



2817 Canal Street
New Orleans, LA 70119

New Orleans Regional Transit Authority Finance Committee

Meeting Minutes

Thursday, July 14, 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, July 14, 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

Commissioners Present: Commissioner Raymond, Commissioner Coulon, Commissioner Ewell and Commissioner Walton

Additional Commissioners Present: Commissioner Neal and Commissioner DeFrancesch

3. Consideration of Meeting Minutes

[Finance Meeting Minutes - June 9, 2022]

[22-108](#)

Commissioner Coulon moved and Commissioner Ewell seconded to approve the minutes of the Finance Committee Meeting of June 9, 2022. The motion was approved unanimously.

4. Committee Chairman's Report

Commissioner Raymond stated that the Executive Committee held a meeting to discuss the New Links Project and how the agency will communicate the changes to the riding public and staff will be revamping the Strategic Mobility.

5. Chief Executive Officer's Report

Alex Wiggins reported that at the August Meeting staff will present to the Board a Five-Year Projection of RTA's Revenue Sources.

In response to Commissioner Walton, Alex Wiggins stated that normally the RTA would

present a 3-year projection but the Chairman asked for a 5 Year Projection.

Alex Wiggins reported that the RTA went through 2 Financial Audits and staff did an excellent job with both audits. There was only one finding from the Triennial Review and staff was working with the FTA on that finding.

In response to Commissioner Walton, Alex Wiggins reported that the average service on the street was 92% and the operators are calling out due to illness and other issues and compared to other peer properties the RTA was doing a good job.

6. Chief Financial Officer's Report

Gizelle Banks reported that - Ridership - As COVID wanes, ridership gradually recovers while service levels remain steady. However, the number of public transit trips taken by riders in May 2022 (853K) shows a slight decrease of (36K) from the previous month of April 2022. Compared to the prior-year May 2021 (731K) and May 2020 (542K), ridership continues to make a slow but steady recovery.

Gizelle Banks reported that - Farebox Recovery Rates 2022 vs. 2019 (Pre-COVID) - Fare revenue continues to offset a slightly lower percentage of operating expenses as ridership struggles to rebound. May's farebox recovery decreased slightly from 10.9% in the prior month to 10.1%; a total decline of .8%.

Gizelle Banks reported that - FERRY- Farebox Recovery Rates 2022 vs. 2019 (Pre-COVID) - The increase in farebox recovery to -17.46% in May from 13.91% in April is a result of an accounting adjustment.

Gizelle Banks reported that - Operating Revenues Budget, Actual & Prior Year - Overall, Operating Revenues display positive results \$11.7M for the month of May when compared to the prior year \$7.5M due to strong Sales Tax Revenues. Passenger Fares for May fared favorably by \$93K or 12.6% when compared to the budget.

Gizelle Banks reported that - Net Revenue (Before and After Government Assistance) - is \$3.4M for the month of May. After applying the month's \$4.3M in Government Operating Assistance, Net Revenue ended with a \$7.1M for the month of May.

Gizelle Banks reported that - Operating Expenses - Operating Expenses for the month of April is roughly \$8.3M. Labor and Fringe Benefits, the largest expenditure at \$5.2M, comprised 62.7% of this month's actual expenses in total, Operating Expenses for the month of May show a slight increase from 7.9M in April or 5%.

Gizelle Banks reported that - Operating Reserve - The strong positive variance that resulted from Net Revenue (After Government Assistance of approximately (\$4.3M) added \$6.5M to Restricted Operating/Capital Reserve after the offset of \$567K in Debt Service.

In response to Commissioner Raymond, Gizelle Banks reported that the Operating Reserve was actually a surplus.

Commissioner Coulon stated that due to the Zero-Based Budgeting the monies are accounted for in the Reserves.

Gizelle Banks reported that if you take the difference between the Summary of Sources and the Summary of Uses you get the Net if there is a surplus it goes into Operating Reserve .

Alex Wiggins reported that there was an extremely impressive revenue stream that's growing on the monthly pass sales.

Gizelle Banks reported that for Passenger Fare Revenue the RTA was exceeding the budget expectations.

In response to Commissioner Walton, Gizelle Banks reported that the RTA has exceeded the projections to the tune of 59% over what was budgeted.

Alex Wiggins reported that the demand for passes was larger than the RTA could meet.

[May 2022 Financial Statements]

[22-110](#)

7. DBE Report

Adonis Expose' reported that the RTA awarded a total of \$8,417,785 in contracts and \$6,719,611 was awarded to DBE Prime Contractors. The DBE participation was 80%.

