

**The 592nd Policy Board Meeting**  
**Fargo-Moorhead Metropolitan Council of Governments**  
**THURSDAY, August 19, 2021 – 4:00 p.m.**  
**Fargo, North Dakota**

## OVERALL AGENDA

1. Call to Order and Introductions
  - a. Introductions Information Item
  - b. Approve Order and Contents of the Overall Agenda Action Item
  - c. Approve Minutes of the July 15, 2021 Board Meeting Action Item
  - d. Approve August 2021 Bills Action Item
2. Consent Agenda Action Item
  - a. July End of Month Report
  - b. Section 5310 Transit Grant Application
  - c. 2021-2024 TIP Amendment #4
  - d. 2020 Financial Audit
3. Regular Agenda
  - a. Public Comment Opportunity Public Input
  - b. Veterans Boulevard Corridor Extension Study Amendment Action Item
  - c. Metro COG Baseline 2050 Demographic Forecast RFP Action Item
  - d. Transit Development Plan Final Report Action Item
  - e. Final Draft Metro COG 2022-2025 Transp. Improvement Program Information Item
4. Additional Business Information Item
5. Adjourn

REMINDER: The next Metro COG Policy Board Meeting will be held Thursday, September 16, 2021 at 4:00 p.m.

Metro COG is encouraging citizens to provide their comments on agenda items via email to [leach@fmmetrocog.org](mailto:leach@fmmetrocog.org). To ensure your comments are received prior to the meeting, please submit them by 8:00 a.m. on the day of the meeting and reference which agenda item your comments address. If you would like to appear via video or audio link for comments or questions on a regular agenda or public hearing item, please provide your e-mail address and contact information to the above e-mail at least one business day before the meeting.

**For Public Participation, please REGISTER with the following link:**  
[https://us02web.zoom.us/webinar/register/WN\\_h1IYedITXqKsYuhBljFiw](https://us02web.zoom.us/webinar/register/WN_h1IYedITXqKsYuhBljFiw)

Red Action Items require roll call votes.

Full Agenda packets can be found on the Metro COG Web Site at <http://www.fmmetrocog.org>

NOTE: Given the participation of Fargo City Commissioners at Policy Board meetings, such meetings may constitute open public meetings of the City of Fargo.

Metro COG is committed to ensuring all individuals, regardless of race, color, sex, age, national origin, disability/handicap, sexual orientation, and/or income status have access to Metro COG's programs and services. Meeting facilities will be accessible to mobility impaired individuals. Metro COG will make a good faith effort to accommodate requests for translation services for meeting proceedings and related materials. Please contact Savanna Leach, Metro COG Executive Assistant, at 701-532-5100 at least five days in advance of the meeting if any special accommodations are required for any member of the public to be able to participate in the meeting.

# Agenda Item 1c, Attachment 1

## 591st Policy Board Meeting Fargo-Moorhead Metropolitan Council of Governments Thursday, July 15, 2021 – 4:00 pm Zoom Web Conference

### Members Present:

Matthew	Gilbertson	Moorhead City Council
John	Gunkelman	Fargo Planning Commission
Chuck	Hendrickson	Moorhead City Council
Steve	Lindaas	Moorhead City Council
Julie	Nash	Dilworth City Council
Brad	Olson	West Fargo City Commission
Dave	Piepkorn	Fargo City Commission
Arlette	Preston	Fargo City Commission
John	Strand	Fargo City Commission
Jeff	Trudeau	Horace City Council

### Members Absent:

Tony	Gehrig	Fargo City Commission
Amanda	George	West Fargo City Commission
Jim	Kapitan	Cass County Commission
Jenny	Mongeau	Clay County Commission
Rocky	Schneider	Fargo Planning Commission
Maranda	Tasa	Fargo Planning Commission

### Others Present:

Luke	Champa	Metro COG
Ari	Del Rosario	Metro COG
Dan	Farnsworth	Metro COG
Cindy	Gray	Metro COG
Levi	Kuschel	KLJ Engineering
Savanna	Leach	Metro COG
Michael	Maddox	Metro COG
Jeremy	Smerage	Horrock Engineers
Bob	Walton	NDDOT – Fargo District

### 1a. **MEETING CALLED TO ORDER, WELCOME, AND INTRODUCTIONS, convened**

The meeting was called to order at 4:00 pm, on July 15, 2021 by Chair Nash, noting a quorum was present. Introductions were made.

### 1b. **Approve Order and Contents of Overall Agenda, approved**

Chair Nash asked for approval for the overall agenda.

**MOTION: Approve the contents of the Overall Agenda of the July 15, 2021 Policy Board Meeting.**

**Mr. Lindaas moved, seconded by Mr. Hendrickson.**

**MOTION, passed**

**Motion carried unanimously.**

**1c. Past Meeting Minutes, approved**

Chair Nash asked for approval of the Minutes of the June 17, 2021 Meeting.

**MOTION: Approve the June 17, 2021 Policy Board Meeting Minutes.**

**Mr. Strand moved, seconded by Mr. Gunkelman**

**MOTION, passed**

**Motion carried unanimously.**

**1d. Monthly Bills, approved**

Chair Nash asked for approval of the July 2021 Bills as listed on Attachment 1d.

**MOTION: Approve the July 2021 Bills List.**

**Mr. Olson moved, seconded by Mr. Lindaas**

**MOTION, passed**

**Motion carried unanimously.**

**2. CONSENT AGENDA**

Chair Nash asked for approval of Items a-b on the Consent Agenda.

a. June Month End Report

b. Second Quarter Report

**MOTION: Approve Items a-b on the Consent Agenda.**

**Mr. Lindaas moved, seconded by Mr. Olson.**

**MOTION, passed**

**Motion carried unanimously.**

**3. REGULAR AGENDA**

**3a. Public Comment Opportunity**

No public comments were made or received.

**3b. Red River Greenway Study Request for Proposals (RFP)**

Mr. Champa presented the Red River Greenway Request for Proposals (RFPs). The budget for this project is \$155,000 (\$124,000 CPG, \$31,000 local funding from City of Fargo). The Red River Greenway Study will be an update from the original study, which was conducted in 2008. The City of Moorhead also completed a Red River Greenway study in 2014. The scope of this study will focus on the Fargo side of the Red River and public drains that connect to the river within the City of Fargo.

Mr. Lindaas asked if a connection to the Heartland Trail will be included in the study. Mr. Champa said it was overlooked in the RFP, but should likely be considered in the study.

Ms. Preston said she is happy to see the drains included, to make them more usable and make neighborhoods surrounding the drains more desirable. Mr. Champa said that while every drain is not called out, Drains 53 and 27 are included, and their connections to the Red River will be studied and considered in the scope of work.

Ms Gray pointed out that this study will be taking place concurrently with the Bicycle and Pedestrian Plan Update, and other drains and connections will be examined with the overall Bicycle and Pedestrian Plan update to allow this plan study the river corridor in a more detailed manner. She also stated that the Fargo Park District is considering the addition of funds to this study, and we stand to learn more from Park District staff in the near future about additional funds that would allow the study to take certain priorities beyond the planning level and more toward preliminary design.

**MOTION: Approve the Red River Greenway Study Request for Proposal, and subsequent release.**

**Ms. Preston moved, seconded by Mr. Lindaas.**

**MOTION, passed**

**Motion carried unanimously.**

**3c. Draft 2022-2025 Transportation Improvement Program (TIP)**

Mr. Champa presented the draft 2022-2025 Transportation Improvement Program. The draft 2022-2025 TIP lists federally funded transportation projects for the named four-year period. A legal notice was printed in the June 30, 2021 edition of The Forum to begin the official TIP comment period. This comment period will officially begin on July 15, 2021, which corresponds to Metro COG's regularly scheduled Policy Board meeting. A public hearing before final approval which is tentatively scheduled for Thursday, September 16, 2021, at 4:00 p.m.

The Draft 2022-2025 TIP is comprised of transportation projects in coordination with NDDOT and MnDOT Draft State Transportation Improvement Programs (STIPs). As the development of the TIP continues, Metro COG staff will be refining all the necessary components of the TIP, including glossary with definitions and acronyms, Locally Funded Projects (LFPs) referenced from local jurisdictions' Capital Improvement Programs (CIPs), financial plan and fiscal constraint, overview of federal aid programs, performance measures, and environmental considerations.

**MOTION: Open the public comment period for the Draft 2022-2025 Transportation Improvement Program (TIP).**

**Mr. Olson moved, seconded by Mr. Lindaas.**

**MOTION, passed**

**Motion carried unanimously.**

**3d. 2021-2022 Unified Planning Work Program (UPWP) Amendment #2**

Ms. Gray presented the proposed amendment #2 to the Unified Planning Work Program (UPWP). The purpose of the amendment to the 2021 and 2022 UPWP in an effort to utilize Metro COG's 2020 Consolidated Planning Grant (CPG) funds efficiently during 2021, to enable the opening of the 2021 grant funds sometime between October 2021 to January 2022.

During Metro COG's midyear review, NDDOT expressed a desire for Metro COG and its local partners to work through our CPG funds more expeditiously, so we

do not hold up the opening of a new grant when that becomes necessary. Only three years of grants can be open at any given time.

Based on past and recent input and questions about funding availability from local jurisdictions, there are many unmet needs in the metro area for studies and planning efforts to respond to public input and technical analysis related to upcoming projects, and many of these projects can be moved up in the process to serve the planning needs of our metro area. Metro COG has also increased the number of internal projects, and as we transition to a TMA, the addition of a planner is in order to respond to additional MPO duties.

Ms. Gray presented the proposed UPWP amendments in detail, as presented in the memo that was sent out in the packet, and provided estimates of the local match funds that would be needed from each jurisdiction. She also stated that this amendment would include the addition of the Mapleton Comprehensive Plan as an internal project.

The board discussed the potential of combining the one-way pair street studies in both Fargo and Moorhead. Ms. Gray said that would likely get complex and expensive, but combining the two potential Moorhead studies at some point in the future is the right way to study them.

**MOTION: Approve amendment 2 to the 2021-2022 Unified Planning Work Program (UPWP).**

**Mr. Lindaas moved, seconded by Ms. Preston**

**MOTION, passed**

**Motion carried unanimously.**

- 4. Additional Business**  
No additional business
- 5. Adjourn**

The 591st Meeting of the FM Metro COG Policy Board held Thursday, July 15, 2021 was adjourned at 5:23 pm.

**THE NEXT FM METRO COG POLICY BOARD MEETING WILL BE HELD August 19, 2021, 4:00 P.M.**

Respectfully Submitted,

Savanna Leach  
Executive Assistant

**To:** Metro COG Policy Board  
**From:** Dan Farnsworth, Transportation Planner  
**Date:** August 13, 2021  
**Re:** **Section 5310 Transit Grant Application**

The North Dakota Department of Transportation (NDDOT) recently solicited applications for FTA Section 5310 transit grants. Section 5310 provides funding for transit projects that improve mobility for the elderly and persons with disabilities.

This application will combine CRSSA (Coronavirus Response and Relief Supplemental Appropriations Act) funds & ARP (American Rescue Plan) funds. Awarded projects can be funded up to 50% for operations, 80% for mobility manager, and 85% for vehicles.

All applicants with projects within Metro COG's planning area are required to submit their applications to Metro COG for review and prioritization (if necessary). The only application received was submitted by Handi-Wheels.

Below is a summary of the submitted Section 5310 transit grant application. Also, **attached** is the full application. The application will be submitted to NDDOT by the August 26<sup>th</sup>, 2021 deadline.

#### **Section 5310 – Urban**

- Funding for general operations related to maintenance of vehicles, fuel, phones and radios, training, and driver payroll.
  - Total cost: \$60,000 (\$30,000 Federal / \$30,000 local)

The Transportation Technical Committee reviewed the application at their August 12, 2021 meeting and recommended approval to the Policy Board.

**Requested Action: Approval of the Section 5310 transit grant application as shown above and attached.**



**FY2022 - Section 5310 – Enhanced Mobility of Seniors & Individuals with Disabilities – Mid-Year Application**

Agency Name	Handi-Wheels Transportation	
Agency Contact	Roger Kjos	Phone: 701-232-3231
DUNS #	041053369	

Section 5310, Enhanced Mobility of Seniors and Individuals with Disabilities Program goal is to **improve mobility for older adults and individuals with disabilities throughout the country.** Under 49 U.S.C. 5310 funding provides financial assistance for capital purchases and operating assistance for transportation services planned, designed and carried out to meet the special transportation needs of older adults and persons with disabilities in all small urban and rural areas. The program requires coordination of federally assisted programs and community services in order to make the most efficient use of federal resources.

The entire Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program is further explained in FTA Circular 9070.1G, located on the FTA website at:

[https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/C9070\\_1G\\_FINAL\\_circular\\_4-20-15%281%29.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/C9070_1G_FINAL_circular_4-20-15%281%29.pdf)

**Please Note:**

- This application for funding will use FTA annual apportionment Section 5310 funds, Coronavirus Response and Relief Supplemental Apportionments Act (CRRSAA) for 2021 and American Rescue Plan (ARP) Act of 2021 funds.
- CRRSAA and ARP for operating and mobility manager projects is 100% federal funds with no match required. Funding these operating and mobility manager projects is the top priority for these funds. ADA vehicles may not be funded at 100%.
- Capital project requests for ADA vehicles will require a minimum of **15% Local Match**. All other capital project requests will require a minimum of **20% Local Match**.
- Mobility Manager salary is a capital project expense and requires a minimum of **20% Local Match for Section 5310 annual apportionment funds**.
- Assets purchased with Federal Funds must be maintained and inventoried through a Transit Asset Management (TAM) Plan.
- Public transportation: the term ‘public transportation’ means regular, continuing shared-ride surface transportation services that are open to the general public or are open to a segment of the general public defined by age, disability, or low income; and does not include: intercity bus service; charter bus service; school bus service; sightseeing service; courtesy shuttle service for patrons of one or

---

more specific establishments; or intra-terminal or intra-facility shuttle service.

- As with most Federal Assistance Programs, Section 5310 is designed as a reimbursement program. Your agency should be prepared to pay for expenses upon delivery/acceptance and then request reimbursement from NDDOT.
- If you are awarded a Section 5310 project, your agency will be required to report a number of performance measures, at least annually, to NDDOT. Information required to report may include, but not limited to the following:
  - The number of 5310 one-way trips;
  - The number of 5310 vehicles you have in service; and
  - 5310 ridership demographics.
- If requesting a replacement vehicle, the vehicle listed must have met FTA/NDDOT Useful Life. However, regardless of useful life having been met, federal interest remains until the value of the vehicle or equipment falls below \$5,000.
- If you receive \$750,000 from any federal source, you are required to have a Single Audit per 2 CFR 200 Subpart F.
- Vehicles may be used to provide meal delivery service for homebound persons on a regular basis in conjunction with passenger transportation. Delivery service **must not** conflict with the provision of transit services or result in reduced service to transit passengers.
- Federal Funds awarded for vehicles will only be awarded for ADA vehicles requests.
- All applications are due **August 26, 2021, 12:00pm CDT**. Late and/or incomplete applications may be subject to a penalty percentage reduction of requested amount or may be eliminated from funding consideration.
- The NDDOT Transit Staff is available to provide guidance and answer any questions on the application process. E-mail: [bhanson@nd.gov](mailto:bhanson@nd.gov), [dkarel@nd.gov](mailto:dkarel@nd.gov), [jsmall@nd.gov](mailto:jsmall@nd.gov) or [conelson@nd.gov](mailto:conelson@nd.gov).

## General Information

1. Provide a detailed description of the transportation services your agency currently provides **for seniors and disabled individuals**, and any plans for increasing services, expanding service area and increasing ridership. (include days and hours of service, fare structure, total vehicles in service, type of service being provided, transportation provided to what counties and communities in your service area, etc.).

Handi-Wheels Transportation is a 501(c)(3) private, non-profit specialized transportation service. It is Handi-Wheels mission to provide a safe, reliable means of accessible and affordable transportation service to individuals who have a disability, persons who are elderly, and low-income individuals. Between 65% to 70% of the rides Handi-Wheels provides each year are to seniors and/or disabled individuals.

Handi-Wheels is a door-to-door, dial-a-ride, demand response, paratransit service. In addition, Handi-Wheels provides transportation to access medical care and ensure inclusion in our community. Our goal is to return to pre-COVID ridership numbers otherwise no specific plans are in place to expand our service area.

Handi-Wheels provides service Monday through Friday 7:00 am to 5:00 pm. One-way rides are \$20 while roundtrip rides are \$40. Rides service Fargo and West Fargo in Cass County. Passengers can call and schedule rides Monday through Friday during office hours 9:00 am to 5:00 pm by calling 701-232-3231.



