

# **METROPOLITAN NASHVILLE AIRPORT AUTHORITY**

## **March 21, 2018– Minutes of the Joint Meeting of the MNA Board of Commissioners and MPC Board of Directors**



**Date: March 21, 2018**

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

**Time: 1 p.m.**

**Board Members Present:**

**Bobby Joslin, Chair; A. Dexter Samuels, Vice Chair; Trey Harwell, Secretary; John Doerge, Amanda Farnsworth, Bill Freeman, and Christy Smith**

**Board Members Absent:**

**Dierks Bentley, Kabir Sandhu and Mayor's Representative, Matt Wiltshire**

**Others Present:**

**Doug Kreulen and Cindy Barnett**

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I. Call to Order

Chair Joslin called the MNA Board of Commissioners and MPC Board of Directors meetings to order at 1:02 p.m., pursuant to the Public Notice dated March 16, 2018.

II. Approval of Minutes

Upon motion made by Commissioner Doerge and seconded by Commissioner Harwell, the Board voted to approve the minutes of the February 21, 2018, joint meeting of the MNA Board of Commissioners and MPC Board of Directors. The motion carried by a vote of 7 to 0.

III. Chair's Report

Chair Joslin welcomed Commissioners, staff, and guests.

Chair Joslin introduced Mr. Joel Sullivan, CEO of the American Red Cross and a volunteer with Emergency Management team, both organizations being involved at BNA and its mission.

Chair Joslin recognized Air Traffic Controller Chris Williams for his heroic efforts in saving a pilot from certain death. Mr. Williams provided an overview of the events of December 21, 2017. Mr. Williams was working air traffic to the east of Nashville, when he encountered a plane making erratic flight maneuvers with sometimes as much as 180 to 200 degrees of turns and altitude changes. The pilot appeared to stall his airplane and lose altitude rapidly, while flying in Instrument Meteorological Conditions (IMC). Mr. Williams noticed the patterns on the radar scope and immediately called the pilot in distress and began offering assistance. He was able to calm the pilot while getting the plane's wings level and in coordinated flight. While working with the pilot in distress, he was also able to vector no less than five planes away from the plane in distress while they too were in IMC. Mr. Williams coordinated the airspace with skill, assisted the pilot in distress and moved the remaining traffic in behind him with all landing safely.

President Joslin commended Mr. Williams for his efforts.

#### IV. President's Report

President Kreulen introduced Dr. Gale LaRoche of ADK Consulting, who has been assisting with analysis at MNAA. President Kreulen provided information regarding upcoming Board meetings and the February CEO Score-card. He further provided an update of BNA Vision initiatives and projects including expanding the scope to meet the region's needs, Business Diversity Development program, the Interim International Arrival Building opening and the monthly program report of BNA Vision projects, in response to Commissioners inquiries.

President Kreulen reported that MNAA, along with Messer and Garver, were recently awarded the Associated General Contractors (AGC) New Construction Under \$50 million award. The new hangar opened June 1, 2017 and is currently leased by SkyWest.

President Kreulen reported that a full-scale airport emergency preparedness drill would be held on Saturday March 24, 2018 from 9 a.m. to noon. MNAA Department of Public Safety developed a scenario of two airplanes colliding on the runway. He stated more than 150 volunteers would be onsite, acting as victims from the crash, along with real fire, smoke, explosions and a water rescue. The Federal Aviation Administration (FAA) regulations mandate airports to conduct full-scale emergency exercises every three years, with annual tabletop exercises in the off years.

The 2018 Business Taking Off event was held Feb. 23, 2018 with 367 attendees. This annual event was a free presentation and networking event to learn more about doing business with MNAA and upcoming contracts and business opportunities at Nashville International Airport (BNA) and John C. Tune Airport (JWN). MNAA recognized three advocate partners who have promoted, encouraged and stimulated participation of SMWBEs between the Airport Authority and the community we serve. Award recipients included: ABM, Large

Business of the Year; EJO Ventures, SMWBE of the Year; and Robert Ramsey, SMWBE Internal Advocate of the Year.

MNAA recently introduced its newest airline, Allegiant, that will add five new destinations with year-round service to Punta Gorda; new seasonal service to Destin, Myrtle Beach, Savannah and Richmond, Virginia with service beginning in June and operating twice weekly.

Southwest Airlines recently announced nonstop service to Oklahoma City beginning Oct. 7, 2018 with weekly Sunday service to Will Rogers World Airport (OKC).

