METROPOLITAN NASHVILLE AIRPORT AUTHORITY

August 8, 2018 – Minutes of the Joint Meeting of the MNAA Finance, Administration, and Properties Committee and MPC Finance/Administration/Properties Committee

Date: **August 8, 2018**

Time: **9:00 a.m.**

Place: **Nashville International Airport Nashville, Tennessee**

Committee Members Present: **Trey Harwell, Chair; Bill Freeman, Vice Chair, Bobby Joslin, Christy Smith and Mayor's Representative, Matt Wiltshire**

Committee Member Absent: **Amanda Farnsworth**

Others Present: **Doug Kreulen, Cindy Barnett,**

I. Call to Order

Chair Harwell called the meeting of the Metropolitan Nashville Airport Authority (MNAA) and MNAA Properties Corporation (MPC) Finance, Administration, and Properties (FAP) Committee to order at 9:03 a.m., pursuant to Public Notice dated August 3, 2018.

Chair Harwell welcomed Committee Members, staff and guests and stated there was a full house and most guests were present for the Concessions agreement item that the Committee had met on multiple occasions and would be addressed later in the meeting.

Chair Harwell also thanked the FAP Committee for the additional time spent on the concessions agreement at the regular FAP Committee meetings and Special FAP Committee meeting the previous week.

II. Approval of Minutes

Chair Harwell called for a motion to approve of the minutes of the July 11, 2018, FAP Committee meeting. A motion was made by Commissioner Joslin and seconded by Commissioner Freeman. The motion carried by vote of 5 to 0.

Chair Harwell called for a motion to approve of the minutes of the July 30, 2018, Special FAP Committee meeting. A motion was made by Commissioner Smith and seconded by Commissioner Freeman. The motion carried by vote of 5 to 0.

III. Items for Approval

A. Concession Agreement

President Kreulen and Ms. Margaret Martin, AVP, Business Development, briefed the FAP Committee on this item. President Kreulen stated that there had been a lot of discussion and work on this item over the last several months and appreciated the support and dedication on the Commissioners and members of staff. President Kreulen reiterated items discussed at the Special FAP Committee Meeting on July 30, 2018, and that over the last couple of months, staff had worked to strengthen the contract as follows:

- $17.4 million capital investment over 10 years
  - $13 million escrowed; Additional $4.4 million before 2023
  - Includes Central Receiving and Distribution Center
- Minimum Annual Guarantee (MAG)
  - $11 million, 60% of actual of revenue or 85% of rent paid/prior year
  - Letter of credit with Bank of America
- Increased Commercial General Liability insurance to $12 million
- Commitment to increase ACDBE participation to 40.5%
  - Added financial penalties for non-compliance (annually)
- Independent review of Comprehensive Annual Financial Report and court records of Fraport USA and Fraport-AG
- Improved contract language to ensure compliance with federal requirements.

Ms. Martin briefed the FAP Committee further on this item. Staff requested that the FAP Committee recommend to the Board of Commissioners that it approve the lease and concession agreement to develop, lease, and manage food service, retail, and services concessions at BNA; and authorize the Chair and President & CEO to execute the proposed lease and concession agreement.

Background:

In January 2018, after determining that the current concession program had some opportunities for improvement, the MNAA Board of Commissioners provided direction to MNAA staff to evaluate the best way to deliver an airport concessions program to the community by January 31, 2019. MNAA staff identified the following goals:

- Improve customer service through competition
- Increase local participation
- Increase ACDBE participation
- Grow airport concessions revenue
  - Implement street pricing

- Increase hours of operation
- Invest capital for MNAA development
- Develop a marketing program

After significant analysis and the assistance of an industry expert, as well as an industry comment period, MNAA issued a request for proposals (RFP) for a contractor to lease, develop, and manage the food service, retail, and services concession program on April 16, 2018. On May 29, 2018, MNAA received two proposals in response to the RFP: Fraport USA, Inc., and Marketplace Nashville, LLC.

The selection committee evaluated the proposals based on the criteria below:

1) Financial responsibility;
2) Experience and qualifications;
3) Concept development and merchandising plan;
4) Customer service, marketing, and promotions plan;
5) Management and operations plan;
6) ACDBE plan.

The selection committee determined that it was in the best interest of MNAA to interview both proposers, and proposers were interviewed on June 13, 2018. Following the interviews, the selection committee determined that Fraport USA offered the best proposal to MNAA based upon the following:

1) Capital expenditure financial proposal included an additional $4.4 million for concession space facelift for a committed capital expenditure of $17.4 million over the 10 year agreement term.
2) Financial proposal will be the higher of $11 million, 85% of the rent paid for the prior lease year, or 60% of the total rent revenue generated by the concession program.
3) Relevant experience by the proposed team members.
4) "Lessons learned" from previous similar work.
5) Proposed transition plan.
6) Commitment and experience with implementing and marketing street pricing.
7) Commitment to utilize local and ACDBE operators, as well as the mentoring and training programs.

Both proposers were well qualified, but the team from Fraport demonstrated the best understanding of the vision of MNAA regarding the concessions program as well as experience with similar programs and similar challenges. The final scores from the selection committee are below:

Firm	Score	Committed ACDBE Participation	Capital Expenditure	Revenue to MNAA
Fraport	526	40.5% average over term	$17,400,000	$110,000,000*
Marketplace	399	22.6%	$13,000,000	NA**

* This represents the guaranteed revenue to MNAA over the term of the agreement assuming an $11 million minimum annual guarantee with no annual increase. This would only be less if enplanements fall below 90% of the BNA Vision-projected enplanements, which has not happened historically.

** Marketplace submitted an alternate financial proposal instead of the $11 million minimum annual guarantee, and proposing to pay MNAA the greater of: 70% of rental revenues or $1.25 per enplanement for 2019-2023, and $1.45 per enplanement for 2024-end of agreement term. Based upon the pro forma that Marketplace submitted in their proposal, MNAA would not achieve annual revenue of $11 million until 2023.

CAPEX:
In the RFP, MNAA required that proposers commit to a minimum $13 million initial capital expenditure (initial investment in fixed improvements) to bring concourses A, B, and C to the same level of fit and finish as the newly constructed concourse D, as well as establish a consolidated receiving and distribution center in the Multi-Purpose Building. Fraport committed $13 million for this initial investment, and will be required to complete these fixed improvements by July 31, 2023 with proof of expenditures submitted by November 1, 2023. Fraport also committed an additional $4.4 million in capital investment over the ten year term of the agreement for the grand hall at the junction of all the gates, the food hall in concourse C, and art and updates in common areas throughout the terminal. Fraport was able to invest additional capital expenditure dollars due to the financial strength of its company, and will repay itself based upon increased sales volume. Fraport is also committed to placing the required capital expenditure of $13 million into an escrow account that benefits MNAA.

FINANCIAL PROPOSAL:
Fraport's financial projections based upon their proposed concession program will provide a total payment to MNAA of $113.7 million over the ten year term of the agreement. Contractually, Fraport is obligated to pay MNAA the greater of $11 million, 85% of the rent paid for the prior lease year, or 60% of the total rent revenue generated by the concession program. This would only be less if enplanements fall below 90% of the BNA Vision-projected enplanements, which has not happened historically. During the transition and construction period from 2019-2023 it is anticipated that MNAA will receive the $11 million minimum annual guarantee (MAG). By 2024, the construction will be complete, and the concession program will be in full operation, and at that time it is anticipated that MNAA will begin receiving the 60% of rent, over and above the $11 million. Fraport credits their business model with being able to deliver this type of financial return because the increased competition among independently operated businesses drives higher customer service and better products, which in turn increases sales. Rather than depend upon lowering costs to earn money, Fraport depends upon higher sales. Additionally, Fraport is committed to ensuring that operators are open 365 days a year, and for the extended hours of operation that MNAA specified in the RFP, generally 1.5 hours prior to the first scheduled departure of the day to the time of the last actual (not scheduled) departure of the day. Fraport is committed to submitting a letter of credit to MNAA for the entire MAG ($11 million or 85% of the rent paid for the prior lease year, whichever is higher).

LOCAL AND ACDBE OPERATORS:
Fraport's proposal contemplates that 90% of the operators in the concession program will be local, which is defined as a food service or retail company headquartered in Tennessee. This commitment was supported by 45 executed letters of interest from local operators submitted with Fraport's proposal. The ACDBE participation level set by MNAA for this agreement was 22.6%. Fraport has committed to meeting or exceeding the 22.6% goal, and based upon their financial projections they anticipate achieving an annual average of 40.5% over the agreement term, and the contract reflects the varying annual projected ACDBE participation levels included in their proposal. The projected local and ACDBE participation levels were the heart of Fraport's concession's concept plan, which is focused on delivering a concession program that is "Made of Nashville". The local and ACDBE tenants (both already certified and in the process of becoming certified) that Fraport has already approached and is continuing to recruit will deliver a unique concession

program to BNA that will help deliver the Nashville Airport Experience. Fraport operates several programs geared towards the ultimate success of their tenants: PACT (Professional Assistance for Core Tenants) is a mentoring program for new and existing tenants and includes merchandising and layout design support, recovery management, training on "revenue-ready" operations, and workforce development and recruiting. Priority1 is a Fraport program to train, deliver, monitor and report on exceptional customer experiences through the Fraport tenant partners. This program is comprised of a call-in number, social media engagement, PACT, WINGS (Welcome Initiative for Nurturing Great Service, a complete training program on customer service), and quality monitoring via mystery shopping and regular operations reviews.

CONCEPT:
Fraport's proposal focused on creating a "Made of Nashville" feel to the concessions spaces with a balancing of southern charm and contemporary flair. Fraport is focused on delivering a true Nashville culinary and retail experience by bringing local brands from Nashville's neighborhoods into the airport. They want to build upon our strong Arts at the Airport program by adding another entertainment space that incorporates communal seating. They envision the various nodes within the terminal at C/D concourse, the C triangle, and the T gates as being able to create a sense of place with varieties of seating and restaurant options, from picking up a cup of coffee to sitting down to enjoy a meal from a local restaurant. D concourse may host a radio station and instrument demo area, while the A/B intersection contains large front porch-style "swings" as additional seating options.