Currently, Handi-Wheels owns 3 lift-equipped buses and 1 ramp-equipped ADA accessible minivan.

We work closely with medical facilities and social service agencies such as Sanford Health, Essentia Health, Family Healthcare Center, Southeast Human Services and Cass County Social Services to provide services to the greatest number of passengers in need in our community.

2. Explain where in your current 3-5 Year Plan this project(s) is specifically stated (list section and page number(s)). Your current plan must be uploaded into BlackCat Resources.

Yes List section and page number(s): p. 4 and p. 5

No (Applicant must provide an explanation)

3. What percentage of change in ridership has your agency experienced in the SFY2021 reporting period? Provide a brief explanation of the reason for the change in ridership.

X Increase We are slightly above this time last year by 14 riders. However, in all of 2020, ridership decreased by over 50% due to the COVID-19 pandemic. For 2021 ridership is still down compared to pre-pandemic numbers but we are starting to see a small increase compared to the same time last year.

Decrease

4. List all existing public transportation providers operating in your service area. See definition of public transportation under the Notes on Page 1 of this application.

MAT bus, MAT paratransit, and Valley Senior Services

5. Are you the lead transit provider in your area? If not, what is the relationship of your program(s) to other transportation providers?

Yes

X No Handi-Wheels has in the past worked with the City of Fargo to determine our role in providing transit services to our community. As the only paratransit public transportation provider in Fargo and West Fargo to receive Medicaid reimbursements, that has become Handi-Wheels primary role. Handi-Wheels can offer the non-emergency medical transports free to most passengers, which makes Handi-Wheels the best option for passengers for medical transit. Rides provided to individuals who are elderly or who have a disability and who are not North Dakota Medical Assistance recipients are charged \$20.00 per one-way ride. MAT Paratransit would also be the best choice for these passengers, yet many are denied as it is deemed that their disability is not severe enough. These passengers express that we are still cheaper than a cab or any of the for-profit transit companies and so they ride with Handi-Wheels.

We have also worked with Valley Senior Services in the past in an effort to avoid duplication of the services they provide. Their transportation focus is on elderly individuals who are ambulatory. Handi-Wheels works with elderly passengers who are in need of a lift vehicle who have a physical or emotional disability.

We refer passengers to MAT Paratransit, Valley Senior Services, Anytime Transportation, Clay County Rural Transportation, Ready Wheels, Care-A-Van, 1 Priority Transportation, and F-M Mobility if we are unable to schedule a ride due to full schedules or requests out of our service area.

6. Please describe the need for transit service in your area for seniors and disabled individuals. Why does this need exist? How have you determined this need? How will the proposed project address this need for service?

According to the 2010 US Census there are 22,935 residents between the ages of 55 and 84 in Fargo, ND. 2,033 people 85 and older reside in Fargo. 11,586 people 65 and older reside in Fargo. West Fargo has 2,319 residents 65 years and over. This means approximately 11% of our service area is age 65 and over. Additionally, over 6% of our service area is living with a disability. Access to transportation provides a greater sense of independence and security in remaining in ones' home for as long as possible. Also access to regular preventative care for seniors and individuals living with a disability results in fewer hospital stays and decreased major medical expenses billed to Medicaid.

7. Provide a description of how you market the transportation program and to whom in the box below.

**X Yes** Handi-Wheels markets its transportation service in various inexpensive ways targeting disabled individuals, seniors, and those that are low-income. Via social media, Handi-Wheels has an active Facebook page, Twitter account, and webpage. We email local churches and ask them to post our information in their church bulletins or put up our posters in their buildings. When able, we put up our posters in low-income apartment buildings and healthcare services geared to low-income populations.

Except for last year, Handi-Wheels sponsors an annual fundraising event that is open to the public. We send out fliers to local residents and businesses in focused areas of Fargo and West Fargo, and create billboards advertising our event each year.

We have a close working relationship with organizations and foundations such as the Dakota Medical Foundation, Impact Foundation, F-M Area Foundation, Alex Stern Foundation, First Link and Freedom Resources organization to fund, promote and increase our visibility in Fargo and West Fargo.

Handi-Wheels participate in the Giving Hearts Day, which is an annual one-day, online giving campaign that encompasses organizations throughout North Dakota and Eastern Minnesota. In conjunction with Giving Hearts Day, we submit a short video that is entered in a contest sponsored by Vision Bank. The general public has an opportunity to vote for their favorite video online.

The Executive Director plans to speak to service clubs in the Fargo and West Fargo areas to promote our service.

**No**

## Ridership and Fleet Information

**\*Report actual ridership numbers, miles and hours for SFY2020 & 2021.**

**\*Enter current fleet information below.**

**\*Current fleet and mileage information MUST also be updated in BlackCat Inventory.**

	SFY2020 - Ridership and Fleet Information	SFY2021- Ridership and Fleet Information
Number of Annual Ridership (Trips) Provided	4827	3021
Number of Annual Revenue Hours	4357.75	2356.45
Number of Annual Revenue Miles	42,562	29,600
Number of Vehicles in Fleet	4	4

10. What is the purpose of the three most requested trips that your clients require? (e.g. medical, shopping, employment, education, social, etc.)

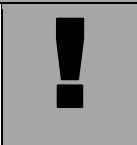
1. clinic/medical appointments

2. mental health services

3. dialysis and/or cancer treatment

## Coordinated Public Transit Human Services Transportation Plan

**Applicants must be part of a locally derived Coordinated Public Transit Human Services Transportation Plan approved by North Dakota Department of Transportation (NDDOT) and uploaded to BlackCat Resources prior to submission of this application.**



8. When was your Coordinated Public Transit Human Services Transportation Plan approved by the NDDOT Transit Section? Has it been uploaded into BlackCat Resources? Since submitting your plan describe any additional efforts made to coordinate service.

The plan was approved in 2017 and has been uploaded into BlackCat.

9. Describe any potential opportunities for additional coordination. (include social service agencies, county social services, community actions, educational institutions, youth groups, veteran services, religious organizations, other transportation services, etc.) that may address unmet transit needs in your service area.

The Fargo Forum had an article stating that refugees will be returning to this area in the upcoming year. Since Lutheran Social Services has shut down, Handi-Wheels plans to meet with Lutheran Immigration and Refugee Services, Family HealthCare, and Cass County social services to discuss helping bring newly arrived refugees to healthcare clinics as we had done in the past.

Another potential opportunity for coordination is programs that work with seniors. According to an article in the July 24th edition of the Fargo Forum, all baby boomers will be 65 or older by 2030 and the number of seniors living in Fargo is expected to rise considerably because of the closeness to health care compared to living in rural areas.

Handi-Wheels also provides rides for people to go to rehab/counseling programs. Meeting with programs such as SEHSC, Next Step, STAND to discuss coordination of unmet transit needs is also being planned.

10. Is the requested project(s) part of a Coordinated Public Transit Human Services Transportation Plan?

**Yes** The Coordinated Plan is in the process of being updated.

**No**

11. If you marked Yes above, indicate the page number where this project is listed.  
If you marked No above, explain why this project is not part of your current plan.

The plan is in the process of being updated.

## Non-Vehicle Project Request

**There is space provided below to request a project. NOTE: This request MUST first be created as a project in the Black Cat System. If applying for more than project, please attach additional sheets and create a separate project for each request.**

12. Please describe in detail your proposed project. Be specific and include a description of what you would like to purchase and how it benefits your transportation program.

This project would assist Handi-Wheels with some of its general operating costs related to maintenance of vehicles, fuel, phones and radios, training, and driver payroll. The majority of rides Handi-Wheels provides is for non-emergency medical rides for low-income individuals mostly seniors and disabled individuals. Medicaid reimburses Handi-Wheels at \$15.99 per ride. The full cost to Handi-Wheels per one-way ride is closer to \$25. This amount includes the cost of fuel, maintenance on the vehicles, insurance, drivers' salary, and other general operating costs. To help overcome this difference Handi-Wheels relies on finding and securing outside funding opportunities. We apply for grants, actively engage in fundraising activities, and seek direct donations. Additional funding assistance through the Section 5310 program would help Handi-Wheels with its expenses related to vehicle maintenance, fuel for the buses, phones and radios, training for the drivers, and driver payroll. The percentage spent on each area varies each year but is approximately: maintenance: 20%, fuel: 25%, phones & radios: 6%, training: 1%, driver payroll: 50%.

13. If this is a request for Mobility Manager funding, a current job description, including goals and achievements from the previous year, must be attached. Have you attached these documents to this application?

Yes

No

14. Total cost of this project.

Total Cost (include federal and local amounts): \$60,000

Federal Funds Requested: \$30,000

Local Match Amount: \$30,000

Source(s) of Local Match: State aid, private donations, grants, Medicaid reimbursement

## Vehicle Project Request

**There is space provided below to request a project. NOTE: This request MUST first be created as a project in the Black Cat System. If applying for more than vehicle, please attach additional sheets and create a separate project for each vehicle request.**

15. Provide a description of the vehicle you are requesting. (include: Year, Make, ADA qualified, and seating capacity)

Year:

Make/Model:

Seating Capacity:

Lift/Ramp:  Yes  No

Gas/Diesel/Other:

16. Describe in detail which programs and services the requested vehicle will be utilized in and how it will enhance or maintain your service?

17. What type of vehicle are you requesting?

- Replacement Vehicle  
 Expansion Vehicle

18. If requesting a replacement, which vehicle in your fleet are you replacing?

a. Vehicle Information Number (VIN):

b. Vehicle Year:

c. Make/Model:

d. Current Mileage:

e. Vehicle In Service Date:

f. Has this vehicle information been updated in BlackCat Inventory?  Yes  No

19. If requesting an expansion vehicle, list the agency/community/county to be served (include hours and days of service and estimated ridership).

20. If operating a fixed route, what are the paratransit eligibility criteria for people to ride your service?

21. Provide an estimated timeline for the purchase of this vehicle. Provide a separate timeline if you are applying for different types of vehicles. **See sample timeline below, add or remove lines as needed.**

Request For Proposal (RFP)/Invitation For Bid (IFB) Issue Date:

Contract Award Date:

Initial Vehicle Delivery Date:

Final Vehicle Deliver Date:

Contract Completion:

Final Payment Submitted to DOT:

22. Amount requested for vehicle (include the base price plus all options with this request):

Total Vehicle Cost (include federal and local amounts):  
Federal Funds Requested:

Local Match Amount:  
Source(s) of Local Match:

Following are suggested price requests for vehicles based on current state bid quotes. Keep in mind if you intend to order vehicles with additional options, prices will vary accordingly. See the State Bid website at <a href="https://apps.nd.gov/csd/spo/services/bidder/listCurrentContracts.htm">https://apps.nd.gov/csd/spo/services/bidder/listCurrentContracts.htm</a>		Expected Delivery time (in months)
15 Passenger or 12 + 2 Passenger Cutaway/Bus NDDOT Term Contract No. 300	Base Price - \$64,700 - \$88,000	6 - 9
ADA Transit Vehicle NDDOT Term Contract No. 301 & 301B	Base price - \$45,000 – \$56,000	3 - 6
Frontrunner – Low Floor Vehicle – New England Wheels NDDOT Term Contract No. 381	Base Price - \$109,500 – \$111,000	6 - 9
ADA Low Floor Mini Van NDDOT Term Contract No. 382	Base Price - \$45,818	1 - 4
Low-Floor Paratransit Ramp Buses NDDOT Term Contract No. 383	Base Price - \$96,720 - \$110,000	6 - 9

#### FTA Useful Life Standards

Mini-Vans/Modified Vans – 3-14 passenger	4 years or 100,000 miles
Med-Size Light Duty Cutaway – 8-16 passenger	5 years or 150,000 miles
Med-Size Med Duty Cutaway/Bus – 16-30 passenger	7 years or 200,000 miles
Med-Size Heavy Duty Bus – 24-25 passenger	10 years or 350,000 miles
Large Heavy-Duty Bus – 35-40+ passenger	12 years or 500,000 miles

### Equipment & Miscellaneous Capital Projects

Fill in the requested information below regarding your Equipment and Miscellaneous Capital Project(s). These projects must directly relate to your transportation program. Any equipment purchased with these funds must be required for, and used for, public transportation.

**NOTE: This request MUST first be created as a project in the Black Cat System. If applying for more than project, please attach additional sheets and create a separate project for each.**

23. Describe your proposed project(s) in detail (detail MUST include: type, quantity, cost, purpose of equipment being requested).
Type: Quantity: Purpose:
24. How does this project enhance your transportation program?
25. Have you completed an Independent Cost Estimate document to show that the price is fair and reasonable? Provide this documentation.
<input type="checkbox"/> Yes <input type="checkbox"/> No (Applicant must provide an explanation)
26. Is an ITS Project/Architecture Checklist required for this project? Review (23 CFR 940.13), see SFN 60212 located in the BlackCat Global Resources.
<input type="checkbox"/> Yes <input type="checkbox"/> No (Applicant must provide an explanation)
27. Has the NDDOT ITS Project/Architecture Checklist been completed and submitted with this application for review?
<input type="checkbox"/> Yes <input type="checkbox"/> No (Applicant must provide an explanation)
28. Provide an estimated timeline for the purchase of this equipment. Provide a separate timeline if you are applying for different types of equipment. <b><u>See sample timeline below, add or remove lines as needed.</u></b>
Request For Proposal (RFP)/Invitation For Bid (IFB) Issue Date:
Contract Award Date:
Deliver/Installation Date:
Contract Completion:
Final Payment Submitted to DOT:
29. Total cost for the project?
Total Cost (include federal and local amounts): Federal Funds Requested: Local Match Amount: Source(s) of Local Match:

## Travel & Training

30. List the training the Director attended in the past year. Included dates and conference/training name, including the DOT meetings.

Total amount reimbursed for travel in FY2021:

31. Provide the conferences and meetings you will be requesting to attend this year and include an estimated RTAP Travel Budget to be requested.

Total estimated travel budget for FY2022:

## Local Match & Total Funding Request

In the table below, list requested projects by priority, and specify in detail the sources and dollar amounts of Local Match funding (State Aid, Mill Levy, Other Directly Generated Funds etc.) that are available to be used towards each project (Vehicle, Facility Rehabilitation & Construction, and/or Equipment/Miscellaneous Capital).

**Local match listed here cannot be already targeted as match for a FY2022 5339 or 5311 applications.**

**Farebox revenue cannot be used as Local Match.**

**Documentation of sources of Local Match (including State Aid) MUST be attached or it will not be considered.**

**This project ranking should match your prioritization in BlackCat.**

Ranking	Project	Federal Cost of Project	Local Match Needed	Sources of Local Match*
1	General Operating	\$30,000	\$30,000	State aid, private donations, grants, Medicaid reimbursement
2				
3				
4				
5				



**APPLICATION CHECKLIST AND SIGNATURE PAGE**

This checklist is included for your review and completion prior to submittal of your application to ensure your submission includes all required documents. Please upload the required documents in your agency’s account in the BlackCat Transit Data Management System (BlackCat).

<b>Section 5310 Applicants must submit the following (check box when complete):</b>	
	Completed 5310 Application;
	Completed the FY2021 FTA Certifications and Assurances in BlackCat, (only complete once per year);
	Document(s) identifying sources of local match funds – Signed letters from source(s) of local match that include the dollar amount committed, State Aid Contract or award letter showing dollar amounts, mill levy, city funds, etc.;
	Update vehicle information, mileage and condition in BlackCat Inventory;
	Update Transit Board Members information in BlackCat;
	Certify and upload a current Authorizing Resolution form;
	Upload your annual registration from the System for Award Management (SAM.gov);
	Complete and include the NDDOT ITS Project Architecture Checklist Systems Engineering Compliance (SFN 60212), (if applicable);
	The following documents MUST be current and uploaded into BlackCat Resources: Coordinated Human Services Plan, 3-5 Year Plan, Title VI Plan, Drug & Alcohol Plan, and TAM Plan.

I hereby certify that as a person authorized to sign for

---

Transit Agency Name

That I have reviewed the application submitted and to the best of my knowledge all statements and representations made are true and correct. I also hereby certify:

1. Adequate funds will be available to provide the required local match and to operate the project; and
2. Sufficient managerial and fiscal resources exist to implement and manage the grant as outlined in this application; and
3. The project items purchased under this grant shall be maintained in accordance with the detailed maintenance schedules as stipulated by the manufacturer; and
4. The transit agency agrees to meet the applicable federal and state requirements.

