that splits costs based on ridership, revenue miles, or revenue hours. Each of these three metrics is considered relevant to sharing costs for various elements of the MATBUS system. This proposed framework will be implemented initially with the 2025 budget cycles.
- **Joint Powers Agreement/Interlocal Agreements:** A key next step in the implementation of many of the recommendations and considerations discussed in this report is the development of a series of interlocal agreements. Most importantly will be a full update to the current Joint Powers Agreement (JPA) between Fargo and Moorhead.

The study presented one critical next step for MATBUS. This is to initiate a new interim MAT Board with the following responsibilities based on the structure outlined in MATBUS Organizational Study:

- Development of new joint powers agreement (JPA).
- Oversee transition to 2025 organizational structure/staffing plan.
- Ensure implementation of budget principles for 2025/2026.
- Continue ongoing coordination with the City of Dilworth, the City of West Fargo, NDSU, Moorhead Area Colleges, and other partners through the organizational transition and development of the new Joint Powers Agreement.
- Coordinate with MnDOT, NDDOT, and Metro COG on state and federal programming decisions.
- Guidance and input on the pending Transit Development Plan (TDP) update.

5.4. MATBUS Transit Authority Study

The City of Fargo and the City of Moorhead released this report in anticipation of the growing urbanized area. With the release of the 2020 census, the population is expected to surpass 200,000 people in the coming years. Once this threshold is passed, the Fargo-Moorhead area will be designated as a Transportation Management Area (TMA) which will impact revenue streams in addition to other items.

This study examines potential reorganization structures of MATBUS as the area transitions to a TMA to meet current and future needs for coordinating and providing transit service, and to improve decision-making processes for the MATBUS agency. From this study, Preferred Governance Alternatives were developed:

- **Interim Recommendation:** The current structure would be transitioned to a North Dakota based transit authority. A single Transit Director for the system would be appointed and would oversee the transition. This option would place MATBUS under the Metro COG organizational structure, reporting to a policy board that would have representation from the municipalities, Metro COG,

and possibly area universities. While this recommendation addresses communication issues and streamlines decision-making processes it does not address funding shortfalls.

- **Long Term Recommendation:** A long-term intra-state transit authority would be formed within North Dakota and would involve contracting transit service with other interested jurisdictions, mainly in Minnesota. This recommendation has the potential to develop a reliable independent source of funding, specifically local funding, which is essential for the planning, development, and operation of complex multi-modal transportation services and resources.

This study also developed Preferred Financial Alternatives. While the study examined numerous alternatives, the final taxation mechanism of a transit authority will ultimately be decided by enabling legislation in the North Dakota legislature.

5.5. MATBUS Transit Facility Study

The MATBUS Transit Facility Study was developed in December 2018 to address several short, medium, and long-range facility-related issues facing MATBUS. The study evaluated four primary points of need related to MATBUS facilities.

- **Metro Transit Garage (MTG):** Based on anticipated crowding, a 20-year investment plan was developed to provide expansion options to meet existing storage and maintenance needs for the MATBUS fleet. Administrative staffing needs at the MTG were coordinated with changes at the Ground Transportation Center (GTC) to maximize existing space.
- **West Acres Transit Hub:** A series of options were evaluated to accommodate an expanded facility for the Transit Hub. Three primary options were refined. All options remain on West Acres property but are not directly attached to the mall itself. However, consideration was developed to assure seamless mobility between a new future hub and a public entrance to the mall.
- **Ground Transportation Center (GTC):** A renovation strategy was employed at the GTC to accommodate various transit functions currently housed at the MTG. This coordination provides for better utilization of the GTC, improved operations, and maximizes existing spaces and facilities at the MTG.
- **Stop Level & Minor Hub Needs:** A series of infrastructure investment priorities were developed for existing stops on the MATBUS system based on existing boarding and ridership patterns. Stop levels were developed based on four tiers (A, B, C, and D) of utility, expense, and size.

5.6. MATBUS 2021-2025 Transit Development Plan

The 2021-2025 Transit Development Plan began development in Summer 2020 and was adopted in December 2021. Extensive public engagement was completed, despite challenges posed by the COVID-19 Pandemic, to understand the public's needs and wants in regard to MATBUS service. Based on engagement and further analysis service plan recommendations were developed:

- **City of Fargo**
 - o Focus on the addition of bi-directional, corridor-based services
 - o New Route 8 – Crosstown service providing direct connection to Moorhead
 - o Most significant investment impacts:
 - o Enhancing transit frequency
 - o Development of Sunday service network

- Restructuring service in West Fargo
- **City of Moorhead**
 - Consolidation and simplification of Routes 1, 2, and 5
 - Addition of bi-directional, corridor-based services
 - Adjustment and simplification of Route 4 (North Moorhead/Dilworth Wal-Mart), and Route 6 (Dilworth)
 - New Route 8 – Crosstown service covering Moorhead and providing direct connection to West Acres
 - Major investment in frequency and weekend service

6. Transit Hub and Transfer Review

MATBUS provides fixed route service to nearly 700 stops. More than 100 of these stops serve more than one fixed-route and nearly 300 stops provide some sort of shelter. Major hubs and facilities are described in Table 9.

