

✈ METROPOLITAN NASHVILLE AIRPORT AUTHORITY ✈

June 13, 2018 – Minutes of the Joint Meeting of the MNAA Finance, Administration, and Properties Committee and MPC Finance/Administration/Properties Committee



Date: June 13, 2018

Place: Nashville International Airport
Nashville, Tennessee

Time: 9:00 a.m.

Committee Members Present:

Bill Freeman, Vice Chair; Bobby Joslin, Christy Smith

Committee Member Absent:

Trey Harwell, Chair; Amanda Farnsworth, and Mayor's Representative, Matt Wiltshire

Others Present:

Doug Kreulen and Cindy Barnett

I. Call to Order

Vice Chair Freeman called the Metropolitan Nashville Airport Authority (MNAA) and MNAA Properties Corporation (MPC) Finance, Administration, and Properties (FAP) Committee meeting to order at 9:09 a.m., pursuant to Public Notice dated June 8, 2018.

II. Approval of Minutes

Vice Chair Freeman stated that due to the lack of a quorum, approval of the minutes of the May 9, 2018, GAOPE Committee meeting would be passed to the next regular FAP Committee meeting.

Vice Chair Freeman stated that due to the lack of a quorum, the items for approval would be presented for informational purposes only and staff would take its recommendations directly to the Board for approval.

III. Item for Approval

A. Public Relations, Marketing and Advertising Services Contract

Mr. Tom Jurkovich, VP Strategic Communications, advised the Committee that this item will be passed to the next regular meeting of the FAP Committee.

B. Media Buy Services Contract

Mr. Jurkovich briefed the FAP Committee on this item. Staff requested the FAP Committee recommend to the Board of Commissioners that it approve the selection of Milek Media LLC and authorize the President & CEO to execute the contract.

Background:

Media targeting, placement and buying are specialized services required of any effective advertising and marketing program. The current media buying services contract expires June 30, 2018. Staff proposes a new contract for media buying services to implement the Metropolitan Nashville Airport Authority's (MNAA) marketing and advertising needs.

The scope of work involves the placement and buying of all MNAA advertising, including but not limited to print, radio, television, social, web or other media designed to reach MNAA's established target audiences.

Five firms responded to the RFP for media buying services. A three-member evaluation team ranked the firms on established criteria, which included several key components:

- Proven and demonstrated ability of the team members (subs) assigned to this project to work together on accomplishing goals and objectives
- Experience and qualifications of the proposing firms' staff assigned - relevant to the area of services to be provided
- Ability and willingness to meet SMWBE levels
- Proven and demonstrated ability to meet deadlines and stay within budget. Ability to complete project within budgets established by the Authority

Final scores:

	Final Score
Milek Media LLC	276
The Bohan Agency Inc.	249
SLA Worldwide	232
Walker & Associates and Communications Strategies	186
NelsonMojo	156

The evaluation team shortlisted Milek Media LLC and The Bohan Agency Inc. for phone interviews. Prior to the phone interviews, The Bohan Agency withdrew its proposal, as they were not willing to meet (or put a good faith effort towards) the set SMWBE goal.

Impact/Findings:

SMWBE Participation Level:	10% MBE and/or WBE
Milek Media's SMWBE Participation Level:	10-15% MBE
Contract Start Date:	July 1, 2018
Contract End Date:	July 1, 2021, with option for two (2) one-year extensions
Estimated Annual Cost:	Approximately \$133,500 per year
Funding Source:	100% O&M

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives

Reject the staff selection and reissue the RFP.

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.

This item was presented to the FAP Committee for information purposes only due to the lack of a quorum.

C. Owner Controlled Insurance Program (OCIP) Premium

Mr. Ted Morrissey, AVP of Legal Affairs, briefed the FAP Committee on this item. Staff requested that the FAP Committee recommend to the Board of Commissioners that it ratify the payment of the MNAA's annual Owner Controlled Insurance Program (OCIP) insurance premiums by the President & CEO pursuant to the Third Amended and Restated Bylaws Section 4.4.1.8, and authorize the President & CEO to make future payments of these invoices to ensure that the OCIP coverages remain in place.

