Agenda Item 1b

10th Meeting of the
MATBUS Coordination Committee
Special Call Meeting
September 10, 2025 – 9:00 AM
Metro COG Conference Room/Zoom

Members Present:
Deb White, Moorhead City Council, Chair
Denise Kolpack, Fargo City Commission
John Strand, Fargo City Commission
Julie Bommelman, Fargo Transit Director
Susan Thompson, Fargo Finance Director
Sebastian McDougall, Moorhead City Council
Jenica Flanagan, Moorhead Finance Director
Mike Rietz, Moorhead Assistant City Manager
Dustin Scott, West Fargo City Administrator
Peyton Mastera, Dilworth City Administrator
Brit Stevens, NDSU Transportation Manager
Ben Griffith, Metro COG Executive Director

Others Present:
Fowzia Adde, Immigrant Development Center
Adam Altenburg, Metro COG
Heide Benke, MATBUS
Christopher Cohen, Citizen
Shaun Crowell, MATBUS
Brenda Derrig, City of Fargo
Luke Grittner, MATBUS
Tarren Haak, MATBUS
Ingrid Harbo, The Forum of Fargo-Moorhead
Jean Henning, MATBUS
Aiden Jung, Metro COG
Ian McLean, City of Fargo
Wyatt Papenfuss, City of Fargo
Matt Pinotti, Transdev
Jordan Smith, MATBUS
Cole Swingen, MATBUS
Megan Zahradka, City of Moorhead

1a. Approve Order and Contents of the Overall Agenda
A motion to approve the order and contents of the agenda was made by Mr. McDougall and seconded by Ms. Kolpack. The motion was voted on and unanimously approved.

1b. Review and Action on Minutes from August 20, 2025
A motion to approve the minutes for August 2025 was made by Mr. Strand and seconded by Mr. Griffith. The motion was voted on and unanimously approved.

2. Public Comment Period
Chair White informed the committee that time would be allotted for public comments. She noted that members of the community wishing to speak would be allotted three minutes.

Christopher Cohen addressed the proposed changes to the MATBUS transit system. He expressed concern that key information about the changes had not been adequately communicated to the public. Mr. Cohen noted that although he had received some email responses from the City of Fargo, most did not fully address his questions. He emphasized the importance of transparency, particularly in regard to the proposed budget cuts, and stated that the cuts will be painful and intolerable to riders.

3a. Proposed Route and Service Change Public Comment Review
Ms. Bommelman presented an informational item going over the Proposed Route and service change public comments. She gave a brief overview of the proposed changes before addressing the comments:

- **Route 13:** The proposed change would reduce the frequency of Route 13. Route 13 would only depart the Ground Transportation Center at :15 after the hour. Currently Route 13 departs at :15 and :45 after the hour from 6:15 AM to 5:45 PM Monday through Friday.
- **Route 14:** The proposed change would reduce the frequency of Route 14. Route 14 would only depart the Ground Transportation Center at :45 after the hour. Currently Route 14 departs at :15 and :45 after the hour from 6:15 AM to 5:45 PM.
- **Route 15:** The proposed change would increase Route 15 from a 60-minute route to a 90-minute route to improve on-time performance. A pilot program of this change was introduced in May of 2025 to determine the effectiveness of this change.
- **Route 16:** The proposed change would eliminate Route 16 (Transit staff discussed this proposed change with the Fargo Housing Authority; with Route 14 servicing 4th Street going past the old High Rise, there were no concerns about serving the new public housing at the same location.)
- **Route 18:** The proposed change would reduce Route 18 from a 90-minute route to a 60-minute route. Route 18 would end at the Essentia Health clinic on 32nd Avenue S, and would no longer service any areas south of 32nd Avenue S. The northern portion of the route would also be adjusted to service the Cass County Jail and surrounding areas.
- **Route 20:** The proposed change would reduce Route 20 from a 60-minute route to a 30-minute route. Route 20 would only travel as far east as 42nd Street S. This would eliminate service to the Cass County Jail and surrounding areas.
- **West Acres Transit Hub:** The proposed change is to no longer utilize the West Acres Transit Hub as a transfer point for MATBUS routes. Instead, transfers would be made at the Walmart bus shelter, located at the intersection of 47th Street S and 11th Avenue S. This change would affect Route 14, Route 15, Route 20, and Route 24 (as well as Route 16 if it is not eliminated).
- **Industrial Park On-Demand Service:** The proposed change would eliminate the Industrial Park On-Demand Service.
- **Paratransit Service:** The proposed change would eliminate Sunday Paratransit services. Currently, MAT Paratransit operates from 7:00 AM to 5:00 PM on Sundays.

