

Minutes of the Joint Meeting of the
MNAA Board of Commissioners and MPC Board of Directors



Date: October 19, 2022

Location: Nelson Andrews Leadership Center
3088 Smith Springs Rd
Antioch, TN 37013

Time: 9:03 am

Board Members Present:

Joycelyn Stevenson, Vice Chair; Jimmy Granbery, Secretary;
Bobby Joslin; Nancy Sullivan; Glenda Glover, Andrew Byrd

Board Members Absent:

Bill Freeman, Chair

Others Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Rachel Moore and
Trish Saxman

I. CALL TO ORDER

Vice Chair Stevenson called the MNAA Board of Commissioners and MPC Board of Directors meeting to order at 9:03 a.m., pursuant to Public Notice dated October 14, 2022.

II. APPROVAL OF MINUTES

Vice Chair Stevenson called for a motion to approve the Minutes of the September 14, 2022 Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors. A motion to approve was made by Secretary Granbery and seconded by Commissioner Byrd. The motion carried by vote of 6 to 0.

III. CHAIRMAN'S REPORT

Vice Chair Stevenson remarked on how excited she is to be present, serve on the Board and reflected on the work MNAA has done, currently are doing and more importantly the work for the future. Vice Chair Stevenson thanked the Board, President Kreulen, and team for all their hard work making this one of the best airports in the world. Vice Chair Stevenson also stated she is excited to see what the Board meeting and Retreat hold.

IV. PRESIDENT'S REPORT

Doug Kreulen, President and CEO, introduced Trish Saxman who on October 10, 2022, joined as Executive Assistant serving as Board Staff Secretary, primarily focusing on the Board. President Kreulen thanked the entire staff and consultants in the room for helping prepare for the Board meeting and Retreat.

President Kreulen reported that Robert Ramsey did an excellent job on the topping-out ceremony for Garage B, and it is on track to open early next year.

President Kreulen announced that Bob Jordan, CEO of Southwest Airlines, attended the NCVI Chairman and President's luncheon and then he, Jason Van Eaton, and Steve Sisneros visited the Administrative Building. President Kreulen introduced the three visiting executives, Andrea Goodpasture (Sr. Director of Airport Affairs, Southwest), Denise McElroy (Sr. Manager of Airport Affairs, Southwest) and Nicole Canosa (Director, AvAirPros). President Kreulen thanked the representatives for all their help and many weeks of patience and negotiations. Ms. Goodpasture provided the Memorandum of Understanding (MOU) signed by Steve Sisneros and President Kreulen, effective October 18, 2022 and stated the final agreement will be presented to Commissioners in next few months for approval.

President Kreulen thanked the representatives and mentioned Southwest is the official sponsor of Honor Flight of Middle Tennessee for the past 13 years. On this flight there were 26 Middle Tennessee Veterans, three former WWII, traveling to Washington D.C. to visit the War Memorials. President Kreulen stated it is always a touching tribute and the airlines do a great job of taking care of the Veterans. General Holmes and Mr. Ramsey gave them a great send off to Washington D.C.

President Kreulen announced the National Newspaper Publishers Association honored Commissioner Glenda Glover, who was one of four Honorees. MNAA is proud she is serving on the Board of Commissioners.

President Kreulen acknowledged the visit of State of Tennessee staff, Butch Eley, Deputy Governor & Commissioner of Transportation, Jim Bryson, Commissioner of Finance & Administration, Steve Townsend, Chief of Staff to Deputy Governor, and Trevin Ayers, Chief of Staff, Finance & Administration. President Kreulen, Lisa Lankford, VP, Strategic Advisor to the President, and the Tennessee Association of Air Carrier Airports ("TAACA") gained additional support from the State of Tennessee and this year BNA was a fortunate recipient of approximately \$33M. President Kreulen stated the purpose of the tour was not only to show them what MNAA is building with the Grand Hall and terminal expansion, but also the satellite concourse where approximately \$25M of the \$33M has been spent. Overall, the satellite concourse is over \$100M.

