



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes

Thursday, December 8, 2022

11:00 AM

RTA Boardroom, 2nd Floor

The New Orleans Regional Transit Authority (RTA) hereby declares that, in accordance with La. R.S. 42:17.1 (A)(2)(a)-(c), a meeting will be held in person on Thursday, December 8, 2022, at 11:00 a.m. Please be advised that mask wearing is encouraged inside the boardroom.

Written comments on any matter included on the agenda will be accepted in the following ways: 1) Submission of a Speaker Card on meeting day; 2) Electronically by email sent to: rtaboard@rtaforward.org prior to the meeting; or 3) By U.S. Mail send to 2817 Canal Street, Attention: Office of Board Affairs, New Orleans, LA 70119.

1. Call To Order

2. Roll Call

Commissioners Present: Commissioner Walton, Commissioner Coulon, Commissioner Ewell and Commissioner Neal

Commissioners Also Present: Commissioner Raymond, Commissioner DeFrancesch and Commissioner Lebeouf

3. Consideration of Meeting Minutes

approved

[Finance Committee Meeting - November 10, 2022]

[22-180](#)

Commissioner Neal moved and Commissioner Coulon seconded to approve the Meeting Minutes of November 10, 2022. The motion was approved unanimously.

4. Committee Chairman's Report

Commissioner Walton stated that the FY2023 Budget will be present at the meeting.

Commissioner Raymond stated that the Board accepted Alex Wiggins resignation from the

RTA on yesterday. On behalf of the Board, we would like to thank Alex Wiggins for his service to the City of New Orleans. Alex Wiggins joined the RTA at a pivotal time in the agency's history and led the agency through a Delegated Management to a full Public Agency.

Effective immediately, Lona Edwards Hankins will serve as the Interim CEO until the Board permanently fills the role to maintain, continuity and to keep the agency focused on serving our riders, expanding regional connections, and improving transit equity.

I also want to reiterate the Board's emphasis on improving on-time performance, delivering all plans, services and creating a workplace that supports excellence agency-wide.

Thank you to the staff for the tremendous amount of work put in these last three years to bring agency administration and operations in-house while simultaneously introducing the largest system redesign since Hurricane Katrina. These successes required new employees, systems, procedures, and technologies which is a tremendous undertaking of which we all should be proud. I hope this success inspires your commitment to our continued growth and our ability to serve our riders. Change is uncomfortable but inevitable.

5. Chief Executive Officer's Report

Lona Hankins thanked the Board for the vote of confidence and look forward to improving the agency for the riders and solve the many challenges that the agency is facing.

6. Chief Financial Officer's Report

Gizelle Banks reported on - Ridership - Ridership in October increased by 26.9% compared to September 2022 actuals. Through October, total system ridership (bus, streetcar, and paratransit) was 956K, 50.6% above October 2021 actuals (635K), 15% below October 2019 pre-COVID actuals (1.1M), and 30% above the forecast. This shows that ridership continues to make a steady recovery.

Gizelle Banks reported on - Farebox Recovery Rates - 2022 vs. 2019 (Pre-COVID) - Fare revenue continues to offset a slightly higher percentage of operating expenses as ridership continues to rebound. October's farebox recovery rate increased slightly from 7.37% in the prior month to 9.69%; a total increase of more than 2%. The farebox recovery rate for October 2019 (Pre-COVID) was 15.34%.

Gizelle Banks reported on - Ferry-Farebox Recovery Rates 2022 vs. 2019 (Pre-COVID) - The increase in farebox recovery to 12.42% in October from 7.92% in September is a result of increase in passenger revenues and a decrease in operating expenses from the prior month. Fare revenues continue to offset a small percentage of operating costs.

Gizelle Banks reported on - Operating Revenues (Budget, Actual & Prior Year) - RTA's two largest revenue sources are General Use Sales Tax (\$7.3M) and Fare Revenue (\$863K). The two combined make up 84% or \$8.2M in total revenue. Overall, total operating revenues for the month of October are \$9.8M. Passenger Fares for October increased by 40% or \$245K when compared to the previous month of September actuals (\$618K).