Table 9: Major Transit Hubs and Facilities

Facility	Description
Ground Transportation Center (GTC)	Serving as the core of MATBUS operations, the GTC is the main transfer hub between Moorhead and Fargo routes and is in downtown Fargo
Metro Transit Garage (MTG)	Fixed Route and Paratransit buses are stored, maintained, and cleaned daily at the MTG, just southwest of NDSU.
West Acres Shopping Center Transit Hub	Located at the Roger Maris Museum entrance, this stop features indoor and outdoor seating, system maps, and an emergency phone.
NDSU Transit Hub	This hub is located by the A. Glenn Hill Center at NDSU in Fargo. It is heated/cooled, with seating, lighting, system maps, and digital arrivals screens.
Marriott Transit Hub	Located off I-94 in Moorhead, south of Concordia College, this stop features several amenities including lighting and a large shelter with indoor and outdoor seating.
Dilworth Walmart Transit Hub	This hub links Moorhead and Dilworth routes and is located on the west side of the Dilworth Walmart. It features a shelter and seating.

In 2018, MATBUS completed a Transit Facility Study to address several facility-related issues facing the system. These include overcrowding at the MTG, expansion of the West Acres Transit Hub, renovation of the GTC and accommodation to take over some functions currently housed at the MTG, as well as an evaluation of general stop level and minor hub needs. The evaluation of stop level and minor hub needs to use a four-level, tiered approach to prioritizing investment based on ridership and the scope of a potential investment. An expanded summary is included in Section 445.5 MATBUS Transit Facility Study.

6.1. Transfer Analysis

Table 10 maps out arrival and departure times by route at each of the five transit hubs. This analysis highlights areas where transfer opportunities are most convenient. In general, MATBUS routes operate a pulse schedule where most, if not all, routes at a transit hub depart at the same time. This is especially true at the GTC, Marriott and Dilworth Walmart hubs.

Table 10: Transfer Analysis

GROUND TRANSPORTATION CENTER	Route	Cycle Time	Arriving GTC				Departing GTC			
			0:00	0:15	0:30	0:45	0:00	0:15	0:30	0:45
	1	30		●		●		●		●
	2	30		●		●		●		●
	4	47	●		●			●		●
	11	25		●		●		●		●
	13	55		●		●		●		●
	14	85		●		●		●		●
	15	55		●	●	●	●	●	●	●
	16	55			●					●
	17	25			●			●		
	18	90		●						●
WEST ACRES	Route	Cycle Time	Arriving West Acres				Departing West Acres			
			0:00	0:15	0:30	0:45	0:00	0:15	0:30	0:45
	14	85	●		●		●		●	
	15	55	●	●	●	●	●	●	●	●
	16	55		●				●		
	20	55				●	●			
	24	55		●				●		
NDSU TRANSIT HUB	Route	Cycle Time	Arriving NDSU Transit Hub				Departing NDSU Transit Hub			
			0:00	0:15	0:30	0:45	0:00	0:15	0:30	0:45
	13	55	●		●		●		●	
	33	20	●	●	●	●	●	●	●	●
	34	25	●	●	●		●	●	●	
MARRIOTT	Route	Cycle Time	Arriving Marriott				Departing Marriott			
			0:00	0:15	0:30	0:45	0:00	0:15	0:30	0:45
	1	30			●	●		●		●
	2	30			●	●		●		●
	3	30			●	●		●		●
	5	30			●	●		●		●
DILLWORTH WALMART	Route	Cycle Time	Arriving Dillworth Walmart				Departing Dillworth Walmart			
			0:00	0:15	0:30	0:45	0:00	0:15	0:30	0:45
	4	47		●		●		●		●
	6	23	●						●	
	9	25			●		●			

7. Mission Statement, Goals, and Core Values Documentation

Per the previous transit development plan, 2021-2025, a new proposed Mission Statement for MATBUS was developed, “MATBUS provides safe, reliable, customer-focused transit options that equitably connects our communities to enhance the quality of life in the Fargo Moorhead region.”

In addition to the new Mission Statement, a new proposed Vision Statement was also created, “MATBUS enables people in the Fargo Moorhead region to get where they want to go, when they want to go, through a safe equitable, reliable, efficient, and sustainable transit system.”

