

Minutes of the Joint Meeting of the MNA and MPC
Operations, Engineering & Strategic Planning Committees



Date: August 10, 2022

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:00 a.m.

Committee Members Present:

Bobby Joslin, Chair; Nancy Sullivan, Vice Chair; and Dr. Glenda Glover

Committee Members Absent:

None

Others Present:

Bill Freeman, Jocelyn Stevenson, Jimmy Granbery, Andrew Byrd, Doug Kreulen, Neale Bedrock, Lisa Lankford and Rachel Moore

I. CALL TO ORDER

Chair Joslin called the Joint Meeting of the MNA and MPC Operations, Engineering & Strategic Planning (Operations) Committee to order at 9:00 a.m. pursuant to Public Notice dated August 5, 2022.

II. APPROVAL OF MINUTES

Vice Chair Sullivan made a motion to approve Minutes from the July 13, 2022 Operations Committee meeting and Commissioner Glover seconded the motion. The motion carried by vote of 3 to 0.

III. CHAIR'S REPORT

Chair Joslin had no Chair's report.

IV. ITEMS FOR APPROVAL

A. Construction Contract for Terminal Apron and Taxi Lane Expansion - Phase 2.

Doug Kreulen, President and CEO, introduced Ms. Traci Holton, VP, Chief Engineer and Deputy COO. Ms. Holton briefed the Committee on the Construction Contract for the Terminal Apron and Taxi Lane (TATE) Expansion – Phase 2. An Invitation to Bid (ITB) was advertised in June 2022. Proposals were received July 14, 2022 from two companies: Highway Paving and Superior Construction (Superior). Superior's bid of \$17.8M was the lowest bid and deemed responsive and responsible. Superior obtained 16.71% MBE/WBE, with the services of Kimberly, Inc., Rutherford Contracting and Gibco. The schedule is September 2022 – September 2023. Ms. Holton requested the Operations Committee recommend to the

Board of Commissioners that it authorize the Chair and President & CEO to execute the construction contract to Superior for \$17,778,305.

Ms. Holton responded to questions from the Commissioners regarding deicing, aircraft parking and phasing for vacating the laydown yard. Vice Chair Sullivan asked about the engineer of record's estimate, and Ms. Holton responded that the bid was 8% over the engineer of record's estimate, primarily due to pavement costs and the transition from old to new concrete. Chair Joslin asked about the hose bib at JWN, and Ms. Holton reported that the target was September 1, 2022, and that striping, signage is being finalized and staff is working on a PO for plumbing.

Commissioner Byrd inquired on progress and status of efforts to increase international flights from and through BNA. President Kreulen advised that the MNAA team is communicating with British Airways regarding their existing flight to Heathrow, and that Delta Airlines VP of Global Sales will visit BNA on September 19, 2022 to discuss opportunities for central Europe.

Vice Chair Sullivan made a motion to approve as presented, and Commissioner Glover seconded the motion. The motion carried by vote of 3 to 0.

B. Design Build Contract for Concourse D Extension CGMP 1 of 4

Ms. Holton briefed the Committee on the design build contract for Concourse D Extension CGMP 1 of 4. Ms. Holton introduced staff from Hensel Phelps Construction Company (Hensel Phelps) -- Joanna Yates, Project Manager; Scott Shelby, Project Executive and Clif Fessler, Operations Manager. Project bidding opened June 2022 with a Request for Proposals (RFP). On July 13, 2022, proposals were received from two companies: Hensel Phelps and Holder Construction. Submissions were evaluated on mandatory requirements, team and individual qualifications, technical approach, and SMWBE participation and price. Both teams were interviewed July 25, 2022 with Hensel Phelps being unanimously selected as the higher scoring submission.

Component Guaranteed Maximum Price #1 (CGMP) includes design, pre-construction and construction phase services, and percent fee for the entire project of 3.25%. Hensel Phelps committed to the SMWBE goal of 6.9% MBE and 6.77% WBE, and the SBE target of 4.28%.

