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## **MEDIA ALERT**

FOR IMMEDIATE RELEASE

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### **RTA Signs New Operations & Maintenance Service Contract**

*RTA will oversee the transit system; Transdev to provide operations & maintenance services.*

**New Orleans, LA** – Today, Alex Z. Wiggins, CEO of New Orleans Regional Transit Authority (RTA) announced the ratification of a three-year operations and maintenance contract between the RTA and Transdev Services, Inc. (Transdev), a private transportation management company, totaling \$78.8M per year. The contract was ratified on August 30, 2019.

As the result of a competitive procurement process, Transdev was selected to operate and maintain transit service by means of fixed route transit bus services, streetcar transit service, ferry service, complementary paratransit service provided in accordance with the requirements of the Americans with Disabilities Act of 1990 (ADA), and special services operating out of facilities owned and provided by the RTA.

“This is a pivotal moment in history for the RTA. Never before have we seen a management structure that allowed us to allocate government resources to work so directly and efficiently for the residents of the Greater New Orleans Area,” Flozell Daniels, Jr., Chair, RTA Board of Commissioners. “We have aligned the priorities of our transportation system with the priorities of the local residents. I am honored to serve at a time when the RTA is positioned precisely to meet the needs of our everyday riders.”

“The shift of RTA’s management structure to public control will increase transparency, improve accountability and will allow the RTA to better meet the transportation needs of our community,” said Alex. Z. Wiggins. “Meeting the needs of residents of the Greater New Orleans area is paramount priority of the RTA and the new management structure will allow us to provide world-class customer service for riders.”

“I want to thank RTA Board Chair Flozell Daniels, Jr. and new CEO Alex Wiggins for their leadership on this important work. Because transportation is one of my top priorities, some of my first actions were to create the City’s first Office of Transportation and to prioritize RTA. Those priorities included effective City representation on the RTA board, helping guide the leadership transition, and supporting RTA’s efforts to ensure a high-functioning management structure. This administration and RTA worked hard and seamlessly together to secure this contract, and now we’re seeing all of the pieces come together. Transportation is infrastructure, and we’re excited that these steps will make for stronger transit service in our region,” said Mayor LaToya Cantrell.

The new contract, effective September 1, shifts control of the transit system from private to public control, an industry standard that will put the New Orleans community first. The RTA will now have direct administrative and management oversight of the Authority, while continuing to contract out

the day-to-day maintenance and operations functions of the system to Transdev. This change to the RTA management structure is the direct result of the management study initiated by the RTA Board of Commissioners.

Contract Highlights:

- **New emphasis on customer service:** Every single employee will receive a minimum of 10 hours of customer focused training;
- **On-time performance requirements will increase to 90% after six months, then to 95% by year three:** Transdev will pay a financial penalty if on-time performance lapses. Current on-time performance hovers in the 75% range;
- **A host of new Key Performance Indicators that will monitor system performance:** As an example, we will focus heavily on safety, vehicle maintenance and crash prevention;
- **Added bus service in Algiers and East New Orleans; Expanded weekend ferry service hours**
- Lastly, the negotiations team achieved tremendous value. Transdev's original proposal topped \$95M annually. The final annual cost agreed to by the RTA was just over \$78.8M

Several key performance indicators, within the terms of the agreement, will ensure safe, customer-friendly, clean, and reliable transportation for transit riders. For example, within the first six-months, the contract specifies on-time performance should improve to 90% and by the third year, the expectation will be to achieve 95% on-time performance. In addition, proper maintenance of the vehicles is required and the expectation is to have more service miles between a vehicle experiencing a break-down or service interruption.

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