



# Joint Meeting of the MNAA and MPC Operations, Engineering & Strategic Planning (“Operations”) Committees

March 8, 2023

# Call to Order

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March 8, 2023

# Approval of Minutes

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Joint Meeting of the MNAA and MPC Operations, Engineering & Strategic Planning Committees  
February 8, 2023

# Chair's Report

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Bobby Joslin

Operations Committee Chair

# Items for Approval

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March 8, 2023

- Design Build Contract for Concourse D Extension  
CGMP 2 of 4
- Professional Services Contract for New Horizon  
Commissioning Agent
- Construction Contract for Hangar Lane Reconstruction
- Metro Nashville Long-Term Maintenance Agreement  
(TARI)

## Items for Approval

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Traci Holton, P.E., C.M.

VP, Deputy COO & Chief Engineer

# Design Build Contract for Concourse D Extension CGMP 2 of 4

**Project Description:** The Concourse D Extension project will add 5 gates to include jet bridges, inground aircraft fueling system, utility and paving infrastructure.

**Contractor:** Hensel Phelps

## **Total Contract Cost:**

CGMP 1	\$ 36,950,795 (Design & General Conditions)
CGMP 2	\$ 35,540,905 (Utilities, Renovation, Air Freight Demo)
CGMP 3	TBD (Civil, Foundation, Core & Shell, PBBs)
CGMP 4	TBD (Finishes, Interior Buildout, IT, Electronics)
Est. Contract Total	\$250,000,000 NTE

## **Schedule:**

Contract Start	September 2022
Contract End	July 2025

## **Funding Source:**



**Staff Recommendation:** Operations Committee recommend to the Board of Commissioners that it authorize the Chair and President and CEO to execute the proposed Amendment 1 for the Component Guaranteed Maximum Price #2 (CGMP) for enabling construction activities related to the Concourse D Extension for \$35,540,905.

# Professional Services Contract for New Horizon Commissioning Agent

**Project Description:** Provide commissioning services for Concourse D Extension and Concourse A of the New Horizon program to provide continuity, optimized system performance and ensure the building structures and equipment systems are fully functioning

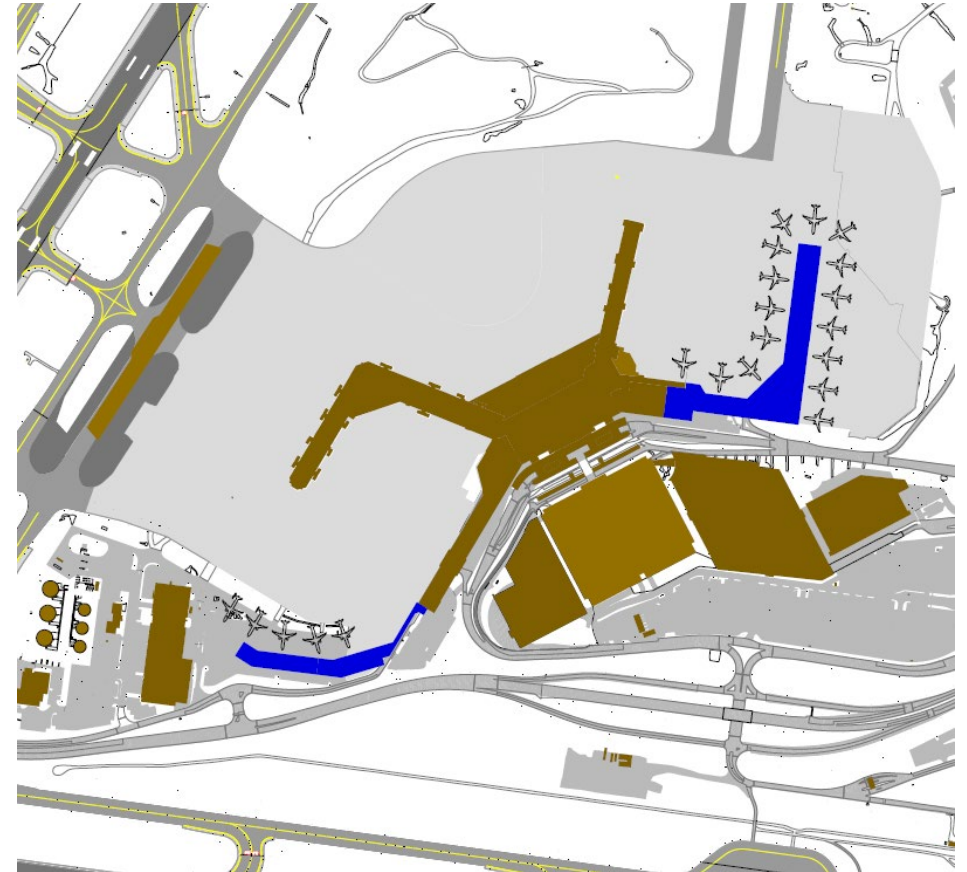
**Contractor:** SSRCx of Smith Seckman Reid, Inc.