Ms. Bommelman provided an overview of the ranked public comments received regarding proposed transit route changes prior to the Fargo City Commission meeting on September 2. The highest number of comments were related to West Acres, followed by Route 18, Route 16, Route 14 frequency, the proposed elimination of Sunday paratransit service, and changes to Route 15. She clarified that the September 2 meeting was informational only, with no action taken at that time. While the original intent was to request action on the proposed changes at the September 15 Fargo City Commission meeting, that request was postponed to September 29.

Chair White noted that, while there are currently talks to cut MATBUS service, Metro COG and MATBUS are going through the process of updating the Transit Development Plan. She noted that this plan looks for efficiencies, follows best practices, and has had multiple public engagement efforts. She noted that it seems contradictory to spend money on this plan while not reflecting the realities of the system. She asked if she could be provided with the amount already spent on the plan.

Ms. Bommelman responded that she could provide context on the Transit Development Plan. She gave a brief overview of the plan's contents, noting that most of the recommendations are focused on improving or expanding transit service in the region. However, she explained that, due to current budgetary constraints, service reductions may be necessary in the immediate future. Chair White emphasized the importance of analyzing how the proposed service cuts might impact federal and state funding before proceeding.

Ms. Thompson inquired whether the consultants involved in the TDP were informed of the existing budget constraints. Ms. Bommelman confirmed that they were but added that, as a project contracted through Metro COG, the consultants were already too far along in the study to revise the scope of work or include a separate scenario that accounted for the budget limitations.

Mr. Strand requested clarification on his role as a committee member, specifically asking about contractual agreements and Memoranda of Agreement. Chair White responded that a Joint Powers Agreement was signed less than a year ago, and that a cost allocation formula was also agreed upon at that time. Ms. Bommelman added that the Joint Powers Agreement was included in the meeting packet for the September 2 Fargo City Commission meeting.

Chair White reiterated the importance of analyzing the impact of proposed service cuts on federal and state funding. She emphasized that the cuts would shift more of the financial burden onto Moorhead and Dilworth and raised concerns about the potential perception from the Minnesota State Legislature if Moorhead were to contribute more than Fargo despite being a much smaller city. She stressed the need to evaluate how these changes affect state-level funding on the Minnesota side.

Ms. Kolpack voiced strong concerns about relocating the West Acres hub to the Walmart location and expressed reservations about many of the proposed service cuts. She asked where the directive for these cuts originated and how communication about them had broken down. Ms. Bommelman stated that MATBUS had met with West Acres management, who expressed a desire to keep the MATBUS hub at its current location. She explained that the directive for service reductions came from the City of Fargo's administration during internal discussions about the need for further transit budget cuts. She noted that the City of Fargo had proposed a $3.5 million transit allocation - representing a $2.1 million reduction from the previous year. Ms. Derrig from the City of

Fargo confirmed that administration had identified the $3.5 million target early in the budgeting process. She also mentioned that, considering the additional $400,000 in funding from the State of North Dakota, discussions had occurred about demonstrating appreciation by showing a decreased reliance on state funding.

Chair White again emphasized that the budget issues stem from the City of Fargo, not MATBUS, and reiterated that the committee received little communication about the cuts - only a directive to reduce funding. Ms. Kolpack responded that the City had been discussing the cuts for over a year and questioned why that had not been clearly communicated to the committee. Ms. Thompson responded that she had informed the committee of potential cuts but acknowledged that conversations should have begun much earlier.

Mr. Rietz added that the proposed reductions amount to nearly a 33 percent cut and questioned how the $3.5 million figure was determined, describing it as arbitrary. Chair White again reiterated that the cuts were imposed rather than discussed with the committee.

Ms. Bommelman concluded that it may be best to proceed to the next agenda item, which involved a review of specific service cut scenarios developed by MATBUS.

3b. MATBUS Route and Service Changes/2026 Budget Workshop
Ms. Bommelman began by giving an overview of the original 2026 budget that was due in March or April. She then gave an overview of three alternative scenarios that further reduced the budget. A description of some of the proposed budgets include:

1. 2026 Original Budget – No Adjustments

- Total System Expenses: $15,979,075
- Notes:
    - No service or staff changes
    - Drivers' payroll and health insurance increases not yet included

2. 2026 Budget – No Route 16, No Sunday Para, No Industrial Tap Ride, Reduced Frequency on Route 13