President Kreulen reported that BNA Vision was recently featured in a Modern Steel Construction article by Kevin Kuntz; [Riding the Wave Modern Steel Construction : October 2022 \(mydigitalpublication.com\)](https://www.modernsteelconstruction.com/riding-the-wave-modern-steel-construction-october-2022).

President Kreulen announced the relocated Rental Car Counters opened October 12, 2022, on the ground transportation level. MNAA stretched the building both North and South, and to the East to give rental car companies more space for passengers and allow a larger volume. The baggage claim area they were

in will be closed for installation of baggage carousels 11 and 12. BNA had 8 carousels before starting this program and through BNA Vision the goal was to extend to 12 baggage carousels.

President Kreulen thanked Stacey Nickens, AVP, Corporate Communications, and her team for hosting the 26th Annual BNA Aviation Golf Classic this year. BNA raised \$109,000, of which, after expenses, \$75,000-\$80,000 will be distributed to four beneficiaries: Cherry Blossom Festival, Fisk University Department of Business Administration, McGavock High School Academy of Aviation & Transportation and MTSU Charlie & Hazel Daniels Veterans & Military Family Center. Commissioner Glover commented that this is thrilling to always be in the news and always positive; this is a notation to the BNA team for what they are doing. President Kreulen thanked Commissioner Glover and stated MNAA works hard and stays focused on customer service.

President Kreulen stated on the business side our air service consultants showed that BNA is number one of the top 50 airports in the terms of recovery and the enplanement chart projects that growth to continue. The FY23 BNA Enplanement chart tracks month-by-month showing the last few months of last year and the first few months of this fiscal year, with results between moderate and aggressive forecast, which we call the strategic forecast. As fall break approached, MNAA was significantly above the strategic forecast and in October we were right at the top of the aggressive forecast. At the end of FY22 we were 7% bigger than FY19, and currently four months into this fiscal year we are 20% bigger than we were in FY22. It is hard to build that fast and add that much capacity, but we will show that we are continuing to work creating a great airport for business, tourism and leisure travel in Middle Tennessee.

President Kreulen presented the Committee 30-day Outlook. During the month of November, the Operations Committee will have four approvals and the Finance Committee will be equally busy with approvals updating our Air Service Incentive (ASIP) Policy, Drug Enforcement Agency ("DEA") space lease and Fraport subleases. The Management Committee will receive the FY22 External Audit & FY22 Payment Card Industry ("PCI") Audit Updates and expect both to be positive. Back on the Operations Committee, the Design/Build Contract for Baggage Handling System Replacement will be a priority for Southwest and other airlines, who want to ensure our baggage handling system is robust enough to handle continued growth. The Commissioners have already approved the \$125M budget.

President Kreulen acknowledged that in November we will have a Guest Speaker, Ralph Schulz, with Nashville Area Chamber of Commerce.

Vice Chair Stevenson asked about the process in the past for guest speakers. President Kreulen stated that we like to know of any guest speakers that are beneficial to the airport and let them all know that they have 5 – 10 minutes at the most. If the Board knows of anyone, let President Kreulen know so they can be added to the agenda. Commissioner Byrd asked if there was a scope and President Kreulen replied for November, we

will have the Chamber's perspective on Nashville and in December we have the Convention & Visitors Corporation on the agenda. If the Board has a partner that would be beneficial, please let us know. Commissioner Joslin asked if Air Traffic Control spoke in the past and President Kreulen responded yes. Commissioner Granbery stated that Burke Nihill would be great to hear from because they will control the new stadium, which will be a 365-day program and not just the 18 games a year. President Kreulen agreed and stated the Titans will have a concession space if we get the lease done.

