



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes

Thursday, January 13, 2022

11:00 AM

Virtual

The New Orleans Regional Transit Authority's Board of Commissioners hereby certifies that it will convene a meeting on Thursday, January 13, 2022 electronically via Zoom in accordance with the provisions of La. R.S. 42:17.1(A)(2)(a)-(c).

1. Call To Order

2. Roll Call

Commissioner Present: Chairman Raymond, Commissioner Walton, Commissioner Tillery, Commissioner Sarwar and Commissioner Wegner

3. Consideration of Meeting Minutes

adopted

[Finance Committee Meeting Minutes - December 9, 2021]

[22-004](#)

Commissioner Wegner moved and Commissioner Tillery seconded to approve the Meeting Minutes of December 9, 2021. The motion was approved unanimously.

4. Committee Chairman's Report

Commissioner Raymond stated that the RTA has a lot of projects for 2022 such as a new Transit Hub and new buses.

5. Chief Executive Officer's Report

Alex Wiggins reported that the COVID - Omicron was having an impact on bus service and staff has kept the impact very minimal.

Alex Wiggins reported that the new pick was taking place on January 16, 2022 and the impact of COVID- Omicron has been taken into account for the new pick with some headways moving from 20 minutes to 30 minutes and 15 minutes to 18 minutes and operators will be on standby to fill in when necessary and if necessary trippers will be added.

Alex Wiggins wanted to thank staff for showing up and doing a great job during these difficult times.

Alex Wiggins reported that he was going to be on an APTA panel for the Board Conference scheduled for January 26, 2022 on the panel Equality in transit would be discussed.

Alex Wiggins reported that the staff has been using the Strategy Mobility Plan as its roadmap.

6. Chief Financial Officer's Report

Gizelle Banks reported that - Ridership - November's ridership of 593K fell short of the budget by 335K passengers. This is largely due to a slower than expected pandemic recovery. Hurricane Ida and the Hard Rock Hotel collapse continue to have smaller and waning negative effects. Year-to-date comparisons to November actuals (6.4M riders through Nov) how mixed results across the spectrum - when compared to the budget (-19.6%), 2020 actuals (+5.5%) and 2019 pre-COVID actuals (-55.4%).

Gizelle Banks reported that - Operating Cost per Unlinked Passenger Trip 2021 vs. 2019 (Pre-COVID) - The cost per passenger trip for the month of November increased from October by \$1.27. The continuing recovery from Hurricane Ida accounts for the fluctuation in operating costs.

Gizelle Banks reported that - Ferry - Operating Cost per Unlinked Passenger Trip 2021 vs. 2019 (Pre-COVID) - Ferry cost per passenger trip dropped by \$18.67 to \$8.22 in November, making it another large decrease in operating costs this month. This can be attributed to the reclassification of \$254k in expenses related to Hurricane Ida.

Gizelle Banks reported that - Farebox Recovery Rates 2021 vs. 2019 (Pre-COVID) - Fare revenue continues to offset a significantly lower percentage of operating expenses as ridership struggles to rebound. November's farebox recovery decreased to 7.25% from 8.20 in the prior month.

Gizelle Banks reported that - Ferry - Farebox Recovery Rates 2021 vs. 2019 (Pre-COVID) - The increase in farebox recovery from 7.58% in October to 15.47% in November is largely due to the reclassification of expenses related to Hurricane Ida. This accounts for most of the decrease in operating expenses from \$944k in September to \$463k in November.

Gizelle Banks reported that - Operating Revenues (Budget, Actual & Prior Year) - Overall, Operating Revenues display positive results for the month when compared to the prior year due to strong Sales Tax Revenues. Passenger Fares, however, when compared to the budget, fared unfavorably by \$417k or 43.5%.

In response to Commissioner Walton, Gizelle Banks reported that the RTA Accounting Staff was working with the State to reconcile the State Motor Vehicle Taxes.

Gizelle Banks reported that - Operating Revenues Actual - Of the \$10.3m in Operating Revenues, 79% or \$8.2m is derived from General Use Sales Taxes.

Gizelle Banks reported that - Operating Expenses - Labor and Fringe Benefits, the largest expenditure at \$5.2M, comprised 69.9% of this month's actual expenses. The contrast in 2020 and current year results for Labor and Fringe Benefits and Services is directly related to the transition from the O & M contractual arrangement with Transdev to 100% in-house operations. In total, Operating Expenses for the month compared favorably with the budget with a 22.3% or \$2.1m positive variance.

Gizelle Banks reported that - Net Revenue (Before and After Government Assistance) - Net Revenue (Before Government Assistance) is \$2.5m for the month of November. This positive position is largely attributable to \$2.7m in Net Operating Revenue for the month. After applying the month's \$1.1m in Government Operating Assistance, Net Revenue increased to \$3.6m.

Gizelle Banks reported that - Operating Reserve - The strong positive variance from Net Revenue \$3.6m (After Government Assistance) was offset by \$776k in Debt Service, resulting in approximately \$2.9m in Restricted Operating/Capital Reserve.

Gizelle Banks reported that - Maritime Operations - Passenger fare revenue for ferry operations remained flat at \$72k when compared to the prior month and the prior year. November 2021 operating expenses, however, were under budget by \$111k and down by \$239k from the prior year due to the reclassification of hurricane-related expenses.