Gizelle Banks reported on - Net Revenue (Before and After Government Assistance) - Net Revenue (Before Government Assistance) is \$505K for the month of October. After applying \$3.1M in Government Operating Assistance, Net Revenue ended with \$3.4M or a positive variance of 3% for the month of October (when compared to the budget of \$3.2M).

Gizelle Banks reported on - Operating Expenses - Operating Expenses for the month of October are roughly \$8.9M. Labor and Fringe Benefits, the largest expenditure at \$5.7M, comprised 64% of this month's actual expenses. In total, Operating Expenses for the month of October show a slight increase of 6% from \$8.4M in September.

Gizelle Banks reported on - Operating Reserve - The strong positive variance that resulted from Net Revenue (After Government Assistance of approximately \$3.1M) added \$3.9M to Restricted Operating/Capital Reserve after the offset of \$567K in Debt Service.

In response to Commissioner Raymond, Gizelle Banks reported that the farebox recovery rate is a ratio that looks at the farebox revenues in proportion to the operations expenses.

Commissioner Neal stated that the 20% targeted number for farebox recovery needs to be re-elevated due to COVID and other factors.

In response to Commissioner Walton, Mark Major reported that the RTA's gasoline prices are based on an Index that is priced daily with a fixed delivery cost.

[October 2022 Financials]

[22-181](#)

7. Informational Report on the 2023 Operating & Capital Draft Budget

Gizelle Banks reported that on December 6, 2022, there was a Public Hearing held for the FY2023 Budget with no input from the public. Commissioner Coulon did attend the Public Hearing.

In response to Commissioner Walton, Gizelle Banks reported that the RTA FY2023 Budget was presented and approved before the New Orleans City Council.

In response to Commissioner Coulon, Gizelle Banks reported that the Budget can be amended if the change is more than 25%.

s 8. DBE Report

Adonis Expose' reported that the RTA awarded a total of \$10,187,302 in contracts and \$6,819,611 was awarded to DBE Prime Contractors. The DBE participation was 67%.

Current DBE Projects:

CMAR - Canal Street Ferry Terminal (Construction) - 12%
Disaster Recovery Grants Management and Administration - 39%
Riverfront Track Work & Overhead Catenary - 10%
Transit Ferry Services - 22%

East New Orleans Maintenance Building - 18%
Business Intelligence & Data Management Reporting System - 30%
On Call Technical Safety Support - 22%
Napoleon Facility Renovation & Upgrade - 2%
Rampart Streetcar Line: Emergency Repair Project- 0%

Current SBE Projects:

DBE Consulting Services - 63%
Construction Cost Audits - 97%
Bus Rapid Transit Feasibility Study - 49%
On Call A&E Services for Design of Interim Downtown Transit Hub - 89%
Facility Maintenance & Construction Support Services - 3%
Classification and Compensation Study - 75%
Leadership & Change Management Training - 62%
Temporary Janitorial Services 77%

Adonis Expose' reported that DBE/SBE Next Workshop:

Tuesday, January 24, 5:30pm - 7:30pm

Topic: Responding to Bids and RFP's - Bid Better, Win More and Grow Your Business

In response to Commissioner Walton, Mark Major stated that currently the Janitorial Services was on a month-to-month contract.

In response to Commissioner Raymond, Adonis Expose' reported that the current DBE participation was 67% and the federal goal was 32%.

In response to Commissioner LeBeouf, Adonis Expose' reported that Baltizoare Electric participated in the Canal Street Ferry Project which is the RTA's biggest DBE success story.

9. Infrastructure & Planning Report

Lona Hankins reported on the following:

Close-Out:

Riverfront Streetcar - Service was restored, working on contract close-out; added repair of Poydras St. Station now underway.

ENO Maintenance Bldg. Exterior Envelope - Reviewing all close-out documents prior to paying final pay app.

