

✈ METROPOLITAN NASHVILLE AIRPORT AUTHORITY ✈

July 18, 2018– Minutes of the Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors



Date: July 18, 2018

Place: Nashville International Airport
Nashville, Tennessee

Time: 1 p.m.

Board Members Present:

A Dexter Samuels, Chair; Trey Harwell, Vice Chair; Amanda Farnsworth, Secretary; John Doerge, Bill Freeman, Kabir Sandhu, Christy Smith and Mayor's Representative, Matt Wiltshire

Board Members Absent:

Dierks Bentley

Others Present:

Doug Kreulen and Cindy Barnett

I. Call to Order

Chair Samuels called the MNAA Board of Commissioners and MPC Board of Directors meetings to order at 1:00 p.m., pursuant to the Public Notice dated July 13, 2018.

II. Approval of Minutes

Upon motion made by Commissioner Farnsworth and seconded by Commissioner Harwell, the Board voted to approve the minutes of the June 20, 2018, joint meeting of the MNAA Board of Commissioners and MPC Board of Directors. The motion carried by a vote of 9 to 0.

III. Chair's Report

Chair Samuels welcomed Commissioners, staff, guests and members of the community. Chair Samuels gave thanks to all who have made this seminal moment a reality. It is without a doubt a true depiction of how far we have come. However, we still have much work to do. It is with a heart-felt thank you to the Board in having the trust in me to build upon the momentum that has been set by Bobby Joslin. This will take a selfless and unrelenting effort to do what is best for BNA and for

Nashville. We will not overreach but will strive to reach a higher ground. There will be detractors and issues that may present challenges, but I know this Board's passion to do what is right, and I am blessed to be a part of this committed and talented Board of Commissioners.

Today is our renewed commitment to work together as one for the betterment of Nashville and the BNA community. Coretta Scott King once said that "the greatness of a community is most accurately measured by the compassionate actions of its members." I know firsthand that the BNA employees are truly compassionate and work tirelessly to be a recognized leader in the industry. To the BNA staff, the people on the front lines who give the walls of this airport a soul, your voice matters and will always be relevant to everything that we do. We commit to being better listeners. Listening will not be a lost art. It will be part of the core of who we are. It is my belief that everything we do should be for the greater good of the community we serve – Nashville residents and the millions of visitors whose first impression of our city is our airport. As the saying goes, "Be humble, be gracious and make peace with inner fears before stepping out into the limelight and allowing yourself to be subjected to all of humanity."

Our quest to be the best will be a daunting task, and we have much to do. We must be more engaged in all communities in Nashville; we must ensure that those who want to do business with BNA regardless of their race, gender, religion, or nationality have an opportunity to succeed; we must care for and respect all of our employees regardless of their rank within the organization; and we must enjoy the journey. The journey will define who we are. It can take us to exceeding high levels of success or down the path of despair. Our challenges and opportunities will be numerous, but I know the BNA community is prepared to embark upon this journey. It was said that "Sometimes we make the process more complicated than we need to. We will never make a journey of a thousand miles by fretting about how long it will take or how hard it will be. We make the journey by taking each day step by step and then repeating it again and again until we reach our destination."

I look forward to embarking upon this journey with you. As my father always told me, "doing your best is good enough." And this is simply all that we need to do - our best.

Chair Samuels stated that in keeping with that, he wanted to recognize our BNA community employees. The first award is the Norvell Award given to a supervisor who is a role model or mentor and has demonstrated cooperation, commitment and respect for co-workers and customers. This award is named in honor of Glenda Norvell who exemplified compassion and empathy as well as outstanding interpersonal and leadership skills at MNAA. Chair Samuels announced that the award winner was Mr. Tommy Bibb, AVP of Operations and Maintenance.

Chair Samuels stated that the Jobe award is given to a non-management employee who has demonstrated a drive for cooperation, commitment and sincere care for co-workers and customers. It was named in honor of George Jobe who held employee number 001 and exemplified outstanding interpersonal skills and work habits worthy of emulations for 32 years at MNAA. Chair Samuels announced that the Jobe award winner was Officer Delphia Murphy of the Department of Public Safety.

Chair Samuels stated that Mr. Bibb strives to deliver the NAE to passengers, business partners and other staff, is very humble and always looking for ways to improve customer service and always looking at the big picture and the right thing to do for our customers.