The nine current core values of the MATBUS are as follows:

- **Safety** – As MATBUS employees we will conduct ourselves in a manner to reduce the risk of personal injury and property damage to our employees, customers, and the general public.
- **Integrity** – As MATBUS employees we will consistently conduct ourselves honestly, truthfully, ethically, and respectfully, professionally, and take responsibilities for actions to support the activities of the org.
- **Teamwork** – As MATBUS employees we will agree to work together to accomplish organizational goals through open, effective communication, respect others’ roles, opinions and diverse talents, and support the consensus of the group and/or objective of those in authority.
- **Respect** – As MATBUS employees we will treat each other and customers in a manner in which the individual wishes to be treated showing regard or consideration for everyone’s beliefs and values.
- **Honesty** – As MATBUS employees we will be open, truthful, sincere, straightforward and fair in all interactions with fellow employees and customers.
- **Accountability** – As MATBUS employees we will take responsibility for our decisions and actions following the rules and doing our job to the best of our ability and report opportunities and problems when they occur.
- **Balance** – As MATBUS employees we will achieve job satisfaction and personal health and wellness by effectively managing the demands of our personal and professional lives.
- **Competence** – As MATBUS employees we will accept responsibility and seek out continuing education to apply and develop our skills and abilities in the most effective manner to fulfill the requirements of our position.
- **Customer Satisfaction** – As MATBUS employees we will strive to meet or exceed the needs and expectations of anyone who benefits from our services by providing consistent

8. Existing and Future Financials

8.1. Historical Financials

Operating expenses for the Cities of Fargo and Moorhead were obtained for the years 2019 to 2023. Annual operating costs are shown in Figure 41. In 2023, operating expenses for both Fargo and Moorhead totaled \$15,088,775, an increase of 36 percent from 2019. Table 11 and Figure 42 display revenue sources used for operating expenses in 2023, as reported to NTD.

Figure 41: Annual Operating Expenses (NTD)

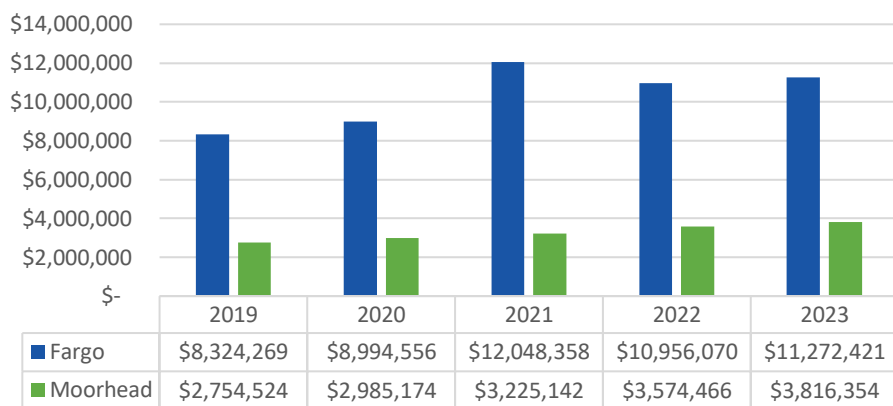
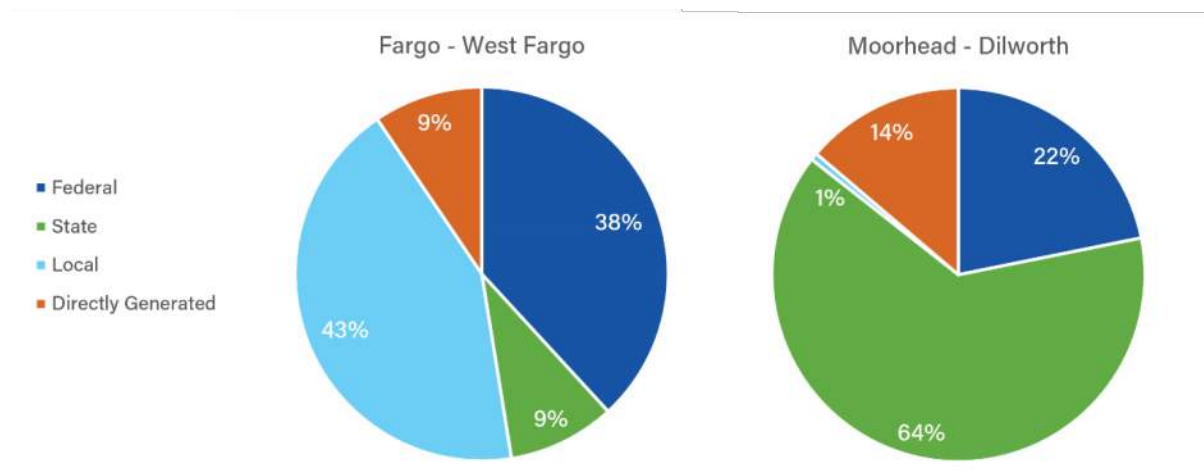