MARKETING/STREET PRICING:
Fraport has significant experience in monitoring street pricing requirements in their other markets and utilizes technology to ensure that menus with pricing for the airport align with pricing at other locations, and will also use this a marketing tool for customers. Fraport's experience with street pricing, along with the local operator focus, is that the absence of inflated pricing actually increases sales because people don't restrain their purchasing like they do when prices are inflated. For this reason, street pricing serves as an underpinning of Fraport's marketing efforts. Fraport uses a comprehensive, multi-tiered marketing program that includes street pricing information on tri-fold directories (shop & dine), in-airport advertising, space-by-space placard signage, food hall table-top advertising, and in-market media advertising including radio spots.
Impact/Findings:

MNAA ACDBE Goal:	22.6%
Fraport's ACDBE Goal:	Average of 40.5%
Anticipated Agreement Start Date:	August 15, 2018
Lease Term:	Lease term begins on February 1, 2019 and continues for 10 years with two-five year extension periods if agreed upon by both parties.
Capital Investment by Fraport:	$17.4 Million
Anticipated Income to MNAA over agreement term:	$110,000,000 if only minimum annual guarantee met

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Decline to award the agreement, or delay awarding the agreement. Declining or delaying awarding the contract to Fraport at this time (even a 30 day delay) would result in a need to extend or re-negotiate the current agreements in place with the master and other concessionaires and would have significant impacts to the BNA Vision schedule:

- The most significant concern is that a delay in the build-out of the CRDC would impact the construction schedule of D Concourse, which would in turn impact the schedule for BNA Vision. Current concessionaires utilize storage space under D concourse for food, supplies, and alcohol storage. This space will be removed for construction to begin on D Concourse, which is timed to align with the completion of the CRDC.
- There would be increased pressure to negotiate longer-term extensions with any concession tenants currently in month-to-month agreements, as well as negotiate extensions with master concessionaires and other concession tenants with agreements scheduled to expire on January 31, 2019, or soon thereafter. Even a delay of one month could significantly impact the transition to a new program because that would provide insufficient time to physically prepare space for the transition concessions program.
- Lastly, Fraport's proposal is based upon a transition period from August 2018 to February 2019, and losing one month would impact their proposal assumptions and could require re-negotiation of various provisions.

A motion was made by Commissioner Smith and seconded by Commissioner Freeman to recommend to the Board of Commissioners that it approve the lease and concession agreement to develop, lease, and manage food service, retail, and services concessions at BNA; and authorize the Chair and President & CEO to execute the proposed lease and concession agreement. The motion carried by vote of 4 to 1 with Commissioner Joslin opposing the motion.

B. Sub-Lease Agreement for Consolidated Receiving and Distribution Center

Staff requests the Finance, Administration and Properties Committee recommend to the Board of Commissioners that it accept the sub-lease agreement for a portion of the Multi-Purpose building for the construction and operation of a Consolidated Receiving and Distribution Center (CRDC) in support of tenant's operation of the food service concession at BNA and authorize the Chair and President & CEO to execute the proposed sub-lease.

Background:

MPC Holdings, LLC (Landlord) entered into a Ground Lease effective March 3, 2008 with the MNAA, for the parcel of land and improvements located at 931 Airport Service Road, Nashville, Tennessee, referred to as the Multi-Purpose Building. In accordance with that Ground Lease, the Landlord and Fraport USA, Inc., (Tenant), wish to enter into a sub-lease for a portion of the Multi-Purpose Building for the construction and operation of a CRDC in support of tenant's operation of the food service concession at BNA.

The sub-lease establishes the responsibilities and obligations of the Landlord and Tenant regarding the Tenant's rental of 41,184 square feet of office, maintenance, warehouse and support areas. The lease and concession agreement also being considered by the Finance, Administration and Properties Committee governs the Tenant's obligations to design, build, and operate the CRDC in support of the food service concession at BNA.

On April 16, 2018, MNAA issued a request for proposals (RFP) for a contractor to lease, develop, and manage the food service, retail, and services concession program. On May 29, 2018, MNAA received two proposals in response to the RFP: Fraport USA, Inc., and Marketplace Nashville, LLC.

The selection committee evaluated the proposals based on the criteria below:

1) Financial responsibility;
2) Experience and qualifications;
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4) Customer service, marketing, and promotions plan;
5) Management and operations plan;
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The selection committee determined that it was in the best interest of MNAA to interview both proposers, and proposers were interviewed on June 13, 2018. Following the interviews, the selection committee determined that Fraport USA offered the best proposal to MNAA based upon the following:

1) Capital expenditure financial proposal included an additional $4.4 million for concession space facelift for a committed capital expenditure of $17.4 million over the 10 year agreement term.
2) Financial proposal will be the higher of $11 million, 85% of the rent paid for the prior lease year, or 60% of the total rent revenue generated by the concession program.
3) Relevant experience by the proposed team members.
4) "Lessons learned" from previous similar work.
5) Proposed transition plan.
6) Commitment and experience with implementing street pricing.
7) Commitment to utilize local and ACDBE operators, as well as the mentoring and training programs.

Both proposers were well qualified, but the team from Fraport demonstrated the best understanding of the vision of MNAA regarding the concessions program as well as experience with similar programs and similar challenges.

The ACDBE participation level set by MNAA for this agreement was 22.6%. Fraport has committed to meeting or exceeding the 22.6% goal, and based upon their financial projections they anticipate achieving an annual average of 40.5% over the agreement term.

As part of the RFP, the contractor will be required to establish a CRDC for the concession program for the purposes of streamlining the product delivery process, and minimizing the number of vehicles operating in the

SIDA, while meeting or exceeding all TSA requirements for product screening and control. The contractor will be able to lease up to approximately 41,184 square feet in MNAA's warehouse and multi-purpose building area, composed of approximately 30,000 square feet of warehouse space on the first floor, and 11,184 square feet of office space on the second floor. Fraport has committed to utilize a third party to construct a full-service product receiving facility that will handle all deliveries (excluding mail service) of goods, merchandise, supplies, and materials for itself and its sub-lessees. Unless space is leased to specific sub-lessees for storage in this facility, it is expected that merchandise will not be stored at the CRDC, but rather will be transshipped as quickly as possible to vehicles on the secure side of the Airport for delivery to the Concession Locations. It will be up to the Proposer and/or its third party partner to suggest whether cold/frozen storage or other special facilities will be needed in the CRDC. The costs for delivery to sub-lessees should be minimized to the extent practicable. In addition, the CRDC will house offices for Fraport, and potentially others, at the discretion of Fraport.

In its proposal, Fraport will utilize a third party at an estimated cost of $1.8 million to retrofit the Multi-Purpose Building space into a CRDC, with additional capital expenses of $700,000. Preliminary annual operating costs are estimated to be $1,500,000 which will be distributed to the tenants. The use of a CRDC will provide increased security to BNA because goods and supplies will enter the secured area under the control of one party, rather than multiple. Additionally, storage of supplies and materials will be centralized rather than dispersed throughout the terminal, providing greater opportunity for oversight.

Impact/Findings:

Effective Date:	August 1, 2018, with lease term commencing February 1, 2019
Term of Sub-lease:	Co-terminus w/ Lease and Concession Agreement (anticipated to be 10 years)
Rentable Area:	41,184 square feet
Rent:	$7.50 per square foot per year for first year ($308,880.00), annual rent escalation of 3% psf.

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in increased operational costs for the concession program restaurant operators because each operator would have to independently manage the secure transport and storage of food, beverage and supplies for the food services, and could increase risk of a security incident.

A motion was made by Commissioner Freeman and seconded by Commissioner Joslin to recommend to the Board of Commissioners that it accept the sub-lease agreement for a portion of the Multi-Purpose building for the construction and operation of a CRDC in support of tenant's operation of the food service concession at BNA and authorize the Chair and President & CEO to execute the proposed sub-lease. The motion carried by a vote of 5 to 0.

C. American Tower Corp. Rooftop Lease Amendment

Ms. Martin briefed the MPC FAP Committee on this item. Staff requested the MPC FAP Committee recommend to the MPC Board of Directors that it amend the rooftop lease agreement between MPC Holdings, LLC and the American Tower Corporation that authorizes American Tower Corporation to license portions of the rooftop at International Plaza Building for telecom equipment; ratify and approve the original term of the Lease and authorize the President & CEO to execute the proposed Agreement.

Background:

On September 28, 2007 the MNAA entered into an Amended and Restated Ground Lease Agreement with MPC Holdings, LLC (MPC) for the International Plaza and all leasehold improvements constituting the office complex constructed on the parcel as identified in the Agreement. In 2011, MPC solicited proposals and on September 1, 2011 selected and entered into an agreement with GTP Structures, LLC, (GTP) to exclusively lease portions of the rooftop at International Plaza to perform installation, repair and maintenance of equipment, collection of all rents due the MPC, and management of all telecommunications licenses. The agreement had a term of five years with four five-year options, at the sole discretion of the tenant. Subsequently, MPC was notified on October 14, 2013 that American Tower Corporation had completed acquisition of 100% of MIP Tower Holdings, LLC which is the parent company of GTP, and ATC became the tenant under the lease.

The original agreement between MPC and GTP was not taken to the MPC Board of Directors for approval because the original lease term was five years. However, due to the extension options available at the sole discretion of the tenant, the then-President and CEO should have taken the agreement to the Board for review and approval of the agreement. This issue was discovered when MPC was presented with an amendment for review and approval for one of the telecommunication's sub-licenses. Therefore, staff is requesting that the Board amend the original agreement between MPC and GTP to approve ATC as the new responsible party after its acquisition of GTP. In approving the amendment, the Board would also be ratifying the original lease term of five years with four five-year options.