Chair Samuels stated that Officer Murphy works hard to keep things safe and goes above and beyond the call of duty in all that she does. She has a contagious and infectious smile and anyone that comes in contact with her feels better and does it with good medicine, according to her peers. She is active in the community by volunteering.

Chair Samuels stated that it was the peers that nominated these individuals, not the executive leadership team.

IV. President's Report

President Kreulen reported that the Board had received the President & CEO Executive Update, which includes: 120 Day Outlook for Board and Committee, Active and Planned Solicitations, Active and Planned Strategic Hires, Strategic Priorities (Invest, Plan, and Prepare) and CEO Scorecard. All Board members will receive on this update on a monthly basis.

President Kreulen thanked the Commissioners for their participation in the official ground breaking for Concourse D and Ticketing Wings expansion on June 20, 2018.

President Kreulen reported that Southwest Airlines will begin service to Newark twice daily beginning January 7, 2019. Southwest previously served this market from BNA but discontinued in March 2016. Southwest also added a fifth daily flight to Dallas Love Field (Monday – Friday).

President Kreulen reported that Mr. David Gibbs, was recently awarded the Special Achievement in GIS (SAG) Award and was recognized as No. 1 out of more than 100,000 worldwide organizations. GIS delivers cutting edge mobile mapping and integrates with both maintenance and finance systems. Mr. Gibbs has given our Operations team a way to inspect the runways and our Maintenance team a way to ensure that we don't dig up old power lines or conduit as we go forward. He has integrated this into our maintenance work order system.

President Kreulen congratulated members of the Department of Public Safety on promotions: Lieutenant Alan Keene was promoted to Captain; Officer 3 Keneil Williams was promoted to Sergeant; Lieutenant Steven Craig was promoted to B shift Lieutenant; Officer 3 John Herd was promoted to Sergeant; and Lieutenant Otis Gardner graduated from the FBI National Academy in June.

President Kreulen stated that R2 Parking Space reduction would begin August 1, and R-2 parking lot users would be relocated to R-4 parking in the Express Park Lot. There would be 24 hour dedicated shuttle busses, with additional bus between 7-9 a.m. and 4-6 p.m. Monday through Friday. R-2 Spaces 26-36 would remain available for the Board.

Economic Report

President Kreulen reported that June 2018, was the busiest month in the history of BNA with 1,460,525 total passengers, surpassing the May 2018 record of 1,418,316. President Kreulen further reported that the Best Fiscal Year for Passengers in BNA History was FY 2017 – 13,566,537. Fiscal Year 2018 passenger totals of 14,918,144 broke the previous record setting a new all-time passenger record for the fifth consecutive fiscal year by an astounding number - 1.35 million more total passengers than the previous record and 10.0% growth for the year. BNA's total passengers for June were up 11.1% and up 10% for FY18. Passenger numbers have increased in 93 of the last 95 months.

President Kreulen reported that News and Gift gross sales for June 2018 were \$2,728,009, up 13.9% over June 2017; FY18 gross sales were \$26,705,820, up 15.8% over FY17.

Food & Beverage gross sales for June 2018 were \$4,940,473, up 9.1% over June 2017; FY18 gross sales were \$51,133,496, up 9.1% over FY17.

President Kreulen reported that Rental Car gross sales for June 2018 were \$14,271,263, 7.8% above last June and up 8.0% for FY18. June revenue was up 10.0% at \$1,424,488; and FY18 \$14,675,686. June Rental Car days were up 8.5% and up 6.6% for FY18 YTD.

President Kreulen provided an overview of the Audit Committee Meeting. Payment Card Industry (PCI) Compliance Assessment showed 36% overall compliance. Open audit findings total 371, most of which related to PCI. Staff has plans in place for corrective action.

President Kreulen reported the Audit Committee reviews all reports of possible fraud. Over the last quarter there had been two reports. One report over the possibility of sharing confidential information is in final review by the Legal Department, and no fraud was found on the second report referencing surplus MNAAB material.

President Kreulen reported that the Diversity Committee, chaired by Chair Samuels, reviewed the EEO Quarterly Report, 2017 Affirmative Action Plan (AAP) and BDD statistics.