Background:

On May 15, 2018 MNAA Finance received notice that invoices for the annual insurance premiums for the OCIP were past due and Finance notified Legal since the amount of the invoices exceeded the spending authority of the President & CEO. The OCIP is the Owner Controlled Insurance Program which covers the majority of MNAA capital projects including the Vision. Legal reviewed the information, and on May 17 Legal presented the information below to the President & CEO and recommended that the President & CEO authorize emergency payment of the insurance premiums for MNAA's OCIP after consultation with the Board Chair as authorized under § 4.4.1.8 of the Bylaws, since the invoices were past due and MNAA received

notice of cancellation if the invoices were not paid by May 22. The Bylaws authorize such payment but require that the payment be presented to the Board at its next regularly scheduled meeting.

On May 18, 2018 the President & CEO consulted with the Board Chair and both concurred with the plan to make the emergency premium payment of the annual OCIP Insurance premiums for MNAA in the amount of \$879,479.26 and present the payment at the June Board meeting.

OCIP Coverage and Annual Insurance Premiums:

- \$800 Million of coverage for a 5-yr period (12/31/16 – 12/31/21) with a total estimated cost of \$5,227,200 (based on the initial 5-yr list of covered projects)
- MNAA made an initial payment of \$749,535 for coverage for the first \$100,000,000 of construction value (see breakdown of costs below); and will pay quarterly premiums based on the amounts of projects added exceeding the initial \$100,000,000 (i.e. a "rolling" OCIP)
- The OCIP consists of multiple insurance policies as follows (summary also attached):

Policy	Coverage Limit	2017 Premium (per \$100M estimated construction value)
Primary General Liability Coverage	\$2M per occurrence and \$4M aggregate	\$276,084
1st Excess Layer	Excess of primary up to \$10M	\$165,651
2nd Excess Layer	Excess of \$10M and primary up to \$15M	\$75,000
3rd Excess Layer	Excess of \$25M and primary up to \$25M	\$81,300
4th Excess Layer	Excess of \$50M and primary up to \$50M	\$151,500
Total		\$749,535

- Last year, individual invoices for the initial deposit required for these policies were under the signatory authority threshold, but the total was \$749,535.01. Then-President & CEO Wigington and then-acting CFO Basil Dosunmu approved payment of the purchase requisitions for these invoices without Board approval.
- The current estimated value of construction is \$243M. The 2018 invoices MNAA has received, totaling \$879,479.26, are for amounts exceeding the initial \$100,000,000 of estimated construction value.

Impact and Findings:

On March 19, 2018 and April 2, 2018 MNAA was invoiced for 2018-2019 renewal of various policies of OCIP insurance as set forth below:

Invoice No.	Policy	Amount
2030341	MNAA OCIP Primary Layer	\$395,235.03
2030361	MNAA OCIP \$10m X Primary	\$237,141.23
2030372	MNAA OCIP \$15M X \$10M	\$107,368.00

2030396	MNAA OCIP \$25M X \$25M	\$107,368.00
2043009	MNAA OCIP \$50M X \$50 M	\$32,367.00
Total		\$879,479.26

The total amount of all invoices exceeds the President and CEO's signatory authority.

The remaining premium for years 2019-2021 is estimated at \$3,598,186, to be invoiced on a quarterly basis as the construction value of projects added exceeds \$243M.

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternative

Not approving payment of these invoices will leave MNAA without OCIP insurance coverage.

This item was presented to the FAP Committee for information purposes only due to the lack of a quorum.

D. Amendment to FY19 BNA Capital Improvements Budget – MNAA Resolution No. 2018-09

Mr. Robert Ramsey, COO, briefed the FAP Committee on this item. Staff requested that the FAP Committee recommend to the Board of Commissioners that it 1) approve the Amended Capital Improvements Budget for BNA for fiscal year 2019 (FY2019) (July 1, 2018, through June 30, 2019); and 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2018-09.

