



2817 Canal Street  
New Orleans, LA 70119

## **New Orleans Regional Transit Authority Finance Committee**

### **Meeting Minutes**

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**Thursday, August 12, 2021**

**11:00 AM**

**Virtual**

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The New Orleans Regional Transit Authority's Board of Commissioners hereby certifies that it will convene a meeting on Thursday, August 12, 2021 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**
- 3. Consideration of Meeting Minutes**

[Meeting Minutes of July 8, 2021]

[21-119](#)

Commissioner Tillery moved and Commissioner Wegner seconded to approve the minutes of the Finance Committee Meeting - August 12, 2021. The motion was approved unanimously.

- 4. Committee Chairman's Report**

Commissioner Raymond reported that the RTA had a 94% Vaccination Rate.

Commissioner Raymond on behalf of the Board sent its heartfelt condolences to the family of Operator Brian Jackson.

- 5. Chief Executive Officer's Report**

Alex Wiggins reported that 94% of staff was fully and/or partially vaccinated and those that were not vaccinated was not allowed to work until they have exhausted all of their PTO time and this does not affect service.

In response to Commissioner Walton, Alex Wiggins reported that about 5.9% of RTA's staff have refused a vaccination and under 1% has asked for an exemption and a very small number has not been vaccinated and hopefully they will be encouraged to take the vaccine.

In response to Commissioner Walton, Alex Wiggins reported that 49 employees have not taken the vaccine.

In response to Commissioner Wegner, Alex Wiggins reported that each unvaccinated employees has until their PTO time runs out before a decision is made on employment.

## 6. Chief Financial Officer's Report Chief Financial Officer's Report (June Financial Statements)

[June Financials]

[21-120](#)

Gizelle Banks reported that June's Ridership of 685k outperformed the budget for the first time this year by 6.5% or 42k passengers. This result, however, represents a 7.4% drop when compared to May's ridership. The decrease in riders from May to June is a consistent occurrence historically. Year-to-date comparisons to June actuals show improved but continued negative results across the spectrum - when compared to the budget (7.2%), 2020 actuals (3.4%) and 2019 pre-COVID actuals (56.6%).

Gizelle Banks reported that - Operating Cost Per Unlinked Passenger Trip 2021 vs. 2019 (Pre-COVID) - There was a spike in the cost per passenger trip for the month of June, up by \$2.49 from the prior month.

Gizelle Banks reported that - Ferry - Operating Cost Per Unlinked Passenger Trip 2021 vs. 2019 (Pre-COVID) - Ferry cost per passenger trip has remained relatively consistent since March, with June bringing a sizable \$1.23 decrease in the cost per trip. This is encouraging since slight increases have been mounting since April.

Gizelle Banks reported that - Farebox Recovery Rates 2021 vs. 2019 (Pre-COVID) - Fare revenue continues to offset a significantly lower percentage of operating expenses. The fluctuation in rates persists with June's farebox recovery decreasing this month by 2.2% from May's rate. This decline ranks as the largest so far this year.

Gizelle Banks reported that - Ferry - Farebox Recovery Rates 2021 vs. 2019 (Pre-COVID) - Ferry ridership has dropped drastically because of the pandemic, causing fare revenue to offset a significantly lower percentage of operating expenses. In June, the farebox recovery rate for ferry operations rose by 3.5%, making it this year's highest performing month.

Gizelle Banks reported that - Operating Revenues (Budget, Actual & Prior Year) - Overall, Operating Revenues display positive results for the month when compared to the budget and prior year. (Note that fare collections were suspended in April 2020.) Although only slightly, Passenger Fares exceeded the budget for the first time this year by .67%. When compared to May's fare collections, June's actuals fell by 3.5%. CNO sales tax collections through May have been received, exceeding expectations by \$5.1m or 20.8%.

Gizelle Banks reported that - Operating Revenues (Actual) - Of the \$8.6m in

Operating Revenues, 75% or \$6.5m is derived from General Use Sales Taxes.

Gizelle Banks reported that - Operating Expenses - Labor and Fringe Benefits, the largest expenditure at \$4.7M, comprised 61% of this month's actual expenses. Staff's post-transition payroll analysis and true-up continue. 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 2.6% or \$203k positive variance.

Gizelle Banks reported that - Net Revenue (Before and After Government Assistance) - Net Revenue (Before Government Assistance) is \$482k for the month of June. This positive position is largely attributable to the \$1.0m in Net Operating Revenue for the month. After applying the month's \$6.5m in Government Operating Assistance, which included \$5.2m in CRSRSAA Act funding, Net Revenue increased to almost \$7.0m.

Gizelle Banks reported that - Capital Expenditures and Debt Service - As result of the bond refinancing in September 2020, Debt Service was dramatically reduced by \$390k from prior year actuals for the month and by \$3.1m year-to-date.

Gizelle Banks reported that - Operating Reserve - The positive variance that resulted from Net Revenue (After Government Assistance) added \$6.2m to Restricted Operating/Capital Reserve after the offset of \$777k in Debt Service.