President Kreulen briefed the Board on the FAP Committee meeting on March 14, 2018 including MNAA Retirement Committee Appointments; and Treasury Investments update including two transfers to Goldman-Sachs in 2018 (\$50M) resulting in 78% invested - up from 64% in January, and that the PFM investment analysis and policy are due by March 31, 2018. President Kreulen also reported on the CONRAC Refinancing of the \$54.2M CONRAC Bonds. PFM estimated a savings of \$3.8M versus \$5M as originally estimated. The RFP was issued on February 26, 2018 for underwriter services and will be presented to the FAP Committee and Board in April with closing in May. Mr. Kreulen also stated that the FY19 Operations and Capital Budget were being developed.

President Kreulen reported on the British Airways Inaugural Flight scheduled for May 4, 2018. He stated that the catering facility was scheduled to open April 7, 2018 with FDA certification to follow. Ground operations are ready for first flight including external power, pre-conditioned air, airfield markings, ticket and gate counters, and taxiway improvements. The Board-approved budget was \$10.484M and the project has come in below budget by \$25,186. The primary concern was information technology. British Airways needs to activate the connection to be able to communicate from London to its ticket counters.

President Kreulen reported on CEO Policy and Departmental Updates. Policies currently under development include Travel and Expense, Ethics & Code of Conduct, Employee Recognition Program, and Use of Revenue for Airport / Air Travel Promotion and Sponsorship. The latter is being developed to ensure BNA is complies with Grant Assurance 25 Revenue Diversion. The FAA has selected Nashville for a compliance audit of grant assurances next month and we should have feedback to report at the April Board meeting. President Kreulen reported that the Legal department was overseeing the Concessions Developer Model RFP. President Kreulen provided a brief overview of the CEO Scorecard for February.

### Economic Report

President Kreulen reported that this was the busiest February in the history of the airport with 1,014,376 total passengers. BNA's total passengers for February were up 11.7% and up 8.6% for FY2018. Passenger numbers have increased in 89 of the last 91 months.

President Kreulen reported on News & Gift and Food Service revenue stating that previously staff only reported gross sales. The new slide format shows accrued revenue on a monthly and annual basis. President Kreulen reported that News and Gift revenue for February 2018 was \$223,500, up 14.2% over February 2017, and above budget (\$92,751). FY18 YTD Revenue was \$2,060,000, up 8.7% over FY17 YTD, and above budget (\$1,870M). Sales were up 16.5% for February, and 15.5% year to date.

Food & Beverage revenue for February 2018 was \$448K, up 29% over February 2017, and slightly below budget (\$484.5K). FY18YTD Revenue \$4,207,000, up 7.3%, and above budget (\$4,177M). Sales were up 16.4% for February, and 8.4% year to date.

President Kreulen reported that Rental Car revenue for February 2018 was \$884K, 1% lower than last February, and below budget (\$950K). FY18YTD Revenue was \$9,779M, 7% lower than FY17 YTD, and almost at budget (\$9,794M). February Sales were up 10.4% and up 6.9% year to date. February RAC Days were up 9.7%, and up 6% year to date.

#### Staff Reports

##### Operations Report:

Mr. Tom Bibb, AVP, Operations and Maintenance, reported on Gross Parking Revenue. Mr. Bibb stated that system errors in the initial set-up of the S&B PRCS caused a percentage of Short Term parking transactions to be billed and reported at the Long Term A rate. This skewed the year over year numbers and he noted the report did not include any adjustments after the issue was discovered and corrected on February 21, 2017. Unadjusted Gross Parking Revenue from all 5 lots for February was up 16.6% and up 13.6% for FY18YTD. Revenue transactions for February were 81,258, down 17.1%. FY18YTD revenue transactions were 892,091, down 0.6%. Express Park revenue for February was \$90,000 and \$738,000 for FY18YTD.

For the month of February, air cargo was up 3.1%, with 3,746 total tons of cargo, an increase of 117 tons, and up 8.5% for FY2018.

BNA January fuel sales for Atlantic Aviation, Signature Flight, and private self-fueling hangars were down 7.3%, or 48,954 gallons less. Mr. Bibb reported that although February numbers were down for GA fuel, they were still higher than the 2016 February numbers. For FY2018 YTD fuel sales increased 9.6% equating to 476,037 gallons more. JWN February fuel sales for Corporate Flight Management were up 0.4% or 446 gallons more and for FY2018 an increase of 16.4% equates to 144,595 gallons more.

