



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes

Thursday, March 10, 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, March 10, 2022 electronically via Zoom in accordance with the provisions of La. R.S. 42:17.1(A)(2)(a)-(c).

1. Call To Order

The meeting commenced at 11:11 am.

2. Roll Call

Commissioner Mark Raymond joined the meeting at 11:33 am, before the DBE Report.

Not a Finance Committee member, Commissioner Neal participated in the meeting as of the CFO's Report.

3. Consideration of Meeting Minutes

[02/10/22 Finance Committee Minutes]

[22-056](#)

The February 10, 2022 Finance Committee Meeting Minutes were approved after Commissioner Raymond joined the meeting.

Commissioner Walton moved and Commissioner Tillery seconded to approve the Finance Committee Meeting from February 10, 2022. The motion was adopted unanimously.
adopted

4. Committee Chairman's Report

Commissioner Raymond spoke to his focus on regionalism, mentioned his 3/8/22 article regarding better transit for people with disabilities that was published in The Advocate, and expressed his delight that RTA is leading the way to address disabled riders' needs.

5. Chief Executive Officer's Report

Mr. Wiggins reported that the impact of COVID-19 has decreased, with the lowest number of affected employees in some time.

Mr. Wiggins reported that TSA announced it will extend the mask mandate through March 18th, 2022; and two employees successfully evacuated relatives from the Ukraine to Poland.

Regarding the Ukraine/Russia situation, Mr. Wiggins reported that diesel and unleaded gasoline was one of the greatest expenses apart from staff costs. Regarding operations, Mr. Wiggins reported RTA aims to remain reliable for riders during this time.

Mr. Wiggins thanked operational and frontline staff for Mardi Gras service adjustments.

Commissioner Walton asked if the employees who traveled to the Ukraine were stateside, to which Mr. Wiggins replied that the employees were in Poland.

Not a Finance Committee member, Commissioner Neal joined the meeting at this point.

6. Chief Financial Officer's Report

Gizelle Banks reported that - Ridership - January's ridership of 507K fell short of the budget by 221K 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 January actuals (7.1M riders through December 2021) show mixed results across the spectrum - when compared to the budget (-30.3%), 2020 actuals (6.6M riders) and 2019 pre-COVID actuals (15.5M riders).

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. However, January's farebox recovery decreased from 7.25% in the prior to 7.21%.

Gizelle Banks reported that - FERRY - Farebox Recovery Rates 2021 vs. 2019 (Pre-COVID) - The increase in farebox recovery from 9.51% in December to 9.87% in January is a result of a slight change in passenger revenue and a decrease in operating expenses.

Ms. Banks pointed out that at Commissioner Raymond's suggestion, the order of the financial slides had changed.

Regarding the January 2022 Summary of Sources, Ms. Banks reported that the increase in Sales Tax revenue as of late 2021 continued and noted a 57% positive variance between the Budget and Actuals. Ms. Banks reported that \$11.2M was budgeted for Federal Capital Funding given busses and payment for them had been anticipated for January 2022. Regarding the Operating Reserve, Ms. Banks reported a \$2.9M deficit has been budgeted for the typically slow month of January 2022; however, a \$360K surplus for Actuals was reported.

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 for January, fared within 1% of the budget, or \$10K.

Regarding January 2022 Summary of Uses, Ms. Banks reported that the investment in maritime operations was reflected therein. Mr. Wiggins added that the government relations team was working to secure additional monies from the state given the investment that was made to stabilize and provide maintenance for the fleet. In reply to Commissioner Walton's question, Mr. Wiggins clarified that RTA received \$5.7M through a federal grant, and that additional monies available through the State will be sought. Ms. Banks added that recovery funds were used to subsidize the deficit in operations. Total Expenditures were reported as under budget for January 2022.

Gizelle Banks reported that - Operating Expenses - Labor and Fringe Benefits, the largest expenditure at \$6.1M, comprised 66.5% 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 \$194K positive variance.

Gizelle Banks reported that - Net Revenue (Before Government Assistance) is \$853K for the month of January. This positive position is largely attributable to \$988K in Net Operating Revenue for the month. After applying the month's \$1.2M in Government Operating Assistance, and accounting maritime operations, Net Revenue totaled \$1.1M.

Gizelle Banks reported that - Operating Reserve - The strong positive variance from Net Revenue \$1.1M (After Government Assistance) was offset by \$777K in Debt Service, resulting in approximately \$361K in Restricted Operating/Capital Reserve.

[January 2022 Financials]

[22-057](#)

Commissioner Raymond joined the meeting at 11:33 am, before the DBE Report.

7. DBE Report

Adonis Expose' reported that the RTA awarded a total of \$6,206,511 in contracts and \$5,025,500 was awarded to DBE Prime Contractors. The DBE participation was 81%.