**Total Contract Cost:** \$3,500,000 NTE

**Schedule:**

Contract Start            March 2023  
Contract End              July 2029

**Funding Source:**



**Staff Recommendation:** Operations Committee recommend to the Board of Commissioners that it authorize the Chair and President and CEO to execute the professional services contract with SSRCx for \$3,500,000 NTE.



# Construction Contract for Hangar Lane and Shuttle Lot Reconstruction

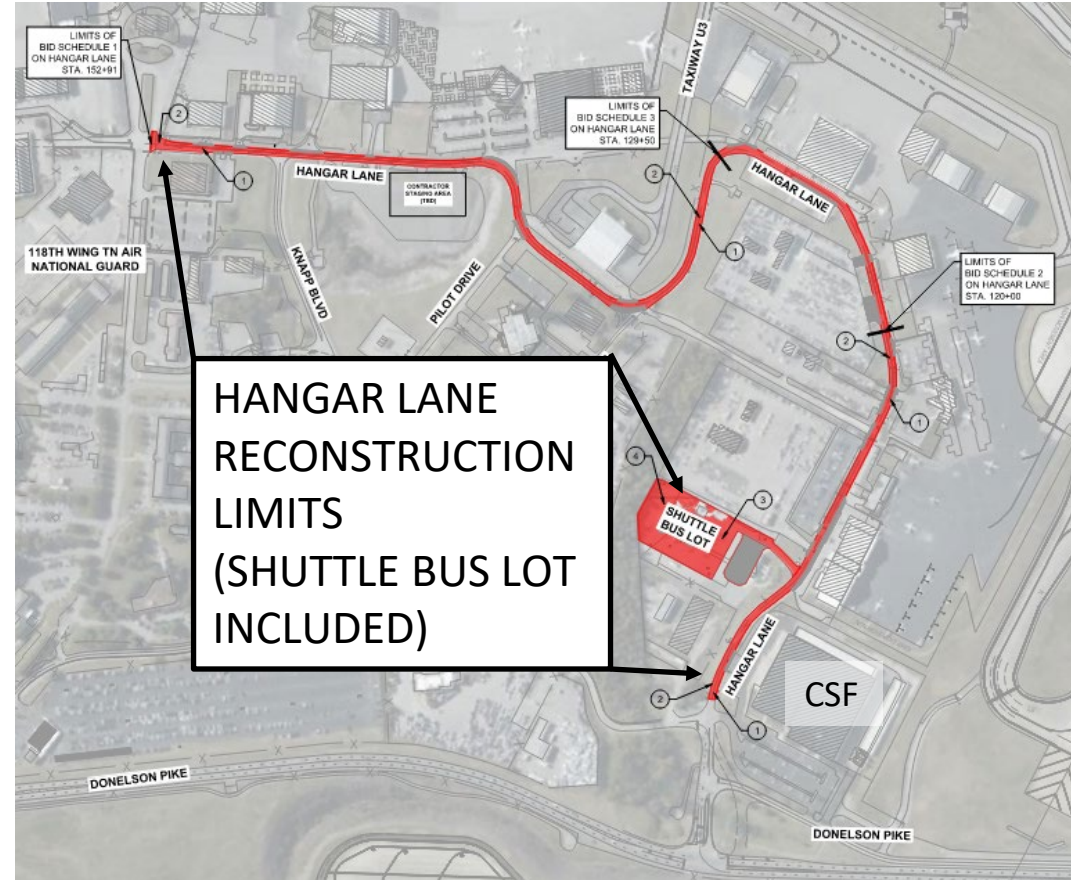
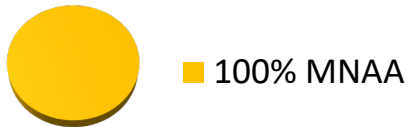
**Project Description:** Reconstruction of approximately one (1) mile of Hangar Lane and the adjacent shuttle lot, using Full Depth Reclamation (FDR) and asphalt surface.