Commissioner Granbery asked to look back at the enplanements slide, and voiced concern about parking over fall break, and if there were any lessons learned about parking as we are nearing Thanksgiving and Christmas. President Kreulen stated we will share that detail at the Retreat, and as you can see Thanksgiving and Christmas enplanements will be a little lower. We will still have a hard challenge for one or two days, and strategically we will talk at the Retreat where we can receive Board input.

President Kreulen stated that the Committee 60-Day Outlook for December has three approvals for Operations, and only information items for Finance at this time. We have presented each of you with a 120-Day schedule.

V. ITEMS FOR APPROVAL

A. Security Guard Services for Landside & Air Operations Area ("AOA") Contract (Operations)

President Kreulen introduced Chief David Griswold, C.M., AVP, Department of Public Safety to brief the contract for Security Guard Services for Landside and AOA. Chief Griswold stated the contract provides traffic control and security services for Landside which includes arrivals level, ride share and employee lots, and the AOA. A Request for Proposal ("RFP") was published in July 2022, and eleven companies responded with proposals. Six of the proposals were deemed responsive. The review committee evaluated each of the proposals on experience, references, and TSA fines. Interviews were conducted with top three scoring firms in September 2022. Inter-Con was the highest scoring firm based on the proposal and the interview. Inter-Con's documented MWBE participation is 17.01%, which meets the requirement listed in the RFP. Inter-Con's management branch is well organized, which promotes accountability of their performance and better communications between the contractor and MNAA. Inter-Con provides extensive training that enables their employees to perform the duties prescribed in the RFP. The first year is \$2,588,540 and the total of the contract is \$14,814,585 NTE for five years. The contract starts January 2023 and ends in December 2025 with two one-year renewal options. The funding source is DPS Contract Services O&M.

Chief Griswold requested the Board of Commissions accept the proposal from Inter-Con for Security Guard Services for Landside and Air Operations Area and authorize the Chair and President and CEO to execute the proposed contract for \$14,814,585 NTE.

Commissioner Joslin stated that the Operations Committee had great conversations and looks forward to the new provider coming in and recommended approval. Commissioner Joslin made a motion to approve as presented, and Commissioner Sullivan seconded the motion. The motion carried by vote of 6 to 0.

B. Design Contract for Reconstruction of Taxiway Bravo/Kilo Intersections

President Kreulen introduced Traci Holton, Deputy COO & Chief Engineer, to brief the Design Contract for Reconstruction of Taxiway Bravo/Kilo Intersections. Ms. Holton provided background that the intersection of Taxiway Kilo, Taxiway Bravo, and Taxiway Tango 3 is one of the most used segments of pavement on the airfield. As such, considerable asphalt degradation has occurred since the last rehabilitation project at this location. Currently, the Pavement Condition Index ("PCI") for the pavement at this intersection ranges from 51 to 66, a rating of fair/poor, and necessitates pavement reconstruction. Ms. Holton stated that the five node Intersection is no longer allowed by the FAA. Taxiway Tango 3 will be removed, and new pavement and LED lighting will be added. The Request for Qualifications ("RFQ") was published on July 11, 2022, and seven Statement of Qualifications ("SOQ") were received on August 11, 2022. On August 25, 2022, the top six proposers were interviewed and Garver was the highest rated proposer. The DBE goal established by MNAA for this project is 7.62% which Garver committed to meet. This is a \$950,000 NTE contract, with fees to be negotiated. November 2022 is the anticipated start date and finishing December 2023. This was presented to the Operations Committee on October 12, 2022.

Ms. Holton requested the Board of Commissioners accept the statement of qualification by Garver to provide engineering consulting services for the design of the Reconstruct Taxiway Bravo/Kilo Intersection project at Nashville International Airport (BNA); and authorize the Chair and President and CEO to execute the professional services contract for \$950,000 NTE.

Commissioner Joslin stated the Operations Committee voted to recommend approval and made a motion to approve as presented and Commissioner Sullivan seconded the motion. The motion carried by vote of 6 to 0.