Financial Report:

Ms. Marge Basrai, Chief Financial Officer, presented the February financial results and noted that as of February 28, 2018, BNA's YTD Operating Revenues were about \$98M, which was \$4.5M above budget projections and \$12.8M more than this time last year. There were no additional drivers of that increase than discussed last month.

Signatory airline revenue increased \$8 million over prior year, driven by a migration of a non-signatory airline (Frontier – 6/2017) to a signatory airline, and reduction in revenue sharing credit (per the airline agreement) with Concessions down from 60% to 50% and Rental Car Revenue share from 20% to 0. Parking Revenue saw an increase YoY of \$4 million, driven by the rate increases on 9/1/17 and overall traffic growth. Finally, Concessions Revenue had an increase of \$1.7 million over last year, which was driven by the passenger growth at BNA.

BNA Operating Expenses YTD were \$52.4 million, which was \$8.9 million below budget projections, but \$3.5 million over the prior year actual amounts. The primary areas below budget were Salaries & Benefits and Contractual Services.

\$4.9 million of the budget variance was in Salaries & Benefits: \$2.9 million of that was due to lower than projected benefit costs, we had not made the entire OPEB and Retirement contributions yet, and \$1.4 million in DPS due to 15 open officer positions which were currently being filled.

Another \$2.3 million of the difference was in Contractual services: 1) \$1.5 million unspent in projected contract services so far (spread throughout all departments) – most of this was timing, and we do expect to spend; 2) Engineering was below by about \$717,000 - staff augmentation for BNA Vision was all being charged to the project. A portion approximately (25-30%) needs to be allocated back to O&M and will be done within the next month or two.

Even though we were below budget, FY18 Operating expenses were \$3.5 million more than the prior year due to additional spending of \$3.5 million in Contractual Services. This includes 1) \$1.2 million in Operations related to the opening/running of Express Park (manning booths and increased shuttle drivers); 2) Maintenance expenses of \$738,000 due to repairs in FY18 related to two sinkholes (one near Runway 2Center and one near Hanger lane); and 3) \$300,000 in legal fees.

JWN YTD Operating Revenues were \$585,000, which was \$25,000 above budget projections and \$29,000 more than the last year. There were no changes from what we discussed last month: Increase in Fuel Flowage fees (\$15K – 6 cents a gallon) due to increased business at JWN (since the installation of the EMAS), and reimbursable services (\$7K) related to auto fuel sales for the FBO's support trucks.

JWN YTD Operating Expenses were \$466,000, which was on target with budget projection of \$467,000 and \$66,000 below last year. The additional expense in FY17 was due to repairs needed to two HVAC systems (Terminal & Hangar 1) and airfield lighting & signs due to two lightning strikes; and contract services for habitat remediation (cutting down of trees).

MPC YTD Operating Revenues were \$2.1 million, which was only \$4,000 above budget projections and \$108,000 more than the last year. \$40,000 of the increase over prior year was due to the timing of a new lease that started in September 2016 (2 additional months of rent for that space included in FY18 numbers than in FY17). The remainder of the increase was due to the normal rental rate escalations in FY18 (97% occupancy).

MPC YTD Operating Expenses were \$907,000, which was \$544,000 below budget projections and \$158K less than the last year. Variances were due to budgeted "break/fix" repairs that had not been necessary so far this year.

**Business Diversity Development Report:**

Ms. Donzaleigh Powell, Director of Business Diversity Development, briefed the Board on MNAA's SMWBE program for February 2018. Ms. Powell stated that Professional Services included all contract services, legal expenses, external printing and marketing. Goods & Services included all office supplies and office equipment and other goods. Construction Non-Federal CIP included all non-federal construction and professional projects. Construction Federal CIP included all federal construction and professional projects.