**Contractor:** (Small Business Target Market)  
Crown Paving

**Total Contract Cost:**  
\$1,724,062

**Schedule:**  
Contract Start April 2023  
Contract End June 2023

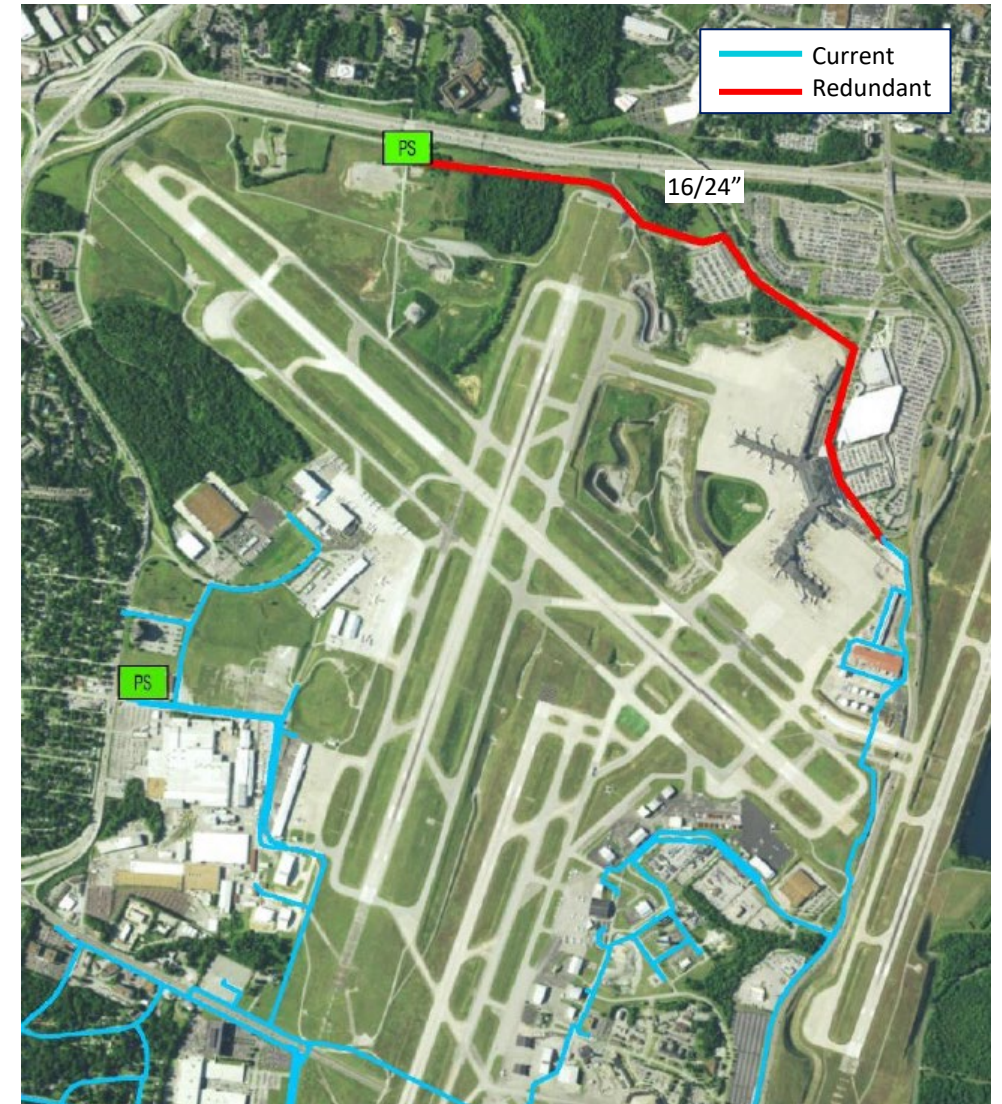
**Funding Sources:**



**Staff Recommendation:** Operations Committee recommend to the Board of Commissioners that it authorize the Chair and President and CEO to execute the construction contract to Crown Paving for \$1,724,062.

