

Minutes of the BNA Vision Committee



Date: August 11, 2021 Place: Nashville International Airport Board Room
Time: 10:15 a.m.
Committee Members Present: Bobby Joslin, Chair; Jimmy Granbery, Vice Chair; Nancy Sullivan; and Joycelyn Stevenson
Committee Members Absent: None
Others Present: Andrew Byrd; John Doerge; Amanda C. Farnsworth, Board Chairman; Bill Freeman, Board Vice Chair; Doug Kreulen; Cindy Barnett; Lisa Lankford and Sabrina Troy

I. Call to Order

Chair Joslin called the meeting of the BNA Vision Committee to order at 9:55 a.m., pursuant to Public Notice dated August 6, 2021.

II. Approval of Minutes

Chair Joslin called for a motion to approve the Minutes of the July 14, 2021 BNA Vision Committee meeting. A motion was made by Commissioner Sullivan and seconded by Commissioner Stevenson. The motion carried by vote of 4 to 0.

III. Chair's Report

Chair Joslin had no Chair's Report.

IV. Items for Approval

A. Satellite Concourse Additional Funding

President Kreulen introduced Ms. Traci Holton, VP, Chief Engineer and Deputy COO, who briefed the item. On April 21, 2021 the Board authorized execution of CGMP 1 to Holder Construction Group in the amount of \$12.6M to cover planning/ programming, design and preconstruction phase services for the satellite concourse, with a design-to-budget amount of \$75,000,000. To meet the design-to-budget of \$75,000,000, the facility has been sized at 60,000 square feet which allows sufficient square footage of concession space and meets an Optimal Level of Service (LOS) for an A320 aircraft with 150 seats. Sizing

the facility for usage of a 737 max 10, 204-seat aircraft would be preferred and would provide more flexibility long term. To meet an Optimal LOS for larger aircraft requires an additional 4,500 square feet which increases the average holdroom size from 2,566 sf to 3,140 sf. The additional square footage for holdrooms would provide optimal conditions for both concession and hold room for all passengers using the facility.

Shuttle Station/Wayfinding will assist passengers entering into C-Concourse (C6) to find the bus gate and it is most intuitive to sign the satellite as a C-gate. The satellite concourse gates will be numbered C4 – C12, which will be accessed at the current C6 holdroom location. The budget increase request includes enhancements to this area to ensure visibility, ease of use and wayfinding to the new satellite for the best customer experience. Scope of this work includes installation of interactive directories for concession opportunities, bus ride times/locations/durations, and marquee signage.

Ms. Holton requested the BNA Vision Committee recommend to the Board of Commissioners that it authorize an increase to the Satellite Concourse project budget in the amount of \$3,500,000.

Staff provided a staff analysis prior to the meeting.

After questions and discussions, Chair Joslin called for a motion to approve as presented. Commissioner Sullivan made a motion which was seconded by Commissioner Stevenson. The motion carried by vote of 4 to 0.

V. Information Items

Hotel Update

On August 2, 2021, President Kreulen and Marge Basrai, CFO met with Chartwell Hospitality and discussed the following items: equity & debt financing – strong interest by both investors and financial institutions; draft Hilton Term Sheet provided to Chartwell; and construction proposals due August 13th. Biggest concerns have been COVID variant; business travel uptake; 90-120 days is needed to schedule financial closing.

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

VI. Adjourn

There being no further business brought before the BNA Vision Committee, Chair Joslin adjourned the meeting at 10:11 a.m.


Joycelyn Stevenson, Board Secretary

Minutes of the Meeting of the MNAA & MPC Audit & Compliance Committees



Date: August 11, 2021 Place: Nashville International Airport Board Room
Time: 11:15 a.m.
Committee Members Present: Nancy Sullivan, Chair; John Doerge, Vice Chair; and Jimmy Granbery
Committee Members Absent: Christy Smith
Others Present: Andrew Byrd; Doug Kreulen; Cindy Barnett; Lisa Lankford and Sabrina Troy

I. Call to Order

Chair Sullivan called the meeting of the MNAA Audit Committee to order at 10:13 a.m. pursuant to Public Notice dated August 6, 2021.

III. Approval of Minutes

Chair Sullivan made a motion to approve the minutes of the April 14, 2020 Audit Committee as presented. Vice Chair Doerge seconded the motion. The motion carried by vote of 3 to 0.

IV. Chair's Report

Chair Sullivan had no Chair's Report.

V. Items for Approval

None

VI. Information Items

A. Audit Update

President Kreulen introduced Lisa Lankford, AVP, Special Assistant to the President, to update the committee. Ms. Lankford advised that we had one complaint submitted to Red Flag on May 18, 2021 from an anonymous reporter that CrossFit BNA was using a trademark that belonged to the airport. That investigation was turned over to our Legal Department including consultation with outside legal counsel and was determined that no enforcement actions were necessary and there was no evidence of fraud. It was administratively closed on July

16, 2021. One item to note, we have opened Red Flag on our website and it is open to the public. We may sometimes get these kinds of complaints and will process accordingly.

The Internal Audit Program currently has 28 open audit findings. Last quarter we had a total of 30 findings and two have since been closed. Audits that are currently in process include the first audit of the internal sponsorship program, our annual penetration assessment, quarterly network vulnerability assessment and ongoing concessions reviews.

In reference to the 28 open findings, the chart reflects the tracking that began when President Kreulen was approved by the Board as the CEO, and there were several hundred open findings. We have steadily brought the total down with diligence in getting the responses closed. Ms. Lankford commended all the MNA staff and departments for their significant work on these findings. She directly complimented the information technology group for their significant contribution during the FY19 peak in Payment Card Industry (PCI) issues.

The nine findings in Business Diversity Development are from a recently completed audit of our Nashville Business Incubation Center (NBIC) program. This program assists minority firms in starting, training and running a business. The remaining are throughout the past few quarters.

Vice Chair Doerge asked what a reasonable number of findings would be if we're unable to keep it a zero. Ms. Lankford stated that we would usually not be zero and she stated that 30 would be a manageable level with the amount of audit that we are performing. .

Our external auditors, Plante Moran, will be onsite August 23, 2021 to begin their field work. They have been doing preliminary advanced work. Their upcoming schedule is as follows:

- August 12: 1:1 Meeting with Commissioner Sullivan
- August 23: Begin Year-End Fieldwork (on-site)
- August 31: 1:1 Meeting with President and CEO Kreulen
- September 30: Draft Financial Statements to Metro
- October 31: Final Financial Statements to Metro
- November 10: Results to Audit & Compliance Committee
- December 31: AFR to Government Finance Officers Association

Chair Sullivan asked about the nine human resources findings and Ms. Lankford explained that it was from one of their first internal audits on the policy and procedures around their EEO, AAP and PMP. Most findings were related to documentation and document review. Multiple findings were closed with the issuance of the updated PMP. President Kreulen explained that when he moved into the CEO position in 2017, approximately 97% of the policy documents

were greater than 10 years old. Currently they are at approximately 20% and policy updates are continuing. However, we continue to audit and therefore if the policy wasn't updated it is noted as another finding.

VI. Adjourn

There being no further business brought before the Audit Committee, Chair Sullivan adjourned the meeting at 10:22 a.m.



Joycelyn Stevenson, Board Secretary