



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes

Thursday, May 13, 2021

11:00 AM

RTA Board Room

The New Orleans Regional Transit Authority does hereby certify that it is unable to hold a commission meeting under regular quorum requirements due to COVID-19. On authority of the Governor under Section 2 of Proclamation Number 84 JBE 2020, the next Commission meeting will be held via telephone and/or video conference on Thursday, May 13, 2021 at 11:00 am. All efforts will be made to provide for observation and input by members of the public.

- 1. Call To Order**
- 2. Roll Call**
- 3. Consideration of Meeting Minutes**

approved

[Finance Committee Minutes - April 8, 2021]

[21-070](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the minutes of April 8, 2021. The motion was approved unanimously.

- 4. Committee Chairman's Report**

No Recording.

- 5. Chief Executive Officer's Report**

Alex Wiggins reported that regarding the Colonial Pipeline Cyber Attack the service along the pipeline was restored and the RTA had no disruption to its fuel service and currently the RTA was going through its own Cyber Security Audit.

Alex Wiggins reported that the Return To Service Plan would include a Temporary Fare Reduction Plan - for 6 months to lower the pass prices, eliminate transfer fees and reduce the prices of the express fares. These actions should bring more riders to the system.

Alex Wiggins reported that the RTA was going to host the 13th Annual Virtual ADA Hurricane

Preparedness Meeting on May 18, 2021 via zoom.

Alex Wiggins reported that the APTA Rail Conference and the UITP Conference was merged and he was asked to speak at the conference regarding transit Return to Services post COVID-19.

Alex Wiggins reported that the APTA Legislative Conference was held via zoom on May 18-19, 2021.

Alex Wiggins reported that the RTA revealed the New Buses and this new design will help the RTA keep the buses cleaner.

6. Service Restoration/Phased New Links Implementation

Vivek Shah reported that the RTA plan to return to full service on June 20, 2021, improve On-Time Performance, provide service up and down Canal Street by July 1, 2021 and the asphalt on the St. Charles Streetcar Line will be replaced with cement and because of the project the streetcar was going to stop at Howard Avenue and a bus bridge will be put in place of the streetcars. The Canal Street Streetcar/Cemeteries Line will service the UPT Line and the Canal Street Streetcar/City Park Line will continue to the River.

Vivek Shah reported that New Links Implementation was going to start with the St. Charles Streetcar Line - Right-sizing service during off-peak times based on ridership. The St. Claude peak service was going to be every 15 minutes overnight and service would run every 30 minutes and this schedule was going to remain for the week. The Jackson-Esplanade will increase to 20 minutes and weekend peak service would run every 30 minutes.

Vivek Shah reported running this service for half of the year the original baseline budget increased to \$5.2 Million.

Dwight Norton reported that the Title VI review of the New Links recommendations consisted of - FTA approve of disparate impact analysis, identify interdependencies of network changes, stops and shelters - relocation requirements and infrastructure build out, detailed operational review of new routes and turns, detailed scheduling and new picks, new printed and electronic maps and schedule materials and communications and outreach planning.

Dwight Norton reported that in the Fall 2021 - small route service adjustments would take place. In the Winter of 2022 major route adjustments would take place and in the Spring of 2022 the remaining recommendations will take place.

Commissioner Raymond stated that this was a great presentation and seeing the cost savings reinvested into the service expansion.

7. RTA Ridership Incentives

Chase Haislip reported that the Fare Structure Adjustment Goals was a way to Simplify the Fare Structure, Introduce Youth and Senior to the transit system passes and reduce the Monthly Pass Cost. Currently the RTA was not engaging the passengers at the monthly pass level and by introducing the youth and senior passes these two core demographics can offer an opportunity to be long term partners with the RTA.

Chase Haislip reported that a very intensive peer study was conducted, the peers were determined based on ridership and demographic information on their passengers. The study tried to understand how many fare products the peers were offering, what the fare structure looked like, what is the cost of the monthly passes and what the peers were doing for reduction of cost during the COVID-19.

Chase Haislip reported that staff has done a base case for the RTA's existing fare structure and the changes that staff was proposing for single fare rides for buses and streetcars was eliminating the up charge for a single ride. The RTA currently charge .25 cents for transfers and charge .25 cents up charge for express service, adjustments can be made that give relief to the passengers by eliminating those up charges so a single ride was going to be \$ 1.25 whether you need a transfer or if riders choose to use an express bus.

Chase Haislip reported that the RTA was looking to introduce a new product under the single fare rides which was the single ride youth ticket that was going to be .50 cents. The RTA was going to introduce the RTA Jazzy Pass that would be usable on all modes of transportation such as the buses, streetcars and ferries. The one-day Jazzy Pass will continue to be \$1.00 respectively for the youths and the .80 cents for seniors. Staff was looking at eliminating the three-day and five-day passes but change the five-day pass to a seven-day pass.

Alex Wiggins reported that the RTA needs to right-size the pricing of the streetcar rides and this would be an opportunity to generate some additional revenue.