	Aspirational Participation %	Percentage	MWBE Expenditures	Total Expenditures	YTD Percentage	YTD MWBE Expenditures	YTD Total Expenditures
<b>Professional Services</b> (Includes all contract services, legal expenses external printing, and marketing)	12.44%	11.27%	\$ 327,120	\$ 2,903,105	12.22%	\$ 2,585,642	\$ 21,155,047
<b>Goods &amp; Services</b> (Includes all office supplies and office equipment and other goods)	6.49%	3.55%	\$ 6,676	\$ 187,994	1.89%	\$ 34,439	\$ 1,823,065
<b>Construction Non-Federal CIP</b> (All non-federal Construction and professional projects)	10.49%	18.26%	\$ 1,836,334	\$ 10,054,299	13.07%	\$ 9,872,404	\$ 75,508,912
<b>Construction Federal CIP</b> (All Federal Construction and professional projects)	9.28%	0.00%	\$ -	\$ 11,776	0.53%	\$ 600	\$ 113,718

V. Items for Approval:

A. Purchased Goods and Services Contract for FIDS & PA – Visual Systems Replacement Project CIP No. 1711

Staff recommended that the Board accept the proposal by International Display Systems, Inc. (IDS) for the FIDS & PA – Visual Systems Replacement project at BNA; and authorize the Chair and President & CEO to execute the purchased goods and services contract.

Background:

The airport's Public Address (PA) system was near the end of its useful life, was subject to failure of critical life safety components at any time, and parts have become very difficult to acquire. The head-end hardware, software, and cabling serving the airport's Flight Information Display System (FIDS) was also outdated and requires replacing to accommodate the BNA Vision program expansion and current and anticipated advances in technology. This project will replace the PA system in its entirety and upgrade the FIDS head-end to expand the system's capacity and provide technological upgrades to enhance the Nashville Airports Experience.

A Request for Proposals (RFP) was advertised on November 6, 2017 and November 9, 2017.

On December 5, 2017, four (4) responses were received. However, one (1) response was deemed non-responsive because they failed to meet the Small, Minority, Woman-Owned Business Enterprise (SMWBE) participation levels or provide acceptable good faith efforts. Three (3) responsive proposals were received, from Audio Communications Consultants, Inc. (ACCI), Ford Audio-Video Systems (Ford), and IDS.

The proposals were evaluated based on the following criteria:

- a. Mandatory Requirements
- b. Experience and Qualifications
- c. Project Approach
- d. Price
- e. SMWBE Participation

The selection committee determined that all three responsive firms were highly qualified and should be interviewed and provided an opportunity to demonstrate their proposed solutions.

The selection committee conducted interviews including demonstrations with ACCI, Ford, and IDS on February 6, 8, and 9, 2018, respectively. Interviews included additional questions regarding SMWBE, project approach, system technology and functionality; ease of use; up-front and ongoing costs, support, and maintenance requirements; and alternate pricing.

Below was a tabulation of the proposal prices, SMWBE participation, and evaluation scores including interviews.

Proposer	Base Proposal
Audio Communications Consultants, Inc. (ACCI)	\$ 4,124,087.00
Ford Audio-Video Systems (Ford)	\$ 3,056,611.00
International Display Systems, Inc. (IDS)	\$ 3,695,482.63

Proposer	Proposed SMWBE participation
Audio Communications Consultants, Inc. (ACCI)	33.92% M/WBE
Ford Audio-Video Systems (Ford)	21.02% MBE
International Display Systems, Inc. (IDS)	18.94% M/WBE

Proposer	RFP Evaluation Score Including Interviews
Audio Communications Consultants, Inc. (ACCI)	451
Ford Audio-Video Systems (Ford)	506
International Display Systems, Inc. (IDS)	518

The selection committee determined IDS to be the best qualified firm for the project, based on the following:

1. IDS' proposal response demonstrated a thorough understanding of BNA's needs and the ability to provide a technologically advanced and comprehensive approach to upgrade both BNA's FIDS and PA systems.
2. IDS' proposal response demonstrated the ability to effectively create an easy-to-use and maintain platform for managing FIDS content and PA system integration with BNA's functional requirements.
3. IDS furnished and installed the existing FIDS; their team was knowledgeable about BNA's implementation requirements and the existing FIDS hardware, software, and cabling installation to be upgraded.
4. Both the company and Project Manager have extensive experience and recent experience on projects of equivalent size.
5. The company has established an effective history of technical competence and maintenance support with BNA.
6. Competitive pricing.

IDS' price was 12.5% lower than the engineer's, Arora, opinion of probable cost of \$4,223,989; and their price includes all aspects of the scope of work.

The SMWBE participation level set by the MNAA for this project was 9.47% MBE and/or WBE. IDS was able to obtain 18.94%. by utilizing NRG Management Solutions and Access DNSI as subcontractors.

MNAA has evaluated the proposals and determined the proposal from IDS to be responsive and responsible and recommended award to International Display Systems, Inc.