Impact/Findings:

Term:	September 1, 2011 – August 30, 2016 (5 years) with four five-year renewal options.
Premises:	International Plaza
Financial terms:	Current rent structure is based upon a percentage of rent collected by ATC of the licensees. Approximate annual revenue of $200,000 which includes 3.5-5% annual escalations in each sub-license agreement.

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Determine that no action is necessary and leave the original agreement in place.

A motion was made by Director Freeman and seconded Director Joslin to recommend to the MPC Board of Directors that it amend the rooftop lease agreement between MPC Holdings, LLC and the American Tower Corporation that authorizes American Tower Corporation to license portions of the rooftop at International Plaza Building for telecom equipment; ratify and approve the original term of the Lease and authorize the President & CEO to execute the proposed Agreement. The motion carried by vote of 5 to 0.

D. T-Mobile Telecommunications Rooftop Sub-license Amendment

Ms. Martin briefed the FAP Committee on this item. Staff requested that the MPC FAP Committee recommend to the MPC Board of Directors that it amend the rooftop sub-license agreement between MPC Holdings, LLC (MPC) and T-Mobile Corporation (TMO) that authorizes TMO to utilize a portion of the rooftop at International Plaza Building for telecom equipment and authorize the President & CEO to execute the proposed Amendment.

Background

On September 28, 2007, MPC purchased International Plaza (IP) from Nashville International GP. Subsequently, on September 28, 2007, Nashville International GP assigned all leases to MPC Holdings, LLC. In addition to all tenant leasehold space at IP, at the time of MPC's acquisition, there were four rooftop telecom providers with active long-term antenna site licenses, and one management firm with the exclusive right to license rooftop rights.

One of the four rooftop telecom providers with an antenna site license is T-Mobile and they are requesting an amendment to their antenna site license agreement to modify the equipment at their antenna site. This amendment to the site license agreement is being brought to the MPC Board of Directors for approval because the amendment ratifies and approves the amendments that preceded this one, as well as the initial site license. Since the term of the site license exceeds eight years including options to renew, staff is requesting Board review and approval.

Impact/Findings:

Term:	June 15, 1998 – August 14, 2013 (initial term + extensions via amendments 2 and 3) and then term was extended with the 4th amendment from August 14, 2013 – August 13, 2018, with the term automatically renewing for two successive five-year terms, unless terminated by either party 120 days prior to the end of the current term.
Premises:	International Plaza
Financial terms:	Current annual revenue $55,896.48 with 3.5% annual escalations in base rental rate.

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Decline to execute the amendment and leave the original agreement in place.

A motion was made by Mayor's Representative Wiltshire and seconded by Director Smith to recommend to the MPC Board of Directors that it amend the rooftop sub-license agreement between MPC and TMO that authorizes TMO to utilize a portion of the rooftop at International Plaza Building for telecom equipment and authorize the President & CEO to execute the proposed Amendment. The motion carried by vote of 5 to 0.

E. Advertising, Marketing and Public Relations Services Contract

Mr. Tom Jurkovich, Vice President, Strategic Communications, briefed the FAP Committee on this item. Staff requested that the FAP Committee recommend to the Board of Commissioners that it approve the selection of DVL Seigenthaler for advertising, marketing and public relations services and authorize the President & CEO to execute the contract.

Background:

Airports are uniquely multi-faceted operations. They combine commercial activities and a public purpose; they act as a regional economic engine, fostering business growth, while accommodating leisure travel and serving as the front door to the city itself. The communication needs in this setting--- including advertising, marketing and media/public relations -- are robust and varied, with multiple stakeholders, audiences and strategic purposes in play.

MNAA has long utilized outside assistance for advertising, marketing and public relations services, among other related activities and functions. *The recent history breaks down as follows:*

- 2001-2007: Dye, Van Mol & Lawrence (Records for 2007 show firm was paid $269,113)
- 2008-2012: McNeely, Pigott & Fox (contract: $360,000 annually)
- 2013-2017: Seigenthaler (later DVL Seigenthaler) (contract: $360,000 annually)

The current contract for such services expired on June 30, 2018, and was extended an additional two months. Staff proposes a new contract for these outlined services.

As a quasi-governmental organization, it is prudent for MNAA to test the market and periodically solicit proposals on a competitive basis. Thus, MNAA issued a request for qualifications (RFQ) and received responses from four firms.

Scope of Work:

1. Act as the Authority's public relations and advertising consultant and advisor
2. Develop and implement overall public relations and advertising strategies
3. Monitor information requests from numerous sources, collect facts from within the Authority and prepare responses and talking points based thereon, arrange interviews with the media, and act as Authority spokesperson when specifically directed from time to time on a case-by-case basis
4. Write news releases, media advisories, pitch memoranda, speeches, and presentations as requested by the Authority
5. Serve as 24/7 backup for responding to media calls, as needed
6. Provide creative services including concept development, design and production of advertisements for radio, television, print, online, social and other media outlets
7. Provide creative development of collateral pieces, such as newsletters, annual reports or similar written compilations, as requested by the Authority
8. Assist with videos as needed
9. Provide support and strategic counsel to marketing and outreach efforts of the Business Diversity Development Program
10. Attend periodic meetings with the President & CEO, Vice President of Strategic Communications and External Affairs, Corporate Communications Director at the Authority to review issues
11. Attend monthly board meetings
12. Assist the Authority with special events as directed by the Authority
13. Perform such additional services as the Authority may from time to time require.
14. Maintain weekly contact with the Vice President of Strategic Communications and External Affairs and/or Corporate Communications Director
15. Consultant shall accomplish the foregoing by providing: (A) an account team; (B) media relations services; (C) community relations services; (D) account management services; and (E) account service counsel, all of which are more particularly described in Consultant's proposal

Procurement Process:

In accordance with the required procurement practice and procedure, an RFQ was issued for advertising, marketing and public relations services. Four firms responded to the RFQ. Again, in accordance with procurement practice and procedure, a three-member evaluation team ranked the firms on established criteria.

Evaluation Criteria:

1. Demonstrated ability to provide outlined services
2. (Past) Proven and demonstrated ability of the team members (subs) assigned to this project to work together on accomplishing goals and objectives
3. Experience and qualifications of the proposing firms' staff assigned - relevant to the area of services to be provided (i.e. years of experience, current client load, amount of time available for airport services, ability to respond immediately, specific project experience, understanding of services required, accolades, etc.)
4. Demonstrated ability to provide strategic approach to integrated marketing plan
5. Ability and willingness to meet SMWBE levels
6. Availability and quality of in-house creative services
7. Familiarity with and office located in Nashville
8. Proven and demonstrated ability to meet deadlines and stay within budget. Ability to complete project within budgets established by the Authority
9. Ability to conform to the prescribed Statement of Qualifications format
10. Ability to present an efficient and thorough approach to project scope
11. References

One firm scored significantly higher than the others. Final scores for each firm:

	Final Score
DVL Seigenthaler	277
The Bohan Agency Inc.	201
Communications Strategies and Walker & Associates	180
NelsonMojo	114

Impact/Findings:

MNAA SMWBE Participation Level: 10.72% MBE and 15.55% WBE

DVL Seigenthaler's SMWBE Participation Level: 15% MBE and 15.55% WBE (30.55% total)

- *MPYER – 15%, MBE – Public Relations, Branding, Marketing, Community Relations, Small Business Relations*

- *KGV Studios – 10.55%, WBE – Video and Creative Services*
- *Genuine Human Productions – 5%, WBE – Video and Creative Services*

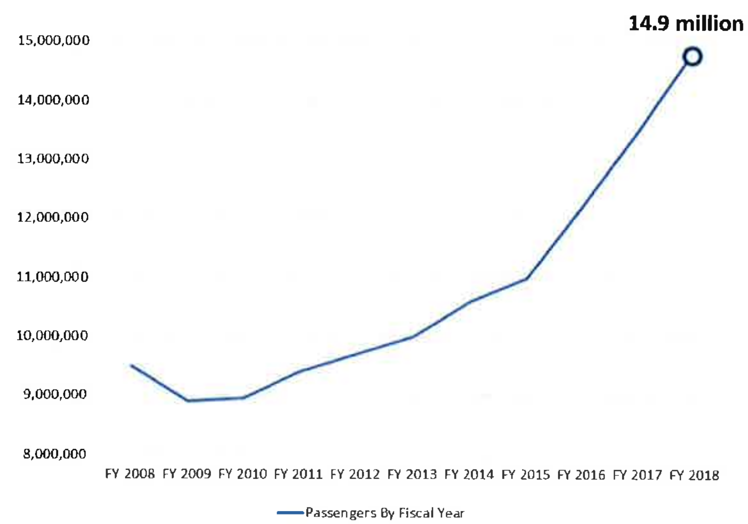
Contract Start Date:	September 1, 2018
Contract End Date:	July 1, 2021, with option for two one-year extensions
Estimated Annual Cost:	$420,000 per year
Funding Source:	100% O&M

Additional Background

This proposed contract represents an increase in annual estimated cost to account for inflation and the increased need for these services by MNAA.

- The contractual cost for these services has held constant since 2008. In that 10-year period, inflation has diminished the purchasing power of the original amount. Per the BLS CPI inflation calculator, the contractual cost from January 2008 ($360,000) has the same buying power of $429,086 in May 2018.
- Moreover, activity at BNA has increased dramatically since 2008. Over the past 10 years, passenger traffic has grown from 9.5 million in 2008 to 14.9 million in FY 2018.