Chase Haislip reported that the monthly pass would go from \$55.00 to \$45.00 and the senior and youth passes would be priced at \$14.00 and \$18.00 respectively.

Chase Haislip reported that over the years the RTA fare revenues was between \$17 to \$18 Million and due to COVID-19 the RTA passenger fares went to \$7 Million and during the CY 2021 the RTA can anticipate \$8 Million in passenger fares if the RTA does not return to full service.

8. Chief Financial Officer's Report (March Financial Statements)

Gizelle Banks reported that the Ridership - The actual March ridership of 632K underperformed the budget by 10% or 179k passengers but exceeded February's total by an impressive 38.7%. March 2020 results signaled the beginning of the downward trend in ridership due to the pandemic as the graph illustrates.

Gizelle Banks reported that the Operating Cost Per Unlinked Passenger Trip 2021 vs. 2019 (Pre COVID) - For the first time this year, the cost per passenger trip is less than pre-COVID

levels. This can be attributed to the increase in ridership and the decrease in expenses when compared to the prior two months.

Gizelle Banks reported that the Ferry - Operating Cost Per Unlinked Passenger Trip 2021 vs. 2019 (Pre-COVID) - The ferry operations have also experienced significantly higher operating costs per passenger trip since the onset of the pandemic. While this metric is not at pre-COVID levels, March marked the most notable decrease in cost so far this year.

Gizelle Banks reported that the Farebox Recover Rates 2021 vs. 2019 (Pre-COVID) - With dramatically fewer passenger boardings because of the pandemic, fare revenue continues to offset a significantly lower percentage of operating expenses. In March, however, the farebox recovery rate rebounded from the slump in February, doubling the results to over 10%.

Gizelle Banks reported that the Ferry-Farebox Recover Rates 2021 vs. 2019 (Pre-COVID) - The ferry ridership has dropped drastically because of the pandemic, causing fare revenue to offset a significantly lower percentage of operating expenses. There was, however, some improvement in this area for the month of March, with over a 5% increase from February's results.

Gizelle Banks reported that the Operating Revenues (Budget, Actual & Prior Year) - The adverse impact of the COVID-19 pandemic on Operating Revenues is reflected in the March 2020-to-current year comparisons. Passenger Fares continue to fall short of projections. CNO sales tax collections through March have been received, exceeding expectations for the first quarter by \$1.7m or 11.9%.

Gizelle Banks reported that the Operating Revenues (Actual) - Of the \$6.5m in Operating Revenues, 76% or \$4.9m is derived from General Use Sales Taxes.

Commissioner Raymond asked staff to add the CY2019 Budget to the charts.

Gizelle Banks reported that the Operating Expenses - The Labor and Fringe Benefits, the largest expenditure of \$6.5M comprised 72% of this month's actual expenses. Staff continues its post-transition payroll analysis and true-up. 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.

Gizelle Banks reported that the Net Revenue Before and After Government Assistance) - The Net Revenue (Before Government Assistance) is (\$300k) for the month of March, much more favorable than the previous month. After applying the month's \$1.2m in Government Operating Assistance, Net Revenue ended with a \$900k positive variance.

Gizelle Banks reported that the Capital Expenditures and Debt Services As result of the bond refinancing in September 2020, Debt Service was dramatically reduced by \$658k from prior year actuals for the month and by \$1.9m year-to-date.

Gizelle Banks reported that the Operating Reserve - The positive variance that resulted from Net Revenue (After Government Assistance) added \$330k to Restricted Operating/Capital Reserve after accounting for the payment of \$576k in Debt Service.

Gizelle Banks reported that the Maritime Operations - Passenger fare revenue for ferry operations increased by over 300% for the month of March when compared to the same period in 2020. This is a result of having full ferry operations this year as well as signaling a bit of recovery, since the pandemic began. In contrast, March 2021 operating expenses outpaced those from the prior year by 29% primarily due to the newly negotiated contract with Labmar.

Gizelle Banks reported that the Total Revenue for the month was \$10.5 Million and the Total Usages was \$10.2 Million which reflected a \$300,000 positive variance and the revenue was trending about \$500,000 more than the budget amounts.

9. Infrastructure & Planning Report

9a. May Capital Projects Report

[21-065](#)

Dwight Norton reported that the Shelter Program was currently under Phase 2 and staff was investigating the feasibility of installing shelters at Duncan Plaza.

Dwight Norton reported that the Canal Street Ferry Terminal Project was underway and the contractor was working to complete the demolition of the terminal and will begin the test pile program. The temporary Berthing base was delivered to the C&C's yard. The project is scheduled to be completed by the end of next year.

Dwight Norton reported that the Riverfront Streetcar Line Track Install and Poles Painting - The Riverfront Line Phase 2 will begin in July and this project should only last a couple of months.

Dwight Norton reported that the Repair of the Broken Sewer Lines at Randolph Facility - A kickoff meeting was held on May 4, 2021 and the work was going to start on May 24, 2021 and the project should take 110 days to complete.