Background:

Pursuant to the Bylaws, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year. Pursuant to the Signatory Use and Lease Agreement (Airline Agreement), the President & CEO must provide proposed rates and charges to the airlines no later than May 1, and no later than June 1 provide notice to each airline of the new rates and charges effective on July 1.

Consistent with the Bylaws, on April 18, 2018 President & CEO presented the capital improvements budget to the Board and the Board approved the FY2019 Capital Improvements Budget for BNA. Consistent with the Airline Agreement, on May 1, 2018 the Authority provided the airlines with the proposed rates and charges for FY2019 in advance of the May 2, 2018 Airline Affairs Committee meeting.

Exhibits from the Rates & Charges model, including the Airfield Capital Improvement Budget, were presented to the Signatory Airlines, who have a Majority-in-Interest (MII) approval for airfield CIP projects. Based on the location of the projects, the airlines and the Authority agreed that 1) the 1910 Cargo Apron Slab Replacement

project, which is not in the airfield as defined under the Airline Agreement, would be 100% funded by the MNAA Authority Fund; and 2) the 1908 Stormwater Pipe Replacement project (Phase 5 of 8) would be 100% funded by the MNAA Airline Fund.

During the presentation, based on the location of the projects, it was agreed that the cost of the 1910 Cargo Apron Slab Replacement project would be decreased by \$100,000 and now be 100% funded by the MNAA Authority Fund and; the 1908 Replace Stormwater Pipe (Phase 5 of 8), would be 100% funded by the MNAA Airline Fund.

The net effect of these changes is a reduction in the capital costs of the airlines of \$100,000 while the Authority's capital costs remain unchanged.

Original FY2019 Capital Improvements Budget

- 1910-Cargo Apron Slab Replacement \$1,000,000 from MNAA Airline Fund.
- 1908-Replace Stormwater Pipe (Phase 5 of 8) \$900,000 from MNAA Authority Fund and \$100,000 from MNAA Airline Fund.

FY2019 Amended Capital Improvements Budget

- 1910-Cargo Apron Slab Replacement \$ 900,000 from MNAA Authority Fund.
- 1908-Replace Stormwater Pipe (Phase 5 of 8) \$1,000,000 from MNAA Airline Fund.

Impact/Findings:

The Amended Capital Improvements Budget for FY2019 is \$715,004,328, reflecting the \$100,000 reduction and changes in the funding sources:

BNA Summary:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
Terminal & Landside	\$696,369,328	\$90,017,000	\$7,258,000	\$7,374,000	\$4,180,000	\$805,198,328
Vehicles & Equipment	1,785,000	1,947,000	1,675,000	1,314,000	1,665,000	\$8,386,000
Airside Improvements	16,850,000	46,550,000	19,400,000	56,413,000	26,950,000	166,163,000
Total	\$715,004,328	\$138,514,000	\$28,333,000	\$65,101,000	\$32,795,000	\$979,747,328

Funding Allocation:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
MNAA Authority Fund	\$13,962,333	\$4,327,000	\$10,183,000	\$12,007,000	\$7,095,000	\$47,574,333
MNAA Airline Fund	7,100,000	17,937,000	9,375,000	22,794,000	12,837,500	70,043,500
Federal (Entitlement)	3,000,000	3,250,000	3,500,000	3,500,000	3,750,000	17,000,000

Federal (Discretionary)	7,087,500	26,000,000	5,275,000	26,800,000	9,112,500	74,275,000
PFC	0	0	0	0	0	0
State (Equity Funds)	3,883,150	0	0	0	0	3,883,150
Bond Funded	672,971,345	87,000,000	0	0	0	759,971,345
Other	7,000,000	0	0	0	0	7,000,000
TOTAL	\$715,004,328	\$138,514,000	\$28,333,000	\$65,101,000	\$32,795,000	\$979,747,328

The changes in the Capital Improvement Budget will impact the operating budget due to the impact of airfield capital costs to the rates and charges calculations.

