



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes - Draft

Thursday, December 12, 2024

11:00 AM

RTA Board Room

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 12, 2024 at 11:00 a.m. Meetings start at the scheduled time, but may be delayed until a quorum of the Commissioners is present. The agency's website will stream the in-person meeting live, and wearing masks in the boardroom is optional.

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.

This meeting is accessible to persons with disabilities. To help assure availability, modifications or accommodations linked to a disability must be requested 72 hours before the meeting or hearing. Please direct requests for public meeting accommodations to the Office of Board Affairs, 2817 Canal Street, NOLA 70119, or call 504-827-8341 or by email (rtaboard@rtaforward.org).

1. Call To Order

2. Roll Call

Commissioners Present: Commissioner Walton, Commissioner Colin and Commissioner Daniels

Commissioners Also Present: Commissioner Guidry and Commissioner Neal

3. Consideration of Meeting Minutes

[Finance Committee Meeting - July 11, 2024]

[24-136](#)

Commissioner Daniels moved and Commissioner Colin seconded to approve the Meeting Minutes from the July 11, 2024, Finance Committee Meeting. The

meeting was approved unanimously.

4. Committee Chairman's Report

No Report.

5. Chief Executive Officer's Report

The CEO reported that several procurements would be brought before the Board for approval to rectify items that were identified in the audits that were done on the Paratransit Department. She stated that staff was looking into changing the scheduling software, and looking into bringing a consultant with industry experience in Paratransit clear up the department deficiencies.

The CEO further reported that the Internal Audit Department job was to investigate different departments and correct the necessary deficiencies. The audit done on the Paratransit Department was completed in July, because the Board did not meet the audit was not presented to the Board. The auditor has clarified some items that was stated in the audit report. Also, the employees that were not qualified for overtime did not receive overtime pay and employees supervisors approve all overtime pay and there are controls in place in the Finance System to make sure that employees who are not eligible for overtime are not paid.

In response to a question from Commissioner Colin regarding overtime, the CFO reported that normally overtime was not presented in the Financial Reports. Commissioner Colin then requested to start receiving an overtime payment report later.

In response to a question from Commissioner Walton, the CEO reported that she commissioned the Internal Audit Report on the Paratransit Department so that the new Chief Transit Officer understood the issues in that department.

The agency is currently interviewing candidates for the Chief Transit Officer's Position and once hired that person will hire a Paratransit Director.

The agency is holding a Stuff The Bus event for Convenient House.

6. Chief Financial Officer's Report

The CFO presented the monthly financial report. This report can be found in the PowerPoint Presentation for the Finance Committee Meeting.

The CFO reported that the Chalmette Ferry was out of service due to the Cost Guard regulations that is why fare box recovery was down. In response to a question from Commissioner Colin, the CFO reported that the fare box Recovery Rate was ridership and operating expenses.

7. RTA's CY2025 Operating and Capital Budget

The CFO presented the RTA's CY2025 Operating and Capital Budget Report. This report can be found in the PowerPoint Presentation for the Finance Committee Meeting.

The CFO reported that the cash was collected by farebox system and when the fare boxes are updated on the buses and streetcars they will also be updated on the ferries .

RTA CY2025 Operating and Capital Budget

[24-130](#)

Commissioner Daniels moved and Commissioner Colin seconded to approve the RTA's CY2025 Operating and Capital Budget. The motion was approved unanimously.

8. DBE Report

The DBE Report was presented by staff. This report can be found in the PowerPoint Presentation for the Finance Committee Meeting.

In response to a question from Commissioner Colin, it was reported that the agency's DBE Goal is 32% and currently the RTA was at 28%. It was further reported that for the Transit Ferry Services the DBE goal was 10% and is currently at 20%. The correct title for the Janitorial Project was Temporary Janitorial Services and this project was 100% Small Business.

9. Chief Planning and Capital Project Officer's Report

The Chief of Planning and Capital Projects presented the monthly planning report. This report can be found in the PowerPoint Presentation for the Finance Committee Meeting.

In response to a question from Commissioner Colin, The Chief Planning Officer reported that the drawings for the Algiers Ferry Building Renovation should be on the RTA website. The CEO stated that once the consultants are identified all the drawings will go up around the construction site.