Impact/Findings:

MNAA SMWBE Participation Level:	9.47% MBE and/or WBE
IDS's SMWBE Participation Level:	18.94% MBE and WBE
Anticipated Contract Start Date:	April 2018
Duration of Contract:	270 calendar days
Contract Completion Date:	January 2019
Contract Cost:	\$3,695,500.00 NTE
Funding Source:	100% Bonds

Strategic Objectives:

- Safe and Secure MNAA Operations
- Maintaining the *Nashville Airports Experience* by meeting customer demands through new and expanded infrastructure
- Economically Sustained Services and Facilities

Options/Alternatives:

Do Nothing: The "Do Nothing" option requires MNAA to continue to maintain and repair the existing end of service life PA System and obsolete FIDS head-end. Increased costs and operational delays for repairs will continue to become more frequent with the aging equipment. Failure of the PA system will impair operation of the Airport's life safety fire alarm system.

Committee Review:

This item was presented to the General Aviation/Operations/Planning & Engineering Committee on March 14, 2018. The GAOPE Committee voted 3 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Farnsworth to accept the proposal by IDS for the FIDS & PA – Visual Systems Replacement project at BNA; and authorize the Chair and President & CEO to execute the purchased goods and services contract. The motion carried by vote of 7 to 0.

B. Construction Contract for Reconstruct Taxiway Lima/Alpha Intersection, CIP 1702A

Staff recommended that the Board: accept the bid by Eutaw Construction Company, Inc. (Eutaw) for the Construction Contract for the Reconstruct Taxiway Lima/Alpha Intersection project at Nashville International BNA and; authorize the Chair and President & CEO to execute the construction contract.

Background:

The project consists of the full depth, full width reconstruction of the intersection of taxiways Lima and Alpha between Runway 2L/20R, the Runway 13/31 Runway Safety Area, and existing joints on Taxiway Lima West

and Alpha North. 30-foot asphalt shoulders will be added in accordance with FAA Advisory Circular 150/5300-13A, Change 1, Airport Design, and all electrical infrastructure will be replaced.

The taxiway Lima/Alpha intersection is one of the busiest at BNA. It is part of the designated Aircraft Design Group V taxi routes for cargo and commercial passenger aircraft, such as British Airways' B787, as well as the Surface Movement Guidance & Control System (SMGCS) route. The current Pavement Condition Index (PCI) values in the area are between 53 and 68, indicating poor conditions. Furthermore, geotechnical investigations performed in 2016 revealed poor subgrade conditions in the area. Analyses indicate that this pavement will deteriorate rapidly under the projected use of the Boeing 787 aircraft.

Topographical survey of the intersection obtained in 2016 revealed longitudinal grades on Taxiway Lima were out-of-standard with FAA Advisory Circular 150/5300-13A, Change 1, Airport Design, caused by Taxiway Alpha's shallow falling slope from the runway 13/31 edge. The proposed design corrects the longitudinal grade on Lima by lowering the center of the intersection by 10 inches.

An Invitation to Bid on the project was advertised on January 6, 2018 and January 11, 2018 and included one Base Bid Schedule.

On February 7, 2018 bids were received from Blakley Construction Services, LLC (Blakley), Eutaw, and Jones Bros. Contractors, LLC (Jones Bros.). Below is a tabulation of those bids:

<u>Contractor</u>	<u>Base Bid</u>	<u>Disadvantaged Business Enterprise (DBE) %</u>
Blakley	\$6,504,956.70	15.37% DBE
Eutaw	\$4,607,936.64	15.80% DBE
Jones Bros.	\$5,454,551.10	14.97% DBE

Below is a tabulation of the prices for asphalt received:

<u>Contractor</u>	<u>Bituminous Surface Course Price</u>
Blakely	\$130.40/TON
Eutaw	\$130.00/TON
Jones Bros.	\$97.50/TON

Eutaw's Base Bid was within MNAA's construction budget and exceeds the 14.69% DBE goal established for this project. Eutaw's DBE contractors include Jerry B. Young Construction, LLC and Rutherford Contracting, Inc.

Eutaw's Bid was 10.8% lower than the Engineer of Record, Garver's, opinion of probable construction cost of \$5,166,315.50 and 29.2% below the high bidder, Blakley.

MNAA and Garver have evaluated the bids and determined the bid from Eutaw to be responsive and responsible and recommend award to Eutaw Construction Company, Inc.