---

Signature of Authorized Representative

---

Date

**To:** Policy Board  
**From:** Luke Champa, Assistant Transportation Planner  
**Date:** 08/13/2021  
**Re:** **2021-2024 Transportation Improvement Program (TIP) Amendment #4**

The Fargo-Moorhead Metropolitan Council of Governments (Metro COG) will hold a virtual public hearing via Zoom Video Communications on Thursday, August 19, 2021 at 4:00 p.m. to consider public comments regarding a proposed amendment to the 2021-2024 Transportation Improvement Program (TIP) for the FM Metropolitan Area. The proposed amendment to the 2021-2024 TIP reflects updated federally funded projects within the Metropolitan Planning Area (MPA).

A public notice was published in the Forum of Fargo-Moorhead on Wednesday, August 4, 2021, advertising the public hearing, explaining how to request more information, and detailing public comment information such as where to send written comments regarding the proposed amendment. The public notice advertised that public comments will be accepted until 12:00 p.m. (noon) on Thursday, August 19, 2021. As of the writing of this memo, no written comments have been received.

The proposed amendment to the 2021-2024 TIP is as follows:

1. **Modification of Project 9192640:** NDDOT rehabilitation project for structure replacement and approach slabs on I-94 eastbound, six miles east of ND 18 (2021). The total project cost increased 53.4% from \$2,306,000 to \$3,536,400 of which the Federal Interstate Maintenance (IM) funds increased 53.4% from \$2,075,000 to \$3,182,760 and state funds increased 53.1% from \$231,000 to \$353,640.
2. **Modification of Project 9200025:** NDDOT rehabilitation project for structure replacement on I-94 westbound, six miles east of ND 18 (2021). The total project cost increased 53.4% from \$2,306,000 to \$3,536,400 of which the Federal Interstate Maintenance (IM) funds increased 53.4% from \$2,075,000 to \$3,182,760 and state funds increased 53.1% from \$231,000 to \$353,640.
3. **Modification of Project 9200023:** NDDOT rehabilitation project for structure replacement on ND 10E, six miles east of ND 18 (2021). The total project cost increased 28.1% from \$2,032,000 to \$2,602,748 of which the Federal National Highway System (NHS) funds increased 28.1% from \$1,626,000 to \$2,082,198 and state funds increased 28.2% from \$406,000 to \$520,550.

See **Attachment 1** for more detailed project information. The Transportation Technical Committee recommended approval at their August 12 meeting.

**Requested Action: Approve Amendment #4 of the Metro COG 2021-2024 Transportation Improvement Program (TIP).**

Lead Agency	Metro COG ID State Number	Project Year	Project Location	Length	Project Limits		Project Description	Improvement Type	Total Project Cost	Federal Revenue Source	Other Revenue Source	Revenue
					From	To						
Amendment 4												
Moorhead Transit												
Fargo Transit												
City of Fargo												
City of Moorhead												
City of West Fargo												
North Dakota Department of Transportation												
NDDOT	9192640 22319 8024	2021	I-94E		6.0 East of ND 18		Structure Replacement, Approach Slabs	Rehabilitation	<del>\$ 2,306,000</del> \$ 3,536,400	IM	State	<del>\$ 2,075,000</del> \$ 3,182,760 <del>\$ 231,000</del> \$ 353,640
NDDOT	9200025 22319 8021	2021	I-94W		6.0 E of ND 18		Structure Replacement	Rehabilitation	<del>\$ 2,306,000</del> \$ 3,536,400	IM	State	<del>\$ 2,075,000</del> \$ 3,182,760 <del>\$ 231,000</del> \$ 353,640
NDDOT	9200023 22544 8013	2021	ND 10E		6.0 E of ND 18		Structure Replacement	Rehabilitation	<del>\$ 2,032,000</del> \$ 2,602,748	NHS	State	<del>\$ 1,626,000</del> \$ 2,082,198 <del>\$ 406,000</del> \$ 520,550



**To:** Executive Committee  
**From:** Cindy Gray, Executive Director  
**Date:** August 12, 2021  
**Re:** **2020 Financial Audit**

The 2020 financial audit was recently completed by Brady Martz & Associates P.C. Two auditors from Brady Martz were onsite for two days in May, 2021. Prior to their on-site work, they requested a significant amount of information which was provided. Additional information was requested while they were onsite, and as follow-up to their visit.

The results of the audit reflect the financial position of Metro COG as of 12/31/2020, which reflects a snapshot of that particular date relative to incoming revenue and outgoing expenditures. The final audit report and the management report are attached for your information. Financial highlights are listed on p. 4 of the audit report.

A memo to the Governing Board of Metro COG is provided on pp. 27-28. The memo states that the results of the auditors' review and tests "disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

At their August 3<sup>rd</sup> meeting, the Executive Committee recommended Policy Board acceptance of the audit.

**Recommended Action: Accept the 2020 Financial Audit.**

Attachments:        Audit Report  
                             Management Report

**FARGO – MOORHEAD METROPOLITAN  
COUNCIL OF GOVERNMENTS  
FARGO, NORTH DAKOTA**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

## TABLE OF CONTENTS

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>4</b>
<b>FINANCIAL STATEMENTS</b>	
Governmental Funds Balance Sheet/Statement of Net Position	11
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities	12
Notes to the Financial Statements	13
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance - General Fund-Budget and Actual	24
Note to the Budgetary Comparison Schedule	25
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Expenditures of Federal Awards	26
<b>INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>27</b>
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE</b>	<b>29</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>31</b>
<b>SCHEDULE OF PRIOR YEAR AUDIT FINDINGS</b>	<b>33</b>

## INDEPENDENT AUDITOR'S REPORT

To the Governing Board  
Fargo-Moorhead Metropolitan Council of Governments  
Fargo, North Dakota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and general fund information of the Fargo-Moorhead Metropolitan Council of Governments as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund information of the Fargo-Moorhead Metropolitan Council of Governments as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fargo-Moorhead Metropolitan Council of Governments' basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2021 on our consideration of Fargo-Moorhead Metropolitan Council of Governments' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fargo-Moorhead Metropolitan Council of Governments' internal control over financial reporting and compliance.



**BRADY, MARTZ & ASSOCIATES, P.C.  
GRAND FORKS, NORTH DAKOTA**

July 7, 2021

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

As Management of the Fargo-Moorhead Metropolitan Council of Governments (Metro COG), we offer readers of Metro COG's financial statements this narrative overview and analysis of the financial activities of Metro COG for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with Metro COG's financial statements, which begin on page 10.

**Financial Highlights**

- The assets of Metro COG exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$400,764 (net position).
- Metro COG's cash balance at December 31, 2020 was \$64,501 representing a decrease of \$158,766 from December 31, 2019.
- Metro COG's total net position decreased by \$100,552.
- Metro COG had revenues of \$1,685,319 and expenses of \$1,785,871 for the year ended December 31, 2020. Revenues included grant funds of \$1,268,364, local matching funds of \$251,648, local dues of \$163,982 and other income of \$1,325. For the year ended December 31, 2019, Metro COG's revenues were \$2,644,518 and expenses were \$2,393,081. Revenues for the year ended December 31, 2019 included grant funds of \$2,066,230, local matching funds of \$441,200, local dues of \$136,690, and other income of \$398.

**Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to Metro COG's basic financial statements. Metro COG's basic financial statements comprise three parts: 1) Governmental Funds Balance Sheet/Statement of Net Position, 2) Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities, and 3) Notes to the Financial Statements.

***BASIC FINANCIAL STATEMENTS***

The basic financial statements are designed to provide readers with a broad overview of Metro COG's finances, in a manner similar to a private-sector business.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

The *statement of net position* presents information on all of Metro COG's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Metro COG is improving or deteriorating.

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current and Other Assets	\$ 666,397	\$ 800,173
<b>TOTAL ASSETS</b>	<u>666,397</u>	<u>800,173</u>
<b>LIABILITIES</b>		
Current Liabilities	<u>157,739</u>	<u>155,824</u>
<b>TOTAL LIABILITIES</b>	<u>157,739</u>	<u>155,824</u>
<b>DEFERRED INFLOW OF RESOURCES</b>		
Local Match - Federal Planning Contracts	<u>107,894</u>	<u>143,033</u>
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<u>107,894</u>	<u>143,033</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	300,989	318,109
Restricted	<u>99,775</u>	<u>183,207</u>
<b>TOTAL NET POSITION</b>	<u>\$ 400,764</u>	<u>\$ 501,316</u>

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

The *statement of activities* presents information showing how Metro COG's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., depreciation and earned but unused vacation leave).

	2020	2019
<b>REVENUE</b>		
Operating Grants and Contributions	\$ 1,683,994	\$ 2,644,120
Other Income	1,325	398
	1,685,319	2,644,518
<b>EXPENSES</b>		
Salaries	556,665	543,889
Fringe Benefits	125,595	120,219
Travel	4,423	15,248
Professional Fees	14,404	13,558
Rent and Utilities	61,180	44,935
Bookkeeping Service	15,384	15,300
Advertising	1,241	1,412
Telephone	3,492	3,134
Office Expense	7,239	8,006
Dues and Subscriptions	6,064	6,634
Project Costs (Contracted Planning)	895,218	1,556,633
Equipment Lease	49,535	33,206
Insurance	5,278	4,617
Special Activities	2,855	12,256
Compensated Absences	8,043	1,084
Depreciation	29,255	12,950
	1,785,871	2,393,081
Change in Net Position	(100,552)	251,437
Net Position, Beginning of Year	501,316	249,879
Net Position, End of Year	\$ 400,764	\$ 501,316

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2020

The basic financial statements report on the primary function of Metro COG as being supported by intergovernmental revenues from local, state, and federal sources. Metro COG is responsible for harmonizing transportation planning and programming decisions involving local, state, and federal agencies to ensure the efficient management and operations of the surface transportation system within the FM Metropolitan area. Metro COG's primary revenue source is from the U.S. Department of Transportation.

The basic financial statements can be found on pages 10 and 11 of this report.

***FUND FINANCIAL STATEMENTS***

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Metro COG, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Metro COG has only one fund type, namely a general fund that is used to account for its operations.

***NOTES TO THE FINANCIAL STATEMENTS***

The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements. The notes to the financial statements can be found on pages 12 through 22 of this report.

**Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Metro COG, assets exceeded liabilities and deferred inflows of resources by \$400,764 at the close of the most recent fiscal year.

During the current fiscal year, net position of Metro COG decreased by \$100,552. Metro COG's revenues are largely intergovernmental revenues received from cost reimbursement grants. Metro COG draws down monies from the grants' awards for allowable program expenses, except for non-cash transactions, such as changes in compensated absences. Metro COG's intergovernmental revenues and charges for services were sufficient to cover all expenses incurred during the year.

**Financial Analysis of Metro COG's Funds**

As noted earlier, Metro COG uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Metro COG's general fund is discussed below:

***GENERAL FUND***

As of the end of the current fiscal year, Metro COG's general fund reported an ending fund balance of \$149,555. Metro COG's major sources of revenues are cost reimbursement state and federal grants, as well as local dues and local matches collected from local units of government. The fund balance primarily represents the accumulation of local monies and interest income in excess of expenditures not reimbursed by funding sources.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2020

**General Fund Budgeting Highlights**

Actual revenues were \$711,408 lower than expected and actual expenditures were \$77,917 over budget in the general fund.

**Capital Asset and Debt Administration**

**CAPITAL ASSETS**

Metro COG's capitalization threshold is \$1,000. As of December 31, 2020, Metro COG had capital assets, net of accumulated depreciation, of \$300,989. See Note 4 of this report for more information on capital assets.

**Economic Factors and Next Year's Budgets and Rates**

Metro COG's initial 2021 budget was approximately \$1.65 million. This budget supported operations and contracted planning services. On July 15, 2021, Metro COG's Policy Board approved Amendment 2 to 2021-2022 Unified Planning Work Program (UPWP). With this amendment, the 2021 budget was increased to approximately \$1.72 million. This amount is made up of over \$1.34 million in federal funds and approximately \$388,500 in state funds and local dues and match. Some of the increase is due to the use of some additional carry-over funds from 2020, State funding from both Minnesota and North Dakota DOTs on a contracted project, and a slight increase in Federal CPG funds. The amendments were made to address local transportation planning needs and to accelerate spending in 2021 given that several of our contracted projects will extend out into 2022 and 2023, delaying the overall use of the Consolidated Planning Grant (CPG) funds devoted to those projects. For example, one large project, the Interstate Operations Analysis, took months to get under contract due to coordination and contracting required between Metro COG and MnDOT for the use of MnDOT funds to cover part of the project budget. This delay is likely to reduce the amount of funds that can be spent on this project during 2021, extending the project out farther than originally planned.

Local funds are also expected as revenue to cover staff efforts that are not eligible for Federal funding. These revenues are expected to be approximately \$55,300 in 2021 and \$15,300 in 2022. Work program elements covered by these funds include comprehensive plan activities that are ineligible for CPG funds, technical assistance provided to the Cass Clay Food Commission, and ineligible or supplemental components of other studies. Metro COG is also working with a local jurisdiction on the potential to administer a metropolitan housing needs analysis, which would increase the amount of local revenues to cover ineligible tasks related to such a project.

Aside from interns, Metro COG has had only one staff turnover since 2018. Several of Metro COG's staff have longevity of five years or more at the agency, and salaries have steadily grown with experience. Part of UPWP Amendment 2 includes the addition of a staff member. The successful filling of this position will result in increased operational costs in the form of salary and benefits, which is accounted for in the proposed 2021-2022 budget. The additional position is needed to handle the workload generated by the Fargo-Moorhead metropolitan area's transition to a Transportation Management Area. Since Metro COG serves as the Metropolitan Planning Organization (MPO) for the region, it is this agency's responsibility to address the TMA requirements. Some of the TMA requirements are unclear at this time, other

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

than additional reporting and transportation project prioritization. Nevertheless, as the metropolitan area grows, the need for studies and staff efforts to address the region's transportation system also continues to grow. Over the next year, Metro COG will be focusing on the agency's responsibilities, needs, and expectations as a TMA.

**Future Events that will Financially Impact Metro COG**

The Fixing America's Surface Transportation (FAST) Act was reauthorized to extend funding into 2021 for many transportation projects and programs, including transportation planning activities carried out by metropolitan planning organizations such as Metro COG. The North Dakota Department of Transportation and Minnesota Department of Transportation have been able to provide Metro COG with reliable estimates of CPG funding with enough advance notice that we have been able to prepare or update our budgets with a reasonable level of accuracy.

On September 30, 2021, the FAST Act reauthorization will expire, and Congress will be faced with the need for another reauthorization or extension if a new transportation funding bill is not passed by then. The proposed INVEST in America Act passed the House on July 1, 2021. The bill provides a significant increase in transportation funding, including 42 percent increase in MPO Planning funds through FHWA and a 34 percent increase in Planning funds through FTA. Planning funds from FHWA and FTA form the CPG. The bill is currently in negotiation, and the Senate's counterproposal increased MPO Planning funds to a lesser degree, but still provided a significant increase.

In 2019, a decision was made to retain the current CPG funding formulas between the three MPOs in North Dakota. That decision provided for greater stability in the short term, but the matter continues to be a topic of discussion with our oversight agency, NDDOT. After the 2020 census data becomes available, it is possible that Metro COG's share of the state MPO funding will change. Our metro area is likely to make up a larger portion of the metropolitan population in the state of North Dakota. This could result in an increased percentage of CPG funds, but the State will likely wish to protect funding levels for the other two MPOs. Furthermore, there is still a small chance that the Minot, ND area may reach a population of 50,000 in the 2020 Census, which meets the threshold for becoming an MPO. This would require ND's CPG funds, which may increase at that point, to be spread to an additional MPO. A new funding formula would be required to accommodate any new MPOs. Population changes on the Minnesota side are less likely to result in significant changes to funding levels.

The Fargo-Moorhead metropolitan area exceeds the 200,000-population threshold, which results in our metropolitan area forming a TMA. A TMA receives a dedicated direct allocation of federal transportation funds through what is now the Surface Transportation Program. These funds may be used for streets, highways, transit, and planning. A direct allocation of funding will also occur for alternative transportation modes, called the Transportation Alternative Program (TAP). This change will occur at the beginning of the Federal Fiscal Year of 2023 (October 1, 2023). Typically, a transitional period occurs during the first year or even the first few years after an MPO reaches the TMA threshold.

If any of the scenarios described above result in reduced revenues for FM Metro COG, it would likely result in reduced staff of the organization or a reduction in some of the consultant led studies in our work program. Our agency would need to ensure that we have adequate funds to fulfill our core required MPO transportation planning responsibilities, such as the update of the



**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2020

Metropolitan Transportation Plan, the Transportation Improvement Program, the Public Participation Plan, the Title VI Plan, and the Limited English Proficiency Plan.