Staff Reports

Operations Report:

Mr. Robert Ramsey, Chief Operating Officer, reported on Gross Parking Revenue. Unadjusted Gross Parking Revenue from all 5 lots for June was 4,757,873, up 15.8%; FY18 was \$50,280,851, up 14.2%. Revenue transactions for June were 123,180, down 13.4%; FY18 were 1,337,561, down 5.7%. Express Park revenue for June was \$180,000 and \$1.307 M for FY18.

For the month of June, air cargo was down 2.3%, with 4,461 total tons of cargo, a decrease of 104 tons. Air cargo was up 8.3% for FY18.

BNA June fuel sales for Atlantic Aviation, Signature Flight and private self-fueling hangars were down 7.1%, or 47,950 gallons less. For FY18 fuel sales increased 4.2%, equating to 329,210 gallons more. JWN June fuel sales for Contour Flight Support were up 17.6%, or 23,819 gallons more, For FY18 fuel sales increased 15.1%, or 211,069 gallons more.

Mr. Ramsey provided a brief update on the BNA Vision, and provided the Committee with handouts. He reported on the Terminal Garage and Transportation Center, stating that 89.3% of concrete was placed, the garage structure will top-out September 2018, and scheduled to open November 2018 with final completion December 15, 2018.

Mr. Ramsey stated that the terminal apron and taxiway expansion was underway with 75,000 CY of unsuitable material removed, 2,750 loads of material fill placed 32,000 CY of stone placed and 200 loads per day hauled.

Mr. Ramsey gave a summary of the vision budget, reporting that the current budget was \$1.38 billion, contract commitments were approximately \$232 million, actual costs were approximately \$104.5 million and estimated completion costs were \$1.35 billion with a variance of \$25 million. He also provided an overview of the program schedule.

Financial Report:

Ms. Marge Basrai, Chief Financial Officer, reported that she did not have June 2018 financial results to report due to the year-end close out. Ms. Basrai reviewed the schedule for the FY18 External Audit being conducted by Dixon Hughes Goodman, LLP: June 11-21 - Interim fieldwork completed; August 6 - Year-end fieldwork begins; September 28 - Draft financials and single audit to Metro; and October 31 - Audit closed.

Business Diversity Development Report:

Ms. Donzaleigh Powell, Director of Business Diversity Development, briefed the Board on MNAA's SMWBE program for June 2018. Ms. Powell presented the following data:

	Aspirational					YTD	YTD
	Participation		MWBE	Total	YTD	MWBE	Total
	Percentage	Percentage	Expense	Expense	Percentage	Expense	Expense
Professional Services (Includes all contract services, legal expenses external printing, and marketing)	12.44%	14.07%	\$662,180	\$4,705,004	11.96%	\$4,231,381	35,373,735
Goods & Services (Includes all office supplies and office equipment and other goods)	6.49%	1.09%	\$4,069	\$374,734	1.76%	\$54,171	3,078,633
Construction Non-Federal CIP (All non-federal Construction and professional projects)	10.49%	8.91%	\$597,478	\$6,706,525	13.06%	\$14,843,948	113,643,685
Construction Federal CIP (All Federal Construction and professional projects)	9.28%	5.38%	\$10,371	\$192,826	2.55%	\$46,949	1,843,533

V. Items for Approval:

A. FAA Air Traffic Control Tower Land Lease Renewal

Ms. Margaret Martin, AVP of Business Development briefed the Board on this item. Staff requested that the MNAA Board of Commissioners accept a renewed Memorandum of Agreement for the land lease between the Metropolitan Nashville Airport Authority (MNAA) and the Federal Aviation Administration (FAA) for the FAA Air Traffic Control Tower (ATCT) site; and approve and authorize the Chairman and President & CEO to execute the proposed Agreement.

The current Memorandum of Agreement (MOA) between the Metropolitan Nashville Airport Authority and the Federal Aviation Administration (Lease No. DTFA06-99-L-00480) for the land site for the ATCT, as described on Exhibit "1" of the MOA upon which FAA constructed the ATCT, expires on September 30, 2018. The original lease was for a term of one year commencing October 1, 1998 through September 30, 1999 subject to annual renewals at the sole discretion of the FAA. FAA shall pay MNAA no monetary rent as it is mutually agreed that the rights extended to the FAA are in consideration of the obligations assumed by the FAA in its establishment, operation and maintenance of navigational aid facilities located on the premises.