Current DBE Projects:

CMAR - Canal Street Ferry Terminal (Construction) - 8%
Disaster Recovery Grants Management and Administration - 35%
Riverfront Track Work & Overhead Catenary - 10%
Transit Ferry Services - 11%
East New Orleans Maintenance Building - 19%
St. Charles Streetcar Line Downtown Loop Pavement Replacement - 67%
OCS Pole Replacement - 0%
Business Intelligence & Data Management Reporting System - 0%
On Call Technical Support - 0%
Napoleon Facility Renovation & Upgrade - 0%
Transit Security Services - 0%

Current SBE Projects:

DBE Consulting Services - 46%
Construction Cost Audits - 58%
Bus Rapid Transit Feasibility Study - 45%
On Call A&E Services for Design of Interim Downtown Transit Hub - 18%
Vegetation Control on Streetcar Lines - 100%
Facility Maintenance & Construction Support Services - 0%
Classification and Compensation Study - 25%
Leadership & Change Management Training - 0%
Temporary Janitorial Services 24%

Upcoming - DBE/SBE Projects:

Contractors for Rampart Streetcar Line: Emergency Repair Project - 13.8%

Adonis Expose' reported that there were going to be two DBE/SBE Outreach Events on June 16, 2022, with the City of New Orleans for the 2022 Reverse Trade Show and on June 29, 2022, the Port of NOLA Procurement Fair.

In response to Commissioner Coulon, Adonis Expose' reported that he could identify the contractors with each project and anything over \$25,000 goes out for public bid.

In response to Commissioner Walton, Adonis Expose' reported that the firm that did the Vegetation Control on the Streetcar Line invoiced the RTA once the whole project was completed and the work was done along certain portions of the Streetcar Line.

8. Infrastructure & Planning Report

Lona Hankins reported on the following:

Close-Out:

Riverfront Streetcar - Service was restored, working on contract close-out; added repair of Poydras St. Station now underway.

St. Charles Streetcar: Downtown Loop Pavement Replacement - Waiting on Contractor Clear Lien Certificate to pay final retainage.

ENO Maintenance Bldg. Exterior Envelope - Waiting on Contractor Clear Lien Certificate to pay final retainage

Construction:

Canal Ferry Terminal - Building: 65% complete, roof complete, glass store front, HVAC, electrical and interior lighting underway on terminal. Elevator Shaft: in both stair towers complete: waiting on elevator delivery. Wharf: Foundation 75% complete, topping slab to begin at the end of July.

Napoleon Facility Rehabilitation - Permit received from City, waiting on Army Corp of Engineers

Procurement:

Rampart Streetcar Restoration: Recovery from Hard Rock Hotel Collapse - July Finance Agenda

On-Call Transit Stop Support - No Bidders

Engineering:

2021 Non-Advertising Shelter - Anticipate advertisement in July

Interim Downtown Transfer Center - Met with external stake-holders, target in-Service is September 2022

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

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

Planning:

Bus Rapid Transit (BRT) Feasibility Study - Draft of BRT Standards completed Analysis Community responses of route alternatives underway

2021 Carryover Applications:

Areas of Persistent Poverty Program (Replaces HOPE) - Develop safe, fast and comfortable transit corridors along the high frequency bus and streetcar routes

5307 Passenger Ferry - New landing barge for Algiers Point, drydock Armiger and Levy Ferry Boats

5339 Bus and Bus Facilities - Design and construct Downtown Transit Center

State Capital Outlay - Replace Maintenance Barges at Lower Algiers

New Applications:

State DOTD 5339 - Purchase non-revenue vehicles to support maintenance crews and administrative staff

Katrina Rita D-CDBG - Purchase additional revenue vehicles right sizing the fleet for New Links Implementation

5339 Bus and bus Facilities - Procure 23 low-floor 40' diesel bus

In response to Commissioner Walton, Lona Hankins reported that she would contact the State to see if they would partake in the grant for the bridge investment and the railroad crossing.

In response to Commissioner Walton, Lona Hankins reported that she was not in contact with the Port regarding the Chrissy Grant, but she will reach out to the Port.

Alex Wiggins reported that the RTA was partnering with the airport.

Commissioner Walton stated that the RTA should be coordinating with municipality agencies on some of these projects where grants are involved.

In response to Commissioner Coulon, Alex Wiggins reported that he has been talking to the partners at the State, Federal and Local Level regarding Light Rail Connections between New Orleans CBD and the Airport and the Class One Commuter Rail between New Orleans and Baton Rouge and Shreveport. The RTA was aggressively exploring all options.

Commissioner Coulon stated that these Light Rail Projects would have more participation if more parking was provided for the commuters.

Alex Wiggins reported that the BRT connection to the airport with at multimodal transit hub was conceptual and early conversation.

9. Procurements

A. Authorization to Award:

Print Services for RTA printed materials

[22-046](#)

Commissioner Coulon moved and Commissioner Walton seconded to approve the Print Services for RTA Printed Materials. The motion was approved unanimously.

referred to Consent Agenda

Enactment No: 22-049

Rampart Streetcar Line Emergency Recovery Project : [22-103](#)
Award Construction Project

In response to Commissioner Walton, Yolanda Rodriguez stated that the estimate that was given for restoration work was \$1.1Million and a bid was received for \$1 Million so the bid came in under the estimate.