Strategic Priorities

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

- Do not amend and make the Capital Improvements Budget for FY2019 inconsistent with the airline approved MII.

This item was presented to the FAP Committee for information purposes only due to the lack of a quorum.

E. Amendment to FY19 BNA Operating Budget – MNAA Resolution No. 2018-10

Mr. Ramsey briefed the FAP Committee on this item. Staff requested that the Finance, Administration, and Properties Committee (FAP) recommend to the Board of Commissioners that it: 1) approve the Amended Operating Budget for Nashville International Airport (BNA) for fiscal year 2019 (“FY2019”), and 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2018-10.

Background:

Pursuant to the Bylaws, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year. Pursuant to the Signatory Use and Lease Agreement (Airline Agreement), the President & CEO must provide proposed rates and charges to the airlines no later than May 1, and no later than June 1 provide notice to each airline of the new rates and charges effective on July 1.

Consistent with the Bylaws, on April 18, 2018 President & CEO presented the operating budget to the Board and the Board approved the FY2019 Operating Budget for BNA. Consistent with the Airline Agreement, on May 1, 2018 the Authority provided the airlines with the proposed rates and charges for FY2019 in advance of the May 2, 2018 Airline Affairs Committee meeting.

Exhibits from the Rates & Charges model, including the Airfield Capital Improvement Budget, were presented to the Signatory Airlines, who have a MII approval for airfield CIP projects. Based on the location of the projects, the airlines and the Authority agreed that 1) the 1910 Cargo Apron Slab Replacement project, which is not in the airfield as defined under the Airline Agreement, would be 100% funded by the MNAA Authority Fund; and 2) the 1908 Stormwater Pipe Replacement project (Phase 5 of 8) would be 100% funded by the MNAA Airline Fund.

During the presentation, based on the location of the projects, it was agreed that the cost of the 1910 Cargo Apron Slab Replacement project would be decreased by \$100,000 and now be 100% funded by the MNAA Authority Fund and; the 1908 Replace Stormwater Pipe (Phase 5 of 8), would be 100% funded by the MNAA Airline Fund.

The net effect of these changes is a reduction in the capital costs of the airlines of \$100,000 while the Authority's capital costs remain unchanged.

Original Capital Improvement Budget

- 1910-Cargo Apron Slab Replacement \$1,000,000 from MNAA Airline Fund.
- 1908-Replace Stormwater Pipe (Phase 5 of 8) \$900,000 from MNAA Authority Fund and \$100,000 from MNAA Airline Fund.

Revised Capital Improvement Budget

- 1910-Cargo Apron Slab Replacement \$ 900,000 from MNAA Authority Fund.
- 1908-Replace Stormwater Pipe (Phase 5 of 8) \$1,000,000 from MNAA Airline Fund.

Impact/Findings:

The net effect of these changes is a reduction in the capital costs of the airlines of \$100,000 while the Authority's capital costs remain unchanged. The changes to the Capital Improvements Budget impact the operating budget because the capital costs in the Airfield - i.e. those capital costs paid with the MNAA Airline Fund – are used in calculating the various rates and charges. These changes resulted in the following changes:

- Signatory Landing Fees by \$95,620 (decreased landing fee rate by \$ 0.0113039);
- Signatory Ramp Rent reduced by \$20,495;
- Non-Signatory Landing Fees reduced by \$4,380; and
- Other Per Use Fees reduced by \$647.

The combined effect is a total reduction to FY2019 budgeted revenue of \$121,142 to the operating budget.