Passenger Growth at BNA



- With the dramatic increase in activity at BNA, effecting virtually every aspect of operations, from new parking to sustainability initiatives and air service promotion, the demand for services under this contract has increased substantially. With the conception and launch of *BNA Vision*, the pace of activity and reliance upon assistance from a top-shelf full-service firm has increased even further.
- Over the course of the year, the MNAA communications team effectively leverages its resources and draws upon the skills, services and creative capacity of the advertising/PR agency to assist in a diverse range of activities that reflects the breadth and fast pace of our communications needs. Based on the past, a compilation of work performed would include, but not limited to:

1. Advertising – 25% of time/$105,000 (estimate)
    - Copywriting for all creative – providing copywriting for all ads, radio, billboards, marketing materials, etc.;
    - Providing direction on creative, content, placements; working with carriers to help facilitate their local advertising efforts.
2. Marketing – 35% of time/$147,000 (estimate)
    - Working to support MNAA as it attracts new nonstop service to Nashville with media support, event support, coordination with carriers;
    - Support for Air Service Coalition;
    - Content development, editing and management for Annual Report, newsletters (*Airport Wide, Connected, Legislative Report*), department one pagers, etc.;
    - Development and support of various programs, such as Black History Month music series and First in Flight special event;
    - Ongoing support of programs like BNA Vision (activities, materials, messaging, events);
    - Social media support, including special events, e.g., disaster drills, London flight
3. Communications/ Media & Public Relations – 40% of time/$168,000 (estimate)
    - Support MNAA's media relations needs – media pitching and follow up, coordination and facilitation at events – such as original British Airways announcement and inaugural flight;
    - Media relations writing and editing – authoring op-eds, editing press materials, developing fact sheets;
    - Awards programs – drafting, editing entries to spotlight MNAA programs
    - Daily media tracking, aggregating and reporting;
    - Assistance as needed in working with events, outreach efforts, Nashville civic/business leaders and minority communities;
    - Strategic planning – working with MNAA leadership on strategic positioning of MNAA, developing appropriate messaging, events and strategy;
    - Variety of support during crisis issues, message development, counsel, on-site support, etc.;
    - Partner with legal counsel to handle media relations activities;
    - Regular consultation on internal communications matters, such as team-wide missives;
    - Wide range of social media input and support.

    Total: $420,000

Finally, it bears noting that the collaboration with MNAA staff and a firm/agency has born considerable outside recognition. Over the past four years. the communications team, typically working in conjunction with the advertising/PR firm, has been recognized with five (5) awards from Airport Council International – North America (ACI-NA) and some 23 awards from the Public Relations Society of America (PRSA) Nashville organization.

Strategic Objectives/Critical Success Factors:

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

Options/Alternatives

Reject the staff selection and reissue the RFQ.

NOTE: Because the annual cost of these services does not exceed $500,000 annually, this contract does not require Board approval; however, in the pursuit of transparency, President Kreulen has requested staff to present this contract for Board approval because the total contract cost exceeds $500,000.

A motion was made by Commissioner Freeman and seconded by Mayor's Representative Wiltshire to recommend to the Board of Commissioners that it approve the selection of DVL Seigenthaler for advertising, marketing and public relations services and authorize the President & CEO to execute the contract. The motion carried by vote of 5 to 0.

IV. Reports For Acceptance

President Kreulen stated that in review of the Bylaws, it provided that if there was a lack of clarity, we should refer to Robert's Rules of Order. Accordingly, the Agenda has been updated and the new terms defined as follows:

I. Items for Approval
Definition: To officially sanction, consent to or adopt
Examples: Items that require approval, per the 3rd Amended and Restated Bylaws, i.e.
Contracts, leases, and amendments > $500,000 or term > 8 years
FY Operating and Capital Improvements Budget

II. Reports for Acceptance
Definition: To officially receive with agreement
Examples: Reports provided by staff that do not require "approval" per the Bylaws, such as
Strategic project updates
Quarterly investment reports

III. Reports for Record
Definition: No action or acknowledgement required
Examples: Reports provided to the board for information only, such as
Monthly Vision Updates
ALERT Updates
Supporting materials provided in Committee/Board packages

A. Retirement Committee Appointment

Marge Basrai, CPA, CGMA, CM, Chief Financial Officer reported that Ms. Karisse Spray, AVP of Human Resources was recently appointed to the Retirement Committee as voting member. Voting Members include

Marge Basrai, Doug Kreulen, Ted Morrissey, Tom Bibb, Karisse Spray, Delphia Murphy, DPS, John White, Maintenance. Janice Mullinix, Retiree is a Non-Voting Advisory Member. Additional Contributors include Terri Barnhart, Committee Secretary, Laurie Adams-Temple and Shelley Farmer, Wells Fargo and Laura Stewart, BPS&M.

B. Quarterly Treasury Investment Report

Ms. Basrai briefed the FAP Committee on this item. At the December 8, 2017 meeting of the MNAA FAP Committee, the Committee was informed that a considerable amount of the Authority's funds were maintained in cash and cash equivalents. The FAP Committee approved a motion to direct the staff to begin moving funds currently held at SunTrust Bank directly to Goldman Sachs for immediate investment. At the December 13, 2017 Board of Commissioners meeting, the Board of Commissioners authorized the Interim President & CEO to immediately open investment accounts with Goldman Sachs & Company to invest the Authority's funds, and authorized the Interim President and CEO, in coordination with the incoming CFO, to determine if additional staff is needed and/or an independent investment advisor is needed to address the cash management and investment strategy for Authority Funds.

On December 13, 2017 the asset allocation at the Authority was as follows:

Cash and Cash Equivalents	$	179,495,013	53.2%
Commercial Paper		17,373,007	5.1%
Agency/Treasury Money Market Funds		140,787,490	41.7%
Total Funds 12/13/17	$	337,655,510	

The President & CEO met with Finance staff to analyze accounts and determine what portion of the funds that were held in cash and cash equivalents could be moved to additional money market accounts. The following transfers have been made to the new Goldman Sachs & Company money market accounts through March 31, 2018:

- Between December 18, 2017 and December 29, 2017, MNAA transferred $100,255,012
- In the 3rd quarter of 2018, $50,000,000 was transferred to the accounts

During the 4th Quarter of FY 2018, an additional $18,000,000 was transferred into the Goldman Sachs & Company money market accounts. As of June 30, 2018, the new asset allocation at the Authority was as follows:

Cash and Cash Equivalents	$	51,830,754	17.6%
Commercial Paper		15,905,478	5.4%
Agency/Treasury Money Market Funds		226,839,305	77.0%
Total Funds 6/30/18	$	294,575,537	

The listing of all accounts at June 30, 2018 is shown in Attachment 1, which also indicates the ending balances for each month in the quarter.

The total portfolio return throughout the quarter was $1,061,438 or 1.39%. Included in that return was $574,303 earned during the fourth quarter FY2018 on the new money market accounts that were opened in December 2017. In comparison, the total portfolio returns for the fourth quarter as of June 30, 2017, was $402,273 or 0.44%.

Investment Program Review:

On December 29, 2017, the President and CEO hired PFM Asset Management LLC ("PFMAM") to perform a review of the Authority's current treasury investment policy dated November 16, 2011, including consultation about permitted investments, asset allocation parameters, and industry best practices. PFMAM also analyzed the Authority's investment program, prepared cash flow analysis, developed investment strategies, created performance benchmarks for the investment portfolio and developed reports for the board.

This project was completed, and the recommendations were presented to the FAP Committee at the May 9th meeting.

On May 18, 2018, MNAA engaged PFMAM, on a month-to-month basis, to assist Treasury with the implementation of the recommendations and provide comprehensive investment advisory services. The following steps are in-process:

- PFMAM and MNAA held conference calls with US Bank and Sun Trust to discuss PFMAM investment strategy and new pooled account methodology.
- PFMAM and MNAA have identified various bank accounts that will be pooled together and are currently evaluating which accounts can be closed.
- MNAA is evaluating/updating the ERP system capabilities to efficiently record the pooled bank account transactions and allocation of investment earnings.
- MNAA has submitted the application to the Tennessee Department of Treasury to invest in their Local Government Investment Pool (LGIP) as recommended by PFMAM's investment policy review.
- MNAA has prioritized the hiring of a Director of Treasury as a top strategic position.
- MNAA has begun review of the proposed Investment Policy prepared by PFMAM and is working on finalization of the draft.

C. Quarterly Retirement and OPEB Investment Report

Attached is the Performance Report prepared by Wells Fargo for the 4th Quarter of FY2018. The Wells Fargo report covers the period from April 1, 2018, through June 30, 2018.

Background:

MNAA Retirement Plan

The quarter (three months) total portfolio return *gross* of fees was 1.19% compared to the designated Composite Benchmark of 1.51%. The three-month total portfolio return *net* of fees was 1.12%.

The fiscal year-to-date (twelve months) total portfolio return *gross* of fees was 8.30% compared to the designated Composite Benchmark of 8.14%. The year-to-date total portfolio return *net* of fees was 8.04%.

Asset Allocation Summaries – Retirement Plan (excludes Meridian)

Wells Fargo resets the asset allocations mid-month. As a result, market fluctuations may result in month-end allocations being temporarily and slightly outside of the limits established in the policy. On the next month's reset date, Wells Fargo brings all asset classes back into compliance with the stated policy. All exceptions occurring during any quarter are reviewed by the Pension Committee and additional action is taken, if needed.

As of April 30, 2018, all but one of the asset classes were in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016. The Equities – Mid Cap category exceeded the maximum target allocation by .02%. *These allocation exceptions were due to market fluctuations occurring from the date of the mid-month allocation reset to the end of the month.*

Pension - Asset Allocation as of 4/30/2018 **(based on market values) (excludes Meridian)**

Category	Balance	Allocation	Policy 8/17/16 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	$ 1,797,494.69	2.81%	0%-3%-100%	Yes	100.00%	97.19%
Bonds and Notes	$ 20,527,120.93	32.05%	0%-32%-37%	Yes	37.00%	4.95%
Equities - Large Cap[(a)]	$ 22,017,807.36	34.38%	0%-34.45%-60.14%	Yes	60.14%	25.76%
Equities - Mid Cap[(a)]	$ 5,838,962.31	9.12%	0%-9.10%-9.10%	*No*	9.10%	(0.02%)
Equities - Small Cap[(a)]	$ 3,343,188.47	5.22%	0%-5.20%-7.80%	Yes	7.80%	2.58%
Equities - International[(a)]	$ 10,516,915.87	16.42%	0%-16.25%-22.75%	Yes	22.75%	6.33%
Total	$ 64,041,489.63	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 41,716,874.01	65.14%	0%-65%-75%	Yes	75.00%	9.86%

As of May 31, 2018, all of the asset classes are in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016.