Current DBE Projects:

CMAR - Canal Street Ferry Terminal (Construction) - 5%

Security Services - 8%

Disaster Recovery Grants Management and Administration - 31%

Riverfront Track Work & Overhead Catenary - 10%

Transit Ferry Services - 0%

East New Orleans Maintenance Building - 11%

St. Charles Streetcar Line Downtown Loop Pavement Replacement - 55%

OCS Pole Replacement - 0%

Business Intelligence & Data Management Reporting System - 0%

On Call Technical Support - 0%

Napoleon Facility Renovation & Upgrade - 0%

Current SBE Projects:

DBE Consulting Services - 46%

Construction Cost Audits - 49%

On Call A&E Services for Design of Interim Downtown Transit Hub - 0%

Vegetation Control on Streetcar Lines - 0%

Facility Maintenance & Construction Support Services - 0%

Upcoming DBE/SBE Projects:

Leadership & Change Management Training - 100% SBE

Classification, Compensation Health & Retirement Benefits Consultant - 100% SBE

Transit Security Services - 23% DBE

Short-Term Janitorial Services - 100% SBE

8. Infrastructure & Planning Report

Lona Hankins reported the following:

Open Projects:

Riverfront Streetcar - Service was restored, and contract close-outs are in progress. Some work will linger given the interface with the Canal Street Ferry Terminal project.

St. Charles Streetcar; Downtown Loop Pavement Replacement - Returned to service March 6, 2022, and punch-list items are being addressed.

Canal Ferry Terminal - Pile driving has been completed, and concrete is being poured into the pile-caps.

ENO Maintenance Bldg. Exterior Envelope - This project is scheduled to be completed in March 2022.

Napoleon Facility Rehabilitation - Procurement is working on the notice to proceed, and this project should start in April 2022.

Engineering:

Rampart Streetcar Restoration: Recovery from Hard Rock Hotel Collapse - The final internal meeting between engineering and rail staff took place 3/10/22. This project will be advertised within the next week or two.

2021 Non- Advertising Shelter - This project will be advertised for the procurer and installation of shelters within the next week or two. The newly hired Facilities Stop Manager will address shelters and stop maintenance.

Interim Downtown Transfer Center - The design process has started, and RTA is working with external stakeholders at the city to address challenges. Ms. Hankins feels confident the center will be operational in September 2022.

Algiers Point Ferry Terminal Rehabilitation and Modernization - Finalizing internal project design/project charter.

Lower Algiers Car Ferry Terminal and Maintenance Barge Renovation - Awaiting clearance to begin.

Planning:

Bus Rapid Transit (BRT) Feasibility Study - The study is moving rapidly. Design and cost estimate options should be ready by the middle of summer 2022.

Regarding 2021 carryover applications, Ms. Hankins reported that RTA was awarded \$5.6M in federal dollars for the 5307 Passenger Ferry Grant. The agency is awaiting announcements

regarding the Areas of Persistent Poverty Grant Program and the 5339 Bus and Bus Facilities grant.

Ms. Hankins reported the Bus and Bus Facility and Lo-No grant applications for 2022 will be due May 31, 2022. The application for Bus and Bus Facility grant for 2022 will be used to replace the fleet. Alex Wiggins noted that Finance Committee input will be sought before submitting applicable grant applications.

In response to Commissioner Walton's question, Lona Hankins confirmed it is not known when 2021 awards will be announced; and Commissioner Walton offered to assist in obtaining that information.

9. Procurements

Classification and Compensation Study

[22-023](#)

Commissioner Walton moved and Commissioner Tiller seconded to adopt the Classification and Compensation Study. The Motion was adopted unanimously.
Enactment No: 22-015

TVM Machine Purchase

[22-024](#)

Commissioner Walton asked if all three TVM machines would be located downtown, and Yolanda Rodriguez confirmed, stating that two machines would be located at Duncan Plaza and the third location be determined by a steering committee. Commissioner Walton asked to confirm the number of machines that would be purchased, to which Mr. Wiggins replied that they limited the number of machines given existing grant funding would be used and the move away from TVM machines towards mobile technology.
Enactment No: 2-016

Deferred: 22-027 Rail Maintenance Vehicle Purchase

This item was deferred.

Deferred: 22-031 Bus Diagnostic and Repairs

This item was deferred.

Deferred: 22-034 RTA Mentor Protege Program

This item was deferred.

Deferred: 22-040 Leadership & Change Management Training

This item was deferred.

Deferred: 22-046 Print Services for RTA Printed Materials

This item was deferred.

Authorization to procure Clever System to integrate Ferry Mode

[22-048](#)

Commissioner Walton moved and Commissioner Tillery seconded to Procure Clever System to Integrate Ferry. The Motion was approved unanimously.

Enactment No: 22-018

Deferred: 22-052 On-Site COVID-19 Testing Services

This item was deferred.

Mr. Wiggins reported this resolution may not move forward in the future given the number of COVID-19 tests the government has provided at no cost, and that this expenditure would be revisited in 30 days.

Commissioner Raymond asked if the extension of the TSA mask mandate would have any bearing on the decision to move forward with this expenditure. Mr. Wiggins replied that it would indeed be taken into consideration in conjunction with COVID numbers in 30 days.

Commissioner Raymond and Mr. Wiggins would continue to discuss this item offline.

10. New Business

None.

11. Audience Questions & Comments

None.

12. Adjournment

Commissioner Tillery moved and Commissioner Wegner seconded to adjourn the March 10, 2022 Finance Committee Meeting. The motion was approved unanimously.