BNA Summary (\$000)	ORIGINAL BUDGET FY 2019	AMENDED BUDGET FY 2019
Non-Airline Revenue	\$102,241	\$102,236
Signatory Airline Revenue	<u>53,609</u>	<u>53,493</u>
Total Operating Revenue	155,850	155,729
Operating Expense	99,634	99,634
Net Non-Operating Expense (Income)	(26,016)	(26,016)
Income before Depreciation & Grants	\$82,232	\$82,111

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

- Amend the operating budget to reflect the changes requested and approved through MII by the airlines.
- Do not amend and have a \$121,142 variance between the Rates and Charges operating budget and the Board approved operating budget for FY2019.

This item was presented to the FAP Committee for information purposes only due to the lack of a quorum.

IV. Adjourn

There being no further business brought before the FAP Committee, Vice Chair Freeman adjourned the meeting at 9:45 a.m.



Amanda C. Farnsworth, Board Secretary

✈ METROPOLITAN NASHVILLE AIRPORT AUTHORITY ✈

June 13, 2018 – Minutes of the General Aviation/Operations/Planning & Engineering Committee Meeting



Date: June 13, 2018

Place: Nashville International Airport
Nashville, Tennessee

Time: 9:00 a.m.

Committee Members Present:

Bill Freeman, Chair and Dexter Samuels

Committee Member Absent:

Kabir Sandhu, Vice Chair; John Doerge; and
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 9:52 a.m., pursuant to Public Notice dated June 8, 2018.

II. Approval of Minutes

Chair Freeman stated that due to the lack of a quorum, approval of the minutes of the May 9, 2018, GAOPE Committee meeting would be passed to the next regular GAOPE Committee meeting.

Chair Freeman stated that due to the lack of a quorum, the items for approval would be presented for informational purposes only and staff would take its recommendations directly to the Board for approval.

III. Items for Approval

A. Murfreesboro Road Employee Lot Expansion (Construction) 1838

Ms. Traci Holton, Chief Engineer, briefed the GAOPE Committee on this item. Staff requested that the General Aviation/Operations/Planning & Engineering Committee recommend to the Board that it accept the Bid by Jones Bros. Contractors, LLC (Jones Bros.) for the Construction Contract for the Murfreesboro Road Employee Lot Expansion project at Nashville International Airport (BNA) and authorize the Chair and President & CEO to execute the construction contract.

Background:

The current employee parking lot had approximately 1,190 spaces and is regularly at capacity. Two different, but recent efforts have made temporary modifications to provide an additional 87 spaces for a total of approximately 1,280.

As a result of the growth of the BNA airport, parking capacity requirements for airline and vendor employees is increasing. To accommodate, the existing employee parking lot north of Murfreesboro Road will be expanded to the south and west, extending from Faircloth Ln. to Reedwood Dr. The project will construct approximately 680 parking spaces in two phases, with 116 spaces being made available within six months from the start of construction. The project will provide updated stormwater detention systems for the existing employee parking lot, remove unused building foundations and pavements from the RPZ, and construct a new entrance at the Reedwood Dr. intersection.

An Invitation to Bid was advertised on April 16, 2018 and April 19, 2018 and included a Base Bid with no alternatives.

On May 16, 2018, three (3) bids were received. However, one (1) bid was deemed non-responsive due to failure to meet the Small, Minority and Woman-owned Business Enterprise (SMWBE) participation level or provide acceptable good faith efforts. Below is a tabulation of the bids. Minority and Woman-owned Business Enterprise (MBE / WBE) percentages listed are commitments made by the contractors:

<u>Contractor</u>	<u>Base Bid</u>	<u>MBE %</u>	<u>WBE %</u>
Jones Bros.	\$6,118,151.25	5.48%	7.98%
Rawso	\$6,296,742.45	5.43%	12.04%

The SMWBE goal established for the project was 5.4% MBE and 7.8% WBE%. Jones Bros. was able to obtain 5.48% MBE and 7.98% WBE participation. Jones Bros. SWMBE partners include Geotek Engineering Company, Gibco Construction, LLC, Tennatee, Jerry B. Young Construction, Inc., Jarvis Award and Signs, and Reed Landscaping, Inc.