The new MOA (Lease No. 69435Z-18-L-00020) is for a term of twenty (20) years commencing October 1, 2018 and continuing through September 30, 2038. The FAA can terminate the MOA, in whole or in part, by the giving at least sixty (60) day's written notice.

Impact/Findings:

Term:	October 1, 2018 – September 30, 2038 (20 years)
Premises:	See attached Exhibit "1" of staff analysis
Financial terms:	\$0.00 Rent

Strategic Priorities

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

Options/Alternatives

Reject the MOA and attempt to renegotiate the agreement which could delay the execution of a new agreement and damage the relationship between MNAA and the FAA.

Committee Review

This item was presented to the Finance, Administration and Properties Committee on July 11, 2018. The FAP Committee voted 6 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Doerge to accept a renewed Memorandum of Agreement for the land lease between the MNAA and the FAA for the ATCT site and approve and authorize the Chairman and President & CEO to execute the proposed Agreement. The motion carried by vote of 9 to 0.

B. Stream Mitigation for Unnamed Tributary South of Runway 2C

Ms. Traci Holton, Chief Engineer, briefed the Board on this item. Staff requested that the Board accept the bid by Blakely Construction Services, LLC (Blakely) for the construction contract for the Stream Mitigation for Unnamed Tributary South of Runway 2C project at BNA; and authorize the Chair and President & CEO to execute the construction contract.

Background:

As a result of the progression of the BNA Vision program and relocation of the International Arrivals Facility (IAF) to a more centralized location, it was determined that filling in the large land depression between the terminal aircraft apron and taxiway connector would be a necessary enabling project. The Terminal Apron and Taxiway Expansion project construction will eliminate approximately 660 feet of existing blue-line stream and 0.40 acres of wetland.

The wetland will be mitigated by paying into a wetland bank associated with the region of project construction. Because of limitations on available mitigation options for blue-line streams in the Mill Creek watershed, it has been agreed among the Tennessee Department of Conservation (TDEC), the United States Army Corps of Engineers (USACE) and MNAA that, among other requirements, approximately 2,500 feet of stream mitigation is required to offset the impacts to the existing stream by the Terminal Apron and Taxiway Expansion project.

The Stream Mitigation project is located along an unnamed tributary to Mill Creek, from McGavock Pike to the AOA fence south of runway 2C. Stream improvements consist of stabilization (re-grading) of the stream banks, installation of log weirs, replacement of an existing culvert, cultivation of selected vegetation species (plant and tree), removal of invasive plant species and erosion control measures.

An Invitation to Bid was advertised on May 3, 2018 and included a Base Bid with no alternatives.

On June 6, 2018, one (1) bid was received. Below is a tabulation of the bid. Minority and Woman-owned Business Enterprise (MBE / WBE) percentage listed is commitment made by the contractor:

<u>Contractor</u>	<u>Base Bid</u>	<u>MBE %</u>	<u>WBE %</u>
Blakely	\$766,000.00	0.92%	5.09%

The SMWBE goal established for the project was 5.85% MBE and/or WBE. Blakely was able to obtain a total of 6.01% MBE and WBE participation. Blakely's SWMBE partners include Civil Infrastructure Associates, Archangel Protective Services, Jen-Hill Construction Materials, and Jarvis Award, Sign, & Flag Company.

Blakely's bid was 2.7% lower than the Engineer of Record's, Garver, opinion of probable construction cost of \$786,375.00.

MNAA and Garver have evaluated the bids and determined the bid from Blakely to be responsive and responsible and recommend award to Blakely Construction Services, LLC.

Impact/Findings:

MNAA SMWBE Participation Level:	5.85% MBE and/or WBE
Blakely's SMWBE Participation Level:	6.01% MBE and/or WBE
Anticipated Contract Start Date:	August 2018
Duration of Contract:	120 days
Contract Completion Date:	November 2018
Contract Amount:	\$766,000.00
Funding Source:	MNAA

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in insufficient mitigation required by TDEC and USACE for the Terminal Apron and Taxilane Expansion project.

Committee Review:

This item was presented to the General Aviation/Operations/Planning & Engineering Committee on July 11, 2018. The GAOPE Committee voted 5 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Doerge to accept the Bid by Blakely for the construction contract for the Stream Mitigation for Unnamed Tributary South of Runway 2C project at BNA; and authorize the Chair and President & CEO to execute the construction contract. The motion carried by vote of 9 to 0.