In response to a question from Commissioner Walton, The Chief Planning Officer stated that each transit hub will have its own infrastructure to power the vehicles. The CEO added that the RTA has received \$170M of competitive Federal Grants. Commissioners Walton and Colin congratulated staff on receiving the \$170M from Federal Grants. Commissioner Colin then requested to meet with the Chief Planning Officer to go over all the active capital projects.

10. Procurements

A. Authorizations:

A Cooperative Endeavor Agreement (CEA) between
Plaquemines Port Harbor & Terminal District and the
Regional Transit Authority (RTA)

[24-032](#)

The CEO reported that this agreement was for 3-5 years and the RTA will only pay for this service if needed and the terms can all be extended if necessary.

Commissioner Daniels moved and Commissioner Colin seconded to approve the CEA between Plaquemines Port Harbor & Terminal District and the RTA. The motion was approved unanimously.

Enactment No: 24-062

Clever Devices Contract Award for Software Services

[24-093](#)

Commissioner Colin moved and Commissioner Daniels seconded to approve the Clever Devices Contract Award for Software Services. The motion was approved unanimously.

Enactment No: 24-071

Swiftly Contract Award for Software Services

[24-116](#)

In response to a question from Commissioner Guidry, the CEO stated that the On-Time Performance needed from Clever is not delivered in a timely matter whereas Swiftly will deliver the information in a timely matter. She further stated that Swiftly does more than Clever does. Commissioner Guidry then requested more information from staff regarding this contract.

Commissioner Daniels moved and Commissioner Colin seconded to defer this item to the full Board Meeting and from under the Consent Agenda. The motion was approved unanimously.

CY 2023 Single Audit Acceptance

[24-121](#)

Commissioner Daniels moved and Commissioner Colin seconded to approve the CY2023 Single Audit. The motion was approved unanimously.

Enactment No: 24-065

CY 2023 Financial Audit Acceptance

[24-122](#)

Becky Hammond gave the CY2023 Financial and Single Audit. This report can be found in the Finance Committee PowerPoint date December 12, 2024.

Becky Hammond gave an Unmodified Opinion (clean) audit on the financial statements.

Summary of Findings:

Material Weakness: Preparation of Schedule of Expenditures of Federal Awards and Reconciliation of Grant Revenue

Significant Deficiency: Internal Control over Accrual Process for Accounts Payable

Significant Deficiency: Internal Control Over Self-Insurance Case

Reserves and Structured Settlements

Compliance: Timely Submission of Audit to Legislative Auditor

Commissioner Neal stated that he would like to meet with Becky Hammond regarding the legal settlements.

In response to a question from Commissioner Colin regarding legal settlements, the CEO reported that staff will bring forward a policy on the Legal Department regarding settlements. The CFO reported that a lot of the findings were due to the Oracle implementation and has been resolved. Becky Hammond stated that all these findings are listed in the Audit. Commissioner Walton stated that Oracle was a more user friendly system.

Commissioner Daniels moved and Commissioner Colin seconded to approve the CY2023 Financial Audit Acceptance. The motion was approved unanimously.

Enactment No: 24-066

Rail Tamping Machine Contract

[24-123](#)

It reported that the Maintenance Dept always had a manual machine never an automated machine for tamping. This machine will reduce the maintenance cost. The name of the company the machine will be purchased from is Harsco.

Commissioner Daniels moved and Commissioner Colin seconded to approve the Rail Tamping Machine Contract. The motion was approved unanimously.

Enactment No: 24-067

Cooperative Endeavor Agreement Between the City of
New Orleans and the Regional Transit Authority for Algiers
Ferry Terminal Funding

[24-128](#)

Commissioner Daniels moved and Commissioner Colin seconded to approve the CEA between the City of New Orleans and the RTA. The motion was approved unanimously.

Enactment No: 24-068

Fixed Route: 8 - Cutaway Buses

[24-127](#)

Commissioner Colin moved and Commissioner Daniels seconded to approve the Fixed Route 8 - Cutaway Buses. The motion was approved unanimously.

Enactment No: 24-069

Award Pivotal Engineering Transit Stops Inventory

[24-129](#)

Improvement Project

The CEO reported that most of these projects will be reported on in the Capital Project Report. In response to question from Commissioner Guidry, the Chief Planning and Capital Projects Officer reported that Trapeze does not have the necessary information needed for this Capital Project.