Pension - Asset Allocation as of 5/31/2018 (based on market values) (excludes Meridian)

Category	Balance	Allocation	Policy 8/17/16 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	$ 2,007,160.68	3.02%	0%-3%-100%	Yes	100.00%	96.98%
Bonds and Notes	$ 21,600,039.82	32.47%	0%-32%-37%	Yes	37.00%	4.53%
Equities - Large Cap[a]	$ 22,790,292.40	34.26%	0%-34.45%-60.14%	Yes	60.14%	25.88%
Equities - Mid Cap[a]	$ 6,043,437.28	9.09%	0%-9.10%-9.10%	Yes	9.10%	0.01%
Equities - Small Cap[a]	$ 3,451,957.46	5.19%	0%-5.20%-7.80%	Yes	7.80%	2.61%
Equities - International[a]	$ 10,626,197.33	15.97%	0%-16.25%-22.75%	Yes	22.75%	6.78%
Total	$ 66,519,084.97	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 42,911,884.47	64.51%	0%-65%-75%	Yes	75.00%	10.49%

As of June 30, 2018, all of the asset classes are in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016.

Pension - Asset Allocation as of 6/30/2018 (based on market values) (excludes Meridian)

Category	Balance	Allocation	Policy 8/17/16 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	$ 1,952,885.26	2.95%	0%-3%-100%	Yes	100.00%	97.05%
Bonds and Notes	$ 21,582,945.22	32.60%	0%-32%-37%	Yes	37.00%	4.40%
Equities - Large Cap[a]	$ 22,658,073.71	34.23%	0%-34.45%-60.14%	Yes	60.14%	25.91%
Equities - Mid Cap[a]	$ 5,992,394.36	9.05%	0%-9.10%-9.10%	Yes	9.10%	0.05%
Equities - Small Cap[a]	$ 3,463,716.98	5.23%	0%-5.20%-7.80%	Yes	7.80%	2.57%
Equities - International[a]	$ 10,550,890.74	15.94%	0%-16.25%-22.75%	Yes	22.75%	6.81%
Total	$ 66,200,906.27	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 42,665,075.79	64.45%	0%-65%-75%	Yes	75.00%	10.55%

Asset Valuation Summaries – Retirement Plan

Below are the Asset Valuation Summaries for the fourth quarter of fiscal year 2018.

Asset Valuation Summary - MNAA & Meridian

Month	Cost	Market	Unrealized Gain/Loss
4/30/2018	$ 52,813,256.51	$ 64,068,430.65	$ 11,255,174.14
5/31/2018	$ 54,695,761.03	$ 66,540,306.44	$ 11,844,545.41
6/30/2018	$ 54,662,981.18	$ 66,222,127.74	$ 11,559,146.56

Asset Valuation Summary - MNAA (Excludes Meridian)

Month	Cost	Market	Unrealized Gain/Loss
4/30/2018	$ 52,790,036.28	$ 64,041,489.63	$ 11,251,453.35
5/31/2018	$ 54,678,440.62	$ 66,519,084.97	$ 11,840,644.35
6/30/2018	$ 54,645,660.77	$ 66,200,906.27	$ 11,555,245.50

Asset Valuation Summary - Meridian Only

Month	Cost	Market	Unrealized Gain/Loss
4/30/2018	$ 23,220.23	$ 26,941.02	$ 3,720.79
5/31/2018	$ 17,320.41	$ 21,221.47	$ 3,901.06
6/30/2018	$ 17,320.41	$ 21,221.47	$ 3,901.06

Asset Valuation Summary – Meridian Only – 05/31/2018:

"We received $5,035.26 due to a redemption on May 9, 2018. We free delivered off units of the Meridian funds in May to match the Meridian fund statements." - Per Laurie Adams with Wells Fargo email dated 7/13/18

Asset Valuation Summary – Meridian Only

"When the assets came over to us, everything was liquidated for cash except for the Meridian assets. They couldn't be liquidated because of the Madoff issues. Liquidations have been slow, but the account is dwindling. Since Shelley isn't managing those assets, we had to put them in a separate account. When we do get cash proceeds, they post to the Meridian account then we transfer them to the main account for investment." – Per Laurie Adams @ Wells Fargo on 12/1/17

Reconciliation Summary – Retirement Plan

Below is the Pension Reconciliation Summary for the fourth quarter of fiscal year 2018.

Pension Summary 4th Qtr FY 2018 - MNAA (market value)

	4/30/2018	5/31/2018	6/30/2018	4Q FY-to-Date
Beginning Market Value	64,284,774.77	64,041,489.63	66,519,084.97	64,284,774.77
Total Cash Receipts	13,730.28	2,013,879.78	22,432.60	2,050,042.66
Total Cash Disbursements	(260,792.69)	(306,541.23)	(275,212.91)	(842,546.83)
Change in Fair Market Value	3,777.27	770,256.79	(65,398.39)	708,635.67
Ending Market Value	64,041,489.63	66,519,084.97	66,200,906.27	66,200,906.27

Pension Summary 4th Qtr FY 2018 - Meridian (market value)

	4/30/2018	5/31/2018	6/30/2018	4Q FY-to-Date
Beginning Market Value	26,941.01	26,941.02	21,221.47	26,941.01
Total Cash Receipts				-
Total Cash Disbursements				-
Change in Fair Market Value	0.01	(5,719.55)	-	(5,719.54)
Ending Balance	26,941.02	21,221.47	21,221.47	21,221.47

Pension Summary 4th Qtr FY 2018 - MNAA & Meridian (market value)

	4/30/2018	5/31/2018	6/30/2018	FY-to-Date
Beginning Market Value	64,311,715.78	64,068,430.65	66,540,306.44	64,311,715.78
Cash Receipts	13,730.28	2,013,879.78	22,432.60	2,050,042.66
Cash Disbursements	(260,792.69)	(306,541.23)	(275,212.91)	(842,546.83)
Change in Fair Market Value	3,777.28	764,537.24	(65,398.39)	702,916.13
Ending Balance	64,068,430.65	66,540,306.44	66,222,127.74	66,222,127.74

MNAA OPEB

The quarter (three months) total portfolio return *gross* of fees was 1.11% compared to the designated Composite Benchmark of 1.51%. The three-month total portfolio return *net* of fees was 1.05%.

The fiscal year-to-date (twelve months) total portfolio return *gross* of fees was 8.03% compared to the designated Composite Benchmark of 8.14%. The year-to-date total portfolio return *net* of fees was 7.83%.

Asset Allocation Summaries – OPEB

Wells Fargo resets the asset allocations mid-month. As a result, market fluctuations may result in month-end allocations being temporarily and slightly outside of the limits established in the policy. On the next month's reset date, Wells Fargo brings all asset classes back into compliance with the stated policy. All exceptions occurring during any quarter are reviewed by the Pension Committee and additional action is taken, if needed.

As of April 30, 2018, all of the asset classes are in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016.

OPEB - Asset Allocation as of 4/30/2018 (based on market values)

Category	Balance	Allocation	8/17/16 - Present	Compliance	Allocation	Variance
Cash and Cash Equivalents	$ 500,752.60	3.07%	0%-3%-100%	Yes	100.00%	96.93%
Bonds and Notes	$ 5,244,725.73	32.14%	0%-32%-37%	Yes	37.00%	4.86%
Equities - Large Cap[a]	$ 5,560,410.91	34.07%	0%-34.45%-60.14%	Yes	60.14%	26.07%
Equities - Mid Cap[a]	$ 1,477,781.69	9.06%	0%-9.10%-9.10%	Yes	9.10%	0.04%
Equities - Small Cap[a]	$ 857,529.41	5.25%	0%-5.20%-7.80%	Yes	7.80%	2.55%
Equities - International[a]	$ 2,677,234.84	16.41%	0%-16.25%-22.75%	Yes	22.75%	6.34%
Total	$ 16,318,435.18	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 10,572,956.85	64.79%	0%-65%-75%	Yes	75.00%	10.21%

As of May 31, 2018, all of the asset classes are in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016.

OPEB - Asset Allocation as of 5/31/2018 (based on market values)

Category	Balance	Allocation	8/17/16 - Present	Compliance	Allocation	Variance
Cash and Cash Equivalents	$ 764,633.46	3.02%	0%-3%-100%	Yes	100.00%	96.98%
Bonds and Notes	$ 8,219,611.99	32.45%	0%-32%-37%	Yes	37.00%	4.55%
Equities - Large Cap[a]	$ 8,681,476.96	34.28%	0%-34.45%-60.14%	Yes	60.14%	25.86%
Equities - Mid Cap[a]	$ 2,304,146.99	9.10%	0%-9.10%-9.10%	Yes	9.10%	0.00%
Equities - Small Cap[a]	$ 1,315,586.67	5.19%	0%-5.20%-7.80%	Yes	7.80%	2.61%
Equities - International[a]	$ 4,040,970.20	15.96%	0%-16.25%-22.75%	Yes	22.75%	6.79%
Total	$ 25,326,426.27	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 16,342,180.82	64.53%	0%-65%-75%	Yes	75.00%	10.47%

As of June 30, 2018, all but one of the asset classes were in compliance with the Retirement Plan Investment Policy and Process 3-903 effective August 17, 2016. The Equities – Mid Cap category exceeded the maximum target allocation by .02%. *These allocation exceptions were due to market fluctuations occurring from the date of the mid-month allocation reset to the end of the month.*

OPEB - Asset Allocation as of 6/30/2018 (based on market values)

Category	Balance	Allocation	8/17/16 - Present	Compliance	Allocation	Variance
Cash and Cash Equivalents	$ 767,677.89	3.03%	0%-3%-100%	Yes	100.00%	96.97%
Bonds and Notes	$ 8,207,417.69	32.43%	0%-32%-37%	Yes	37.00%	4.57%
Equities - Large Cap[a]	$ 8,652,236.69	34.18%	0%-34.45%-60.14%	Yes	60.14%	25.96%
Equities - Mid Cap[a]	$ 2,309,477.43	9.12%	0%-9.10%-9.10%	*No*	9.10%	(0.02%)
Equities - Small Cap[a]	$ 1,320,187.13	5.22%	0%-5.20%-7.80%	Yes	7.80%	2.58%
Equities - International[a]	$ 4,053,446.22	16.01%	0%-16.25%-22.75%	Yes	22.75%	6.74%
Total	$ 25,310,443.05	100.00%				
(a) Total Equities (Large Cap, Small Cap, Mid Cap, Int'l)	$ 16,335,347.47	64.54%	0%-65%-75%	Yes	75.00%	10.46%

Asset Valuation Summaries - OPEB

Below are the Asset Valuation Summaries for the fourth quarter of fiscal year 2018.

