



Staff provided the Board with a staff analysis of the FY22 Commercial Insurance Policies prior to the meeting which had been reviewed by Davidson Risk Consulting and Marsh Inc. (Marsh).

Ms. Deuben gave a brief background of the FY22 Commercial Insurance Policies Renewal. All premiums will be moved back to a March 1 cycle, however, given market conditions, Marsh recommended several of the policies remain in a 12-month cycle at this time. The FY22 annualized estimated premium increase is \$427k, or 24.8%, compared to FY21 annualized premiums. The FY22 proposed program premium is NTE \$2,177,222. Key reasons for the 24.8% increase over FY21 are increases in premiums for property insurance, cyber liability/network security, management liability, and additional money for contingency expenses. Contingency includes additional fees and surplus taxes, and additional premium in case the actual policy amounts come in higher than quoted. Marsh was still marketing the new policy liability coverage at the time of the Committee meeting.

Commissioner Crumbo inquired about a comparative analysis of what other airports are paying and what the coverages are. Ms. Deuben stated that Davidson Risk Consulting and Marsh have indicated that MNAA has the coverage and policies it needs. Chair Farnsworth inquired about the premium for cyber liability/network security. President Kreulen stated staff could give the Board an update at a future meeting on MNAA's cyber capabilities. After questions and discussions regarding deductibles for different policies, Ms. Deuben concluded her presentation.

Chair Farnsworth called for a motion to approve the FY22 Commercial Insurance policies at a NTE amount of \$2,177,222 and authorize the Chair and President and CEO to execute the FY22 Commercial Insurance policies. Commissioner Doerge made a motion and Commissioner Crumbo seconded the motion. The motion passed by vote of 5 to 0.

**B. British Airways Incentives**

Ms. Linda Macey, AVP, Revenue Development, briefed the Board on this item. Staff requested that the FAP Committee recommend to the Board of Commissioners that it:

- 1) approve the funding for the proposed marketing incentives and landing fee and facility abatements for the nonstop BNA – London Heathrow (LHR) route operated by British Airways (BA), up to \$2M; and
- 2) authorize the Chair and President and CEO to execute the Letter of Agreement (LOA) by and between MNAA and BA outlining the specific terms of the proposed incentive with BA for their BNA-LHR route to begin between July 2021 and December 2021, effective two years from the first flight.

Staff provided the Board with a staff analysis of the BA Incentives prior to the meeting.

On November 2, 2020, the updated ASIP Policy was approved. The policy requires Board approval of proposed marketing incentives and landing fee and facility abatements, incentives for transoceanic service, and a 12-month gap in service. ASIP is funded through the NAE Incentive Account which has a balance of approximately \$5M as of May 31, 2021.

Ms. Macey presented a timeline of BA service and communication with BA regarding the ASIP and LOA. BA is targeting to resume the BNA – LHR flight 5 times per week on or around July 2021, dependent upon government restrictions. BA's re-launch team is onsite at BNA today. The total estimated incentive value is \$2M and Ms. Macey discussed a breakdown of that value.

After questions and discussions, Chair Farnsworth called for a motion to approve the funding for the proposed marketing incentives and landing fee and facility abatements for the nonstop BNA – LHR route operated by BA, up to \$2M, and authorize the Chair and President and CEO to execute the LOA by and between MNAA and BA outlining the specific terms of the proposed incentive with BA for their BNA-LHR route, to begin between July 2021 and December 2021, effective 2 years from the first flight.

Vice Chair Freeman made a motion and Commissioner Crumbo seconded the motion. The motion passed by vote of 5 to 0.

V. Information Items

A. BNA Concessions Program Update

President Kreulen reported he had met with Fraport USA/AG executives on June 4, 2021 to discuss Fraport's 2021 performance, the 2022 Exhibit G transition plan, and next steps. The Fraport USA CEO will provide an update at the July 2021 Board meeting. Two new concepts opened on June 5, 2021 -- Pyramids Café located in Concourse C and District News located in Concourse D.

This item was provided for informational purposes only with no action required.

B. BNA Valet Parking Contract

President Kreulen informed the Board that a Request for Information (RFI) was issued to 22 vendors and 8 responses were received. A Request for Proposals (RFP) was issued to the RFI respondents, and 5 proposals were received. After the evaluation committee scored the proposals based on experience & qualifications, financial responsibility, management & operation plan, customer service, and ACDBE participation, LAZ Parking was selected as the winning bidder. LAZ was selected based on experience, a strong transition plan, real-time data reporting/dashboards, and its commitment to meet standards of operations outlined in RFP. The contract duration is July 1, 2021 to June 30, 2022. In accordance with the 3rd Amended & Restated Bylaws, Section 4.4.1.8, the President approved, with Board Chair authorization, the award of the Valet

Parking Contract to LAZ Parking. A longer-term contract will be competed prior to the end of this 1-year emergency contract.

This item was provided for informational purposes only with no action required.

C. Procurement Policy (Annual Review)


Ms. Davita Taylor, VP, Procurement & Business Diversity, updated the Board on this item pursuant to the 3<sup>rd</sup> Amended and Restated Bylaws, Section 4.4.3, requiring the Board to be provided with procedures governing the procurement of goods and services on an annual basis. Staff provided a copy of the Procurement Policy to the Board prior to the meeting. There have been no changes to the current policy dated July 15, 2020. The Procurement Policy will be discussed at the annual Board Retreat in October 2021 for recommendations by the Board.

This item was provided for informational purposes only with no action required.

Commissioner Joslin reported that he and Commissioner Doerge had been working on the March for Babies campaign this past year. Commissioner Joslin complimented Commissioner Doerge on his hard work and dedication to the March of Dimes/March for Babies campaign. The campaign raised over \$500k this past year.

VI. Adjourn

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

  
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William H. Freeman, Board Secretary