Table 11: 2023 Operating Budget Summary

	Fargo - West Fargo North Dakota	Moorhead - Dilworth Minnesota
Operating Revenues		
Federal	\$4,300,337	\$906,042
State	\$1,047,771	\$2,644,499
Local	\$4,856,756	\$25,904
Directly Generated	\$1,067,556	\$572,003
Farebox Revenue	\$595,179	\$365,658
Total Operating Revenue	\$11,272,420	\$4,148,448
Operating Expenditures		
Fixed Routes	\$8,912,572	\$3,454,868
Demand Response	\$2,359,849	\$361,486
Total Operating Expenses	\$11,272,421	\$3,816,354

Figure 42: 2023 Sources of Operating Funds



8.2. Future Financials

The Transit Reorganization Study, approved in June 2024, reviewed changes to the Federal Transit Administration (FTA) funding allocations following the Fargo-Moorhead region's transition to a Transportation Management Area (TMA). In an effort to streamline the number of FTA grantees, the City of Fargo has been identified as the Designated Recipient for all FTA programs starting in Federal Fiscal Year (FY) 24. It has yet to be determined if the City of Moorhead will become a Direct Recipient or Subrecipient.

Following the approval of the Transit Reorganization Study, an interim joint powers agreement (JPA) was drafted to develop and oversee the implementation of an organizational structure and operational practices, including how federal funding flows from the FTA to the City of Fargo. The interim JPA was approved by the Cities of Moorhead and Fargo in August and September of 2024, respectively.

8.2.1. Estimated FTA Federal Funding to MATBUS

On April 1, 2024, FTA published full year apportionment data for funds authorized under the Bipartisan Infrastructure Law. Table 12 illustrates the funding split by FTA program for each portion of the Fargo-Moorhead UZA. FY 2024 apportionment data, not including Section 5310 and 5339, shows a reduction in nearly \$900,000 in Federal aid to the Fargo-Moorhead TMA.

Table 12: Funding Split by FTA Program FY 2024

	5307	5310	5339	TOTAL	Change from FY23
Fargo Apportionment	\$2,965,773	-	-	\$2,965,773	-\$606,342
Moorhead Apportionment	\$856,812	-	-	\$856,812	-\$270,781
UZA Apportionment	-	\$234,876	\$334,470	\$569,346	N/A
Total (est.)	\$3,822,585	\$234,876	\$334,470	\$3,822,585	-\$877,123

8.2.2. Cost Sharing

The Transit Reorganization Study proposed a new cost sharing structure to split transit costs and revenue between the benefiting parties of MATBUS. The approach to sharing system costs and revenues was revamped to accurately ensure an equal allocation across all benefit entities, incorporating ridership, revenue miles, and revenue hours. The proposed framework will be implemented initially with the CY 25 budget cycles.

As the Designated Recipient, the City of Fargo will receive funding from the FTA and will be responsible for providing funding to the City of Moorhead. As recommended in the Transit Reorganization Study, four cost sharing principles will be applied to total system costs and revenues. These principles are as follows:

- Revenue Hours of the Total System
- Revenue Hours of the Fixed Route System
- Revenue Miles of the Total System
- Paratransit Ridership.

Each of these four principles are applied across various cost centers and will be reviewed with each budgeting cycle. Cost sharing and revenue sharing details are displayed in Table 13 and Table 14.

Table 13: Cost Sharing (Transit Reorganization Study)

Cost Center	Cost Sharing Principle
Administration	Revenue Hours of Entire System
Fixed Route Operations	Revenue Hours of Fixed Route System
Paratransit Operations	Paratransit Ridership
Facility Operations	Revenue Hours of Entire System
Facility Preventive Maintenance	Revenue Hours of Entire System
Vehicle Operations	Revenue Miles of Entire System
Vehicle Preventive Maintenance	Actual Maintenance Costs
Planning	Revenue Hours of Fixed Route System
Mobility Management	Revenue Hours of Entire System
Microtransit Operations	Revenue Hours of Microtransit System

Table 14: Revenue Sharing (Transit Reorganization Study)

Operational Functional Area	Revenue Sharing
Administrative	Revenue Hours of System
Fixed Route Pass Sales, U Pass, & Advertising	Ridership
Paratransit (Fares / Passes)	Ridership
Mobility Management	Revenue Hours
Preventative Maintenance	Revenue Miles
ND State Aid	Ridership (based on senior and persons with disability (split between Fargo/West Fargo)
ND FTA Funding	FTA Apportionment Formula
MN FTA Funds	Allocated to City of Moorhead (utilize FTA apportionment formula if needed)
MN State Aid	Support services in Dilworth, balance to Moorhead