**Contacting Metro COG's Financial Management**

The financial report is designed to provide a general overview of Metro COG's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Cindy Gray, Executive Director, Fargo-Moorhead Metropolitan Council of Governments, Case Plaza Suite 232, One 2nd Street North, Fargo, North Dakota, or call (701) 232-3242.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash and Investments	\$ 64,501	\$ -	\$ 64,501
Receivables:			
Due from NDDOT	257,436	-	257,436
Due from MNDOT	6,705	-	6,705
Prepaid Expense	36,766	-	36,766
Capital Assets, Net of Accumulated Depreciation	-	300,989	300,989
<b>Total Assets</b>	<b>365,408</b>	<b>300,989</b>	<b>666,397</b>
<b>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</b>			
Liabilities:			
Accounts Payable	102,815	-	102,815
Accrued Payroll Liabilities	5,144	-	5,144
Compensated Absences:			
Expected to be paid within one year	-	49,780	49,780
<b>Total Liabilities</b>	<b>107,959</b>	<b>49,780</b>	<b>157,739</b>
Deferred Inflow of Resources:			
Local Match - Federal Planning Contracts	107,894	-	107,894
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>215,853</b>	<b>49,780</b>	<b>265,633</b>
<b>FUND BALANCE / NET POSITION</b>			
Fund Balance:			
General Fund - Nonspendable	36,766	(36,766)	-
General Fund - Assigned	112,789	(112,789)	-
<b>Total Fund Balance</b>	<b>149,555</b>		
Net Position:			
Net Investment in Capital Assets			300,989
Restricted		400,764	99,775
<b>Total</b>		<b>\$ 400,764</b>	<b>\$ 400,764</b>

See Notes to the Financial Statements

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES / STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>General</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement of</u> <u>Activities</u>
Revenues:			
Federal - Passed Through State of ND	\$ 1,241,544	\$ -	\$ 1,241,544
State - Minnesota	26,820	-	26,820
Local Dues	163,982	-	163,982
Local Match (Contracted Planning)	251,648	-	251,648
Other Income	<u>1,325</u>	<u>-</u>	<u>1,325</u>
	<u>1,685,319</u>	<u>-</u>	<u>1,685,319</u>
Expenditures/Expenses:			
Public Works			
Current:			
Salaries	556,665	-	556,665
Fringe Benefits	125,595	-	125,595
Travel	4,423	-	4,423
Professional Fees	14,404	-	14,404
Rent and Utilities	61,180	-	61,180
Bookkeeping Service	15,384	-	15,384
Advertising	1,241	-	1,241
Telephone	3,492	-	3,492
Office Expense	7,239	-	7,239
Dues and Subscriptions	6,064	-	6,064
Project Costs (Contracted Planning)	895,218	-	895,218
Equipment Lease	49,535	-	49,535
Insurance	5,278	-	5,278
Special Activities	2,855	-	2,855
Compensated Absences	-	8,043	8,043
Depreciation	-	29,255	29,255
Capital Outlay	<u>12,135</u>	<u>(12,135)</u>	<u>-</u>
Total Expenditures/Expenses:	<u>1,760,708</u>	<u>25,163</u>	<u>1,785,871</u>
Excess of Revenues Over Expenses	(75,389)	75,389	-
Change in Net Position	-	(100,552)	(100,552)
Fund Balance / Net Position			
Beginning of the Year	<u>224,944</u>	<u>-</u>	<u>501,316</u>
End of the Year	<u>\$ 149,555</u>	<u>\$ -</u>	<u>\$ 400,764</u>

See Notes to the Financial Statements

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Fargo-Moorhead Metropolitan Council of Governments (Metro COG) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of Metro COG's accounting policies are described below.

**Reporting Entity**

The accompanying financial statements present the activities of Metro COG. Metro COG has considered all potential component units for which Metro COG is financially accountable and other organizations for which the nature and significance of their relationships with Metro COG such that exclusion would cause Metro COG's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of Metro COG to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on Metro COG.

Based on these criteria, there are no component units.

**Basis of Presentation**

Metro COG's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of Metro COG.

**Basis of Accounting**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
DECEMBER 31, 2020

Under the terms of grant agreements, Metro COG funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is Metro COG's policy to first apply cost-reimbursement grant resources to such programs, and then by general revenues.

The government reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

### **Budgets**

Based upon available financial information and request by the board, the executive director prepares Metro COG's budget. The budget is prepared for the general fund on the modified accrual basis of accounting. The budget includes the proposed expenditures and the means of financing them. All annual appropriations lapse at year-end. It is typical that Metro COG expends 100% of collected local dues (paid by member units of government) and its MN/DOT State Planning Grant during the current budget year. Metro COG typically carries over federal funds and the requisite 20% non-federal local match from one budget year to the next for Contracted Planning activities.

### **Cash and Investments**

Metro COG considers cash equivalents to be money market funds and demand deposits. Deposits must either be deposited with the Bank of North Dakota or in another financial institution situated and doing business within the state. Deposits, other than with the Bank of North Dakota, must be fully insured or bonded. In lieu of a bond, a financial institution may provide a pledge of securities equal to 110% of the uninsured balance.

State statutes authorize Metro COG to invest in: (1) Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, or organization created by an act of Congress. (2) Securities sold under agreements to repurchase, written by a financial institution in which the underlying securities for the agreement to repurchase are the type listed above. (3) Certificates of Deposit fully insured by the federal deposit insurance corporation or the state. (4) Obligations of the state.

Investments consist of certificates of deposit stated at cost.

### **Capital Assets and Depreciation**

Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not known. Contributed assets, including those from the federal government, are recorded at acquisition value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

Capital assets are defined by the federal government as assets with an initial individual cost of more than \$5,000. Metro COG's capitalization policy is \$1,000. It is also Metro COG practice to require that any capital purchase of more than \$5,000 be approved by the appropriate federal agency (E.g. FHWA, FTA, etc.). Such assets purchased as capital expenditures shall belong to each funding agency in proportion to their share of the original costs, unless regulations state otherwise. All such items shall be inventoried, and if sold, the funding agencies shall receive or be credited their proportional share, in accordance with federal regulations.

Property and equipment are carried at cost less accumulated depreciation computed on the straight-line method over periods ranging between 5 to 50 years.

**Encumbrances**

Encumbrances, which represent commitments related to unperformed contracts for goods or services, have not been recorded in the financial statements.

**Receivables**

Receivables comprise of amounts receivable from the North Dakota Department of Transportation and the Minnesota Department of Transportation and are reimbursements due for expenses in the operation of various programs. These amounts consist of a mix of state and federal dollars. These amounts are expected to be collected in full and no allowance for doubtful accounts is deemed necessary.

**Accounts Payable**

Accounts payable consists of amounts on open account for goods and services received prior to December 31, 2020, and chargeable to the appropriations for the year then ended but paid for subsequent to that date.

**Compensated Absences**

Employees accrue vacation leave at a rate of various hours per month for years of continuous service. The maximum amount of vacation leave is an amount that can be earned in the prior two years, to be used at the discretion of the employee and his/her department head. All outstanding vacation is payable upon termination and is recorded in the financial statements.

Sick leave is accrued at a rate of one working day per each full month of service. Employees will receive monetary compensation of (50) percent of all sick leave hours accumulated over 960 hours. This compensation is made to eligible employees at the end of December each year. Terminated employees receive compensation of all sick leave hours up to 960 at a rate of (25) percent and over 960 hours at a rate of (50) percent. Twenty five percent of accumulated unpaid sick leave is recorded in the financial statements as no employee had over 960 hours accrued as of December 31, 2020.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resource (expense/expenditure) until then. Metro COG does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Metro COG has one type of item that qualifies for reporting in this category. The governmental funds report unavailable revenues from one source, local share of planning contracts. These amounts are deferred and recognized as an inflow of resources in the period that the contract commitments are fulfilled.

**Fund Balance**

GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the strength of the spending constraints and the purposes for which resources can be used:

*Nonspendable* - consists of amounts that are not in spendable form, such as inventory and prepaid items.

*Restricted* - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by law through constitutional provisions or enabling legislation.

*Committed* - consists of internally imposed constraints. These constraints are established by formal action of the Policy Board.

*Assigned* - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the Organization's intended use. These constraints are established by the Policy Board. Pursuant to Board resolution, the Organization's Executive Director may be authorized to establish assignments of fund balance.

*Unassigned* - is the residual classification for the general fund and also reflects negative residual amounts in other funds.

The Metro COG does not have a formal fund balance policy, however, when both restricted and unrestricted resources are available for use, Metro COG will first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, Metro COG will use resources in the following order; 1) committed, 2) assigned, 3) unassigned.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**Net Position**

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in Metro COG's financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted Net Position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted Net Position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Economic Dependency**

Metro COG has significant economic dependency on the grant revenues from the Department of Transportation.

**NOTE 2 LEGAL COMPLIANCE – BUDGETS**

**Expenditures Over Appropriations**

The following expenditures exceeded their budgeted amounts by the following during the year ended December 31, 2020:

Salaries & Fringe Benefits	\$ 16,598
Professional Fees	664
Project Costs (Contracted Planning)	74,021
Equipment Lease	9,635
Capital Outlay	12,135
Special Activities	555



**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**NOTE 3 DEPOSITS AND INVESTMENTS**

**Custodial Credit Risk**

Custodial credit risk is risk associated with the failure of a depository financial institution to recover its deposits or collateralized securities that are in the possession of outside parties. Metro COG does not have a formal policy that addresses custodial credit risk for deposits. However, in accordance with state statutes, Metro COG maintains deposits at those depository banks and savings and loans authorized by Metro COG, all of which are covered by federal deposit insurance. These statutes also require that the deposits be protected by insurance, collateral or surety bond. The fair value of the collateral pledged must be equal to or greater than 110% of the deposits not covered by insurance or bonds. As of December 31, 2020, the carrying amount of all deposits was \$64,501 and the bank balance was \$184,811. The entire balance of Metro COG's deposits is either fully insured or properly collateralized, and has no custodial credit risk.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of debt security typically moves in the opposite direction of the change in interest rate. Metro COG does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. As of December 31, 2020, Metro COG had no debt securities investments.

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Metro COG does not have a formal investment policy that specifically addresses credit risk. As of December 31, 2020, Metro COG had no debt securities investments.

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Metro COG does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer. As of December 31, 2020, Metro COG had no debt securities investments.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020 was as follows:

Governmental Activities	Balance January 1, 2020	Additions	Deletions	Balance December 31, 2020
Capital Assets Being Depreciated:				
Equipment	\$ 76,374	\$ 12,135	\$ -	\$ 88,509
Furniture	69,165	-	-	69,165
Leasehold Improvements	246,125	-	-	246,125
Less Accumulated Depreciation:				
Equipment	(63,550)	(2,966)	-	(66,516)
Furniture	(3,168)	(9,881)	-	(13,049)
Leasehold Improvements	<u>(6,837)</u>	<u>(16,408)</u>	<u>-</u>	<u>(23,245)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 318,109</u>	<u>\$ (17,120)</u>	<u>\$ -</u>	<u>\$ 300,989</u>

**NOTE 5 COMPENSATED ABSENCES**

The following is a summary of changes in compensated absences for the year ended December 31, 2020.

Balance 12/31/2019	Accrued 2020	Used 2020	Balance 12/31/2020	Current Portion 12/31/2020
<u>\$ 41,737</u>	<u>\$ 8,043</u>	<u>\$ -</u>	<u>\$ 49,780</u>	<u>\$ 49,780</u>

**NOTE 6 SIMPLE DEFERRED COMPENSATION PLAN**

Metro COG maintains a SIMPLE deferred compensation program for its employees. Metro COG contributes three percent of compensation for employees participating at the same or greater rate. The amount of this contribution for 2020 was \$300.

**NOTE 7 ASSIGNED FUND BALANCE**

Metro COG management has designated fund balance/net position for the following:

Matching	\$ 22,726
Special Projects	17,100
Unemployment	15,000
Strategic Reserve	51,258
Bike Maps Printing	<u>6,705</u>
Total	<u>\$ 112,789</u>

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**NOTE 8 COMMITMENTS AND CONTINGENCIES**

**Leases**

Metro COG entered into a lease agreement with Case Plaza LLC for the use of the facilities from which Metro COG operates. The lease expires on December 31, 2027. During the year ended December 31, 2020, rents paid to Case Plaza LLC amounted to \$61,180. Annual rents due for the next five years are as follows:

2021	\$ 69,822
2022	78,766
2023	80,053
2024	81,366
2025	82,705
Thereafter	169,536

**Risk Management**

Metro COG is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The State Bonding Fund currently provides Metro COG with Blanket fidelity bond coverage in the amount of \$438,199 for its employees. The State Bonding fund does not currently charge a premium for this coverage.

Metro COG participates in the North Dakota Worker's Compensation Bureau.

Metro COG is currently insured for commercial/general liability, automobile liability insurance (nonowned and hired), personal property, inland marine, and Directors and Officers (liability). Metro COG purchases its insurance through the private market. Metro COG has not filed any claims in the last three calendar years.

**Grant Programs**

Metro COG participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that Metro COG has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2020, may be impaired. In the opinion of Metro COG, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Contracts**

The Organization has entered into various contracts with contractors for transportation projects, \$221,887 of costs remain on the contracts as of December 31, 2020.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

**NOTE 9 NEW PRONOUNCEMENTS**

Additional significant Governmental Accounting Standards Board (GASB) Statements that will be applicable in future years are as follows:

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

GASB Statement No. 92, *Omnibus 2020*, provides additional guidance to improve consistency of authoritative literature by addressing practice issues identified during the application of certain GASB statements. This statement provides accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activity of public entity risk pools, fair value measurements and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides guidance to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR), most notable, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. This statement provides exceptions and clarifications regarding hedging derivative instruments for such transactions that result from the replacement of IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The statement provides definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 96, *Subscription-Based Information Arrangements* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this Statement, a government generally should recognize a right-to use subscription asset—an intangible asset—and a corresponding subscription liability. The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* provides additional guidance for determining whether a primary government is financially accountable for a potential component unit. This Statement requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2020**

plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

Management has not yet determined what effect these statements will have on Metro COG's financial statements.

**NOTE 10 SUBSEQUENT EVENTS**

No significant events occurred subsequent to Metro COG's year end. Subsequent events have been evaluated through July 7, 2021, which is the date these financial statements were available to be issued.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**GENERAL FUND – BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Federal - Passed Through State of ND	\$ 1,820,118	\$ 1,812,378	\$ 1,241,544	\$ (570,834)
State - Minnesota	26,820	26,820	26,820	-
Local Dues	163,617	161,682	163,982	2,300
Local Match (Contracted Planning)	395,847	395,847	251,648	(144,199)
Other Income	-	-	1,325	1,325
	<u>2,406,402</u>	<u>2,396,727</u>	<u>1,685,319</u>	<u>(711,408)</u>
<b>Expenditures / Expenses</b>				
Salaries & Fringe Benefits	715,355	665,662	682,260	(16,598)
Travel	24,860	24,860	4,423	20,437
Professional Fees	13,740	13,740	14,404	(664)
Rent and Utilities	62,400	62,400	61,180	1,220
Bookkeeping Service	15,600	15,600	15,384	216
Advertising	2,200	2,200	1,241	959
Telephone	3,840	3,840	3,492	348
Office Expense	16,164	16,164	7,239	8,925
Dues and Subscriptions	6,628	6,628	6,064	564
Project Costs (Contracted Planning)	1,186,749	821,197	895,218	(74,021)
Equipment Lease	39,900	39,900	49,535	(9,635)
Insurance	7,300	7,300	5,278	2,022
Miscellaneous	1,000	1,000	-	1,000
Capital Outlay	-	-	12,135	(12,135)
Special Activities	2,300	2,300	2,855	(555)
	<u>2,098,036</u>	<u>1,682,791</u>	<u>1,760,708</u>	<u>(77,917)</u>
Excess Revenues Over Expenditures	308,366	713,936	(75,389)	(789,325)
Fund Balance, Beginning of Year	<u>224,944</u>	<u>224,944</u>	<u>224,944</u>	-
Fund Balance, End of Year	<u>\$ 533,310</u>	<u>\$ 938,880</u>	<u>\$ 149,555</u>	<u>\$ (789,325)</u>

See Note to the Budgetary Comparison Schedule

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**NOTE TO THE BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 1 - BUDGETARY COMPARISON**

**BUDGET**

Metro COG prepares an annual budget on a per grant basis. This budget is approved by the Board and also must be approved by the grantor agency. The budget may be amended with the approval of the grantor agency.