Key differentiators included:

- 3 of 5 gates would be completed 4.5 months earlier than schedule requirements.
- Multiple solutions that minimize operational disruptions to gate D6, the loading dock and taxilane.
- Creative options were offered for concessions and passenger experience.
 - Outdoor observation area

- Art and moving walkways in the connector
- Creative design at the end of Concourse D for concessions and a stage and allowing for potential addition of two gates via boarding bridges in the future without additional future building construction.
- Modular, prefab off-site build will allow for expedited completion with minimal disturbance. Construction will be brought on campus for final assembly and installation.

Ms. Holton requested the Operations Committee recommend to the Board of Commissioners that it approve the proposal from Hensel Phelps for the progressive design-build contract for the Concourse D Extension and authorize the Chairman and President & CEO to execute the construction contract and Component Guaranteed Maximum Price #1 (CGMP) to Hensel Phelps for \$36,950,795.

Chair Joslin thanked Ms. Holton for the excellent job. Commissioner Glover asked about the new Air Freight Building. President Kreulen explained that a new Air Freight Building would be after the Donelson Pike relocation and described the temporary moves to the Multi-Purpose Building. Commissioner Glover asked Ms. Holton for an overview of the schedule. Ms. Holton provided the estimated details for the September 2022 – July 2025 schedule:

- Next 6 months – Designs will be completed and requests for bidding opened, closed, received, and accepted.
- Spring 2023 – Enabling construction and civil work will begin, pending environmental approval by the FAA.
- Summer 2024 – Concourse D construction will begin.
- Summer 2025 – Concourse D construction will be complete.

Vice Chair Sullivan asked the timing of the gates, and Ms. Holton said it would net 3 gates early, and a total of 5 gates.

Commissioner Granbery asked if the satellite concourse provided enough gates to close Concourse A, and President Kreulen stated that when it opens in October 2023, the gates would be leased. The satellite concourse was initially planned to be the empty chair, but now those gates are needed. Commissioner Granbery asked Ms. Holton to provide a comparison of the cost per gate of the original Concourse D to the extension.

Commissioner Byrd asked about moving walkways, and Ms. Holton reported they would be in the connector and be 2-directional. President Kreulen added that we comply with international standards, and that the new Concourse A will have moving walkways.

Commissioner Glover made a motion to approve as presented and Vice Chair Sullivan seconded the motion. The motion carried by vote of 3 to 0.

V. INFORMATION ITEMS

A. **JWN Development Update**

President Kreulen briefed the Committee on JWN development. MNAA has completed construction of 100 new hangers positioned on the airport's south side, with a newly built control tower located at the center of the property. Engineers and project managers continue to focus on development of the airport's north side, designing taxi ramps with connectors. A significant part of expansion efforts includes 10 land parcels for new hanger construction which will provide lease revenue. Three Letters of Intent (LOI's) have been obtained for 5 of the 10 parcels. Leases for these first 5 parcels alone will generate income of \$481,000 annually. Annual lease income combined with 3% escalation over the 30-year life of the hangers will generate approximately \$20M in revenue allowing John C. Tune Airport to become more self-sufficient.

President Kreulen reported that Notice of Availability (NOA) for parcels 6-9 will go out soon, with a better approach including the draft LOI, lease and schedule, and staff hopes to lock up these by the end of the year. The legal team is in conversations with Metro Nashville staff on the MNPDP development on parcel 10. MNPDP is currently renting a 60 x 60 box hangar. Commissioner Stevenson asked about the time limit for MNPDP, and President Kreulen said that MNPDP needs somebody to steward the project through their process. He noted we must have a guarantee of reimbursement.

Commissioner Granbery asked about the skin colors on the northside development, and President Kreulen said they must be within the Airport Improvement Request (AIR) requirements.

VI. ADJOURN

There being no further business brought before the Operations Committee, Chair Joslin thanked the Commissioners for their participation and adjourned the meeting at 9:25 a.m.


Jimmy Granbery, Board Secretary