Asset Valuation Summary - OPEB

Month	Cost	Market	Unrealized Gain/Loss
4/30/2018	$ 15,297,647.69	$ 16,318,435.18	$ 1,020,787.49
5/31/2018	$ 24,164,036.83	$ 25,326,426.27	$ 1,162,389.44
6/30/2018	$ 24,272,985.75	$ 25,310,443.05	$ 1,037,457.30

Reconciliation Summary - OPEB

Below is the OPEB Reconciliation Summary for the fourth quarter of fiscal year 2018.

OPEB Summary 4th Qtr FY 2018 - MNAA (market value)

	4/30/2018	5/31/2018	6/30/2018	4Q FY-to-Date
Beginning Market Value	16,316,869.31	16,318,435.18	25,326,426.27	16,316,869.31
Total Cash Receipts	9,906.82	8,859,510.47	59,377.62	8,928,794.91
Total Cash Disbursements	417.73	(9,945.20)	483.78	(9,043.69)
Change in Fair Market Value	(8,758.68)	158,425.82	(75,844.62)	73,822.52
Ending Market Value	16,318,435.18	25,326,426.27	25,310,443.05	25,310,443.05

Impact/Findings:

No action is required by the committee as this report is presented for informational purposes only.

Strategic Priorities:

- Invest in MNAA
- Plan for the future.

D. BNA Vision Financing – Short Term Credit Facility

Ms. Basrai briefed the FAP Committee on this item. Ms. Basrai reported that in late 2016, the Authority entered into a taxable short term credit facility (STCF) with SunTrust Bank for up to $100 million. As of August 6, 2018, the outstanding on STCF was $17.84 million. Cash flow projections for the STCF anticipate reaching approximately $100 million by December 2018. Based on the quarterly cash flow draws, the balance on the SunTrust Revolving Credit Facility will reach approximately $99 Million in December 2018 requiring a refinancing with a larger short-term borrowing program.

Ms. Basrai stated that MNAA would continue to utilize short term borrowing to match incurred debt with project cash flow, seek a larger short term borrowing program through a Request for Proposal (RFP) in order to prolong usage, requesting short term proposals up to $300 million. The actual size of program will be determined through the RFP process. Ms. Basrai presented a timeline for financing as follows:

- August: Release Short Term borrowing RFP
- September: Staff evaluation of proposals
- October: Request Board acceptance to proceed with negotiations
- November: Request Board approval for updated Short Term borrowing program
- December: Staff enters into new Short Term borrowing program and pays off outstanding STCF (~$100M)

Ms. Basrai provided an overview of Long Term Financing Recommendations and reported that Long Term Bonds will be issued to refinance the Short Term borrowing program. Staff is recommending multiple bond issues to refinance Short Term borrowing program with the actual size and frequency of bonds to be modified based on market conditions. Ms. Basrai presented a timeline for long term financing as follows:

- August: Begin direct solicitation for Airport Feasibility Consultant
  - PFC Application
  - Airline Rates & Charges
  - Feasibility Report
- September: Staff evaluation of qualifications
- October: Request Board approval of Airport Feasibility Consultant
- December: Release Underwriting RFQ
- January: Staff evaluation of qualifications
- February: Request Board approval of Long Term Financing

E. Hotel Planning Update

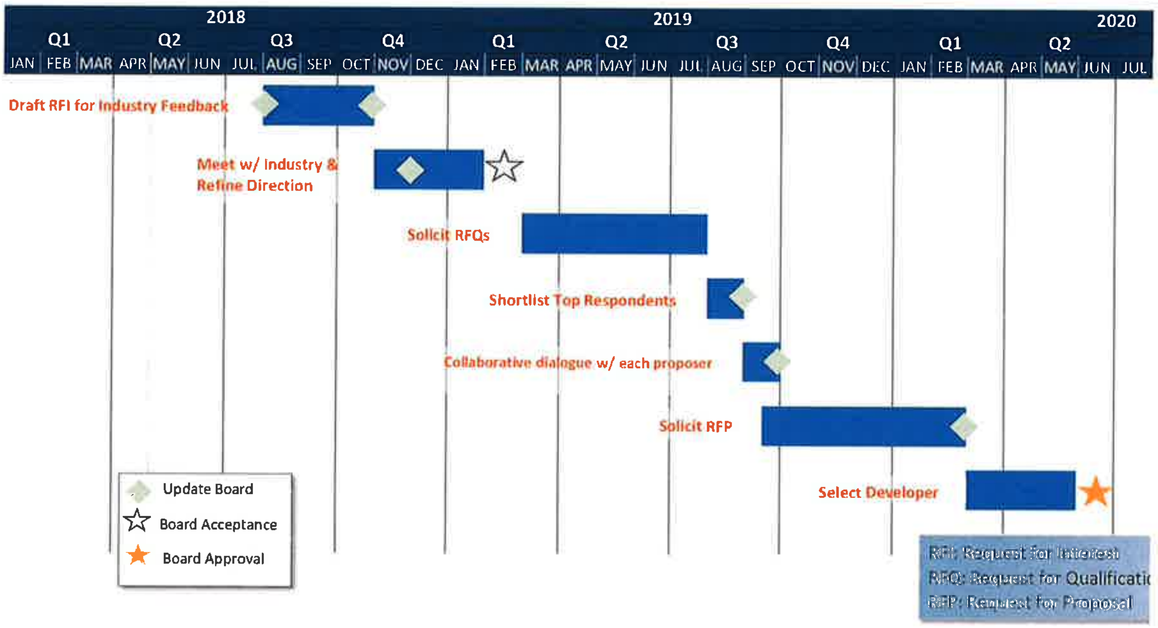
Ms. Martin briefed the FAP Committee on this item.

Background:

Jones Lang LaSalle (JLL) feasibility study indicated strong returns with minimal investment by MNAA. Additional analysis by PFM indicated the previous analysis was inadequate and fiscally unsound. President & CEO paused the hotel project and formed hotel development team.

Development Team
Paslay Management Group (consultants)
PFM (financial advisors)
Hawkins, Delafield (bond counsel)
Adams & Reese (bond and tax counsel)
MNAA Staff

Initial Hotel Development Workshop was held August 6, 2018, and items discussed included objectives and guiding principles; baseline requirements; deal structure; procurement strategy; bidder engagement; board communications and involvement; proposed development schedule/roadmap as follow:



A motion was made by Commissioner Smith and seconded by Mayor's Representative Wiltshire to accept these reports. The motion carried by vote of 5 to 0.

V. <u>Reports For Record - None</u>

VI. <u>Adjourn</u>

There being no further business brought before the FAP Committee, Chair Harwell adjourned the meeting at 10:12 a.m.

Amanda C. Farnsworth, Board Secretary

METROPOLITAN NASHVILLE AIRPORT AUTHORITY

August 8, 2018 – Minutes of the General Aviation/Operations/Planning & Engineering Committee Meeting

Date: August 8, 2018

Time: 9:45 a.m.

Place: Nashville International Airport, Nashville, Tennessee

Committee Members Present: Bill Freeman, Chair; Kabir Sandhu, Vice Chair; John Doerge and Dexter Samuels

Committee Member Absent: Amanda Farnsworth

Others Present: Doug Kreulen and Cindy Barnett

I. Call to Order

Chair Freeman called the General Aviation/Operations/Planning & Engineering (GAOPE) Committee meeting to order at 10:15 a.m., pursuant to Public Notice dated August 3, 2018.

II. Approval of Minutes

Chair Freeman called for approval of the minutes of the July 11, 2018, GAOPE Committee meeting. A motion was made by Commissioner Sandhu and seconded by Commissioner Doerge. The motion carried by vote of 4 to 0.

III. Items for Approval

A. Job Order Contract

Ms. Traci Holton, Chief Engineer, briefed the GAOPE Committee on this item. Staff requested that the GAOPE Committee recommend to the Board of Commissioners that it accept the proposal by Alpha Building Corporation for the Job Order Contract at BNA and authorize the Chair and President & CEO to execute the indefinite delivery construction contract.

Background:

Throughout the Vision program it is essential for MNAA to have the flexibility to move quickly to "clear the path" for major projects and avoid delays by completing minor enabling projects. To that end, we are seeking a contractor to provide bonded construction services for the maintenance, repair, alteration, renovation, remediation, or minor construction of facilities. This work is of a recurring nature, but the delivery times, type and quantities of work required are indefinite. Additionally, the construction services will be available for any work located at Nashville International Airport, John C. Tune Airport and MNAA Properties Corporation.

Delivery Order will be awarded substantially on the basis of pre-described and pre-priced tasks. The pricing of each Delivery Order will be developed using the most current edition of R.S. Means Facilities Construction Cost Book for Divisions 1 through 44, inclusive.