# Metro Nashville Long-Term Maintenance Agreement (TARI)

- **Project Description:**
  - TARI Phase 1 includes construction of an independent pump station and water service line to the terminal building, to allow for complete redundancy from existing service
  - Additional upgrades requested by Metro Water Services (MWS) to establish some portion of redundancy within their existing system
    - Increased water line diameter & pumping capacity
- Additional work will be incorporated into TARI Phase 1 through a MWS Participation Agreement
  - Records construction costs contributed by each party, and details pertaining to long-term maintenance
- MWS has agreed to pay a betterment credit not less than \$1,000,000



- Staff requests that the Operations Committee recommend to the Board of Commissioners that it:
  - Authorize the Chair and President and CEO to execute a Participation Agreement with MWS;
  - Authorize the President and CEO to receive payment from Metro for the participating costs associated with the construction of MWS water infrastructure in an amount not less than \$1,000,000;
  - Authorize the Chair and President and CEO to execute the necessary documents associated with the construction of MWS infrastructure, including easements and deeds.

# Staff Recommendation

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- New Horizon Owner Controlled Insurance (OCIP) Program and Builder's Risk Insurance Coverage

## Item for Approval

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Kristen Deuben, CPA  
VP, Deputy Director, Finance

# New Horizon OCIP Program and Builder's Risk Insurance Coverage

- **Owner Controlled Insurance Program (OCIP)**: Includes 3<sup>rd</sup> party liability insurance and contains coverage against contractual liability, personal injury liability and property damage
- **Advantages:**
  - Certainty of coverage and greater assurance of liability limit adequacy among contractors & subcontractors
  - Premium discounts from large economies of scales
  - Enhanced SMWBE participation
  - Better coordination of safety efforts by a single insurer's safety engineers
- **Owner Controlled Builder's Risk Insurance**: Protects owners and contractors in the event of direct physical loss or damage to a project
- **Advantages**
  - Owner controls reputational risk
  - Owner is principle insured and controls terms and conditions

# New Horizon OCIP Program and Builder's Risk Insurance Coverage

- **Total Contract Costs:**     \$16,681,390    OCIP (\$1.7M proposed projects; 1% contract value)  
    \$ 1,492,400    Builder's Risk (\$373.1M proposed projects; 0.4% contract value)  
    \$18,173,790    Total
- **Contract Term:**    OCIP – 5 year rolling program  
    Builder's Risk – Length of project
- **Funding Source:** Project budgets
- **Staff Recommendation:** Operations Committee recommend to the Board of Commissioners that it:
  - 1) Approve the OCIP program for New Horizon and other CIP projects at \$16,681,390 NTE and;
  - 2) Approve the Builder's Risk policies for Concourse D Extension and Baggage Handling System Projects at \$1,492,400 NTE, and;
  - 3) Authorize the Chair and President and CEO to execute the OCIP and Builder's Risk policies with Marsh

# Information Items

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March 8, 2023

- BNA Strategic Plan - Key Processors Update

## Information Item

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Douglas E. Kreulen, A.A.E.  
President and CEO