Impact/Findings:

MNAA DBE Participation Level:	14.69% DBE
Eutaw DBE Participation Level:	15.80% DBE
Anticipated Contract Start Date:	April 2018
Duration of Contract:	100 Calendar Days
Contract Completion Date:	July 2018
Contract Cost:	\$4,607,936.64
Funding Source:	100% PFC

Strategic Objectives:

- Economically Sustained Services and Facilities
- Safe and Secure MNAA Operations

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in continued deterioration of the asphalt pavement in the intersection of taxiways Lima and Alpha, which will negatively affect airfield operations.

Committee Review:

This item was presented to the GAOPE Committee on March 14, 2018. The GAOPE Committee voted 3 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Harwell to accept the bid by Eutaw for the Construction Contract for the Reconstruct Taxiway Lima/Alpha Intersection project at BNA and; authorize the Chair and President & CEO to execute the construction contract. The motion carried by vote of 7 to 0.

C. Professional Services Contract (Design) for Reconstruct Taxiway Lima East (T4 to B) CIP 1807

Staff recommended that the Board: accept the statement of qualification by Garver, LLC (Garver) to provide engineering consulting services for the design of the Reconstruct Taxiway Lima East (T4 to B) project at BNA; authorize the Chair and President & CEO to execute the proposed professional services contract for the amount contained herein; and authorize and resolve that MNAA accept the discretionary grant from the Federal Aviation Administration (FAA).

Background:

Taxiway Lima is a full length parallel taxiway located on the north side of Runway 13/31 and provides east/west access across the airfield. Taxiway Lima East, between taxiways Bravo and Tango-4, was originally constructed of asphalt in 1984. The keel section was last reconstructed in 2005. The current Pavement Condition Index (PCI) values in this area were between 55 and 65 (Poor to Fair).

This contract consists of the design for the reconstruction of Taxiway Lima East between Taxiway Bravo and Taxiway Tango-4. 30ft shoulders will be added, where applicable, in compliance with FAA Advisory Circular 150/5300-13A, Change 1 – Airport Design. The total reconstruction area was approximately 300,000 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 July 2018. Design issues to be addressed include but were not limited to: construction safety and phasing, demolition, erosion control, grading, drainage, geometry, pavement design, pavement markings, and airfield electric design.

On November 3, 2017 and November 6, 2017, MNA published a Request for Qualifications (RFQ). On December 4, 2017, five Statements of Qualifications were received: AECOM Technical Services, Inc. (AECOM), Atkins North America, Inc. (Atkins); CHA Consulting, Inc. (CHA), Garver, and WSP USA, Inc. (WSP).

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. Quality of projects previously undertaken and capability to complete projects without having major cost escalations or overruns;
6. DBE participation

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

On February 1, 2018, the selection committee conducted interviews of these top candidates and their scores are listed below:

Firm	Score	Committed DBE Participation Goal
Atkins	585	8%
Garver	645	6%
WSP	593	6%

The selection committee determined Garver to be the most qualified firm for the Reconstruct Taxiway Lima East (T4 to B) project based upon responses to the following:

1. Ability to provide electrical support throughout the design and construction.
2. Procedure for quality control on expedited schedules.

3. Their understanding of the most challenging aspects of the project.
4. Internal SMWBE tracking and monitoring process.

All firms were well qualified, but the team from Garver demonstrated a good 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 5.58% DBE. Garver was able to obtain 6.04% DBE. Garver's DBE partner is 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:	5.58%
Garver's DBE Goal:	6.04%
Anticipated Contract Start Date:	March 22, 2018
Duration of Contract:	665 days
Contract Completion Date:	December 2019
Contract Cost:	\$624,951.00
Funding Source:	50% Federal and 50% PFC

Strategic Objectives:

- Safe and Secure MNAA Operations
- Economically Sustained Services and Facilities

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in continued deterioration of the asphalt pavement on Taxiway Lima East, which will negatively affect airfield operations.

Committee Review:

This item was presented to the GAOPE Committee on March 14, 2018. The GAOPE Committee voted 3 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Doerge to accept the statement of qualification by Garver to provide engineering consulting services for the design of the Reconstruct Taxiway Lima East (T4 to B) project at BNA; authorize the Chair and President & CEO to execute the proposed professional services contract for the amount contained herein; and authorize and resolve that MNAA accept the discretionary grant from the FAA. The motion carried by vote of 7 to 0.