**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
<b>FEDERAL PASS THROUGH - STATE OF NORTH DAKOTA</b>				
North Dakota Department of Transportation				
Highway Planning and Construction Cluster	20.205	Contract No. 38181737		<u>\$ 1,241,544</u>
<b>TOTAL FEDERAL PASS THROUGH - STATE OF NORTH DAKOTA</b>				<u>1,241,544</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS PASS THROUGH - STATE OF NORTH DAKOTA</b>				<u>\$ 1,241,544</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE 1 – Significant Accounting Policies**

Expenditures reported on the Schedule of Expenditures of Federal Awards (the “Schedule”) are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 – Indirect Cost Rate**

Fargo-Moorhead Metropolitan Council of Governments has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 – Basis of Presentation**

The accompanying Schedule includes the federal award activity of Fargo-Moorhead Metropolitan Council of Governments under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Fargo-Moorhead Metropolitan Council of Governments, it is not intended to and does not present the financial position or changes in net position of Fargo-Moorhead Metropolitan Council of Governments.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Governing Board  
 Fargo-Moorhead Metropolitan Council of Governments  
 Fargo, North Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of Fargo-Moorhead Metropolitan Council of Governments as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Fargo-Moorhead Metropolitan Council of Governments' basic financial statements, and have issued our report thereon dated July 7, 2021.

## **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Fargo-Moorhead Metropolitan Council of Governments' internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fargo-Moorhead Metropolitan Council of Governments' internal control. Accordingly, we do not express an opinion on the effectiveness of Fargo-Moorhead Metropolitan Council of Governments' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fargo-Moorhead Metropolitan Council of Governments' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

July 7, 2021

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Governing Board  
Fargo-Moorhead Metropolitan Council of Governments  
Fargo, North Dakota

### **Report on Compliance for Each Major Federal Program**

We have audited Fargo-Moorhead Metropolitan Council of Governments' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2020. Fargo-Moorhead Metropolitan Council of Governments' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for Fargo-Moorhead Metropolitan Council of Governments' major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Fargo-Moorhead Metropolitan Council of Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each federal program. However, our audit does not provide a legal determination on Fargo-Moorhead Metropolitan Council of Governments' compliance.

## ***Opinion on Each Major Federal Program***

In our opinion, Fargo-Moorhead Metropolitan Council of Governments complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

## **Report on Internal Control Over Compliance**

Management of Fargo-Moorhead Metropolitan Council of Governments is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered Fargo-Moorhead Metropolitan Council of Governments' internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Fargo-Moorhead Metropolitan Council of Governments' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**BRADY, MARTZ & ASSOCIATES, P.C.  
GRAND FORKS, NORTH DAKOTA**

July 7, 2021

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Section I-Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unmodified  
Internal control over financial reporting:  
Material weakness(es) identified?  yes  no  
Significant deficiency(ies) identified that are  
not considered to be material weaknesses?  yes  none  
  
Noncompliance material to financial  
statements noted?  yes  no

Federal Awards

Internal control over major programs:  
Material weakness(es) identified?  yes  no  
Significant deficiency(ies) identified that are  
not considered to be material weaknesses?  yes  none

Type of auditor's report issued on compliance  
for major programs: Unmodified

Any audit findings disclosed that are  
required to be reported in accordance with  
2 CFR 200.516(a)?  yes  no

Identification of major programs:

CFDA Number(s) Name of Federal Program or Cluster

20.205 Highway Planning and Construction Cluster

Dollar threshold used to distinguish  
between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Section II-Financial Statement Findings**

None – no current year audit findings were reported.

**Section III-Federal Award Findings and Questioned Costs**

None – no current year audit findings were reported.

**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS**  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020

None – no prior year audit findings were reported.



**FARGO-MOORHEAD METROPOLITAN COUNCIL OF GOVERNMENTS  
FARGO, NORTH DAKOTA**

**MANAGEMENT REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

**AUDIT COMMITTEE LETTER**

July 7, 2021

To the Governing Board  
Fargo-Moorhead  
Metropolitan Council of Governments  
Fargo, North Dakota

We have audited the financial statements of the governmental activities and general fund of Fargo-Moorhead Metropolitan Council of Governments for the year ended December 31, 2020 and have issued our report thereon dated July 7, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 5, 2021. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Fargo-Moorhead Metropolitan Council of Governments are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of other existing policies was not changed during the year ended December 31, 2020. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The entity's financial statements do not contain any estimates deemed sensitive.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no material misstatements detected as a result of audit procedures either individually or in the aggregate to the financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated July 7, 2021.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Fargo-Moorhead Metropolitan Council of Governments' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Fargo-Moorhead Metropolitan Council of Governments' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis and Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Expenditures of Federal Awards, which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Governing Board and management of Fargo-Moorhead Metropolitan Council of Governments and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

**MANAGEMENT LETTER**

# BradyMartz

---

To the Governing Board  
Fargo-Moorhead  
Metropolitan Council of Governments  
Fargo, North Dakota

In planning and performing our audit of the financial statements of Fargo-Moorhead Metropolitan Council of Governments as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Fargo-Moorhead Metropolitan Council of Governments' internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

However, during our audit we became aware of a deficiency in internal control other than significant deficiencies and material weaknesses and matters that is an opportunity for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comment and suggestion regarding this matter. This letter does not affect our report dated July 7, 2021, on the financial statements of Fargo-Moorhead Metropolitan Council of Governments.

We will review the status of the comment during our next audit engagement. We have already discussed the comment and suggestion with various Company personnel, and we will be pleased to discuss it in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendation.

This information is intended solely for the use of management, and the Governing board and is not intended to be and should not be used for any other purpose.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

July 7, 2021

**Fargo-Moorhead Metropolitan Council of Governments  
Management Letter Memorandum  
For the Year Ended December 31, 2020**

**1. Observation:**

During our testing of capital assets, it was noted the capital asset listing was not updated to include purchases made during the year.

**Recommendation:**

We recommend for the capital asset listing to be updated on a regular basis.

**Response:**

Purchases made during the year, primarily including office and meeting room furniture and equipment, were purchased as part of a budgeted project in our Unified Planning Work Program, and because of that, our initial understanding was that these did not need to be included as capital assets. However, based on discussions between our auditor and our accountant, we now understand that these assets need to be listed. The change has been made, and will continue to be shown in this manner in the future. The accounting firm maintains a fixed asset software and assets will be added as they are purchased going forward.



**To:** Metro COG Policy Board  
**From:** Dan Farnsworth, Transportation Planner  
**Date:** August 13, 2021  
**Re:** **Veterans Boulevard Corridor Extension Study Amendment**

The Veterans Boulevard Corridor Extension Study began in May of 2020. This Metro COG-led study retained consulting firm KLJ (and subconsultant SRF). The study is multijurisdictional, with local partners consisting of Cass County, the City of Fargo and the City of Horace, with participation on the SRC from the City of West Fargo. It evaluates Veterans Boulevard from 40<sup>th</sup> Ave S to 52<sup>nd</sup> Ave S and studies a planned extension of the corridor from 52<sup>nd</sup> Ave S to 100<sup>th</sup> Ave S.

As a result of evaluating short term and longer-term future roadway connectivity scenarios within the study area, local partners have asked for the study's scope to be expanded to take advantage of travel demand model updates and traffic projections that have come out of the work completed thus far. Metro COG is requesting a project amendment with scope of work to:

- Better understand the effects of a Veterans Boulevard extension on nearby arterial and future arterial roadways. These roadways include Sheyenne St/County Rd 17, 64<sup>th</sup> Ave S, and 76<sup>th</sup> Ave S.
- Clearly understand a more detailed capital improvement plan (CIP) and staging/phasing strategy for a Veterans Boulevard extension in conjunction with other related existing and future arterial roadways
- Coordinate jurisdictional responsibilities and coordination associated with the staging/phasing of a Veterans Boulevard extension and nearby arterial roadways, with special emphasis on 64<sup>th</sup> Avenue S both east and west of Veterans Boulevard.

This request from local partners is largely aimed at providing the technical information and facilitation that will help the jurisdictions work together as part of this amendment to coordinate all aspects of phasing and jurisdictional responsibilities as study partners and major stakeholders. A public involvement opportunity is also included in this amendment.

The proposed amendment amount is \$64,150.50 consisting of \$51,320.40 in Federal CPG funds and \$12,830.10 in local match. All local partners (Cities of Fargo, Horace, & West Fargo, and Cass County) have committed to a portion of the local match when they approved UPWP Amendment #2 in July. In addition, Metro COG has allocated the necessary CPG funds in the recently-approved UPWP amendment.

**Attached** is the proposed contract amendment which includes a scope of services and a cost proposal. The Transportation Technical Committee recommended approval.

**Requested Action: Approval of the Veterans Boulevard Corridor Extension Study Amendment.**



Fargo-Moorhead Metropolitan Council of Governments

Case Plaza Suite 232 | One 2nd Street North  
Fargo, North Dakota 58102-4807  
p: 701.532.5100 | f: 701.232.5043  
e: metrocog@fmmetrocog.org  
www.fmmetrocog.org

**Professional Services Agreement for Contract Amendment for the Project Entitled: *Veterans Boulevard Corridor Extension Study***

---

**Amendment #:** 1

**Date:** August 19, 2021

**Consultant Name and Address:** KLJ Engineering, 4585 Coleman Street, Bismarck ND, 58503

**Consultant Project Number:** 2013-00339

**Consultant Project Manager (PM):** Wade Kline

**PM Email and Phone:** [wade.kline@kljeng.com](mailto:wade.kline@kljeng.com) 701.271.5009

**Client Name and Address:** Fargo-Moorhead Metropolitan Council of Governments (Metro COG), 1 2<sup>nd</sup> St N, Suite 232, Fargo ND 58102

**Metro COG Project Number:** 2020-217

**Metro COG PM:** Daniel Farnsworth

**PM Email and Phone:** [farnsworth@fmmetrocog.org](mailto:farnsworth@fmmetrocog.org); 701.532.5106

In accordance with the original Professional Services Agreement dated *May 14, 2020*, an amendment to project as detailed below is hereby authorized.

See Attachment 1 for Amendment # 1 details entitled *Veterans Boulevard Corridor Extension Study – Amendment #1*.

See Attachment 2 for a breakout of hours and costs associated with Amendment #1, which result in the total fee for this amendment of *\$64,150.50*.

Schedule – The agreed upon completion date for the tasks described in this Amendment is as follows (describe) or attached as Attachment 3: Final deliverables completed by *12/31/2021*.

Payment shall be made in accordance with the original agreement terms. All other items and conditions of the original Agreement shall remain in full force and effect.

**Consultant:** KLJ Engineering

**Fargo-Moorhead Metropolitan Council of Governments**

Mark Anderson, VP Environment & Public Works  
Print Name and Title

Cynthia R Gray, Executive Director  
Print Name and Title

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date Signed \_\_\_\_\_

Date Signed \_\_\_\_\_

**Attachments:** Attachment 1 and 2

## Attachment 1

### Veterans Boulevard Corridor Extension Study

#### Amendment #1

#### Background

The Veterans Boulevard Corridor Extension Study (Study) has developed a set of corridor level recommendations for improving the corridor from 40<sup>th</sup> Avenue to 100<sup>th</sup> Ave South. Most prominent is a series of options to extend the corridor from 52<sup>nd</sup> Avenue to 100<sup>th</sup> Avenue.

In response to local study partners, Metro COG requested additional scope of work items to clearly understand a more detailed capital improvement plan (CIP) and Staging/Phasing Strategy for the Veterans Boulevard Extension in conjunction with other related existing and future arterial roadways, and jurisdictional responsibilities and coordination associated with the staging/phasing of the roadway network in the Veterans Boulevard, 64<sup>th</sup> Avenue and Sheyenne Street portion of the metropolitan area. These particular connections have risen to a greater level of concern over the past year due to Horace's high growth rate, West Fargo's rapidly paced development just north of Horace, and proposed development and infrastructure improvements in Fargo between 52<sup>nd</sup> and 64<sup>th</sup> Avenue S. Most specifically is an evaluation of the interrelated improvements needed on interrelated corridors such as 64<sup>th</sup> Avenue S, 76<sup>th</sup> Avenue S and Sheyenne Street/County Road 17 related to an extension of Veterans Boulevard south of 52<sup>nd</sup> Avenue. The request from local partners is largely aimed at providing the technical information and facilitation that will help them work together as part of this amendment to coordinate all aspects of phasing and jurisdictional responsibilities as study partners and major stakeholders.

The process and results of the tasks outlined in Tasks 1-12 below will be documented in a technical memorandum and incorporated into the Veterans Boulevard Corridor Extension Study as an appendix.

#### Task 1. Project Management and Coordination

Project management will include coordination between the City of Fargo, City of Horace, Cass County, NDDOT, stakeholders, and the project team. It will include monthly progress meetings, monthly progress reports, invoices and expense documentation, meeting coordination, agendas, and summaries, and any other documentation necessary.

#### Task 3 – Community and Stakeholder Engagement

##### Task 3.1 – Study Review Committee

KLJ will organize and facilitate two (2) SRC meetings.

- Meeting #1 – Review and develop preliminary modeling and implementation assumptions to support CIP and Staging/Phasing Strategy for Veterans Boulevard.
- Meeting #2 – Review Draft CIP and Staging/Implementation Plan.

### Task 3.2 – Public Participation and Communications Plan

The KLJ team will continue to use the existing public participation plan to organize all public engagement efforts, track results, and summarize input received throughout the process. This approach is designed to be flexible to best respond to COVID-19 related constraints.

#### Task 3.2.1. Project Website

The KLJ team will provide Metro COG with project related information for the corridor study's website, including meeting summaries, reports, public input materials, survey links, etc.

#### Task 3.2.2. Social Media.

The KLJ team will provide a social media schedule with content and any accompanying media to be posted to appropriate social media channels to support one (1) additional virtual public input meeting.

#### Task 3.2.3. Traditional Media.

The KLJ team will develop advertising materials for a 3<sup>rd</sup> Public Input Meeting, conducted as virtual, including a press release.

### Task 3.4 – Stakeholder Outreach

To support input and consideration of new analysis developed as part of Task 12, KLJ will hold one (1) virtual public input meeting.

### Task 5 – Travel Demand Modeling (SRF)

The KLJ team will coordinate key assumptions/scenarios and conduct up to two (2) additional travel demand model runs to support analysis required with Amendment #1. This task will include updated documentation support. These model runs will test additional capacity and/or phasing scenarios. No socio-economic data updates are included as part of this amendment, because the model was recently updated earlier in the study process.

The KLJ team will review the travel demand modeling findings and qualitatively assess planning level impacts to area traffic operations and project phasing/implementation. No detailed intersection capacity analysis will be included as part of Amendment #1.

### Task 12 – Capital Improvement Plan (CIP) and Staging/Phasing Strategy

#### 12.1 – Adjacent Corridor Coordination

KLJ will study and document the phasing and implementation of Veterans Boulevard, 64<sup>th</sup> Avenue, and Sheyenne Street/County Road 17 in combination with other future collector/arterial roadways. This work will inform and prepare the consultant team and Metro COG to facilitate discussions with the SRC and local jurisdictional leadership as they work through an approach to phasing, timing, and jurisdictional responsibilities associated with corridor connectivity in the Veterans Boulevard/64<sup>th</sup> Ave S/Sheyenne Street portion of the metropolitan area. This level of analysis is related to the current study, however, was not initially included in the project scope.

#### *Task 12.1.2 - 64<sup>th</sup> Avenue South*

- KLJ will review projections for the study area and provide phasing recommendations for 64th Avenue South from I-29 to Sheyenne Street/County Road 17. Recommendations are developed in tandem with the phased implementation of Veterans Boulevard.

#### *Task 12.1.2 - 76<sup>th</sup> Avenue South*

- KLJ will review projections for the study area and provide phasing recommendations to integrate and coordinate recommendations from the recent 76<sup>th</sup> Avenue South Corridor Study. Recommendations are developed in tandem to the phased implementation of Veterans Boulevard.

#### *Task 12.1.3 - Sheyenne Street/CR17*

- KLJ will review capacity needs along Sheyenne Street south of 40<sup>th</sup> Avenue South. Looking at past studies and the most current model output and recommend capacity in each one-mile segment between 40<sup>th</sup> and 88<sup>th</sup> Ave South. Recommendations are developed in tandem to the phased implementation of Veterans Boulevard.
- Look at different corridor options (3 lane vs 5 lane) and define logical termini points along the corridor to schedule improvements in segments, with a focus on impacts back to Veterans Boulevard.
- Define right of way needs along the corridor so that during the roadway improvement projects we are not purchasing land from developed property.
- Look at the timeframe of when the county will turn the roadway over to the City of Horace.