The Work may be inside or outside the Airport Operations Area (AOA) (i.e. secure area) of the Airport. The contractor shall be responsible for reviewing all existing conditions associated with the Work prior to commencement of work activities.

The estimated value of this contract is not to exceed $1,000,000.00 per year. All work will be awarded via individual Delivery Order and there is no guarantee that any services will be ordered. The maximum aggregate contract price will not exceed $1,000,000.00 yearly.

The contract is effective on the effective date and continues for one (1) year with two (2) one-year options for renewal.

A Request for Proposals was advertised on March 30, 2018 and April 3, 2018. On June 6, 2018, three (3) proposals were received from Alpha Building Corporation, Tandem Construction and Utopia Building Group.

The proposals were evaluated on the following criteria:

A. Mandatory Requirements
B. Team/Individual Qualifications, Experience
C. Technical Approach
D. SMWBE Participation and Workforce Development Program
E. Pricing

On June 27, 2018 the selection committee reviewed and graded proposals.

The total score from their Statement of Qualifications are listed below:

Contractor	Proposal Score	Average Bid Coefficient	MBE and/or WBE %
Alpha Building Corporation	294	.85	23.39%
Tandem Construction	105	1.21	23.39%
Utopia Building Group	131	1.55	24.00%

The selection committee determined Alpha Building Corporation to be the most qualified for the project, based on the following:

1. The company, Project Manager and Project Team have extensive and recent experience on Job Order Contracting.
2. Superior understanding and approach to managing and Means pricing and Job Order Contracting
3. Effective SMWBE approach to the project
4. Pricing

MNAA has evaluated the proposals and determined the proposal from Alpha to be responsive and responsible and recommend award of the Job Order Contract to Alpha. Means database pricing with a regional factor for Nashville applied is considered fair and reasonable. So, any pricing factor below 1.0 would be considered a savings from Means database and therefore Alpha pricing is considered fair and reasonable.

Impact/Findings:

MNAA SMWBE Participation Level:	23.39% MBE and/or WBE
Alpha Participation Level:	23.39% MBE and/or WBE
Anticipated Contract Start Date:	August 16, 2018
Duration of Contract:	One year with two one-year options
Contract Completion Date:	August 15, 2021
Total Price	$1,000,000.00 n.t.e/ year
Funding Source:	MNAA, O&M (% varies)

Strategic Objectives:

- Invest in MNAA
- Plan for the Future.

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in the inability to provide a contracting vehicle that will provide flexibility and quick reactions times during a critical time in Airport expansion.

A motion was made by Commissioner Samuels and seconded by Commissioner Sandhu to recommend to the Board of Commissioners that it accept the proposal by Alpha Building Corporation for the Job Order Contract at BNA and authorize the Chair and President & CEO to execute the indefinite delivery construction contract. The motion carried by vote of 4 to 0.

B. East Side Electrical Vault Relocation

Staff requests that the General Aviation/Operations/Planning & Engineering Committee recommend to the Board of Commissioners that it accept the proposal by Blakley Construction Services, LLC (Blakley) for the Design-Build Contract for the Eastside Electrical Vault Relocation (Design-Build) project at BNA and authorize the Chair and President & CEO to execute the construction contract.

Background:

The eastside airfield electrical vault is located northwest of Runway 2R/20L and facilitates transferring airfield lighting power, control and distribution for Runway 2R/20L, Taxiway(s) Hotel, and the Juliet/Lima Taxiway Bridges. Relocation of the existing vault is required to accommodate the planned Donelson Pike Relocation project planned by the Tennessee Department of Transportation (TDOT), currently planned to begin construction late 2020.

The scope of this project is to relocate the existing vault to the east side of Runway 2R/20L. Multiple locations were evaluated, and the proposed site was determined to be better for future airfield growth and expansion, NES will have ability to provide dual power feed, site is outside the AOA for easier access, reduces circuit length which increases system reliability and minimal site preparation is required.

A Request for Proposal (RFP) was advertised on May 3, 2018 and included a Base Proposal and five alternates as follows:

- Base Scope: Utilize existing spare ductbank beneath 2R/20L;
- Add Alternate 1: Open Cut Runway 2R/20L;
- Add Alternate 2: Directional Drill Beneath Runway 2R/20L;
- Deduct Alternate 3: Defer connection to existing airfield lighting circuits to the Runway 2R/20L Reconstruction Project;
- Deduct Alternate 4: Remove design and installation of fire suppression system; and
- Alternate 5: Remove design and installation of fire alarm system

On June 4, 2018, one proposal was received from Blakley Construction Services. Below is a tabulation of the proposal received.

Contractor	Base	Alt 1	Alt 2	Alt 3	Alt 4	Alt 5	SMWBE%
Blakley	$4,039,000	$382,000	$633,000	($297,000)	($83,000)	($13,000)	7.3%

It was determined to accept the Deductive Alternate 4, installation of a fire suppression system, because it is not a code requirement and is not present in either existing airfield electrical vaults. Deducting Alternate 4 from the Base proposal price, puts Blakley's proposal just under MNAAs rough order of magnitude cost of $4,000,000.

The SMWBE participation level set by MNAA for this project was 7.24% MBE and/or WBE. Blakley committed to 7.28% MBE and WBE. Blakley's SMWBE contractors are Utopia Building Group, LLC, Civil Infrastructure Association, LLC, Jerry B. Young Construction, Archangel Protective Services and Emerald Resources.

MNAA has evaluated the Proposal and determined the Proposal from Blakley to be responsive and responsible and recommends award of the Base Proposal and Deductive Alternate 4 to Blakley.

Impact/Findings:

MNAA SMWBE Participation Level:	7.24% MBE and/or WBE
Blakley's SMWBE Participation Level:	7.28%
Anticipated Contract Start Date:	September 1, 2018
Duration of Contract:	305 days
Contract Completion Date:	July 3, 2019
Contract Amount:	$3,956,000
Funding Source:	100% Bonds

Strategic Goals & Objectives/Critical Success Factors:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The current re-alignment plan proposed for Donelson Pike by TDOT places the new roadway directly over where the existing vault structure is located. For this reason, the option to leave the existing vault in place would pose significant challenges to the Donelson Pike Realignment plan.

Re-Solicit: The "Re-Solicit" option would result in delay in start of the project and likely not attract any additional Proposers due to the nature of the project and the lack of local airfield electrical contractors.

A motion was made by Commission Samuels and seconded by Commissioner Sandhu to recommend to the Board of Commissioners that it accept the proposal by Blakley for the Design-Build Contract for the Eastside Electrical Vault Relocation (Design-Build) project at BNA and authorize the Chair and President & CEO to execute the construction contract. The motion carried by vote of 4 to 0.

C. Fiber Backbone & Network Distribution

Staff requests that the General Aviation/Operations/Planning & Engineering Committee recommend to the Board of Commissioners that it accept the proposal by Johnson Controls, Inc. (JCI) for the telecommunications work for the Fiber Backbone and Network Distribution project at BNA and authorize the Chair and President & CEO to execute the construction contract.

Background:

The scope of this project is to build out a previously approved Main Communications Room (MCR) and Equipment Room on the Terminal basement level, which will serve as the airport's backup data center once Vision Project 3 demolishes the existing backup data center. It will upgrade the airport's communications infrastructure (fiber backbone) distribution equipment, technology and cabling to accommodate the airport's anticipated growth.

The Fiber Backbone & Network Distribution project was originally bid in February 2018 as a comprehensive scope. No bids were received. The project was then separated into two packages to better promote participation: 1) building construction work (the MCR); and 2) telecommunications work. This was done at the request of interested bidders.

Due to the uncertainty of securing qualified bidders for this work in an open re-bid solicitation and the need to implement this project in a timely manner to avoid delaying work in the Vision program, we investigated use of a national purchasing agreement to insure a mechanism was in place for procurement. MNAA's Purchasing Department approved the use of a National Joint Powers Alliance (NJPA) contract which was awarded under a cooperative purchasing agreement utilizing a nationally competitive public solicitation process. JCI's technical expertise and their field staff's knowledge of BNA's existing network infrastructure and field conditions were primary considerations in soliciting this work via the NJPA cooperative purchasing agreement.

A proposal was requested from JCI for the following:

- Base Proposal – project management, conduit, cabling, equipment rack and accessories purchase and install, programming and network integration.
- Add Alternate 1 – Purchase of network equipment

JCI submitted a Price Proposal in April 2018 as follows:

Contractor	Base Proposal	Alternate #1
Johnson Controls, Inc.	$566,185.00	$701,031.50

MNAA conducted in depth analysis and negotiations with JCI to validate and value engineer the scope and pricing, after which JCI revised their Proposal to the following:

Contractor	Base Proposal	Alternate #1
Johnson Controls, Inc.	$535,850.11	$583,441.72

The revised pricing resulted in a $30,335 decrease in the Base Proposal and a $117,589.78 reduction in the price of the add alternate.

The J.W. Group's (Engineer of Record) opinion of probable construction cost for the Base Proposal was $324,247.00, which is 65% lower than JCI's Base Proposal price.

Reasons for the difference in base proposal pricing:

1. The Engineer's Estimate was based on limited knowledge of the airport and Middle Tennessee market conditions.
2. J.W. Group significantly underestimated the cost of electrical work. 68% of the Base Proposal price consisted of subcontractor electrical work. JCI provided electrical pricing from two subcontractors that were comparable to each other and therefore representative of market price of the electrical scope of work.
3. The complexity of installing the work for the project was not fully realized initially during design. Implementation will be complicated, due to the age of the building and routing of existing utilities.

Furthermore, it was determined that MNAA would purchase the network equipment and decline the add alternate, resulting in a savings of $224,181.22.

The collective project budget, including the MCR Build-out approved by the Board of Commissioners on June 20, 2018, is within the approved CIP budget for the project.

Electrical services will be provided by Simino Electric, a local SBE.

MNAA and J.W. Group have evaluated the Proposal and have determined the Proposal from JCI to be responsive and responsible and recommend award to Johnson Controls, Inc.