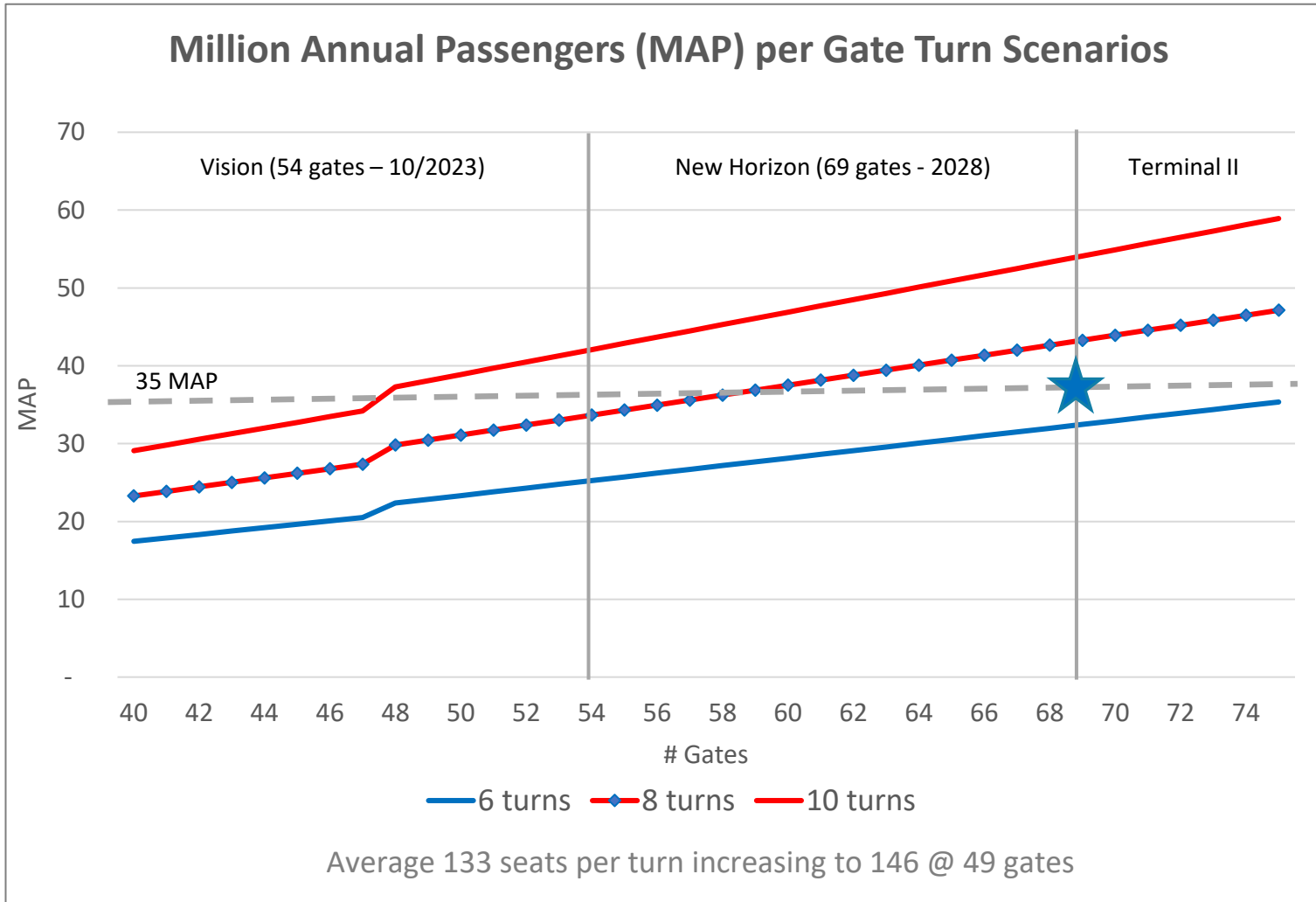


- November 1 – December 7, 2022
  - Paslay Group and MNAA Staff completed comprehensive evaluation to determine expected capacity (breaking point) of terminal area complex
- Methodology
  - Reviewed the following source documents:
    - Master Plan 2020
    - BHS Masterplan
    - TransSolutions/Fentress Security Check Point
    - Corgan/TransSolutions
    - Atkins/TARI Tech Memo
    - Concourse A 10% Concept Study
  - 10 Key Processors Analyzed