#### *Task 12.2 - Veterans Boulevard / Study Area Corridor Development Plan/Strategy*

In consideration of improvements developed along adjacent corridors such as 64<sup>th</sup> Avenue, 76<sup>th</sup> Avenue and Sheyenne Street/CR 17, KLJ will develop a more detailed implementation for Veterans Boulevard Corridor Extension. This will include a short (0 to 5 years), medium (6 to 10 years) and long range (beyond 10 years) CIP and Staging/Phasing Strategy. Jurisdictional responsibilities will also be documented based on input and direction from the SRC and local leadership. If outstanding or undecided approaches or responsibilities remain after this process is complete, these future decisions will be documented.

Total Budget				
1	Direct Labor	Hours	Rate	Project Cost
	Wade Kline, Project Manager	80	57.99	\$4,639.20
	Scott Middaugh, Design Lead	100	54.59	\$5,459.00
	Lisa Messner, Design Engineer	80	27.18	\$2,174.40
	Zach Chapell, Transportation Planner	96	33.66	\$3,231.36
	Laura Langdon, Public Engagement	16	34.62	\$553.92
		<b>Subtotal</b>		\$16,057.88
2	Overhead/ Indirect Rate (193.73%)			\$31,108.93
3	Subconsultant Costs ( <i>details below</i> )			\$9,730.43
4	Materials and Supplies Costs			\$0.00
5	Travel Costs			\$0.00
6	Fixed Fee (15.00%)			\$7,075.02
7	Miscellaneous Costs (COF - 1.11%)			\$178.24
<b>Total Cost</b>				<b>\$64,150.50</b>
SRF Consulting Group				
1	Direct Labor	Hours	Rate	Project Cost
	Matt Pacyna, Project Manger	36	60.07	\$2,162.52
	Krista Anderson, Modeling	24	39.12	\$938.88
		<b>Subtotal</b>		\$3,101.40
2	Overhead/Indirect Cost (172.82%)			\$5,359.84
3	Subconsultant Costs			
4	Materials and Supplies Costs			\$0.00
5	Travel Costs			\$0.00
6	Fixed Fee (15.00%)			\$1,269.19
7	Miscellaneous Costs			
<b>Total Cost</b>				<b>\$9,730.43</b>

**To:** Policy Board  
**From:** Adam Altenburg, AICP  
**Date:** August 12, 2021  
**Re:** **Metro COG Baseline 2050 Demographic Forecast RFP**

Metro COG is seeking proposals for the Baseline 2050 Demographic Forecast with the primary objective of completing a demographic forecast for the Fargo-Moorhead metropolitan area to the year 2050. The most current demographic study was completed in 2017 and set forth projections through the year 2045 for the Metropolitan Statistical Area (MSA), which comprises the whole of Cass County and Clay County. Metro COG's planning area encompasses 30 townships which represent portions of Cass County, North Dakota and Clay County, Minnesota. The urban area includes the cities of Fargo, West Fargo, and Horace in North Dakota; and Moorhead and Dilworth in Minnesota.

Demographic forecast data is a critical element to Metro COG's metropolitan planning program. Although forecast data is used by Metro COG and local jurisdictions for a variety of purposes, its core purpose is in maintaining and updating the regional travel demand model (TDM). The TDM is a critical component in the development of the Metropolitan Transportation Plan (MTP), and relies on demographic data including detailed population, household, and employment assessments and projections in order to properly calibrate trip generations, distributions, and assignments in the TDM's traffic analysis zones (TAZs).

This forecast will consist of an update to regional demographic projections, including population, households, and employment. The projections will be aggregate for the entire MSA, and broken down by jurisdiction. Age, household size, and income characteristics will also be analyzed as part of the baseline forecast. The Fargo-Moorhead metropolitan area has traditionally exceeded growth projections based on historical analyses due to the long-term health of the regional economy and economic drivers such as higher education, healthcare, agriculture, and manufacturing.

The consultant will only be responsible for baseline forecast projections and will not be required to assist with TAZ allocation. All TAZ allocation for forecast years will be completed by Metro COG with input from its planning partners upon completion of the baseline forecast.

The baseline forecast has a not-to-exceed budget of \$50,000 dollars, of which \$40,000 will be funded with CPG funds. Metro COG will also be reaching out to member jurisdictions to participate in the project's Study Review Committee (SRC), whose purpose will be to provide input on the work performed by the consultant as well as choose a preferred methodology for projecting future growth.

The Transportation Technical Committee recommended approval of the RFP to the Policy Board, and discussed the desire to have stakeholder input from groups such as the Diversion Authority regarding economic impact of the diversion and Fueling our Future regarding some of the efforts being carried out by that coalition. Metro COG assured the TTC that stakeholder engagement with groups such as this would be carried out. The City of Fargo Planning Department representative on the TTC stated that they would like to continue discussions moving forward into consultant selection about potentially expanding the scope of the project to allow for a more granular review of the geographic location of growth, and indicated that they can provide a higher level of local match to help fund the additional detail if needed.

**Requested Action: Approve the RFP for the Metro COG Baseline 2050 Demographic Forecast.**



**FARGO-MOORHEAD  
METROPOLITAN COUNCIL OF GOVERNMENTS**

**REQUEST FOR PROPOSALS (RFP)**

**PROJECT NO. 2021-221**

***METRO COG BASELINE 2050 DEMOGRAPHIC FORECAST***

***AUGUST 20, 2021***

**APPROVED:**

---

**Cynthia R. Gray**  
**Metro COG, Executive Director**  
**METROCOG**  
FM REGIONAL TRANSPORTATION PLANNING ORGANIZATION

## REQUEST FOR PROPOSALS (RFP)

The Fargo-Moorhead Metropolitan Council of Governments (Metro COG) is seeking requests for proposals from qualified consultants for the following:

### ***Metro COG Baseline 2050 Demographic Forecast***

Selection criteria will follow a qualifications-based review process to analyze proposals from responding consultants. The most qualified candidates will be invited to present an oral interview. Upon completion of technical ranking, oral interviews and possible discussion with candidate consultants, Metro COG will enter into negotiations with the top ranked consulting firm. **Proposals shall be submitted in both hard copy and PDF format. Sealed costs proposals shall be submitted as a hard copy. Both proposal and cost proposal shall be due by the date and time specified below.** The cost proposal of the top ranked firm will be opened during contract negotiations. Those firms not selected for direct negotiations will have their unopened cost proposals returned. Metro COG reserves the right to reject any or all cost proposals submitted. This project will be funded in part with federal transportation funds and has a not-to-exceed budget of **\$50,000 dollars**.

Interested firms may request a hard copy of this RFP by telephoning 701.532.5100, or by email at [leach@fmmetrocog.org](mailto:leach@fmmetrocog.org). Copies will be posted on the North Dakota Department of Transportation QBS website ([www.dot.nd.gov](http://www.dot.nd.gov)) and will also be available for download in PDF format at [www.fmmetrocog.org](http://www.fmmetrocog.org).

All applicants must be prequalified with NDDOT. If not prequalified with the NDDOT, applicants will be required to submit a completed Standard Form 330 (Exhibit D) with their submittal of information.

All proposals received by **4:30 p.m. on Friday, September 10, 2021** at Metro COG's office will be given equal consideration. Minority, women-owned, and disadvantaged business enterprises are encouraged to participate. Respondents must submit one (1) PDF of the proposal, and one (1) sealed hard copy of the cost proposal. The full length of each proposal should not exceed thirty (30) pages; including any supporting material, charts, or tables.

A PDF of the proposal may be emailed or delivered by USB. Hard copies of sealed cost proposals shall be delivered to the contact below:

Adam Altenburg, AICP  
Fargo-Moorhead Metropolitan Council of Governments  
One 2<sup>nd</sup> Street North, Suite 232  
Fargo, ND 58102-4807  
[altenburg@fmmetrocog.org](mailto:altenburg@fmmetrocog.org)  
701.532.5105

Fax versions will not be accepted as substitutes for hard copies. Once submitted, the proposals will become the property of Metro COG.

**Note** – This document can be made available in alternative formats for persons with disabilities by calling Savanna Leach, Metro COG Office Manager at 701.532.5100 or email at [leach@fmmetrocog.org](mailto:leach@fmmetrocog.org).

**TABLE OF CONTENTS**

I. Agency Overview .....4

II. Purpose of Request .....4

III. Project Background and Project Objective .....4

IV. Scope of Work and Performance Tasks .....5

V. Implementation Schedule ..... 11

VI. Evaluation and Selection Process..... 11

VII. Proposal Content and Format ..... 12

VIII. Submittal Information..... 13

IX. General RFP Requirements..... 14

X. Additional Information..... 15

XI. Contractual Information..... 16

XII. Payments ..... 16

XIII. Federal and State Funds ..... 16

XIV. Title VI Assurances ..... 17

XV. Termination Provisions ..... 18

XVI. Limitation on Consultant..... 18

XVII. Conflict of Interest ..... 19

XVIII. Insurance..... 19

XIX. Risk Management ..... 19

Exhibit A – Cost Proposal Form..... 21

Exhibit B – Debarment of Suspension Certification..... 22

Exhibit C – Certification of Restriction on Lobbying..... 23

Exhibit D – Standard Form 330 ..... 24

## **I. Agency Overview**

The Fargo-Moorhead Metropolitan Council of Governments (Metro COG) serves as the Council of Governments (COG) and Metropolitan Planning Organization (MPO) for the greater Fargo, North Dakota – Moorhead, Minnesota metropolitan area. As the designated MPO for the Fargo-Moorhead metropolitan area, Metro COG is responsible under federal law for maintaining a continuous, comprehensive, and coordinated transportation planning process.

Metro COG is responsible, in cooperation with the North Dakota and Minnesota Departments of Transportation (NDDOT and MnDOT, respectively) and local planning partners, for carrying out the metropolitan transportation planning process and other planning issues of a regional nature. Metro COG represents eleven cities and portions of two counties that comprise the Metro COG region in these efforts.

## **II. Purpose of Request**

Metro COG is seeking proposals with the primary objective to complete a baseline demographic forecast for the Fargo-Moorhead metropolitan area to the year 2050. The most current demographic study was completed in 2017 and set forth projections through the year 2045 for the Metropolitan Statistical Area (MSA), which comprises the whole of Cass County, ND, and Clay County, MN. Metro COG's planning area encompasses thirty townships which represent portions of Cass County, North Dakota and Clay County, Minnesota (which reflects the extent of Metro COG's regional travel demand model). The urban area includes the cities of Fargo, West Fargo, and Horace in North Dakota; and Moorhead and Dilworth in Minnesota. Forecast disaggregation pursuant to these geographic scales will be important, as further delineated in this RFP.

## **III. Project Background and Project Objective**

Demographic forecast data is a critical element to Metro COG's metropolitan planning program. Although forecast data is used by Metro COG and local jurisdictions for a variety of purposes, its core purpose is in maintaining and updating the regional travel demand model (TDM).

Metro COG's TDM is based on a four-step planning model with trip generation, trip distribution, mode choice, and trip assignment comprising the main modules of the model; thus, base demographic data such as population, households, and employment play a major role in model development and calibration. The TDM is divided into geographic area called traffic analysis zones (TAZs) which are used to create trip generation rates for the region. The TDM is a critical component in the development of the Metropolitan Transportation Plan (MTP), and relies on demographic data including detailed population, household, and employment assessments and projections in order to properly calibrate trip generations, distributions, and assignments.

Planning for future transportation and infrastructure needs in the metropolitan area requires a realistic vision of the region's future population, households, and employments. As these projections will be a primary tool for communities within the metropolitan area to plan for future growth, the process in which they are derived must be transparent and clear to both policymakers and stakeholders.

This forecast will consist of an update to regional demographic projections, including population, households, and employment. The projections will be aggregate for the entire MSA, and broken down by jurisdiction. Age, household size, and income characteristics shall also be analyzed as part of the baseline forecast. The Fargo-Moorhead metropolitan area has traditionally exceeded growth projections based on historical analyses due to the long-term health of the regional economy and economic drivers such as higher education, healthcare, agriculture, and manufacturing.

Planning for future transportation and infrastructure needs in the Fargo-Moorhead metropolitan area requires a realistic vision of the region's future population, households, and employments. As these projections will be a primary tool for communities within the metropolitan area to plan for future growth, the process in which they are derived must be transparent and clear to both policymakers and stakeholders.

The *2017 Demographic Forecast for the FM Metropolitan Area* was the framework for development of Metro COG's TDM for the years 2025 and 2045. The current demographic forecasts supported the development of the current MTP and subsequent studies and sub area analyses conducted through Metro COG since 2017. Metro COG is pursuing a baseline forecast update with a planning horizon of 2050 to address the three primary needs:

- 1) Evaluate demographic projections which consider both recently purchased datasets for households and employment as well as the 2020 U.S. Census Bureau statistics for the Fargo-Moorhead MSA;
- 2) Develop TDM forecast models for the years 2030 and 2050; and
- 3) Update of the current 2019 MTP which will be initiated in 2023 and will be built upon updated demographic forecasts to the year 2050.

**NOTE:** The consultant will only be responsible for baseline forecast projections and will not be required to assist with TAZ allocation. All TAZ allocation for forecast years will be completed by Metro COG and its planning partners upon completion of the baseline forecast.

#### **IV. Scope of Work and Performance Tasks**

Metro COG is seeking a consultant that can not only provide the typical qualifications necessary in the development of the baseline forecast but also has the ability to provide pro-activeness, vision, innovation, and collaboration in examining and proposing study results and assumptions.

Outlined below is the scope of work that will guide development of the Metro COG Baseline 2050 Demographic Forecast. Metro COG has included the following scope of work to provide interested consultants insight into project intent, context, coordination, responsibilities, and other elements to help facilitate proposal development.

This outline is not necessarily all-inclusive and the consultant may include in the proposal any additional performance tasks that will integrate innovative approaches to successfully complete the baseline forecast. At a minimum, the consultant shall be expected to establish detailed analyses, projections, and/or deliverables for the following tasks:

**Task 1: Project Management and Coordination.** The consultant shall be required to manage the study and coordination with any subconsultants, as well as bearing responsibility for all documentation and equipment needs. The consultant will identify a project lead from their team to act as the direct point of contact for Metro COG's project manager.

This task will also include regular progress meetings with Metro COG, the preparation of monthly progress reports, documentation of travel and expense receipts, and the preparation and submittal of invoices. When submitting progress reports, the consultant will be required to outline the following:

- Performed work;
- Upcoming tasks or milestones;
- Status of scope and schedule; and
- Any issues to be aware of.

Development of the Metro COG Baseline 2050 Demographic Forecast will be guided by a Study Review Committee (SRC), which will provide oversight and input into the development of study assumptions, patterns, and results. The consultant should expect three meetings with the SRC.

The consultant shall be responsible for preparation and coordination of all data collection, data analysis, technical memorandum, and draft documents for the SRC. Metro COG shall be responsible for coordinating and scheduling SRC meetings and assisting the consultant in developing agendas. The consultant will be expected to work closely with Metro COG on coordination and distribution of materials to the SRC as applicable to consultant work tasks, as well as responsible for the recording of meeting minutes.

The SRC is scheduled to be comprised of the planning directors or their equivalents from each of Metro COG's seven primary jurisdictions: Fargo, West Fargo, Horace, and Cass County, ND; and Moorhead, Dilworth, and Clay County, MN.

**Task 2: Project Outreach and Stakeholder Consultation.** The consultant shall gain an understanding of factors influencing recent and future changes in population, households, and employment in the Fargo-Moorhead metropolitan area by conducting brief interviews with groups and individuals with specific insights. At minimum, these organizations should include:

- Economic development;
- Housing and developers;
- Social service agencies;
- School districts;
- Higher education; and
- Large employers.

In lieu of formal public involvement events, the consultant shall work with Metro COG to provide a brief video presentation that easily explains the purpose of the baseline forecast to the public as well as demographic assumptions and results. This video presentation will be posted to Metro COG's website and YouTube account.

**Task 3: Forecast Methodology.** Metro COG acknowledges that there are a number of strategies, techniques, variables, and methodologies that can be used to forecast demographics. Metro COG is not requiring the consultant to prepare or propose a detailed demographic forecast methodology as part of this RFP. Rather, Metro COG is requesting a proposal that outlines the process and/or strategy whereby the selected consultant, Metro COG, and the SRC will collectively analyze and select a preferred methodology to be used to establish the demographic forecasts.