C. Build FY24 Budget Using Terms from Airline Use & Lease Agreement ("AULA")

President Kreulen introduced Marge Basrai, EVP, CFO, to brief the Build FY24 Budget Using Terms from AULA. Ms. Basrai introduced consultants assisting with the AULA: Dan Benzon, Benzon Aviation Consulting; Jeff Schulthess and Matt Ruffra, Landrum & Brown; and TJ Roskelley, Anderson Kreiger. The members of the Bond Financing Team are again Jeff Schulthess and Matt Ruffra with Landrum & Brown; Bill Case, PFM; and Cory Czyzewski, BofA Securities, Inc.

MNA began negotiations and stated goals and objectives for the new AULA:

1) Capital Program:

- Finalize the implementation of BNA Vision 1.0
- Implement BNA Vision 2.0 and New Horizon (except runway extension)
- Implement other major projects identified to meet operational demand
- Continue ongoing repair and replace capital needs

2) Operational:

- Maximize aircraft gate utilization (current and new gates)
- Match terminal rates with level of service (e.g., future Satellite Concourse gates vs. other gates)
- Maintain flexibility to accommodate changing needs/business models of all airlines serving BNA

3) Financial:

- Maintain adequate debt service coverage
- Maintain adequate liquidity
- Maintain competitive airline costs
- Maximize non-airline revenue opportunities

Ms. Basrai presented a timeline of AULA negotiations. Initial airline discussions started Summer of 2018 but ended in early 2019. No discussions took place in 2020 through early 2021, due to the COVID-19 pandemic. From September through December 2021, given that the negotiations were moving slowly, and the current AULA was set to expire on June 30, 2022, a 1-year extension to the current AULA was negotiated with the AAAC.

In January 2022, negotiations resumed and by September 30, 2022, an agreement on the new terms of the AULA. Based on this, we recommend using the new AULA terms for preparation of FY24 budget.

Ms. Basrai presented the Key Material Financial Terms to Build FY24 Budget at the Committee Meeting and briefly reviewed the terms. The term is for eight years with one 2-year mutual option; Landing fee methodology is residual which is the same as the current agreement. The terminal rate methodology is the biggest change. It was a fixed rate before, and now is compensatory which means we can calculate what the rate is based on the cost for that year. Debt service coverage is rolling coverage in all rate calculations. Revenue sharing is now a three-prong test for remaining net revenues for in-terminal concessions which is part of our bond documents. O&M Reserve and R&R Fund are two emergency cash funds that are required by our bond ordinance. The O&M Reserve increases from two to three months of operating expenses, the R&R Fund increases from \$5M to \$10M, and both will be phased in over four years. Amortization allows us to cash fund a capital project, and then have the ability to include in rates and charges over the life of that asset. We have only done debt service before, so this gives us the opportunity to cash fund a project and save costs. The Satellite Concourse terminal rate was negotiated at a 2.5% discount from main terminal rental rate. The Reliever Airport Contribution for Tune is \$500,000 starting FY24 with a 3% escalator each year.

Ms. Basrai stated these are the terms MNAA would use to build out the FY24 budgets. As President Kreulen mentioned the MOU has been signed by Southwest and MNAA. In this approval the Board is not approving the terms of this agreement, because we are working towards putting a full lease package together and once finalized will ask for Board approval later in the Spring.

Ms. Basrai requested the Board of Commissioners approve and direct the Finance Department to create the FY24 Budgets using the key financial terms that have been negotiated. This was presented and approval recommended by the Finance Committee on October 12, 2022.

Commissioner Joslin asked if BNA Vision 1.0 and 2.0 went to \$1.4B, where we are at in paying off that bond issue and how much debt has been paid? Ms. Basrai responded most of the debt issued in 2019 related to BNA Vision 1.0 goes out to 2054 and MNAA may not have made principal payment yet. We have made some principal payments on the 2015 bond issue, but in general most of that principal is still owed.