Commissioner Coulon moved and Commissioner Walton seconded to approve the Rampart Streetcar Line Emergency Recovery Project: Award Construction Project. The motion was approved unanimously.
referred to Consent Agenda

Enactment No: 22-055

B. Grants:

FY 2022 Bus and Bus Facilities Grant Application [22-091](#)

Commissioner Walton moved and Commissioner Coulon seconded to approve FY2022 Bus and Bus Facilities Grant Application. The motion was approved unanimously.
referred to Consent Agenda

Enactment No: 22-050

FY 2022 Section 5307 [22-097](#)

Commissioner Walton moved and Commissioner Coulon seconded to approve the FY2022 Section 5307. The motion was approved unanimously.
referred to Consent Agenda

Enactment No: 22-051

FY 2022 Section 5337 [22-100](#)

Commissioner Walton moved and Commissioner Coulon seconded to approve the FY2022 Section 5337. The motion was approved unanimously.
referred to Consent Agenda

Enactment No: 22-053

FY 2022 Section 5339 [22-101](#)

In response to Commissioner Coulon, Lona Hankins reported that all Local Matches are set aside during the budget process for the grants

Commissioner Walton moved and Commissioner Coulon seconded to approve the FY2022 Section 5339. The motion was approved unanimously

referred to Consent Agenda

Enactment No: 22-054

10. DBE Goals for 2023-2025

Disadvantaged Business Enterprise Goal for Fiscal Years
2023-2025

[22-098](#)

Adonis Expose' reported on the following:

Proposed Overall Disadvantaged Business Enterprise (DBE) Goal Fiscal Years 2023-2025

In keeping with the requirements of 49 CFR Part 26, an Overall DBE goal has been developed for DBE participation in DOT - assisted contracting by RTA during Fiscal Years 2023 - 2025.

The RTA received funding from the Federal Transit Administration (FTA) of the U.S. Department of Transportation (USDOT).

The RTAs recommended overall DBE goal for 2023-2025 is 32% of the federal financial assistance we will expend in FTA-assisted contracts, exclusive of FTA funds to be used for the purchase of transit vehicles.

Overall DBE Goal Methodology

To obtain an accurate count of *ready, willing and able* DBEs, each project was examined and its "scope of services" were detailed for the purpose of defining the type of work and skill-sets necessary to complete the scheduled work.

Each work type was assigned a six-digit NAICS Code. Contracting dollars were estimated for each work type on a project basis.

Louisiana Unified Certified Program Directory to identify the number of registered DBEs willing to perform work in Greater New Orleans area based on the relevant NAICS code.

2019 County Business Patterns (CBP) data from the U.S. Census to identify total number of businesses.

Goal Setting Calculations

Compute Base Figure - a base figure was developed to determine the relative availability of DBEs to perform work on anticipated contracts.

Step 1 Formula:

$$\begin{array}{l} \text{DBEs / All firms (including DBEs)} \\ = \\ \text{Relative Availability (Base Figure)} \end{array}$$

Determine the relative availability of ready, able, and willing DBEs compared to total number of ready, able, and willing companies

Goal Setting Calculations

Weighting Your Base Figure - to ensure the overall goal accurately reflects the scope of work. It takes into account the relative size of the anticipated contract.

"Weighted" Formula:

$$(\text{Project's percentage of total budget}) \times (\text{DBEs / All firms})$$

=
Base Figure

Goal Setting Calculations

Adjust Base Figure

Per 49 CFR Part 26.45(d), following calculation of a base figure, all available evidence must be examined to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall DBE goal.

The Base Figure of 21% is inconsistent with historical data and the realities of the market in the Metropolitan Area and as such, adjustments to the Base Figure are warranted.

Past DBE participation in RTAs contract goals and the City of New Orleans Disparity Study was considered in determining an adjustment.

Public Participation and Consultation

Pursuant to 49 CFR 26.45 (g) (1), the RTA shall provide the opportunity for public participation during the goal setting process

Public participation includes a public notice and a public meeting for stakeholders, minority and general contractors' groups, other officials or organizations which could be expected to have information concerning the availability of DBEs and/or the effects of discrimination on opportunities for DBEs

RTA will consider any written comments it receives from the public in adjusting its final goal

Public Meeting was Thursday, June 30th at 3pm.

In response to Commissioner Ewell, Adonis Expose' reported that the whole area was included in outreach and the DBE's don't have to be based in Orleans Parish.

In response to Commissioner Walton, Adonis Expose' reported that there was a DBE Fair Held in April.

Commissioner Ewell moved and Commissioner Walton seconded to approve the Disadvantaged Business Enterprise Goal for Fiscal Year 2023-2025. The motion was approved unanimously.

referred to Consent Agenda

Enactment No: 22-052

11. New Business

None.

12. Audience Questions & Comments

13. Adjournment

Commissioner Ewell moved and Commissioner Walton seconded to adjourn the Finance Committee Meeting of July 14, 2022. The motion was approved unanimously.