C. Terminal Garage and Airport Administration Building CGMP (1 of 3)

Ms. Holton briefed the Board on this item. Staff requested that the Board accept the proposal by Messer for the progressive design-build contract for the Terminal Garage and Airport Administration Building project at Nashville International Airport (BNA); and authorize the Chair and President & CEO to execute contract and the Component Guaranteed Maximum Price #1 (CGMP1).

Background:

The Terminal Area Parking will consist of three garage projects. Garage A is currently under construction. Garages B and C will be constructed in the footprint of the existing short-term garage to be demolished.

Garage B (approximately 1,800 spaces) and a hotel are planned to be constructed at a later date. Garage C (approximately 3,000 spaces) and the Airport Administration Building (approximately 64,000 SF) comprise this project, which is Project 2A of the BNA Vision. Also as a part of this project, MNAA reserves the option to construct Garage B as an extension of the contract, or use the design development drawings of Garage B to construct Garage B and the future hotel as a future separate solicitation.

The progressive design-build contract establishes a Guaranteed Maximum Price (GMP) based on the 60% design drawings. To manage the final GMP, a specified design-to-budget requirement is utilized to ensure the total budget remains on target through the progression of ongoing design and construction work. The design-to-budget established for this project was \$144,600,000. The project will be managed to achieve this design-to-budget amount whereby the projected cost of the aggregate CGMP's are not allowed to exceed the design-to-budget amount at any time. Currently it is expected this project will require up to 3 CGMP's prior to reaching the final GMP. Messer anticipates the following CGMP schedule: CGMP1 – Design, General Conditions, Short Term Garage Demolition and Garage Concrete Frame; CGMP2 – Site Utilities, Drilled Piers, Precast Concrete, Elevators and trades Critical for Early Coordination and Lead Times; CGMP3 – Miscellaneous Metals and Railings, Metal Stud Framing, Sheathing and Drywall, and all remaining Trade Contracts.

A Request for Proposals was advertised on March 26, 2018 and March 29, 2018. On May 7, 2018, five proposals were received from Holder Hardaway, Messer, JE Dunn, Skanska and Turner Construction Company.

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

The selection committee determined the following firms to be highest qualified:

- Holder Hardaway
- Messer

On June 7, 2018 the selection committee conducted interviews of these top candidates asking additional questions on SMWBE, workforce development, team experience, project approach, labor market, design to budget and meeting schedule.

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

Contractor	Proposal & Interview Score	CGMP1	MBE %	WBE%	SBE%
Holder Hardaway	580	\$25,517,395	8.69%	12.62%	4%
Messer	689	\$22,749,574	8.69%	12.62%	4%

The breakdown of Messer subcontracting team as presented follows:

Proposer	Subcontractor	Discipline/Responsibility	SBE	MWBE	Local Firm	BNA Experience
Messer	Moody Nolan	Architect/Design Project Management			Yes	Yes
	Aerial Innovations	Progress Photography		WBE	Yes	Yes
	Arora Engineers	Special Systems Design		MBE	Yes	Yes
	Barge Cauthen & Assoc.	Civil Engineering	SBE		Yes	
	Charter Construction	Concrete Contractor			Yes	
	DF&H Services	MEP CA		WBE	Yes	Yes
	Diversified Inc.	Job Office Cleaning		MBE	Yes	Yes
	E3	Concrete Construction		MBE	Yes	Yes
	EMC Structural Engineers	Structural Engineering	SBE		Yes	Yes
	Feltus Hawkins	Interior Design		WBE	Yes	Yes
	Hawkins Partners, Inc.	Landscape Architecture		WBE	Yes	Yes
	IC Thomasson	Mechanical, Electrical, Plumbing & Fire Protection			Yes	Yes
	Intertek PSI	Geotechnical Engineer			Yes	Yes
	Jarvis Award Sign and Flag Co.	Project Signs		WBE	Yes	Yes
	Logan Patri Engineering Co.	Structural Engineering		MBE	Yes	Yes
	Morgan & Morgan, Inc.	CM Staff, Inclusion Compliance		MBE	Yes	Yes
	Pinnacle Construction Partners, Inc.	CM Staff		MBE	Yes	Yes
	Relevant Resources Group, LLC	Workforce Development		MBE	Yes	Yes
	THP Limited	Garage Designer				
	TLC Engineering	Sustainability and LEED Coordination			Yes	
	Tolleson McCoy	Signage Design		WBE	Yes	
	YAD Consulting, LLC	CM Staff		WBE	Yes	