Gizelle Banks reported that - Maritime Operations - Passenger fare revenue for ferry operations increased by \$10k over the prior month. This represents the fourth straight month of positive results, a further indication of possible recovery. Recall that fare collections were suspended in April 2020 system-wide. June 2021 operating expenses, however, produced mixed results - over budget by \$228k and down by \$390k from the prior year.

Gizelle Banks reported that for the month of June total revenue \$10.5 Million actual \$15.1 Million and the year to date actual was \$6.7 Million.

Gizelle Banks reported that the actual expenses for the month was \$8.9 Million and 10 Million was budgeted and expenses year to date was \$62.6 Million and expended \$60.8 Million and this was still under budget.

In response to Commissioner Walton, Gizelle Banks reported that staff was tracking what the Delta Variant would do to the budget.

## 7. DBE Report

[DBE Presentation]

[21-128](#)

Adonis Expose reported that for the month of July \$13,514,475 worth of contracts were awarded and \$6,532,383 was awarded to DBE Firms and \$6,611,285 was awarded to DBE/SBE Prime Contractors. The total DBE participation was 49%.

Adonis Expose reported that nothing has changed from last month but the Insurance Coverages with a contract worth \$3,612,078.

Adonis Expose reported that two new projects were added to the DBE List the East New Orleans Maintenance Building and the St. Charles Streetcar Line Downtown Loop Pavement Replacement.

Adonis Expose reported that the current SBE Projects added the Vegetation Control on Streetcar Lines.

Adonis Expose reported that the upcoming DBE/SBE Projects to be awarded was the Napoleon Facility Renovation & Upgrade and OCS Pole Replacement and the current solicitations was Replaced Construction Contractor for Emergency Purposes and the Facility Maintenance and Construction Support Services.

Adonis Expose reported that the DBE/SBE Outreach Events was scheduled for today, August 12, 2021 at McDonald 35 for 5:30 but this event was changed to a virtual event The RTA partnered with the City of New Orleans, Ernest Morial Convention Center, the Port of New Orleans and the New Orleans Public Schools for this event

Adonis Expose reported that the RTA was going to hold a webinar with New Orleans Regional Black Chamber on August 26, 2021.

Adonis Expose reported that regarding the Canal Street Terminal Project the prime was doing more marine work and by the end of the year they will begin to use more DBE's.

## 8. Infrastructure & Planning Report

[Monthly Report for August]

[21-116](#)

Lona Hankins reported on the History of Shelter Spending and in CY 2019 \$134,704 was budgeted and was spent on 6 shelters. CY202 \$630,530 was budgeted and \$630,530 was spent on 43 shelters and 5 shelters were on hold due to the Hard Rock Collapse. CY2021 \$500,000 was budgeted and that was self-generated funds the prior years grant funds were used on the shelters.

Lona Hankins reported that \$500,000 of self-generated funds would allow the installation of approximately 16 new non-advertising bus shelters. Staff identified 42 possible bus stop locations for installation of shelters, and the A/E will prepare a construction package and a A/E Firm along with RTA staff will establish a selection criteria that would engage RTA riders.

Lona Hankins reported that staff was behind on the schedule that was presented to the community for the shelters and the Notice to Proceed was not issued until

May and the Engineering report stated that 26 of the 42 locations were feasible to install and a Prioritization Matrix was needed and the Engineering Report will be completed in November.

Lona Hankins reported that staff has a Fixed Route Service Standards & Guidelines and you have to have 30 people and 30 boardings in order to earn a shelter, how long people are waiting was a criteria, is it a transfer route and the propensity index that is grounded in equity will be used to determine these shelters.

Lona Hankins reported that the ADA compliance requires bus stops, shelters, and sidewalk connections are also compliant and the City of New Orleans and RTA are required to bring all bus stops and connections into ADA Compliance by 2028.

Lona Hankins reported that in 2021 the RTA committed \$500,000 of self-generated funds to the shelter project and an additional \$742,000 in formula grant funds. The RTA does not have any spare parts for these shelters so \$250,000 was budgeted for spare parts and the 2022 budget will have a budget for the maintenance of the shelters.

In response to Commissioner Wegner, Lona Hankins reported that you can't have advertising shelters in every location.

In response to Commissioner Wegner, Lona Hankins reported that the RTA's current vendor stated that the RTA has put advertising shelters in all possible locations.

Lona Hankins reported on the following:

Shelter Installation Phase 2 - On-Hold

Canal Ferry Terminal Project - Construction

Riverfront Streetcar - Construction

Repair of Sewer Lines - Construction

ENO Exterior Envelope Repair to Maintenance Building - Construction

Recovery from Hard Rock Collapse: Rampart Streetcar Line Phase 1 (Canal Street) - Construction

St. Charles Streetcar Line Downtown Loop Pavement Replacement Phase 2 - Construction

Napoleon Facility Rehabilitation - Procurement - One Vendor bid higher than expected, working on a recommendation on how to proceed.