Dwight Norton reported that the ENO Exterior Envelope Repair for Maintenance - The Procurement Department sent a letter to the low bidder to respond to the SBE requirements in the contract and staff anticipate the Board approving this project at the July Meeting and the start date for this project was August, 2021.

Dwight Norton reported that the Recovery from Hard Rock Hotel Collapse Canal Streetcar Line - Staff advertised the project on April 30, 2021 and solicited for a contractor to repair the Canal Streetcar Line and staff was looking into restoring the Canal Street Streetcars and have them back into service by July.

Dwight Norton reported that the Algiers Ferry Terminal Rehabilitation and Modernization - Staff was revising the scope of the grant per the guidance of FTA.

Dwight Norton reported that the Napoleon Facility Rehabilitation - This is a

stabilization project of the building and staff has received approval from SHPO and FTA and the Notice to Proceed will be issued in September.

Dwight Norton reported that Lower Algiers Car Ferry Landing Barge Environmental Assessment - The Environmental Assessment should be completed by next month.

Dwight Norton reported that the St. Charles Streetcar Line: Downtown Loop Pavement Replacement Project - This project was to replace the deteriorated asphalt with concrete pavement along the entirety of the St. Charles Streetcar Line Downtown Loop. The project should take 5 to 6 months to complete.

Alex Wiggins reported that the work will be done in phases and the RTA was not going to burden the business owners with negative impacts from the construction.

Dwight Norton reported that the Recovery from the Hard Rock Hotel Collapse Rampart Streetcar Line - AECOM completed the final inspections on April 21, 2021 and provided the RTA with a schedule to complete the Rampart Streetcar Line. AECOM has also provided a Scope of Work to purchase new OCS Poles and staff was working with the Finance Department on funding for the purchase of the poles and staff was going to solicit a vendor to fabricate the replacement of the OCS Poles.

Dwight Norton reported that the St. Charles Streetcar Line: Carrollton Double Crossover - The Site Survey has been completed and Infinity submitted the 60% installation package in early May.

Dwight Norton reported that the Installation for New Non-Advertising bus Shelters - The RTA has self-generated funds to install 16 new non-advertising locations for bus shelters. Staff has identified 42 possibilities locations that meets the shelters criteria and in compliance for the installation. The RTA riders will be engaged in this process.

Dwight Norton reported that the State DOTD 5339 awarded the RTA \$1.3 Million for non-revenue fleet replacement of vehicles and the Low-No Emission: 5339 Grant had a pool of \$180 Million.

Dwight Norton reported that the grants that the RTA was currently pursuing was Katrina/Rita Disaster CDBG and FEMA.

Commissioner Daniels welcomed Dwight Norton to the RTA.

10. DBE Report

Keziah Lee reported that the contracts awarded has gone up from \$1.2 Million to \$2.8 Million.

Keziah Lee reported that staff added to the chart the DBE Participation and there was no

change from the last reporting period in terms of payments. There was an invitation for bid for metal roofing services and staff has been working with the prime to help fulfill the 30.55% DBE goals.

Alex Wiggins stated that he met with Woodward President and made it very clear that their DBE goals need to be met for this project.

11. Procurements

11a. Vehicle Fluids and Lube [21-057](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Vehicles Fluids and Lube. The motion was carried unanimously.
approved

Enactment No: 21-028

11b. Proposed Grant Application Submittal-FY 2021 Section 5307 Allocated Funds [21-058](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Grant Application Submittal-FY 2021 Section 5307 Allocated Funds. The motion was carried unanimously.

approved

Enactment No: 21-031

11c. Proposed Grant Application Submittal-FY 2021 Section 5339 Allocated Funds [21-059](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Proposed Grant Application Submittal - FY 2021 Section 5339 Allocated Funds. The motion was carried unanimously.

approved

Enactment No: 21-032

11d. Proposed Grant Application Submittal-FY 2021 Section 5337 Allocated Funds [21-060](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Proposed Grant Application Submittal - FY 2021 Section 5337 Allocated Funds. The motion was carried unanimously.

approved

Enactment No: 21-033

11e. Renewal of Various RTA Insurance Coverages 2021-2022 [21-061](#)

This item was deferred to the full board.
tabled

Enactment No: 21-037

- 11f.** Rampart Streetcar Line: Emergency Recovery Project Award Construction Project

[21-062](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Rampart Streetcar Line: Emergency Recovery Project Award Construction. The motion was carried unanimously.

approved

Enactment No: 21-029

- 11g.** Transit Security Services

[21-064](#)

Commissioner Wegner moved and Commissioner Walton seconded to approve the Transit Security Services. The motion was carried unanimously.

approved

Enactment No: 21-030

12. New Business

None

13. Audience Questions & Comments

None

14. Adjournment

Commissioner Wegner moved and Commissioner Walton seconded to adjourn the Finance Committee Meeting of May 13, 2021. The motion was approved unanimously.

adjourned