The selection committee determined Messer 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 structured parking and projects of equivalent size and complexity. This team has extensive experience in the design-build delivery method.
2. Superior understanding and approach to design and build the project
3. Thoughtful understanding of phasing and understanding local labor market and resources for the most critical component (concrete structure)
4. Effective SMWBE and workforce development approach to the project

5. Opening the garage parking 45 days early

CGMP #1 includes design, general conditions and Short Term Garage demolition equating to \$22,749,574; early procurement of the construction of the concrete garage frame equaling \$47,815,307; and bonds, insurance and contingency for the construction of the concrete garage frame totaling \$5,163,747, for a total CGMP #1 price of \$75,728,628.

The schedule for this project is very aggressive with concrete frame beginning on or about January 1, 2019. There are a number of large concrete frame projects under construction in Nashville and even more in planning stages for next year. Most of the concrete work on these projects are being procured early on a negotiated basis in order to lock in pricing and resources to meet their schedules.

In addition, market volatility is a significant cost risk for material purchases. Messer has advanced the structural design of the concrete frame to a level (approximately 40% design) where they were able to competitively price the reinforcing steel, concrete materials and construction for the concrete frame. Messer has teamed with Charter Construction to deliver the concrete frame for this project.

Charter Construction is a 40-year-old Nashville concrete subcontractor that has an excellent reputation for performance on the region's largest, fastest paced projects. They excel at delivering value early to project teams by working with the structural engineer to design a structure that is economical and high quality. They have proven processes for planning work and manning projects with the right resources to meet aggressive schedules. Charter currently has a workforce of over 375 men and women that live in Middle Tennessee. Furthermore, Messer has a trusted relationship with Charter Construction; they have performed many projects together and they have demonstrated a commitment to serving their clients well.

Pricing Verification

Charter's proposal for the concrete frame totals \$47,815,307, and includes cost back up and scope qualifications. This proposal is based on Messer's structural engineer, EMC, 60'x 60' design. Messer and Charter have provided price comparison worksheets with historical information on other concrete frame projects. These comparisons verify that Charter's pricing is fair and reasonable. We believe the approach to the concrete frame provides the best value for this project.

MNAA has evaluated the proposals and determined the proposal from Messer to be responsive and responsible and recommend award of the progressive design-build contract to Messer.

Impact/Findings:

MNAA SMWBE Participation Level:	8.69% MBE and 12.62% WBE and 4% SMBE
Messer Participation Level:	8.69% MBE and 12.62% WBE and 4% SMBE

Anticipated Contract Start Date:	July 18, 2018
Duration of Contract:	800 Calendar Days Completion
Contract Completion Date:	September 25, 2020
Component Guaranteed Maximum Price 1	\$75,728,628
Component Guaranteed Maximum Price 2	TBD
Component Guaranteed Maximum Price 3	<u>TBD</u>
Total Guaranteed Maximum Price	\$144,600,000.00 NTE
Funding Source:	100% MNAA

Strategic Objectives:

- Invest in MNAA
- Plan for the future.

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in the inability to complete the BNA Vision or meet passenger growth projections.

Committee Review:

This item was presented to the General Aviation/Operations/Planning & Engineering Committee on July 11, 2018. The GAOPE Committee voted 5 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Harwell to accept the proposal by Messer for the progressive design-build contract for the Terminal Garage and Airport Administration Building project at BNA and authorize the Chair and President & CEO to execute contract and the Component Guaranteed Maximum Price #1 (CGMP1). The motion carried by vote of 9 to 0.

D. Parking Revenue Controls System Service Agreement

Ms. Holton briefed the Board on this item. Staff requested that the Board authorize the President & CEO to execute the Maintenance Services Agreement to Scheidt & Bachman for the Parking Revenue Control System at Nashville International Airport.