Three tasks defined below shall be vetted through the SRC in the form of technical memorandum:

- 1) Analysis and critique of the previous *2017 Demographic Forecast for the FM Metropolitan Area*. This document should include, at minimum, analysis of the following:
  - Forecast methodology, data sources, and applied assumptions;
  - Accuracy of previous forecasts and analyses;
  - Appropriateness of duplicating the methodology and/or an outline on how a proposed new methodology should retain or revise elements of the 2017 methodology and its assumptions; and
  - A critique of other elements of the 2017 forecasts based on the consultant's technical expertise.
- 2) Preparation and discussion of three forecast methodology scenarios, with the goal of identifying a detailed forecast methodology for implementation. These scenarios shall be accompanied by detailed information on the potential benefits and tradeoffs of each.
- 3) Demographic projections for the Fargo-Moorhead MSA to the year 2050, both a "most likely" and "high growth" scenario.

**Task 4: Baseline Study Expectations.** As noted above, the detailed forecast methodology shall be determined through collaboration with the SRC. However, the following tasks and activities represent the minimum scope of work requirements and should be considered as respondents establish a work plan and cost estimate.

- 1) **Population.** Estimate population, households, and employment from July 1, 2020 and every five years thereafter until 2050 for the following geographies.
  - a) Metropolitan Statistical Area (MSA) (defined as all of Cass County, ND and Clay County MN);
  - b) Metropolitan Planning Area (MPA), including:
    - i. Cities of Fargo, West Fargo, Horace, Moorhead, Dilworth
    - ii. Smaller communities within the MPA including:  
Argusville, Casselton, Harwood, Kindred, Mapleton, Oxbow, and Reile's Acres, ND; and Barnesville, Glyndon, Hawley, and Sabin, MN; and
    - iii. Townships located within the MPA in North Dakota and Minnesota;
  - c) Rural Cass County (those areas of Cass County outside of the MPA); and
  - d) Rural Clay County (those area of Clay County outside of the MPA).

- 2) **Households.** The consultant shall provide the following household demographic projections in five-year increments through 2050:
  - a) Household Size. Percentage splits by total number of households and stratified by household type (see definition above). Household size classifications shall be based on 1 person, 2 person, 3 person, and 4+ person households.
  - b) Income. Percentage splits by total number of households. Income category definitions shall be based on those used in the American Community Survey (ACS).
  - c) Based on housing size and income, the consultant shall determine the projected need for:
    - i. Household Type. Percentage splits between single family and multiple family dwellings. These forecasts shall be based on the following definition: Single Family is equivalent to three units or less; and Multiple Family is equivalent to four units or more.
    - ii. Owner versus Rental Occupied. Percentage splits by total number of households.
    - iii. Vehicle Ownership per Household. Percentage splits by total number of households and, if possible, household type, income, and size.
    - iv. School-aged Children. Number of children between the ages of 5 and 18.
    - v. College Students. Number of enrolled college students.
- 3) **Employment.** The consultant shall provide the following employment forecasts by North American Industry Classification System (NAICS):
  - a) Agriculture (NAICS 11)
  - b) Educational Services (NAICS 61)
  - c) Manufacturing (NAICS 31-33)
  - d) Construction and Mining (NAICS 21, 23)
  - e) Retail Trade (NAICS 44-45)
  - f) Services (NAICS 51-53, 55-56, 62, 71, 81, 99)
  - g) Utilities, Wholesale Trade, and Transportation (NAICS 22, 42, 48,49)
- 4) The Fargo-Moorhead MSA is a diverse geography which is influenced by national, state, and local variables. The resultant demographic projections for the MSA will at a minimum need to consider the following relevant variables as they impact the population trends:
  - a) Consider where potential new population growth is to be generated from;
  - b) Consider what portion of the population growth is migrating here from other metropolitan areas;
  - c) Consider what portion of the growth is attributed to New Americans and immigrants;
  - d) Determine the influence of adjacent small towns/cities on the population of the MSA;
  - e) Consider influence and impact of institutions of higher education (in terms of both enrollment and retention of graduates as part of local workforce);



- f) Consider influence and impact of existing larger employers (public and private), including healthcare and higher education;
  - g) Consider impacts of national economic influences such as interest rates;
  - h) Consider impact of statewide issues such as taxation and or other factors which can draw or attract residents to other parts of Minnesota or North Dakota; and
  - i) Consider impacts of local issues such as land use, zoning policy, cost of living, and long-term flood protection measures.
- 5) Based on the selected methodology, the baseline forecast shall produce, at minimum, two growth scenarios (“most likely” and “high growth”). Each scenario shall include clear articulation of applied methodology, assumptions, and considerations.

**NOTE:** The consultant may provide general guidance on where they believe population, household, and employment growth will occur. However, as noted earlier, the consultant will not be required to assist with specific TAZ allocation.

**Task 5: Project Structure and Work Plan.** Building on the scope of work presented in their proposal, and incorporating any relevant changes made during contract negotiations, the consultant will prepare a detailed work plan and achievable timeline for the project anticipated to be completed by December 2021 and adopted by January 31, 2022. The work plan will outline the overall approach, as well as specific actions and activities that will occur during the project and how these will result in a successful conclusion to the baseline forecast.

**Task 6: Administrative Draft and Final Report.** The consultant will prepare an administrative draft of the baseline forecast for review and comment by the SRC. This draft is to be provided as an electronic PDF to SRC members. Comments received from the SRC will be incorporated in the final report.

Upon final review and consent by the SRC, the consultant will develop a final report that is visually appealing, easy for policymakers and stakeholders to understand, and clearly communicates results and assumptions. The report should be able to be used both digitally and in hard copy format. This may take the form of separate print and web formats. Specifically, the consultant should develop a final report that:

- Is clearly organized and communicates a clear message both graphically and with accompanying text;
- Is easy to read and understand; and
- Explains key implications as they relate to population characteristics, housing, and employment.

The consultant shall provide Metro COG with appropriate correspondence for final review and approval of the Metro COG Baseline 2050 Demographic Forecast by Metro COG’s TTC and Policy Board. Metro COG shall be responsible for presenting and achieving final recommendations and approval of the baseline forecast.

**Task 7: Executive Summary/Fact Sheet.** Upon completion of the final baseline forecast, the consultant shall develop a brief executive summary or fact sheet in PDF format which relays all pertinent information in an easy-to-follow format. The summary should be concise and highly graphic, highlighting major assumptions, patterns, and results.

**Task 8: Deliverables.** Upon final completion, the consultant will be responsible for providing eight bound hard copies and a reproducible original of the study in PDF format. All meeting summaries and technical analyses should be included in the appendix of the study.

The consultant is expected to provide Metro COG with all data and study products as well as a high-resolution document in PDF format for printing.

**NOTE:** If the consultant wishes to modify or include additional tasks deemed necessary to successfully complete the study, this must be agreed to by Metro COG prior to issuing the notice to proceed.

## V. Implementation Schedule

### 1) Consultant Selection.

Advertise for Consultant Proposals	8/20/2021
Deadline for RFP Clarifications/Questions	9/3/2021
Due Date for Proposal Submittals (by 4:30 p.m.)	9/10/2021
Review Proposals/Identify Finalists	(week of) 9/13/2021
Interview Finalists	(week of) 9/20/2021
Preliminary Scoping Meeting/Contract Negotiations	(week of) 9/27/2021
Metro COG Executive Committee Approval/Consultant Notice	(week of) 10/4/2021

### 2) Project Development (Major Milestones).

Notice to Proceed and Project Start-Up/Mobilization	(week of) 10/4/2021
Administrative Draft Completed	(week of) 11/15/2021
Final Report Completed	(week of) 12/20/2021
Policy Board Approval and Project Closeout	January 2022

## VI. Evaluation and Selection Process

**Selection Committee.** Metro COG has established a selection committee to select a consultant. The selection committee will consist of the planning directors or their equivalents from each of Metro COG's seven primary jurisdictions: Fargo, West Fargo, Horace, and Cass County, ND; and Moorhead, Dilworth, and Clay County, MN.

The consultant selection process will be administered under the following criteria:

- 20% The consultant's past experience with similar projects, including the consultant's ability, familiarity, and involvement in handling similar types of activities
- 20% Specific qualifications of the consultant's project manager and key staff's experience related to the development of similar studies
- 20% The consultant's project understanding, proposed project approach and methodology, project work plan, and project management techniques
- 20% The consultant's record of past performance on similar projects, including quality of work, ability to meet deadlines, and ability to control costs
- 20% Current workload and the availability of key personnel and other resources to perform the work within the specified timeframe

The selection committee, at the discretion of Metro COG and under the guidance of NDDOT policy, will entertain formal oral presentations for the top candidates to provide additional input into the evaluation process. Oral presentations will be followed by a question and answer period during which the selection committee may question the prospective consultants about their proposed approaches.

A consultant will be selected on or before October 6, 2021 based on an evaluation of the proposals submitted, the recommendation of the selection committee, and approval by Metro COG.

Metro COG reserves the right to reject any or all proposals or to waive minor irregularities in said proposal, and reserves the right to negotiate minor deviations to the proposal with the successful consultant. Metro COG reserves the right to award a contract to the firm or individual that presents the proposal, which, in the sole judgement of Metro COG, best accomplishes the desired results.

The RFP does not commit Metro COG to award a contract, to pay any costs incurred in the preparation of the contract in response to this request, or to procure or contract for services or supplies. Metro COG reserves the right to withdraw this RFP at any time without prior notice.

All proposals, whether selected or rejected, shall become the property of Metro COG.

## **VII. Proposal Content and Format**

The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the consultant seeking to provide comprehensive services specified herein for Metro COG, in conformity with the requirements of the RFP.

The proposal should demonstrate qualifications of the firm and its staff to undertake this project. It should also specify the proposed approach that best meets the RFP requirements. The proposal must address each of the service specifications under the Scope of Work and Performance Tasks.

At minimum, proposals shall include the following information:

- 1) **Contact Information.** Name, telephone number, email address, mailing address, and other contact information for the consultant's project manager.
- 2) **Introduction and Executive Summary.** This section shall document the firm name, business address (including telephone, email address(es), year established, type of ownership and parent company (if any)), project manager name and qualifications, and any major features that may differentiate this proposal from others, if any.
- 3) **Work Plan and Project Approach Methodology.** Proposals shall include the following, at minimum:
  - a) Detailed work plan identifying the major tasks to be accomplished relative to the requested study tasks and expected product as outlined in this RFP;
  - b) Timeline for completion of the requested services, including all public outreach and stakeholder meetings, identifying milestones for development of the project, and completion of individual tasks;
  - c) List of projects with similar size, scope, type, and complexity that the proposed project team has successfully completed in the past;
  - d) List of the proposed principal(s) who will be responsible for the work, proposed Project Manager, and project team members (with resumes);

- e) Breakout of hours for each member of the team by major task area, and an overall indication of the level of effort (percentage of overall project team hours) allocated to each task. Note that specific budget information is to be submitted in a sealed cost proposal as described in Section IX: General RFP Requirements;
- f) List of any subcontracted agencies, the tasks they will be assigned, the percent of work to be performed, and the staff that will be assigned;
- g) List of client references for similar projects described within the RFP;
- h) Required Disadvantaged Business Enterprise (DBE) and/or Minority Business Enterprise (MBE) Firms participation documentation, if applicable; and
- i) Ability of firm to meet required time schedules based on current and known future workload of the staff assigned to the project.

As part of its project approach methodology, consultants should include examples (if applicable) from other communities where they have worked cooperatively with a client(s) to select and implement a preferred demographic forecast methodology after first developing and selecting among a small set of alternative methodologies.

- 4) **Signature.** Proposals shall be signed in ink by an authorized member of the firm/project team.
- 5) **Attachments.** Review, complete, and submit the completed versions of the following RFP Attachments with the proposal:

Exhibit A – Cost Proposal Form  
Exhibit B – Debarment of Suspension Certification  
Exhibit C – Certification of Restriction on Lobbying  
Exhibit D – Standard Form 330 (if required – see page 2).

### **VIII. Submittal Information**

Hard copies of technical and/or cost proposals should be shipped to ensure timely delivery to the project manager as defined below:

Adam Altenburg, AICP  
Fargo-Moorhead Metropolitan Council of Governments  
One 2<sup>nd</sup> Street North, Suite 232  
Fargo, ND 58102-4807  
[altenburg@fmmetrocog.org](mailto:altenburg@fmmetrocog.org)

All proposals received by **4:30 p.m. on Friday, September 10, 2021** at Metro COG's office will be given equal consideration. Minority, women-owned and disadvantaged business enterprises are encouraged to participate. Respondents must submit one (1) PDF copy of the proposal. The full length of each proposal should not exceed thirty (30) pages; including any supporting material, charts, or tables.

The consultant may ask for clarifications of the RFP by submitting written questions to the Metro COG project manager identified above. Questions regarding this RFP must be submitted no later than September 3, 2021. No response will be given to verbal questions. Metro COG reserves the right to decline a response to any question if, in Metro COG's assessment, the information cannot be obtained and shared with all potential firms in a timely manner. All questions and responses will be forwarded to applicants and posted on Metro COG's website on September 7, 2021.

## IX. General RFP Requirements

- 1) **Sealed Cost Proposal.** All proposals must be clearly identified and marked with the appropriate project name, with a separately sealed cost proposal per the requirements of this RFP. Cost proposals shall be based on an hourly "not to exceed" amount and shall follow the general format as provided within Exhibit A of this RFP. Metro COG may decide, in its sole discretion, to negotiate a price for the project after the selection committee completes its final ranking. Negotiation will begin with the consultant identified as the most qualified per requirements of this RFP, as determined in the evaluation/selection process. If Metro COG is unable to negotiate a contract for services, negotiations will be terminated and negotiations will begin with the next most qualified consultant. This process shall continue until a satisfactory contract has been negotiated.
- 2) **Consultant Annual Audit Information for Indirect Cost.** Consulting firms proposing to do work for Metro COG must have a current audit rate no older than fifteen (15) months from the close of the firms Fiscal Year. Documentation of this audit rate must be provided with the sealed cost proposal. Firms that do not meet this requirement will not qualify to propose or contract for Metro COG projects until the requirement is met. Firms that have submitted all the necessary information to Metro COG and are waiting for the completion of the audit will be qualified to submit proposals for work. Information submitted by a firm that is incomplete will not qualify. Firms that do not have a current cognizant Federal Acquisition Regulations (FARs) audit of indirect cost rates must provide this audit prior to the interview. **This document must be attached with the sealed cost proposal.**
- 3) **Debarment of Suspension Certification and Certification of Restriction on Lobbying.** Respondents must attach signed copies of Exhibit B – Debarment of Suspension Certification and Exhibit C – Certification of Restriction on Lobbying within the sealed cost proposal, as well as Exhibit D – Standard Form 330 (if required).
- 4) **Respondent Qualifications.** Respondents must submit evidence that they have relevant past experience and have previously delivered services similar to the requested services within this RFP. Each respondent may also be required to show that similar work has been performed in a satisfactory manner and that no claims of any kind are pending against such work. No proposal will be accepted from a respondent whom is engaged in any work that would impair his/her ability to perform or finance this work.
- 5) **Disadvantaged Business Enterprise.** Pursuant to U.S. Department of Transportation policy and 49 CFR Part 26, Metro COG supports the participation of DBE/MBE businesses in the performance of contracts financed with federal funds under this RFP. Consultants shall make an effort to involve DBE/MBE businesses in this project. If the consultant is a DBE/MBE, a statement indicating that the business is certified DBE/MBE in North Dakota or Minnesota shall be included within the proposal.

If the consultant intends to utilize a DBE/MBE to complete a portion of this work, a statement of the subcontractor's certification shall be included. The percent of the total proposed cost to be completed by the DBE/MBE shall be shown within the proposal. Respondents should substantiate (within proposal) efforts made to include DBE/MBE businesses.

- 6) **U.S. Department of Transportation Policy Statement on Bicycle and Pedestrian Accommodations.** Consultants are advised to review and consider the *U.S. Department of Transportation Policy Statement on Bicycle and Pedestrian Accommodation* issued in March of 2010 when developing written proposals.
- 7) **North Dakota Department of Transportation Consultant Administration Services Procedure Manual.** Consultants are advised to follow procedures contained in the *North Dakota Department of Transportation Consultant Administration Services Procedure Manual*, which includes pre-qualifications of consultants. Copies of the manual may be found on the Metro COG website at [www.fmmetrocog.org](http://www.fmmetrocog.org) or the NDDOT website at [www.dot.nd.gov](http://www.dot.nd.gov).