Gizelle Banks reported that Operating Revenues for the month of November budgeted was \$14.5m and ended the month with \$11.4m which was a decrease which was primarily attributed to the Capital Funding.

Gizelle Banks reported that year to date the Total Revenue budgeted for sources was \$150m and year to date actual collected was \$124m.

Gizelle Banks reported that Summary of Uses budget was \$11.9m and \$8.8m was spent and year to date \$133.5m was budgeted for expenditures and RTA spent \$144m.

Alex Wiggins reported that if it was not for the federal funding that the RTA received the budget would be totally different.

[Financial Statements]

[22-007](#)

7. DBE Report

Adonis Expose' reported that the RTA awarded a total of \$20,177,770 in contracts and \$7,321,457 was awarded to DBE Prime Contractors and \$78,902 was awarded to SBE Prime Contractors. The DBE participation was 37%.

Current DBE Projects:

CMAR - Canal Street Ferry Terminal (Construction) - 2%
DBE Consulting Services - 41%

Website Enhancement Services - 95%
Security Services - 8%
Disaster Recovery Grants Management and Administration - 11%
Riverfront Track Work & Overhead Catenary - 67%
Transit Ferry Services - 100%
East New Orleans Maintenance Building - 27%
St. Charles Streetcar Line Downtown Loop Pavement
Replacement - 0%
OCS Pole Replacement - 0%
Business Intelligence & Data Management Reporting
System - 0%
On Call Technical Safety Support - 0%

Upcoming DBE/SBE Projects:

Facility Maintenance & Construction Support Services - 100% SBE
Leadership & Change Management Training - 100% SBE
Classification, Compensation Health & Retirement Benefits
Consultant - 100% SBE

8. Infrastructure & Planning Report

Lona Hankins reported on the following:

Open Projects:

Canal Streetcar Restoration - Service was restored in early December - working on contract close-out
Riverfront Streetcar - Completing Safety reviews and operating training, to return service mid-January
Canal Ferry Terminal - Begin driving piles for wharf mid-January, building slab is complete, the vertical construction will begin in January.
ENO Maintenance Bldg. Exterior Envelope - 1Q2022 Completion
St. Charles Streetcar Downtown Loop Pavement Replacement - 1Q2022 Completion
Napoleon Facility Rehabilitation - 1 bidder, working to gain FEMA/GOHSEP approval on cost reasonableness

In response to Commissioner Walton, Lona Hankins reported that this is the second time that the bid went out for the Napoleon Facility and the same vendor responded.

Engineering:

Rampart Streetcar Restoration: Recovery from Hard Rock Hotel Collapse - Finalizing Design
2021 Non-Advertising Shelter - Finalizing Design of 25 Shelters
Interim Downtown Transfer Center - Developing the Project Execution Strategy. Target In-Service is September 2022
Algiers Point Ferry Terminal Rehabilitation and Modernization - Waiting on clearance to begin
Lower Algiers Car Ferry Terminal and Maintenance Barge Renovation - Waiting on clearance to begin

Planning:

Bus Rapid Transit (BRT) Feasibility Study - Holding Community Advisory Committee Meetings in the Next 30 days.

Lona Hankins reported that the Community Development Grant has given the RTA the okay to file the application for the funds for the Katrina/Rita Grant which is a total of \$5 Million and the RTA would use this to purchase new vehicles.

Lona Hankins reported that on this agenda staff was asking for approval for the 5339 Bus and Bus Facilities monies for the purchase of non-revenue vehicles.

In response to Commissioner Walton, Lona Hankins reported that the State receives left over monies from the FTA so this is Federal monies not State monies.

9. Procurements

5339 Bus and Bus Facilities: Large urban Areas

[21-216](#)

Commissioner Tillery moved and Commissioner Sarwar seconded to approve 5339 Bus and Bus Facilities: Large Urban Areas. The motion was approved unanimously.

approved

Enactment No: 22-002

Crowd Control Change Order Canal Street Ferry

[22-001](#)

In response to Commissioner Walton, Lona Hankins reported that a requisition was approve as an attempt to keep things moving at a rapid pace so that the vendor can be paid.

Commissioner Sarwar moved and Commissioner Wegner seconded to approve the Change Order for the Crowd Control Change order Canal Street Ferry. The motion was approved unanimously.

Lona Hankins reported that she was going to bring before the Board at the Full Board Meeting a procurement for Janitorial Services. The company that the RTA had did not want to continue to do business with the RTA and staff was going to ask the Board to approve a temporary firm first and then award the contract for a permanent firm.

In response to Commissioner Walton, Lona Hankins reported that staff was asking for a not to Exceed \$200,000 for four months.

Enactment No: 22-003

10. New Business

None.

11. Audience Questions & Comments

Valerie Jefferson wanted to know how the budget for Capital Projects. How the RTA was budgeting the CARES Act monies and any other monies that the RTA received from the Federal Government.

Commissioner Raymond asked for Yolanda Rodriguez to make sure that Valerie Jefferson receives the information she requested.

adjourned

12. Adjournment

Commissioner Wegner moved and Commissioner Tillery seconded to adjourn the Finance Committee Meeting of January 13, 2022. The motion was approved unanimously,