Commissioner Daniels moved and Commissioner Colin seconded to approve the Pivotal Engineering Transit Stops Inventory Improvement Project. The motion was approved unanimously.

Enactment No: 24-070

B. Amendments:

NeoGov Contract Renewal (2025)

[24-112](#)

Commissioner Colin moved and Commissioner Daniels seconded to approve the amendment of the NeoGov Contract. The motion was approved unanimously.

Enactment No: 24-063

11. Reconsiderations

Janitorial Services Permanent Contract-EDS

[24-080](#)

Wayne August - August Building Maintenance asked that the Board reject the current contract award. He stated that his company has been providing Janitorial Services for the RTA for 17 years. His company is 100% DBE, and his company won the original bid for temporary janitorial service then later a protest was received for this contract. He stated that his cost is lower than the contract up for award and this company is based in Baton Rouge and takes jobs from people in New Orleans.

Kevin Gray - EDS - Is a non-profit agency that has been in business for 40 years. The State Use Law was passed to help the disabled community in Louisiana. They work with various non-profit agencies in Louisiana. The workers for this contract would be provided by Goodwill New Orleans so all the workers will be local. 70% of the workers would be disabled and the current contracts that they have are with the State Supreme Court, Jefferson Parish DA, NOCCA and the Louisiana National Guard. The unemployment rate for the disabled is between 55-70%.

In response to a question from Commissioner Colin, Kevin Gray stated that they plan on employing 15 individuals which includes workers and supervisors.

Scottie Leblanc - Goodwill Industries - All the money for this contract will go to the employees and Goodwill was not looking to make money on this contract. This program helps veterans, kids aging out of foster care and re-entry

programs. Job coaches are on hand to help the employees with their jobs. Currently they employ 270 individuals. Goodwill Industries currently purchase passes for the re-entry program and for the veterans.

In response to a question from Commissioner Daniels, Ronald Baptiste stated that 2 solicitations were offered and once the bid was awarded they were errors that was found internally and the bid had to be canceled because each respondent prepared their bid based on flawed data and another solicitation was offered and that process was also flawed and staff decided to go with the State Contract and ABM has continued to do the Janitorial Services.

In response to a question from Commissioner Daniels, the Procurement Director stated that another solicitation would have to go out for August to bid on for Janitorial Services and this is a Small Business Award. On average 3-5 Small Business would respond to the past solicitation.

In response to a question from Commissioner Walton about staff, the Procurement Director stated that both issues were resolved and neither employees are employed with the agency. Commissioner Daniels stated that it was unfortunate that the process did not meet the Procurement Rules and Regulations.

Commissioner Colin inquired why staff has chosen to go with the State Contract and not go through the regular Procurement Process. Commissioner Daniels added that this is a difficult conversation that needs to take place, because someone is going to lose.

The CEO stated that if the RTA re-bids the contract there is no guarantee that ABM will win the bid. The CEO reminded the board that this contract is month to month.

Commissioner Walton stated that he has found out more information regarding this contract today at this meeting than he has ever had. He stated that he is inclined to move this item to the full Board. He does not want the Board to make a rush decision on these services. He wanted the full Board to receive all the information that he received today before a decision is made. He wants to make sure that staff does everything to prevent this from happening again.

Commissioner Daniels stated that the committee will not vote on this today and the Board will receive all the necessary information needed to decide. Commissioner Colin added that the Board is making sure that it is doing its due diligence on this contract.

Wayne August stated that the day the Board was going to approve his contract a protest was done, and the RTA did not follow its own Procurement Process when dealing with the protest for this project.

Kevin Gray stated that all of this could have been avoided just by awarding his

agency the contract from the State Contract and Commissioner Walton stated that some Board Members may have an issue with the State Contract process.

Commissioner Daniels moved to defer this item until the full Board Meeting
Commissioner Colin seconded. The motion was approved unanimously.

Enactment No: 24-072

12. New Business

None.

13. Audience Questions & Comments

14. Adjournment

Commissioner Daniels moved and Commissioner Colin seconded to adjourn the Finance Committee Meeting on December 12, 2024. The motion was approved unanimously.

[12.12.24 Finance PowerPoint]

[24-145](#)