Lona Hankins reported that the RTA did not receive the FEMA Transit Security Grant and staff was currently working on the Areas of Persistent Poverty Program for ADA and Shelter Stops Program and Workforce Development. Staff was also working on the American Rescue Plan Act, Travel, Tourism and Outdoor Recreation (ARPA Tourism) Grant that would include Fare System Technology and Rider/Tourism Worker Amenities.

## 9. Fare Technology Presentation

[Fare Technology Slide Presentation]

[21-129](#)

Chase Haislip reported that staff needed to look at where we are and where we want to be, identify the immediate needs and what are the RTA long term goals. Currently there are some existing grant funding for fare collection that needed to be spent on a timely basis, purchase new buses with technology enabled fare collection, spend capital dollars with flexibility in mind related to long-term goals and continue operating service efficiently in terms of fare collection.

Chase Haislip reported that the RTA Long-Term Goals was a new policy with equitable fare collection and fare pricing, a modernized fare system with efficient collection and accounting, fully accessible fare products that meet the needs of the community and the regional integration of fare policy and structure.

Chase Haislip reported that the required steps was to implement near-term Fare Technology Improvements - Ensure RTA maximizes its expenditures of available grant funding to improve ferry fare collection and existing IT infrastructure, Complete Permanent Fare Study - Examination of fare policy and structure of peer agencies to deliver recommendations for pricing, fare collection and fare policy, Board Approved New Fare Policy, Develop - Creation of RTA's Fare Policy to define broader mission and goals for passenger fares; guide future pricing decisions and guide technology investment decisions, implement New Fare Collection System and Technology - Procurement and delivery of new fare technology to improve fare collection and system efficiency and Compete Integration with Regional Partners - Integration of RTA fare pricing, fare products, and fare collection with regional partners.

Dwight Norton reported that technology around fare collection has evolved rapidly compared to other systems our size and the fare policy will help guide the decision making regarding technology.

Chase Haislip reported that the agency priorities was Equity, Innovation, Word-Class Rider Experience, Regional Connections and Workforce Development.

Chase Haislip reported that staff has a very aggressive schedule to implement these critical initiatives. The Near-Term Technology Improvements will be done by December 2021. The Permanent Fare Study and Fare Policy Implementation would be back before the Board in November 2021. The Immediate Fare Changes would take place in January 2022 and Full Implementation of New Fare Collection System and Technology would take place in Spring of 2022.

Chase Haislip reported that the Immediate Next Steps was the Ridership Survey Release, Operator Interviews and Permanent Fare Study.

The Commissioners liked the presentation and stated that it was a great report.

## 10. Temporary Downtown Hub Update

[Temporary Downtown Hub Presentation]

[21-127](#)

Dwight Norton reported that the Interim Downtown Transit Hub was based on Purpose and Need, Alternative Considered, Proposed Site Overview, Detailed Site Improvements, Amenities and Opportunities, Schedule and Preliminary Budget.

Dwight Norton reported that Duncan Plaza was ultimately settled on an emergency relocation transfer point since October 2019 and the RTA Board approved a permanent location for a downtown transfer center on Basin St. at Canal St. and the permanent facility was going to take 4-5 years to complete so an interim solution was required.

Dwight Norton reported that staff was looking to reduce transfer distances between stop locations, provide riders an operator amenities, reduce turnaround time for buses, improve pedestrian safety and maintain public safety improvements.

Dwight Norton reported that the alternatives considered was the Pre-Hard Rock, Duncan Plaza and the Main Library.

Dwight Norton reported the following:

Site A - Elks Place - All the New Orleans East Buses would stop at this location but they will also continue the usual route downtown. New shelter awnings will be installed to cover the benches.

Site B - Tulane Avenue (Inbound) - All the Westbank Buses would stop at this location but the sidewalk would be made ADA compliant and the shelter would be replaced with a larger shelter.

Site C - Loyola Avenue would be used for Gentilly, Uptown and Downriver and the sidewalk would be extended and install a new 24' ad shelter and the Blue Bikes would have to be relocated.

Site D - Gravier St. would be used for the Tulane Bus and the Library welcomes the activity. The sidewalk would be replaced for ADA compliance and a 24' ad shelter will be installed.

Dwight Norton reported that the Amenities and Opportunities that will be added would be a ticketing/supervisor booth, operator-only restrooms, real-time information, lighting/seating and extend library programming.

Dwight Norton reported that the process included working with the City and Stakeholders, would need Board Approval, Surveying & Design (on-call), Permitting (CON) and Construction (on-call).

Dwight Norton reported that the Preliminary Budget for this project was a total

cost of \$808,806.

In response to Commissioner Wegner, Dwight Norton stated that the \$334,170 was the installation cost.

Commissioners stated that this was a great report.

## **11. New Business**

None.

## **12. Audience Questions & Comments**

Alex Posorske stated that the reports given at the Finance Committee were great reports regarding the Downtown Hub and the Bus Shelter Report.

## **13. Adjournment**

Commissioner Tillery moved and Commissioner Wegner seconded to adjourn the Finance Committee Meeting of August 12, 2021. The motion carried unanimously.