- Total System Expenses: $15,195,477
- Changes:
    - West Acres remains as transfer hub
    - Route 13 frequency reduced
    - Route 15 realigned to serve CashWise on 13th Ave
    - No staff reduction
    - Removed:
        - Sunday Paratransit (0.5 driver)
        - Industrial Tap Ride (1.5 drivers)
        - Route 13 frequency (2 drivers)
    - Drivers in-house: 75
    - Health insurance increase included

3. 2026 Budget – No Route 16, No Sunday Para, No Industrial Tap Ride, Reduced Frequency on Route 13 & 14

- Total System Expenses: $14,963,522
- Changes:
    - West Acres remains as transfer hub

- Route 13 & 14 frequency reduced
- Route 14 inbound realigned to use 4th Street
- Route 15 realigned to serve CashWise
- No staff reduction
- Removed same services as above
- Drivers in-house: 73
- Health insurance increase included

4. 2026 Budget – No Route 16, No Sunday Para, No Industrial Tap Ride, Reduced Frequency on Route 13 & 14, No West Acres Hub, Includes Staff Reductions

- Total System Expenses: $14,525,847
- Changes:
  - Eliminates West Acres as a transfer hub
  - Same route adjustments as in Scenario 3
  - Reduces 3 support staff positions
  - Drivers in-house: 73
  - Health insurance increase included

Following Ms. Bommelman's overview of the proposed budget changes, Mr. Strand requested that the committee take a closer look at the Joint Powers Agreement to assess compliance and determine appropriate next steps. He suggested consulting the City Attorney's Office if necessary. Mr. McLean responded that he would follow up with Mr. Strand on that matter.

Chair White added that the issue may not be one of compliance, but rather a question of how the partnership should function. Ms. Kolpack suggested that the agreement may need to be reviewed, particularly regarding communication between parties. She also highlighted the significant differences in state-level transit funding between North Dakota and Minnesota, stating that she and Ms. Bommelman had attempted to secure additional funding from the North Dakota Legislature during the last session. Chair White acknowledged the funding differences, commenting that North Dakota prioritizes low taxes, whereas Minnesota's higher taxes support services like transit through income tax contributions. Ms. Kolpack responded that the current cost allocation formula may be flawed, particularly if Fargo's service reductions lead to an increased financial burden on Moorhead.

Ms. Zahradka provided a brief explanation of the cost allocation formula, noting that overhead costs are divided by revenue miles. Therefore, when Fargo reduces its service, Moorhead's share of overhead increases. Mr. Swingen demonstrated how the formula functioned in real time, confirming this effect.

Mr. Strand asked whether the service cuts were related to reduced federal funding after the region was reclassified as a large urban transit area. Chair White clarified that any reduction in federal funding was offset by additional funding from the State of North Dakota. She reiterated that the proposed cuts are solely the result of the City of Fargo's current financial crisis.

Fowzia Adde, Executive Director of the Immigrant Development Cener, arrived after the public comment period. Chair White asked the committee if they would allow her to speak, and the committee unanimously agreed. Ms. Adde voiced her concerns about the proposed cuts, explaining that many new immigrants in the region depend on public transit for work, medical appointments, and grocery shopping.

Chair White asked the committee to use the remaining time to discuss next steps in preparation for the committee meeting on September 17, where action will be taken on the proposed budget scenarios. Mr. Rietz stated that he found none of the current scenarios satisfactory. Mr. Smith responded that the scenarios were created in response to feedback received during the public hearing, with the most unpopular cuts being the first to be reinstated. Chair White requested that staff provide a summary of 2025 expenses at the next meeting to better inform the committee's decisions. The committee briefly discussed the potential consequences of not reaching a consensus, with Mr. Strand urging staff to make every effort to find additional funding.

Mr. Rietz commented that Scenario 1 could be viable if the City of Fargo could contribute an additional $500,000. He suggested revisiting the scenario before the next meeting. Ms. Derrig noted that she and Ms. Thompson were exploring ways to reach a $3.9 million contribution from the City of Fargo and would continue working to close the gap to $4.1 million if Scenario 1 is preferred by the committee. She added that this scenario could serve as a foundation for longer-term funding discussions, acknowledging that while immediate cuts may be necessary, the region can still work toward the recommendations outlined in the Transit Development Plan.

Ms. Kolpack stated that, at present, the only scenario she could support was Scenario 1.

Chair White requested a current timeline of key events. Ms. Bommelman explained that a consensus must be reached at the next MCC meeting on September 17, as the final City of Fargo budget will be presented at the Fargo City Commission meeting on September 29.

3. Other Business
Chair White reminded the committee that the next MATBUS Coordination Committee meeting would be held on Wednesday, September 17 at 9:00 AM.

Chair White adjourned the meeting at 10:19 AM.