Jones Bros.'s bid was 8% lower than the Engineer of Record's, Kimley-Horn, opinion of probable construction cost of \$6,629,331.25 and 2.9% lower than the other bid.

The Metropolitan Nashville Airport Authority (MNAA) and Kimley-Horn have evaluated the bids and determined the bid from Jones Bros. to be responsive and responsible and recommend award to Jones Bros. Contractors, LLC.

Impact/Findings:

MNAA SMWBE Participation Level:	5.4% MBE and 7.8% WBE
Jones Bros SMWBE Participation Level:	5.48% MBE and 7.98% WBE
Anticipated Contract Start Date:	July 2018
Duration of Contract:	300 days
Contract Completion Date:	April 2019
Contract Amount:	\$6,118,151.25
Funding Source:	MNAA

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in insufficient parking capacity to accommodate airline and vendor employee parking requirements.

This item was presented to the GAOPE Committee for informational purposes only due to the lack of a quorum.

B. Additional Checkpoint Lanes (Phase 2 of 2) 1809B

Ms. Holton briefed the GAOPE Committee on this item. Staff requested that the GAOPE Committee recommend to the Board that it accept the bid by Utopia Building Group (Utopia) for the Construction Contract for the Additional Checkpoint Lanes - Phase 2 project at BNA and authorize the Chair and President & CEO to execute the construction contract.

Background:

BNA continues to grow at a record pace. After setting a new passenger record of 12.9 million in 2016, the airport served 14.1 million passengers in 2017, a new all-time passenger record. In order to accommodate the increased number of passengers and keep passenger wait times to a minimum, additional checkpoint lanes are needed. Phase 1 for two (2) additional lanes was completed in May 2018. Utopia Building Group also constructed Phase 1. This phase will provide two (2) additional lanes for a total of 14.

An Invitation to Bid was advertised on April 16 and April 19, 2018.

On May 17, 2018, three (3) bids were received. Below is a tabulation of the bids. Minority Business Enterprise / Woman-owned Business Enterprise (MBE / WBE) percentages listed are commitments made by the Contractors:

<u>Contractor</u>	<u>Base Bid</u>	<u>MBE and/or WBE%</u>
F&F	\$525,513.00	23.86%

Rock City	\$454,000.00	8.85%
Utopia	\$425,842.00	29.18%

Utopia's Base Bid was 4.9% less than the Architect of Record's, Gobbell Hays Partners (GHP), opinion of probable construction cost of \$447,897.64, 6.2% lower than the next lowest bid and 19% lower than the highest bid.

The SMWBE participation level established for this project was 8.15% MBE and/or WBE. Utopia is a certified MBE and committed to an MBE percentage of 29.18% by self-performing and subcontracting with Sigma Electric and K Payne Contractors.

MNAA and GHP have evaluated the bids and determined the bid from Utopia to be the most responsive and responsible of received bids. Utopia is recommended for the project award.

Note – This item is being presented to the Board because it materially affects the Terminal area which requires Board approval pursuant to the Bylaws.

Impact/Findings:

MNAA SMWBE Participation Level:	8.15% MBE and/or WBE
Utopia Building Group SMWBE Participation Level:	29.18% MBE
Anticipated Contract Start Date:	August 2018
Duration of Contract:	120 Calendar Days
Contract Completion Date:	December 2018
Contract Cost:	\$425,842.00
Funding Source:	100% MNAA Authority Investment Fund

Strategic Priorities

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The 'Do Nothing' option will result in continuing use of twelve (12) existing checkpoint lanes, which will increase security checkpoint wait times as TSA implements slower protocols and the number of passengers grows at BNA.

This item was presented to the GAOPE Committee for informational purposes only due to the lack of a quorum.