#### **X. Additional Information**

- 1) **Jobs and Household Data Purchase.** Metro COG recently purchased employment and household datasets for development of the base level TDM. These datasets shall be shared with the consultant upon project initiation.
- 2) **U.S. Census State Redistricting Data.** The U.S. Census Bureau is scheduled to release statistics on population and housing for standard census geographic areas including counties, cities, census tracts, and blocks. This data should be reviewed and crosschecked with the employment and household datasets listed above.
- 3) **Minnesota State Demographic Center and North Dakota Census Office.** The consultant should review information, projections, and/or planning efforts conducted by the Minnesota State Demographic Center (SDC) and the North Dakota Census Office.
- 4) **Reference Documents.** Respondents are encouraged to review the following:
  - a) [Demographic Forecast for the FM Metropolitan Area](#) (2017)
  - b) [Fargo-Moorhead Metropolitan Transportation Plan](#) (2019)
  - c) [Northwest Metro Transportation Plan](#) (2019)
  - d) [76<sup>th</sup> Avenue South Corridor Study](#) (2020)
  - e) [Fargo Downtown InFocus](#) (2018)
  - f) Downtown Moorhead Master Plan (2020)
  - g) [A Transformative Investment: Maximizing the Socioeconomic Benefits of the Fargo-Moorhead Diversion Project](#) (2020)
  - h) Information on the Southwest Metro Regional Pond (2021)
  - i) Recently completed area comprehensive plans
- 5) **Data Collection and Additional Needs.** If applicable, proposals should clearly identify and specify any additional data needs, analyses, or coordination that Metro COG may provide.

## **XI. Contractual Information**

- 1) Metro COG reserves the right to reject any or all proposals or to award the contract to the next most qualified firm if the successful firm does not execute a contract within forty-five (45) days after the award of the proposal. Metro COG shall not pay for any information contained in proposals obtained from participating firms.
- 2) Metro COG reserves the right to request clarification on any information submitted and additionally reserves the right to request additional information of one (1) or more applicants.
- 3) Any proposal may be withdrawn up until the proposal submission deadline. Any proposals not withdrawn shall constitute an irrevocable offer for services set forth within the RFP for a period of ninety (90) days or until one or more of the proposals have been approved by the Metro COG Policy Board.
- 4) If, through any cause, the consultant shall fail to fulfill in a timely and proper manner the obligations agreed to, Metro COG shall have the right to terminate its contract by specifying the date of termination in a written notice to the firm at least ninety (90) working days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for any satisfactory work completed.
- 5) Any agreement or contract resulting from the acceptance of a proposal shall be on forms either supplied by or approved by Metro COG and shall contain, as a minimum, applicable provisions of the RFP. Metro COG reserves the right to reject any agreement that does not conform to the RFP and any Metro COG requirements for agreements and contracts.
- 6) The consultant shall not assign any interest in the contract and shall not transfer any interest in the same without prior written consent of Metro COG.

## **XII. Payments**

The selected consultant shall submit invoices for work completed to Metro COG. Payments shall be made to the consultant by Metro COG in accordance with the contract after all required services and tasks have been completed to the satisfaction of Metro COG.

## **XIII. Federal and State Funds**

The services requested within this RFP will be partially funded with funds from the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). As such, the services requested by this RFP will be subject to federal and state requirements and regulations.

The services performed under any resulting agreement shall comply with all applicable federal, state, and local laws and regulations. In addition, this contract will be subject to the relevant requirements of 2 CFR 200.



#### **XIV. Title VI Assurances**

Prospective consultants should be aware of the following contractual requirements regarding compliance with Title VI should they be selected pursuant to this RFP:

- 1) **Compliance with Regulations.** The consultant shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the U.S. Department of Transportation, 49 CFR Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations).
- 2) **Nondiscrimination.** The consultant, with regard to the work performed by it, shall not discriminate on the grounds of race, color, national origin, sex, age, disability/handicap, or income status\*\*, in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The consultant shall not participate, either directly or indirectly, in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 3) **Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation, made by the consultant for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the consultant of the contractor's obligations to Metro COG and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, age, disability/handicap, or income status\*\*.
- 4) **Information and Reports.** The consultant shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by Metro COG or NDDOT to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a consultant is in the exclusive possession of another who fails or refuses to furnish this information, the consultant shall so certify to Metro COG, or NDDOT, as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5) **Sanctions for Noncompliance.** In the event of the consultant's noncompliance with the nondiscrimination provisions as outlined herein, Metro COG and NDDOT shall impose such sanctions as it or FHWA may determine to be appropriate, including but not limited to:
  - a) Withholding of payments to the consultant under the contract until the consultant complies; and/or
  - b) Cancellation, termination, or suspensions of the contract, in part or in whole.

- 6) **Incorporation of Title VI Provisions.** The consultant shall include the provisions of Section XIII, paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

The consultant shall take such action with respect to any subcontract or procurement as Metro COG, the U.S. Department of Transportation, or FHWA may direct as a means of enforcing such provisions, including sanctions for noncompliance provided, however, that in the event a consultant becomes involved in, or is threatened with, litigation by a subcontractor or supplier as a result of such direction, the consultant may request Metro COG enter into such litigation to protect the interests of Metro COG; and, in addition, the consultant may request the United States to enter into such litigation to protect the interests of the United States.

\*\* The Act governs race, color, and national origin. Related Nondiscrimination Authorities govern sex, 23 USC 324; age, 42 USC 6101; disability/handicap, 29 USC 790; and low income, EO 12898.

#### **XV. Termination Provisions**

Metro COG reserves the right to cancel any contract for cause upon written notice to the consultant. Cause for cancellation will be documented failure(s) of the consultant to provide services in the quantity or quality required. Notice of such cancellation will be given with sufficient time to allow for the orderly withdrawal of the consultant without additional harm to the participants or Metro COG.

Metro COG may cancel or reduce the amount of service to be rendered if there is, in the opinion of Metro COG, a significant increase in local costs; or if there is insufficient state or federal funding available for the service; thereby terminating the contract or reducing the compensation to be paid under the contract. In such event, Metro COG will notify the consultant in writing ninety (90) days in advance of the date such actions are to be implemented.

In the event of any termination, Metro COG shall pay the agreed rate only for services delivered up to the date of termination. Metro COG has no obligation to the consultant, of any kind, after the date of termination. The consultant shall deliver all records, equipment, and materials to Metro COG within twenty-four (24) hours of the date of termination.

#### **XVI. Limitation on Consultant**

All reports and pertinent data or materials are the sole property of Metro COG and may not be used, reproduced, or released in any form without the explicit, written permission of Metro COG.

The consultant should expect to have access only to the public reports and public files of local governmental agencies and Metro COG in preparing the proposal or reports. No compilation, tabulation or analysis of data, definition of opinion, etc., should be anticipated by the consultant from the agencies, unless volunteered by a responsible official in those agencies.

**XVII. Conflict of Interest**

No consultant, subcontractor, or member of any firm proposed to be employed in the preparation of this proposal shall have a past, ongoing, or potential involvement which could be deemed a conflict of interest under North Dakota Century Code or other law. During the term of this agreement, the consultant shall not accept any employment or engage in any consulting work that would create a conflict of interest with Metro COG or in any way compromise the services to be performed under this agreement. The consultant shall immediately notify Metro COG of any and all potential violations of this paragraph upon becoming aware of the potential violation.

**XVIII. Insurance**

The consultant shall provide evidence of insurance as stated in the contract prior to execution of the contract.

**XIX. Risk Management**

The consultant agrees to defend, indemnify, and hold harmless Metro COG and the State of North Dakota, its agencies, officers and employees, from and against claims based on the vicarious liability of Metro COG and the State or its agents, but not against claims based on Metro COG's and the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by consultant to Metro COG and the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for Metro COG and the State is necessary. The consultant also agrees to defend, indemnify, and hold Metro COG and the State harmless for all costs, expenses and attorneys' fees incurred if Metro COG or the State prevails in an action against the consultant in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of the contract.

The consultant shall secure and keep in force during the term of the contract, from insurance companies, government self-insurance pools or government self-retention funds authorized to do business in North Dakota, the following insurance coverage:

- 1) Commercial general liability and automobile liability insurance - minimum limits of liability required are \$250,000 per person and \$1,000,000 per occurrence.
- 2) Workforce Safety insurance meeting all statutory limits.
- 3) Metro COG and the State of North Dakota, its agencies, officers, and employees (State) shall be endorsed as an additional insured on the commercial general liability and automobile liability policies.
- 4) Said endorsements shall contain a "Waiver of Subrogation" in favor of Metro COG and the State of North Dakota.

- 5) The policies and endorsements may not be canceled or modified without thirty (30) days prior written notice to Metro COG and the State Risk Management Department.

The consultant shall furnish a certificate of insurance evidencing the requirements in 1, 3, and 4, above to Metro COG prior to commencement of this agreement.

Metro COG and the State reserve the right to obtain complete, certified copies of all required insurance documents, policies, or endorsements at any time. Any attorney who represents the State under this contract must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under North Dakota Century Code Section 54-12-08.

When a portion of the work under the agreement is sublet, the consultant shall obtain insurance protection (as outlined above) to provide liability coverage to protect the consultant, Metro COG, and the State as a result of work undertaken by the subconsultant. In addition, the consultant shall ensure that any and all parties performing work under the agreement are covered by public liability insurance as outlined above. All subconsultants performing work under the agreement are required to maintain the same scope of insurance required of the consultant. The consultant shall be held responsible for ensuring compliance with those requirements by all subconsultants.

Consultant's insurance coverage shall be primary (i.e., pay first) as respects any insurance, self-insurance or self-retention maintained by Metro COG or the State of North Dakota. Any insurance, self-insurance or self-retention maintained by Metro COG or the State shall be excess of the consultant's insurance and shall not contribute with it. The insolvency or bankruptcy of the insured consultant shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured consultant from meeting the retention limit under the policy. Any deductible amount or other obligations under the policy(ies) shall be the sole responsibility of the consultant. This insurance may be in a policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and be placed with insurers rated "A-" or better by A.M. Best Company, Inc. Metro COG and the State will be indemnified, saved, and held harmless to the full extent of any coverage actually secured by the consultant in excess of the minimum requirements set forth above.

### Exhibit A – Cost Proposal Form

**Cost Proposal Form** – Include completed cost form (see below) in a separate sealed envelope – labeled “**Sealed Cost Form – Vendor Name**” and submit concurrently with the technical proposal as part of the overall RFP response. The cost estimate should be based on a not to exceed basis and may be further negotiated by Metro COG upon identification of the most qualified contractor. Changes in the final contract amount and contract extensions are not anticipated.

### REQUIRED BUDGET FORMAT Summary of Estimated Project Cost

1.	Direct Labor	Hours	x	Rate	=	Project Cost	Total
	Name, Title, Function	0.00	x	0.00	=	0.00	0.00
			x		=	0.00	0.00
			x		=	0.00	0.00
				<b>Subtotal</b>	=	0.00	0.00
2.	<b>Overhead/Indirect Cost (expressed as indirect rate x direct labor)</b>					0.00	0.00
3.	<b>Subcontractor Costs</b>					0.00	0.00
4.	<b>Materials and Supplies Costs</b>					0.00	0.00
5.	<b>Travel Costs</b>					0.00	0.00
6.	<b>Fixed Fee</b>					0.00	0.00
7.	<b>Miscellaneous Costs</b>					0.00	0.00
<b>Total Cost</b>					=	0.00	0.00

### **Exhibit B – Debarment of Suspension Certification**

Background and Applicability: In conjunction with the Office of Management and Budget and other affected federal agencies, DOT published an update to 49 CFR Part 29 on November 26, 2003. This government-wide regulation implements Executive Order 12549, Debarment and Suspension, Executive Order 12689, Debarment and Suspension, and 31 U.S.C. 6101 note (Section 2455, Public Law 103-255, 108 Stat. 3327).

The provisions of Part 29 apply to all grantee contracts and subcontracts at any level expected to equal or exceed \$25,000 as well as any contract or subcontract (at any level) for federally required auditing services. 49 CFR 29.220 (b). This represents a change from prior practice in that the dollar threshold for application of these rules has been lowered from \$100,000 to \$25,000. These are contracts and subcontracts referred to in the regulation as “covered transactions.”

Grantees, contractors, and subcontractors (at any level) that enter into covered transactions are required to verify that the entity (as well as its principals and affiliates) they propose to contract or subcontract with is not excluded or disqualified. They do this by (a) Checking the Excluded Parties List System, (b) Collecting a certification from that person, or (c) Adding a clause or condition to the contract or subcontract. This represents a change from prior practice in that certification is still acceptable but is no longer required. 49 CFR 29.300.

Grantees, contractors, and subcontractors who enter into covered transactions also must require the entities they contract with to comply with 49 CFR 29, subpart C and include this requirement in their own subsequent covered transactions (i.e., the requirement flows down to subcontracts at all levels).

Instructions for Certification: By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below.

Suspension and Debarment: This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined in 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the recipient. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the recipient, the federal government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this order. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

Contractor \_\_\_\_\_  
Signature of Authorized Official \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Name & Title of Contractor’s Authorized Official \_\_\_\_\_

**Exhibit C – Certification of Restriction on Lobbying**

I, \_\_\_\_\_ hereby certify on  
(Name and Title of Grantee Official)  
behalf of \_\_\_\_\_ that:  
(Name of Bidder / Company Name)

- No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S. Code 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder / Company Name \_\_\_\_\_

Type or print name \_\_\_\_\_

Signature of authorized representative \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

\_\_\_\_\_  
(Title of authorized official)

**Exhibit D – Standard Form 330**



**To:** Policy Board  
**From:** Michael Maddox, AICP  
**Date:** 08/11/2021  
**Re:** **MATBUS Transit Development Plan – Draft Final Report**

The Fargo Moorhead Metropolitan Council of Governments (Metro COG) and the Cities of Moorhead and Fargo have been working with their consultants, SRF and AECOM, to update the MATBUS Transit Development Plan (TDP). The TDP is a federally required document for public transit agencies receiving federal assistance. It serves as a decision-making document for the transit agency, including future modifications to the system, services to Title VI & EJ communities, placement of stops, and coordination with other transit providers in the region.

This TDP particularly focuses on how MATBUS could expand to meet the growing needs of our growing region, and to set goals far in advance of the next five-year TDP update, meaning the planning horizon for this document is more than ten years into the future. This is consistent with other recent MATBUS planning efforts such as the Transit Authority Study and the Transit Facility Study, which were recently completed.

The plan sets goals for growing transit service by:

1. Adding new fixed-transit routes servicing new growth areas
2. Expanding hours of service by providing transit service on Sunday
3. Designating new areas where TAP Ride service would be offered
4. Shortening headways on routes providing service along key corridors
5. Making sure that destinations with high demand have frequent service

Currently, a draft plan has been circulated to all of the agencies involved as well as project stakeholders. A brown bag is scheduled with the Fargo City Commission (August 12<sup>th</sup> at 8 a.m.) and the West Fargo City Commission (August 18<sup>th</sup> at Noon) to explain the findings of the plan to each of the commissions. A presentation was made to the Moorhead City Council at their July 12<sup>th</sup> meeting.

The Draft Transit Development Plan can be found on Metro COG's website by following the enclosed link:

<http://fmmetrocog.org/2021TDP>

So far, the plan has received positive comments from those involved. The Transportation Technical Committee recommended approval by the Policy Board. Public Comment will be open until action is taken to approve the plan by Metro COG's Policy Board at their August 19, 2021 meeting.

**Requested Action: Approval of the MATBUS Transit Development Plan.**

**To:** Policy Board  
**From:** Luke Champa, Assistant Transportation Planner  
**Date:** 08/13/2021  
**Re:** **Final Draft Metro COG 2022-2025 Transportation Improvement Program (TIP)**

The Fargo-Moorhead Metropolitan Council of Governments (Metro COG) has completed the Final Draft Metro COG 2022-2025 Transportation Improvement Program (TIP). The document has been continuously updated with chapters and project information that has been supplied to us by local jurisdictions, MnDOT and NDDOT since the July TTC meeting, and is approaching a 'final' status. Minor project changes are expected between now and September 16, 2021, when the TIP is formally adopted.

Public participation efforts regarding the Draft 2022-2025 TIP are increasing as well, to encourage public feedback and participation in this critical Metropolitan Transportation Planning Process. Metro COG will be holding a virtual public open house on **August 24, 2021, from 12:00 (noon) – 1:00 PM**. Details will be advertised via email subscription, social media (Facebook), and legal notices to be published in the Forum of Fargo-Moorhead.

All information will be accessible to the public on the Metro COG website, at Metro COG's office, and in requested alternative formats (mail/electronic delivery, etc.).

**To view/download the Final Draft Metro COG 2022-2025 TIP please visit the webpage below:**

**[www.fmmetrocog.org/Draft/TIP/Participate](http://www.fmmetrocog.org/Draft/TIP/Participate)**

Public comment and feedback regarding the TIP, including from Metro COG's numerous transportation planning partners, is encouraged. Comments will be addressed as applicable and written responses to all comments shall be included in an Appendix of the final approved document.