President Kreulen stated our first bond was \$200M that built Garage 1 and the Sky West Hanger, and in December 2019 we went out for \$920M to cash flow the construction and are about to fund the next \$600M. Then BNA Vision will be 100% funded, and more detail will be shared as it comes available.

Commissioner Byrd made a motion to approve as presented and Secretary Granbery seconded the motion. The motion carried by vote of 6 to 0.

D. Senior Airport Revenue Bonds, Series 2022

Ms. Basrai briefed the Board on the Series 2022 Senior Airport Revenue Bonds. She reported that MNAA has been drawing on the Note Purchase Agreement (NPA) with Bank of America until the draws can be refinanced with long-term revenue bonds expected November 2022. The Bond Financing Team has been meeting to determine debt security and debt structure as well as preparing all other various fund documents needed for this issuance. Ms. Basrai presented a table listing the full Bond Team and have five other underwriting firms that will serve as comanagers on this transaction:

Municipal Advisor: PFM Financial Advisors LLC

Feasibility Consultant: Landrum & Brown

Senior Underwriter: BofA Securities, Inc.

Bond Counsel: Hawkins Delafield & Wood LLP

Disclosure Counsel: Kutak Rock LLP

Issuer's Counsel: Adams and Reese LLP

Underwriters' Counsel: Bass Berry & Sims PLC

Ms. Basrai reported the first thing the Bond Team reviewed was the Security for Bonds. MNAA current outstanding bonds are secured by net airport revenues on two separate liens: a Senior Lien and a Subordinate Lien. Most of our current debt of \$920M is on subordinate lien and they have second payment priority over senior lien bond holders. The Bond Team determined that the most optimal security for the 2022 bond issue is the senior lien. The 2019 Bond issue was done on a subordinate lien basis to preserve bonding capacity on the senior lien which is the size of our capital program, and the market at that time was very favorable toward a subordinate debt. We wanted to save that senior capacity for when interest rates are higher and wider credit spreads which is exactly our current environment. The spread differential between senior lien and subordinate lien in the current market is 15-20bps, back in 2019 it was 5bps, which is why we did a subordinate lien debt back in 2019.

Ms. Basrai reported the Bond Team reviewed the Not to Exceed ("NTE") amount. The NTE amount is \$1.25B, the chart below shows the breakdown:

| | (In Millions) | |
|--|-------------------|---------------------------|
| Project fund deposits | \$ 563.8 | |
| Debt service reserve deposit | 45.6 | |
| Capitalized Interest | 48.8 | |
| Cost of issuance | 3.8 | |
| Total Anticipated Bond Proceeds | \$ 662.0 | |
| Allowance for potential bond upsizing | 180.0 | |
| Total Bond Proceeds with Upsizing | \$ 842.0 | |
| Reauthorize use of BofA Facility | 300.0 | |
| Potential to use bond funds for JWN | 100.0 | |
| Not-to-Exceed Amount | \$ 1,242.0 | Rounded to \$1.25B |

The total issuance of Bonds is NTE \$842M. The Bond Team is expecting \$662M however if the pricing is good, we can upsize to \$842M. The Board is authorizing \$300M to start spending on the credit facility again until we need additional bonds in the future. This is the State requirement on how to handle the revolving credit facility we have. The Board is authorizing ability to issue bonds or be able to use excess bond proceeds for Tune projects if we determine there is a need and that it is financially proven. We have been cash funding the Tune projects; however, this would give us one more option to evaluate. President Kreulen remarked that it is a nice capability and the Board had previously approved when we did the Bonds in 2019. We always had that \$100M authorization but with everything we have been doing at Tune instead of generating additional expenses in terms of interest, we have been cash funding everything to save money and lower cost of tenants as well.