C. Reconstruct Taxiway Alpha Kilo Intersection (Design) 1904

Ms. Holton briefed the GAOPE Committee on this item. Staff requested that the GAOPE Committee recommend to the Board that it accept the statement of qualification by Garver, LLC (Garver) to provide engineering consulting services for the design of the Reconstruct Taxiway Alpha/Kilo Intersection (including R4) project at BNA; and authorize the Chair and President & CEO to execute the proposed professional services contract for the amount contained herein.

Background:

Taxiways Alpha, Kilo, R3, and R4 provide Aircraft Design Group (ADG) V access across to the airfield and to the north cargo apron. Pavement sections within the project area consist of asphalt constructed in the 1970s, with various rehabilitation efforts conducted between 1987 and 2007. The 2018 Pavement Condition Index (PCI) values range between 11 and 66, indicating poor conditions, with some sections in failure.

In 2013, the Federal Aviation Administration (FAA) adopted Advisory Circular (AC) 150/5300-13A, Change 1 – Airport Design, which includes guidance for airport geometry revisions that reduce runway incursions and increase pilot situational awareness. The AC includes requirements for intersections to comply with the "Three-Node Concept," meaning that a pilot is presented with no more than three choices at an intersection. The new AC guidance also includes the requirement to eliminate direct access from an apron to a runway without requiring a turn. The intersection of taxiways Alpha, Kilo and R3 is a four-node intersection and is identified as Hot Spot 1 at BNA. A hot spot is defined as a location on an airfield with a potential for risk of collision or runway incursion, and where a heightened attention by pilots and drivers is necessary. The intersection has four nodes, which violates the Three-Node Concept. Taxiway R4, in its current configuration, allows for direct access from the north cargo apron to Runway 13/31.

This contract consists of the design for the reconstruction of the intersection of Taxiways Alpha, Kilo, and R3, as well as Taxiway R4. Taxiways R3 and R4 will be reconfigured to comply with FAA AC 150/5300-13A, Change 1, and to eliminate the challenges causing the intersection to be identified as a hot spot. 30ft shoulders will be added, where applicable. The total reconstruction area is approximately 330,000 square feet. All airfield lighting, signage, and electrical infrastructure within the project area will be fully replaced with LEDs. The selected consultant will provide topographical survey, geotechnical investigation, preliminary and final design, bid phase services, and construction administration services. Design will be complete on schedule to advertise a completed bid package in December 2018. Design issues to be addressed include but are not limited to: construction safety and phasing, demolition, erosion control, grading, drainage, geometry, pavement design, pavement markings and airfield electric design.

On March 19, 2018 and March 22, 2018, MNAA published a Request for Qualifications (RFQ). On April 19, 2018, eight Statements of Qualifications were received: AECOM Technical Services, Inc. (AECOM), Allen &

Hoshall, Inc. (A&H), Atkins North America, Inc. (Atkins); Butler, Fairman, & Seufert, Inc. (BF&S), Crawford, Murphy, and Tilly (CMT), Garver, Stantec, and WSP USA, Inc. (WSP).

The 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) Disadvantaged Business Enterprise (DBE) participation

The selection committee determined the following firms to be best qualified: CMT, Garver, and WSP.

On May 11, 2018, the selection committee conducted interviews of these top candidates and their scores are listed below:

Firm	Score	Committed DBE Participation
CMT	574	5.36%
Garver	577	5.85%
WSP	566	6%

The selection committee determined Garver to be the most qualified firm for the Reconstruct Taxiway Alpha/Kilo Intersection project based upon responses to the following:

- 1) Their understanding of the most challenging aspects of the project.
- 2) Relevant experience by the proposed team members.
- 3) "Lessons learned" from previous similar work.
- 4) Subcontractor coordination procedures and Small, Minority and Woman-owned Business Enterprise (SMWBE) mentoring/development experience.

All firms were well qualified, but the team from Garver demonstrated the best understanding of the needs of this particular project as well as experience with projects of similar scope.

The DBE participation level set by MNAA for this project was 5.36%. Garver was able to obtain 5.85% DBE. Garver's DBE partners are Shrewsberry & Associates, LLC and Civil Infrastructure Associates, LLC.