Background:

The Parking Revenue Control System (PARCS) is a management software and revenue control system that provides the Metropolitan Nashville Airport Authority (MNAA) the ability to effectively administer, manage and collect revenue for all public parking lots. The MNAA has been effectively using the PARCS since October 2016. Delays in close out were experienced due to system features and services that were not functioning, however all open items are now completed and closed out.

The Scope of the Service Agreement includes:

- 24/7 Phone Support
- 24/7 Emergency Support
- Preventative Maintenance Cycles (performed quarterly)
- Daily System Backups
- On-Site Technician located within (50) miles
- Operating System, Application and Database Patches/Updates
- System Recovery within 24 hours

This is a five-year service agreement that will increase 2.5% per year. Please refer to the tabulation below for annual pricing breakdown.

	Year One	Year Two	Year Three	Year Four	Year Five
Total	\$180,000	\$206,706	\$281,830	\$288,876	\$296,097

Note: Because the annual cost of these services does not exceed \$500,000, 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.

Impact/Findings:

MNAA SMWBE Participation Level:	0% Race and Gender Neutral
Contract Start Date:	July 20, 2018
Duration of Contract:	1825 Calendar Days
Contract Completion Date:	July 20, 2023
Total Contract Cost	\$1,253,509.00 (over 5 years)
Funding Source:	O&M

Strategic Priorities:

- Invest in MNAA

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in potential loss of parking revenue, efficiency and administrative control of the PARCS.

Committee Review:

This item was presented to the General Aviation/Operations/Planning & Engineering Committee on July 11, 2018. The GAOPE Committee voted 5 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Farnsworth to authorize the President & CEO to execute the Maintenance Services Agreement to Scheidt & Bachman for the Parking Revenue Control System at BNA. The motion carried by vote of 9 to 0.

E. CEO Evaluation

Commissioner Joslin briefed the Board on this item. He reported that the Management Committee met and evaluated President Kreulen's performance, noting that President Kreulen had been in his current position only seven months. Commissioner Freeman and Commissioner Smith were also present at that meeting. Discussion included accomplishments and things that needed improvement. On behalf of the Management Committee, Commissioner Joslin recommended that President Kreulen receive a 3% cost of living increase and a 5% bonus. A motion was made by Commissioner Joslin and seconded by Commissioner Farnsworth to approve the recommendation. The motion carried by vote of 9 to 0.

President Kreulen thanked the Chair and Commissioners for their support and looked forward to improving performance in the future. He expressed his thanks to the staff. President Kreulen stated that we all have the same goal, to make BNA No. 1 and Nashville No. 1.

VI. Information Items

A. Committee Structure

Chair Samuels provided a brief overview of a proposed committee structure to include two new committees. An Executive Steering Committee was proposed to increase communication between the Board members and Committees. It would be made up of the chairs of the respective committees and chaired by Commissioner Harwell. The BNA Vision Committee was proposed, due to the volume of work being done and the acceleration of those projects. It would be chaired by Commissioner Joslin.

This item was presented for information purposes only and no action was required.

B. ACI-NA Convention Update

Mr. Tom Jurkovich, VP of Strategic Communication and External Affairs, reported that Nashville is the host city and BNA is the host airport for the ACI-NA Annual Conference this year. It is one of two leading trade associations in the airport world. The conference will be held at the Music City Center September 29 through October 3, 2018. This is now one of the larger conventions that can be hosted in Nashville as a consequence of the new Convention Center. Registrations are being received and may surpass a record. He expected to have approximately 2500 registrants and 3000 attendees from all airport, vendors, stake holders, interested

parties and aviation professionals from all around the world. He stated that ACI-NA organizes the conference and BNA is the sponsor and host airport. Mr. Jurkovich provided an overview of key events during the conference.

President Kreulen stated that the FAA Air Traffic Control Tower Land Lease Renewal item presented for approval was a FAP Committee item and not a GAOPE item as stated earlier. Commissioner Harwell stated that the FAP Committee met, reviewed and voted unanimously to approve the item for recommendation to the Board.

A motion was made by Commissioner Harwell and seconded by Mayor's Representative Wiltshire to approve the FAA ATCT Land Lease Renewal. The motion carried by vote of 9 to 0.

VII. Adjourn

There being no further business before the Board, Chair Joslin adjourned the meeting at 1:40 p.m.



Amanda C. Farnsworth
Board Secretary