Ms. Basrai stated the Bond Team discussed debt structure. MNAA has been modeling and looking towards doing fixed rate bonds, at a level debt service structure with a 30-year term. Due to market volatility and uncertain investor demand MNAA needs to maintain as much flexibility as possible up to and on the day of pricing in order create competition for the Bonds to get the best pricing we can. Based on that, the Bond Team is reviewing alternate amortization structures to use as needed looking at final maturity of up to 35 years which will result in lower annual debt service requirements and spread out longer or look at debt service that is not substantially level or declining, if demand for longer date maturity are strong we would wrap the 2022 bonds around the outstanding debt service and the 2022 bonds would not be level debt but when you look at all the debt combined it would be level debt service. We did use these two alternate structures when we did our 2019 bonds. The alternate structures being modeled are considered Balloon Indebtedness per Tennessee Code Section 9-21-134. The structure for 2019 was also balloon indebtedness and went to the State for approval. MNAA wrote and submitted a plan for approval

from the Comptroller of the Treasury, asking for flexibility, with a fixed rate 30-year Bond, however, we may need to change some of terms, some of the maturity of some of the Bonds. The plan was submitted on October 14, 2022, and on October 18, 2022, we received a letter of approval.

Ms. Basrai requested Board approval of three resolutions related to the authorization of the issuance of the Series 2022 Bonds:

- MNA Resolution No. 2022-10, Initial Resolution pertaining to the issuance of long-term revenue bonds to finance a portion of the Authority's capital improvement program and required by Tennessee State law and notifies the public of our plans to issue debt secured by revenue and will be published in accordance with State law following its adoption
- MNA Resolution No. 2022-11, Twenty-First Supplemental Resolution, authorizes the issuance of not to exceed \$1.25 billion of senior airport revenue bonds, Series 2022 under our master senior resolution and will pay off approximately \$200M of our current Bank of America credit facility which allows us to incur up to \$300M going forward, also allows us to upsize the transaction if the market is favorable, and authorizes execution and delivery of preliminary and final official statements and a bond purchase agreement between the Authority and the underwriters
- MNA Resolution No. 2022-12, Official Intent Resolution, pertaining to an issuance of senior airport revenue bonds to finance a portion of the cost of the Authority's capital improvement program and directing the Authority to publish a notice of public hearing to conduct such hearing in compliance with the United States Internal Revenue Code

This was submitted to the Finance Committee on October 12, 2022.

Commissioner Glover requested to return to the slide with the breakdown of the bond issuance and asked about the \$180M allowance for bond upsizing. Ms. Basrai responded in the last Bond Issue MNA had a lot of interest and was able to upsize the deal so more buyers could have purchase. If you have a lot of orders and are able to get good price and terms better than expected going into it, you can now go and add extra bonds to that maturity.

President Kreulen responded that due to the level of effort it takes for the issuance of the Bonds, when we get better than expected rates, locking in that extra \$180M is good for the Airport. Ms. Basrai went to New York in December 2019 and worked with the Bond market with \$700M. We had \$1.5B orders and we upsized. In December, we are going in for \$662M, but if we have more than a billion dollars or some

sort of large number that wants these airport Bonds from Nashville, we may be able to get that extra \$180M at a discounted interest rate. President Kreulen stated the extra \$180M gives a lot of flexibility.

Commissioner Byrd inquired if that allows us to undertake various projects in the future utilizing the bonds that have been approved. President Kreulen stated that is correct and, and in the retreat, we will discuss future projects.

Vice Chair Stevenson thanked the staff for all the information and presentation. Commissioner Byrd made a motion to approve as presented and Secretary Granbery seconded the motion. The motion carried by vote of 6 to 0.

Ms. Basrai stated that the rating agencies are scheduled to visit MNAA on October 24th, 25th and 26th, 2022. Staff will give a presentation to Moody's, Fitch and Kroll and provide a tour of construction. The rating agency fees were negotiated by Cory Czyzewski with Bank of America Securities and saved MNAA \$204,000. President Kreulen thanked Mr. Czyzewski for the hard work on the rating and stated that when MNAA first did this in 2019 the Commissioners were all concerned what would happen to our Bond rating. We have been able to maintain our Bond rating. When the agencies see the strength of our environment and see the support we are getting from the airlines in our future airline agreement, we think this bodes well.