The design team, as submitted to MNAA includes Garver, Terracon Consultants, Inc. and Civil Infrastructure Associates, LLC.

Impact/Findings:

MNAA DBE Goal:	5.36%
Garver's DBE Goal:	5.85%
Anticipated Contract Start Date:	June 20, 2018
Duration of Contract:	560 days
Contract Completion Date:	December 2019
Contract Cost:	\$825,600.91
Funding Source:	75% Federal and 25% MNAA Airline Investment Fund

Strategic Priorities:

- Invest in MNAA
- Plan for the Future

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in continued deterioration of the asphalt pavement on Taxiways Alpha, Kilo, R3 and R4, which will negatively affect airfield operations. The Taxiway Alpha/Kilo/R3 intersection will remain Hot Spot 1 at BNA and in violation of the Three-Node Concept. Direct access from the North Cargo Apron to Runway 13/31 on Taxiway R4 will remain noncompliant with current design guidelines.

This item was presented to the GAOPE Committee for informational purposes only due to the lack of a quorum.

D. Main Communications and Equipment Room Buildout (Construction) 1701

Ms. Holton briefed the GAOPE Committee on this item. Staff requested that the General Aviation/Operations/Planning & Engineering Committee recommend to the Board that it accept the bid by Tandem Construction, LLC (Tandem) for the Main Communications Room (MCR) & Equipment Room Buildout 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 Main Communications Room (MCR) and Equipment Room on the Terminal basement level to serve as the airport's backup data center once Vision Project 3 demolishes the existing backup data center, and to 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 (2) packages to better promote participation: 1) building construction work; and 2) telecommunications work. This was done at the request of interested bidders.

An Invitation to Bid (ITB) was advertised on April 10, 2018 and April 12, 2018 for the building construction work (MCR & Equipment Room Buildout) package.

On May 10, 2018, two (2) bids were received. Below is a tabulation of the bids. Minority and Woman-owned Business Enterprise (MBE / WBE) percentages listed are commitments made by the contractors:

Bidder	Base Bid	SMWBE participation
Tandem Construction, LLC	\$694,757.00	37.24% WBE
Utopia Building Group, LLC	\$922,191.00	26.66% MBE and 0.51% WBE

Tandem's bid was 34.3% more than The J.W. Group, Engineer of Record's, opinion of probable construction cost of \$517,270.42. Due to the variation in the bid amounts and the engineer's estimate, MNAA verified the probable cost through an independent estimate with a probable cost of \$855,000.

Tandem obtained 37.24% WBE participation, which exceeded the WBE participation level established for the project but did not obtain any MBE participation. However, as part of MNAA Business Diversity Development's (BDD) analysis of the bids, they requested Tandem's good faith efforts and determined that Tandem's efforts were acceptable. Tandem will utilize CGI (WBE) to complete this project.

MNAA and J.W. Group have evaluated the bids and have determined the bid from Tandem to be responsive and responsible and recommend award to Tandem Construction, LLC.

Impact/Findings:

MNAA SMWBE Participation Level: 4.2% MBE and 6.1% WBE
 Tandem's 's SMWBE Participation Level: 37.24% WBE
 Anticipated Contract Start Date: July 2018
 Duration of Contract: 120 calendar days
 Contract Completion Date: November 2018
 Contract Cost: \$694,757.00
 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. Afterwards, there will be no provisions for a backup data center and no location established to serve as the main communications room for upgraded Terminal IT networking equipment. Failure to construct a new main communications room for

accommodation of equipment upgrades and system expansion will negatively impact the scheduled completion and overall cost of the BNA Vision program.

This item was presented to the GAOPE Committee for informational purposes only due to the lack of a quorum.

IV. Adjourn

There being no further business before the GAOPE Committee, Chair Freeman adjourned the meeting at 10:15 a.m.



Amanda C. Farnsworth
Board Secretary