Impact/Findings:

MNAA SMWBE Participation Level:	Race and Gender Neutral
JCI SMWBE Participation:	57% SBE
Anticipated Contract Start Date:	September 2018
Duration of Contract:	150 calendar days
Contract Completion Date:	February 2019
Contract Cost:	$535,850.11
Funding Source:	90% State / 10% Local (MNAA)

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option requires MNAA to continue to maintain the existing communications infrastructure until Vision Project 3 demolishes the existing backup data center. Failure to upgrade the telecommunications infrastructure will negatively impact the scheduled completion and overall cost of the BNA Vision program.

Re-Bid: The "Re-Bid" option would delay implementation of the telecommunications work by 90 to 120 days, with no assurance that bidding will be successful or that cost would be lower.

A motion was made by Commissioner Sandhu and seconded by Commissioner Doerge to recommend to the Board of Commissioners that it accept the proposal by Johnson Controls, Inc. (JCI) for the telecommunications work for the Fiber Backbone and Network Distribution project at BNA and authorize the Chair and President & CEO to execute the construction contract. The motion carried by vote of 4 to 0.

D. Reconstruct Runway 2R/20L

Staff requests that the General Aviation/Operations/Planning & Engineering Committee recommend to the Board of Commissioners that it accept the statement of qualification by Garver, LLC (Garver) to provide engineering consulting services for the design of the Reconstruct Runway 2R/20L, Taxiway Hotel and Connectors project at BNA and authorize the Chair and President & CEO to execute the proposed professional services contract for the amount contained herein.

Background:

Runway 2R/20L and Taxiway Hotel were originally constructed in 1989 with 15 in. of Federal Aviation Administration (FAA) Specification P-501 Portland Cement Concrete (PCC) pavement on 9 in. of FAA Specification P-209 Crushed Aggregate Base. Portions of the runway and taxiway were built on the former Hoover Quarry and required significant fill sections of up to 350 ft.

In 1991 and 1995, MNAA contracted to repair portions of the runway that were experiencing significant settlement by pressure grouting to re-establish the runway profile. Various pavement rehabilitation efforts, including panel replacements, crack sealing, and surface repairs were conducted between 2005 and 2015. Pavement conditions deteriorated rapidly between 2015 and 2018. The 2015 Airfield Pavement Condition Index (PCI) Update by Kimley-Horn & Associates, Inc. projected the 2018 PCI for Runway 2R/20L's most frequently utilized pavement areas to be 70 (Fair). Actual observations for 2018 Airfield PCI Update by Kimley-Horn & Associates, Inc. record a PCI of 54 (Poor), indicating deterioration several times greater than expected.

This contract consists of the design for the reconstruction of Runway 2R/20L, Taxiway Hotel and Connectors. Airfield geometry and pavement design will be updated, where applicable, in compliance with FAA Advisory Circular 150/5300-13A, Change 1 – Airport Design and the current BNA aircraft fleet mix. The total reconstruction area is approximately 2,000,000 square feet. All airfield lighting, signage, and electrical infrastructure within the project area will be fully replaced with LEDs, as needed. The selected consultant will provide forensic subsurface investigation, topographical survey, geotechnical engineering, preliminary and final design, bid phase services and construction administration services. Design will be complete on schedule to advertise a completed bid package in July 2019. Design issues to be addressed include but are not limited to: fill stabilization/settlement solution, construction safety and phasing, demolition, erosion control, grading, drainage, geometry, pavement design, pavement markings and airfield electric design.

On April 16, 2018 and April 19, 2018, the Metropolitan Nashville Airport Authority (MNAA) published a Request for Qualifications (RFQ).

On May 16, 2018, five Statements of Qualifications were received: AECOM Technical Services, Inc. (AECOM), Allen & Hoshall, Inc. (AH), CHA Consulting, Inc. (CHA), Exp U.S. Services, Inc. (Exp), and Garver.

The evaluation selection committee evaluated the Statements of Qualifications based on the criteria below:

1) Comparable and recent experience.
2) Key personnel's professional qualifications and experience.
3) Qualifications and experience of subconsultants.
4) Understanding of the project's potential challenges and the sponsor's special concerns;
5) DBE participation

The selection committee determined the following firms to be best qualified: CHA and Garver.
On June 11, 2018, the selection committee conducted interviews of these top candidates and their scores are listed below:

Firm	Score	Committed DBE Participation Goal
CHA	561	7.5%
Garver	651	5.35%

The selection committee determined Garver to be the most qualified firm for the Reconstruct Runway 2R/20L project based upon responses to the following questions:

1) What is your approach to evaluating and addressing settlement in the areas of significant fill?
2) How do you propose to structure your team for performance of the work while optimizing quality?
3) If requested, who would you propose to provide full-time, electrical construction support? Provide a resume.
4) How will your firm work with DBE subcontractors to coordinate work, provide mentoring/development and quality control throughout the project?

All firms were well qualified, but the team from Garver demonstrated a good understanding of the challenges of this project and presented a team with experience on projects of similar scope.

The DBE participation level set by MNAA for this project was 5.32% DBE. Garver was able to obtain 6.43% DBE. Garver's DBE partners are Civil Infrastructure Associates, LLC, Shrewsberry, RDM International and Geotek Engineering.

The design team, as submitted to MNAA includes Garver, Atkins, Wood Environment & Infrastructure Solutions, Inc., RDM International, Inc., Shrewsberry & Associates, LLC, Civil Infrastructure Associates, LLC., and TRTH Consulting.

Impact/Findings:

MNAA DBE Goal:	5.32%
Garver's DBE Goal:	6.43%
Anticipated Contract Start Date:	August 15, 2018
Duration of Contract:	870 days
Contract Completion Date:	December 2020
Contract Cost:	$4,918,530
Funding Source:	75% Federal and 25% Airline Investment Fund

Strategic Objectives:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in continued deterioration of the concrete pavement on Runway 2R/20L, Taxiway Hotel and Connectors, which will negatively affect airfield operations.

A motion was made by Commissioner Doerge and seconded by Commissioner Samuels to recommend to the Board of Commissioners that it accept the statement of qualification by Garver, LLC (Garver) to provide engineering consulting services for the design of the Reconstruct Runway 2R/20L, Taxiway Hotel and Connectors project at BNA and authorize the Chair and President & CEO to execute the proposed professional services contract for the amount contained herein. The motion carried by vote of 4 to 0.

IV. Reports For Acceptance

A. BNA Vision - Wayfinding and Finishes

Mr. Robert Ramsey, COO, reported that Project 3 with the Central Security Checkpoint and International Arrivals Facility will advertise beginning August 13, 2018. This project is scheduled to come before the Board in November.

Mr. Ramsey introduced Mr. Ross Payton of Corgan to brief the GAOPE Committee on the BNA Vision – Wayfinding and Finishes. Mr. Payton stated that with the BNA Vision, it was decided to update and renew the signage program. Jones Worley was engaged to evaluate BNA wayfinding and provide and analysis of fonts, arrows, and international symbols, all of which will be considered when arranging signage at BNA. Mr. Payton stated that the recommendation was that the symbols become larger with more focus placed on the symbol rather than on the word, which passengers will follow as BNA grows international presence. He pointed out that only English language would be used, and international languages would not be used, which is why the symbols will take precedence, following the trend of most airports.

Board Chair Samuels asked if the demographics of Nashville and its changing demographics over the next 10 to 20 years were considered. Mr. Payton stated that they did not necessarily take into account the demographics of Nashville, but rather the traveling public. They also considered the aging population and found that population look at symbols before looking at words.

President Kreulen stated that the adoption of symbols is in line with the International Aviation Transport Association Standards. Further, in terms of the aging population, airports are transitioning not only inside the building but also roadway signs, to larger fonts and symbols.

Mr. Ramsey stated that this project is part of the overall Vision and will arrive first in D Concourse and will then migrate throughout the airport. The additional funding from the Fraport concessions agreement will be used as concourses A, B and C are refreshed.

Mr. Payton stated that with regard to interior and exterior finishes, they are extending what was presented in the BNA Vision shell package, keeping in mind the Nashville Airports Experience; the organic natural beauty of Nashville and Middle Tennessee; the forms and rhythms of music and instruments ingrained in Music City; and a warm and welcoming pallet exuding Southern Hospitality.

Chair Freeman suggested making a display in the terminal where travelers and residents could share the excitement of the improvements. President Kreulen stated this would be done in the area of the BNA Vision model which had been well received.

B. Airport Master Plan Update

Mr. Ramsey stated that the Board approved the Master Plan contract in February 2018. The purpose of the Master Plan was to identify facility needs and prepare development plans in response to the growing aviation demand at BNA, updated every 5 to 7 years with a 20 year planning horizon and focus on air service and air service development, runway lengths and air traffic control towers; structure a capital improvement program that guides MNAA implementation of the plan in an orderly, controlled and fiscally sound manner; prepare a plan that is sustainable, responsive, and transparent; and comply with FAA requirements.

Master Plan products will consist of Airports GIS (AGIS)/Electronic Airport Layout Plan (eALP); develop an A-GIS database and generate an eALP; Noise Exposure Map (NEM) Update which will include updated NEM for the 2019 existing condition and the 2024 future conditions; Reuse, Recycling, and Waste Reduction Plan (RRWR): prepare an RRWR Plan to enhance waste management program.

The Master Plan will follow the FAA Standards. Mr. Ramsey also provided an overview of the Board coordination schedule reflecting various projects requiring Board approval.

A motion was made by Commissioner Doerge and seconded by Commissioner Samuels to accept the reports on BNA Vision Wayfinding and Finishes and the Airport Master Plan Update. The motion carried by vote of 4 to 0.

V. Reports for Record - None

VI. Adjourn

There being no further business before the GAOPE Committee, Chair Freeman adjourned the meeting at 11:02 a.m.

Amanda C. Farnsworth
Board Secretary