Commissioner Byrd asked what MNAA is currently rated. Ms. Basrai responded that we have different ratings for senior and subordinate liens. The Senior ratings are A1 with Moody's; A+ with S&P and AA- with Kroll.

E. Purchase of 2448 & 2522 Pulley Road Properties

President Kreulen briefed the Board on the Land Acquisition of 23.31 acres of undeveloped property for sale at 2448 Pulley Road (8.45 acres) and 2522 Pulley Road (14.86 acres); adjacent to O Waggoner Road (4.23 acres already acquired) and east of runway 2R/20L.

The Board has been aware of MNAA purchasing land out to the East and MNAA has the majority of the land we need for 20 years down the road for adding a fifth runway. This is a hypothetical location of the Harding Place extension and MNAA is looking to purchase anything west of that proposed extension to be available for aeronautical use. Earlier in the year the Waggoner Road property was purchased, and these two are adjacent to that area. Staff estimated that the purchase of the three properties would cost approximately \$1.79M. Upon completion of appraisals and negotiations with the sellers, the remaining two properties can be purchased for \$1.35M, which is about \$305,000 less

than initially budgeted to secure all three of those properties. This was presented to the Finance Committee as well.

President Kreulen asked the Board to consider this proposal. Commissioner Byrd stated the Finance Committee met and recommended approval of the purchase of 2448 and 2522 Pulley Road.

Commissioner Joslin asked where we are with FAA regarding environmental on the runway extension. President Kreulen stated the Board has approved \$15M so far: \$5M for design, \$5M for environmental process and \$5M for the purchase of the 19 parcels that are in the runway protection zone, and more detail will be discussed at the Retreat later today. We are bumping up against FAA where they won't give us permission for the environmental assessment, but we are lobbying hard with the State. Ms. Lankford and President Kreulen have a meeting next Friday with Commissioner McWhorter and Senator Haggerty. Masami Tyson, Partner, Womble Bond Dickinson, is taking a trip to Japan next week to lobby for future Asia service. President Kreulen stated that with the support of the State government and State Senator in DC, MNAA expects to be able to obtain approval from FAA to begin environmental on the project.

Commissioner Byrd asked what length of the new runway to the East will be and if it will increase BNA's capacity. President Kreulen stated it is 12,000 feet, and the one Commissioner Joslin is talking about is 20L/20R, which is around 8,000 feet. We want to lengthen it about 4,000 feet to cross Murfreesboro Road. Then BNA would have two international 12,000-foot runways. On the current 8,000-foot runway and 11,000-foot runway, we have no problem making it to Europe (3,500 miles) but need a longer runway if we want to make it to China (7,000 miles). The runway extension is goal number one. The 5th runway is a long-range goal, so when property becomes available and affordable, we want to go ahead and purchase. When Nashville gets about 20 years out and gets a 5th runway, it makes us about the size of Atlanta who has five runways at this time. It is smart that the Commissioners are looking to preserve that ability to get to a fifth runway.

Secretary Granbery asked about the source of the \$1.35M to purchase this land. Ms. Basrai replied the funds were from the Airport Investment Fund.

Commissioner Byrd made a motion to approve as presented and Secretary Granbery seconded the motion. The motion carried by vote of 6 to 0.

VI. INFORMATION ITEMS

There were no information items. President Kreulen reminded Vice Chair Stevenson and Secretary Granbery to execute the three Resolutions.

VII. ADJOURN

There being no further business brought before the Board, Vice Chair Stevenson thanked the Commissioners for their participation and adjourned the meeting at 9:53 am.



Jimmy Granbery, Board Secretary