D. Construction Contract for Reconstruct Taxiway Alpha South, CIP 1808

Staff recommended that the Board accept the bid by Jones Bros. Contractors, LLC (Jones Bros.) for the Construction Contract for the Reconstruct Taxiway Alpha South at BNA and authorize the Chair and President & CEO to execute the construction contract.

Background:

The project consists of the full depth, full width reconstruction of Taxiway Alpha South (A1 to R3), including taxiways A1 and C1. Pavement geometry will be updated to current standards for a Group V Aircraft taxi route and 30-foot asphalt shoulders will be added in accordance with FAA Advisory Circular 150/5300-13A, Change 1, Airport Design, and all electrical infrastructure will be replaced.

Taxiway Alpha is a full length parallel taxiway located on the west side of Runway 2L/20R, providing north/south access across the airfield at BNA. The south half of Taxiway Alpha also provides airfield access for BNA's cargo and maintenance-repair-overhaul operators located on the west side of the airport, as well as several general aviation tenants. Records indicate that the pavement sections within the project limits were originally constructed of asphalt in 1977. MNAA completed various malignance activities and rehabilitation projects since construction, most recently in 2008. Current Pavement Condition Index (PCI) values in the area were between 56-60, indicating poor conditions. The current Taxiway Safety Area and Taxiway Object Free Area for Alpha South does not comply with the most recently published grading requirements for Group V Aircraft. The proposed design provides for updated geometry and strength to support Group V aircraft traffic.

An Invitation to Bid on the project was advertised on January 22, 2018, and January 25, 2018, and included one Base Bid Schedule.

On February 21, 2018, bids were received from Eutaw Construction Company, Inc. (Eutaw) and Jones Bros. Below is a tabulation of those bids:

<u>Contractor</u>	<u>Base Bid</u>	<u>Small Minority and Women Owned Business Enterprise (SMWBE) %</u>
Eutaw	\$13,854,947.64	5.36% MBE and 7.81% WBE
Jones Bros.	\$9,855,354.33	8.62% MBE and 8.15% WBE

Below is a tabulation of the prices for asphalt received:

<u>Contractor</u>	<u>Bituminous Surface Course (4" Thickness) Price</u>
Eutaw	\$200/TON
Jones Bros.	\$93.18/TON

Jones Bros.' Base Bid was within MNAA's construction budget and exceeds the 5.32% MBE and 7.73% WBE participation levels established for this project. Jones Bros. SMWBE contractors include Archangel Protective Services, Gibco Construction, McFall Sod & Seeding, Geotek Engineering Company, and Tennatee Services.

Jones Bros.' Bid was 1.4% lower than the Engineer of Record's, Allen & Hoshall, opinion of probable construction cost of \$9,995,377.08 and 28.9% below the high bidder, Eutaw.

MNAA and Allen & Hoshall 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:	5.32% MBE and 7.73% WBE
Eutaw SMWBE Participation Level:	8.62% MBE and 8.15% WBE
Anticipated Contract Start Date:	April 2018
Duration of Contract:	230 Calendar Days
Contract Completion Date:	November 2018
Contract Cost:	\$9,855,354.33
Funding Source:	100% PFC

Strategic Objectives:

- Economically Sustained Services and Facilities
- Safe and Secure MNAA Operations

Options/Alternatives:

Do Nothing: The "Do Nothing" option will result in continued deterioration of the asphalt pavement in the intersection of Taxiway Alpha South, which will negatively affect airfield operations and prohibit Aircraft Design Group V taxi routes, such as British Airways' B787.

Committee Review:

This item was presented to the GAOPE Committee on March 14, 2018. The GAOPE Committee voted 3 to 0 to recommend approval to the Board.

A motion was made by Commissioner Freeman and seconded by Commissioner Harwell to accept the bid by Jones Bros. for the Construction Contract for the Reconstruct Taxiway Alpha South at BNA and authorize the Chair and President & CEO to execute the construction contract. The motion carried by vote of 7 to 0.

E. MNAA Resolution No. 2018-01 Corporate Resolution and Certificate of Incumbency for Commercial Credit Card Account

Staff requests that the Board of Commissioners authorize the Board Secretary to execute MNAA Resolution No. 2018-01 - Corporate Resolution and Certificate of Incumbency for Commercial Credit Card Account with SunTrust Bank which amends the MNAA authorized signatories for the MNAA commercial Credit card account (P-Card) with SunTrust Bank.

Background:

A new Corporate Resolution and Certificate of Incumbency is necessary when there is a change in leadership.