Construction:

Canal Ferry Terminal -Building: 90% complete, target substantial completion January 17 for building, including elevator towers. Ferry Service operation at permanent wharf target January 17, Audubon Improvements may not be complete until March, designing a work around to make sure we have pedestrian access. Temporary dismantle and pile removal: no later than June 2023 (Port of New Orleans deadline)

Napoleon Facility Rehabilitation - Foundation work has begun to stabilize the wall. Received Army Corp Permits. Roofing material has been ordered. Working with SHPO on the design of window (Historic Approval)

Rampart Streetcar Restoration Recovery from Hard Rock Hotel Collapse - Target construction

completion date April 5, 2023, working with CNO for street/traffic closure. Work should commence by next week at Rampart/Elysian Fields.

Interim Downtown Transfer Center - 75% complete installing Downtown, working on change order for New Orleans East Shelter temporary. Advertising Phase 3 in 1Q2023

Procurement:

2021 Non-Advertising Shelter - Delivered to Procurement

Planning:

Bus Rapid Transit (BRT) Feasibility Study - Draft of BRT Standards completed Analysis
Community responses of route alternatives underway

Algiers Point Ferry Terminal Rehabilitation and Modernization - Waiting on results of FY22 FTA Grant Application

Lower Algiers Car Ferry Landing Barge Replacement - Working on Project Execution Plan

Algiers Point Landing Barge Replacement - Working on Project Execution Plan

No Emission Vehicle Pilot - Held kick off meeting with Fleet Vendor

RAISE: Fare Technology Replacement - Working with internal team and FTA Region

RAISE: Transit Hub Design and Build - Working with internal team and FTA Region

2021 Carryover Applications:

Areas of Persistent Poverty Program (Replaces HOPE) - Develop safe, fast and comfortable transit corridors along the high frequency bus and streetcar routes **Denied**

5307 Passenger Ferry - New landing barge for Algiers Point, drydock Armiger and Levy Ferry Boats **Awarded**

5339 Bus and Bus Facilities - Design and construct Downtown Transit Center **Denied**

State Capital Outlay - Replace Maintenance Barges at Lower Algiers **FY-2022-2023 Priority 4**

New Applications:

State DOTD 5339 - Replace para-transit vehicles that are at the end of useful life.

FY2023-2024 Capital Outlay: Ferry Maintenance Barge Replacement - State of Louisiana Capital Outlay submission, requirement to submit until the funds are spent. Priority 4 in the FY 2022-2023 budget.

FY2023-2024 Capital Outlay Vehicle Ferry Replacement Study - State of Louisiana Capital Outlay submission

In response to Commissioner Walton, Lona Hankins reported that her and Katherine Felton is building the RTA's Federal Delegation Paperwork.

In response to Commissioner Neal, Lona Hankins reported that revenue hours for the Rampart Streetcar Line was included in the FY2023 Budget.

10. Procurements

a. Authorizations:

Amendment/Extension to the Exclusive Right to Market
Advertising Space on RTA Buses, Streetcars, Ferries, and Ferry
Terminals

[22-166](#)

Commissioner Coulon recommended that this contract be extended for 2-years not just one-year.

In response to Commissioner Walton, Angele Young, reported that both parties will agree where to install the digital interactive.

Commissioner Walton stated that he agrees to amend the contract for 2-years.

In response to Commissioner Walton, Angele Young stated that this item will be presented at the full Board for approval.

Commissioner Neal moved and Commissioner Coulon seconded to amend the current contract from 1-year to 2 years. The motion was approved unanimously.

Commissioner Neal moved and Commissioner Ewell seconded to approve the amended 2-year contract. The motion was approved unanimously.

Enactment No: 22-096

11. Audience Questions & Comments

None

12. New Business

None

13. Adjournment

Commissioner Coulon moved and Commissioner Ewell seconded to adjourn the Finance Committee Meeting. The motion was approved unanimously.
adjourned