Impact/Findings:

In order to amend permissions and authorizations for MNAA's commercial credit card account with SunTrust Bank, staff was required to complete an amendment to the commercial credit card account. The authorized signatures for the P-Card account for MNAA are the President and CEO and the CFO. The current Corporate Resolution and Certificate of Incumbency for Commercial Credit Card Account was signed in 2011 and does not reflect the current President and CEO or CFO. This Resolution will amend the authorized signatories reflecting the change in leadership and the continued use of the commercial credit card account.

Options/Alternatives:

Do nothing and MNAA will not be able to operate/utilize its commercial credit card account.

Committee Review:

This item was not presented to the Finance Administration and Properties Committee but was presented directly to the Board of Commissioners.

A motion was made by Commissioner Harwell and seconded by Commissioner Farnsworth to authorize the Board Secretary to execute MNAA Resolution No. 2018-01 - Corporate Resolution and Certificate of Incumbency for Commercial Credit Card Account with SunTrust Bank which amends the MNAA authorized signatories for the MNAA commercial Credit card account (P-Card) with SunTrust Bank. The motion carried by vote of 7 to 0.

President Kreulen stated that there were no items for acceptance or informational items but wanted to report on two issues from a President's perspective. He stated that when the Board appointed him as President and CEO, the Board made sure he knew what was in the Bylaws and what his duties were in terms of supervision and management of the Airport Authority. It was further laid out in the agreement between he and the Board that he had two primary responsibilities, the first being the supervision and management of all finances, the



workforce and all policies and procedures. President Kreulen presented an update of policies and procedures being updated to ensure they are current and we are an efficiently operating airport.

President Kreulen stated that the second item he was charged with was compliance with directives and strategy, and more specifically, the direction from the Board is to ensure that he discloses and complies with all regulatory requirements, that he exercise diligence and care with respect to assets, people and finances, and that he preserve, protect and advance the interest of MNAA as the President and CEO.

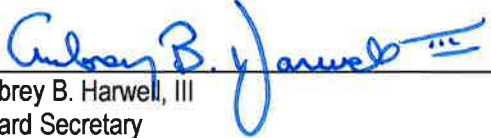
That has been his focus since December 13, 2017 and during the acting and interim period. He had been sharing this with the workforce at quarterly All Team meetings and the employees understand where we are headed. He discussed briefly that the Board was familiar with the travel and expense audit conducted on the previous CEO. An additional travel and expense audit was requested on February 7, 2018. A draft report was submitted to CEO March 2, 2018. The CFO and CLO reviewed the report March 5 – 9, 2018. The CEO, CFO and CLO updated March 13, 2018. The Audit Committee Chair notified March 14, 2018, and the Individual's response is due to the CEO March 28, 2018. Prior to requesting the internal audit team to conduct this audit, the CFO, CLO and he had begun work on the new Travel and Expense Policy to close out that previous audit item. That policy is important to MNAA and finalizing that policy within the next few weeks will be important to closing issues that have been discovered in this audit. President Kreulen stated he would do his best to protect MNAA.

President Kreulen stated that he previously introduced Dr. LaRoche of ADK. President Kreulen asked Dr. LaRoche to assist with an Audit of the Human Resources department. As the Board is aware the Director of Human Resources was terminated on February 2, 2018, and Dr. LaRoche and her team came in on the following Monday and performed an audit which was delivered in final form on March 20, 2018. This report included detailed unacceptable conduct and behavior by previous leadership within that department which was extremely troublesome, and even more troublesome was that the former CEO was notified by one of the affected employees greater than two years ago and no action taken to correct this unsatisfactory condition. President Kreulen took action within the first few weeks of his appointment as CEO by terminating the Director of HR February 2, 2018. ADK began its audit February 5, 2018. The audit report was finalized March 20, 2018. President Kreulen stated his disappointment in the findings and appreciated the Board's support to directing him to look at everything we are doing at the airport to make it a bigger and better airport. President Kreulen thanked Dr. Laroche and her team for their assistance and assured the Board that he is committed to fixing this and the abuses that took place by the previous leadership, and we are moving ahead.

Chair Joslin stated that the Board had made it clear how it feels about this airport, what the President's mission was and that he was confident in the leadership team in place.

VIII. Adjourn

There being no further business before the Board, Chair Joslin adjourned the meeting at 1:51 p.m.

  
Aubrey B. Harwell, III  
Board Secretary