# Key Processors Update

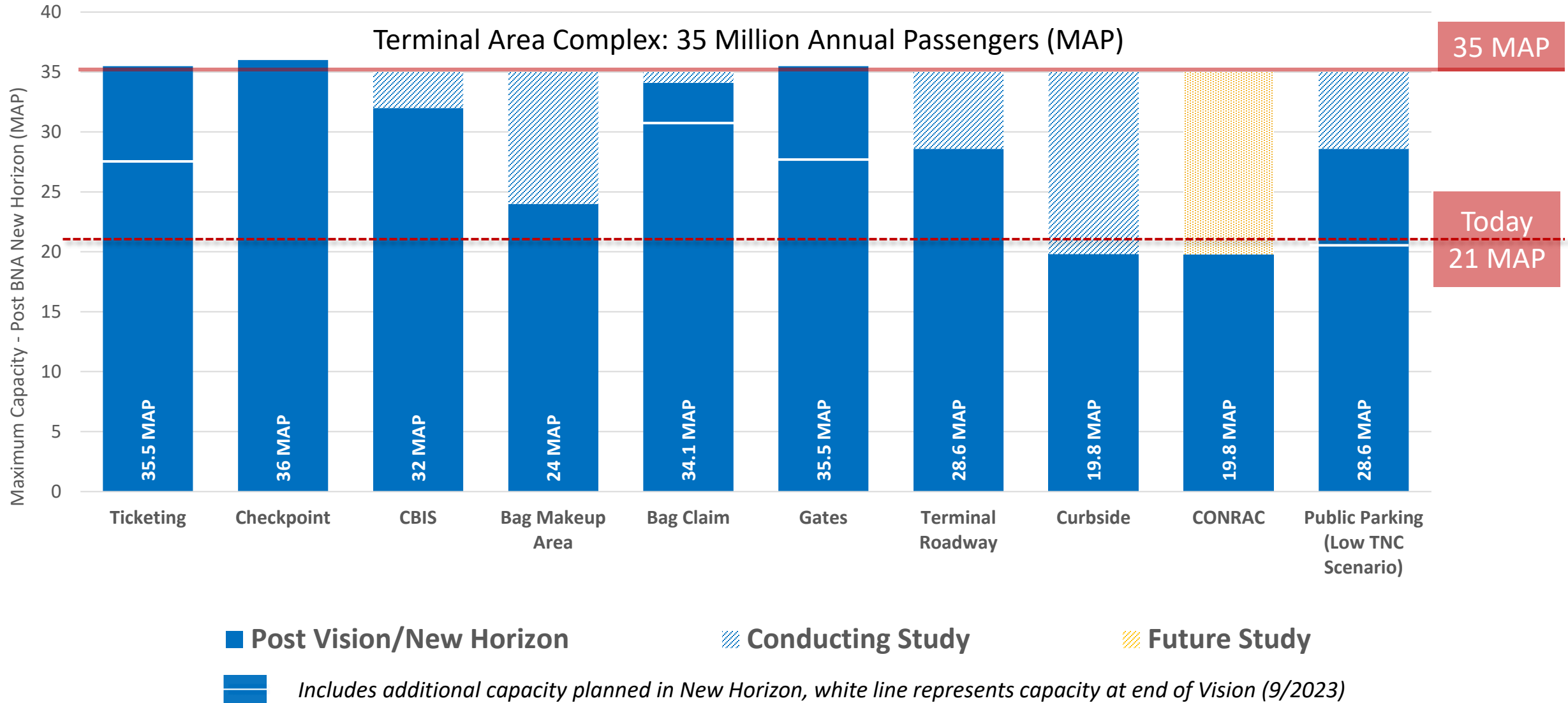
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# 2022 Gate Analysis Results



Note: Average growth past 10 years (FY10-FY19) = 7%  
 New AULA requires 6 turns or 900 seats per gate

- 69 gates provide capacity through ~ 35 MAP
- Fiscal year to reach 35 MAP dependent upon passenger growth:
  - 7% annual growth: FY32
  - 7% → 3% annual growth: FY38
  - 3% annual growth: FY42



- Probable failure point of Terminal area complex 35 MAP
- 6 Studies underway:
  - 1) Curbside/Roadway Access
  - 2) Parking Availability
  - 3) Ramp Modeling
  - 4) Terminal Roadways
  - 5) Fuel Farm Expansion
  - 6) ARFF Station(s) Relocation
- 4 Studies planned for FY24 CIP:
  - 1) Runway Extension
  - 2) CONRAC
  - 3) 2nd Airport Terminal/5th Runway Siting Study
  - 4) Receiving, Warehousing & Distribution
- Next Steps:
  - Continue to develop short-term options/recommendations
  - Complete studies to confirm MAP terminal area complex reaches failure point

# Strategic Studies and Next Steps

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- JWN North Development Update

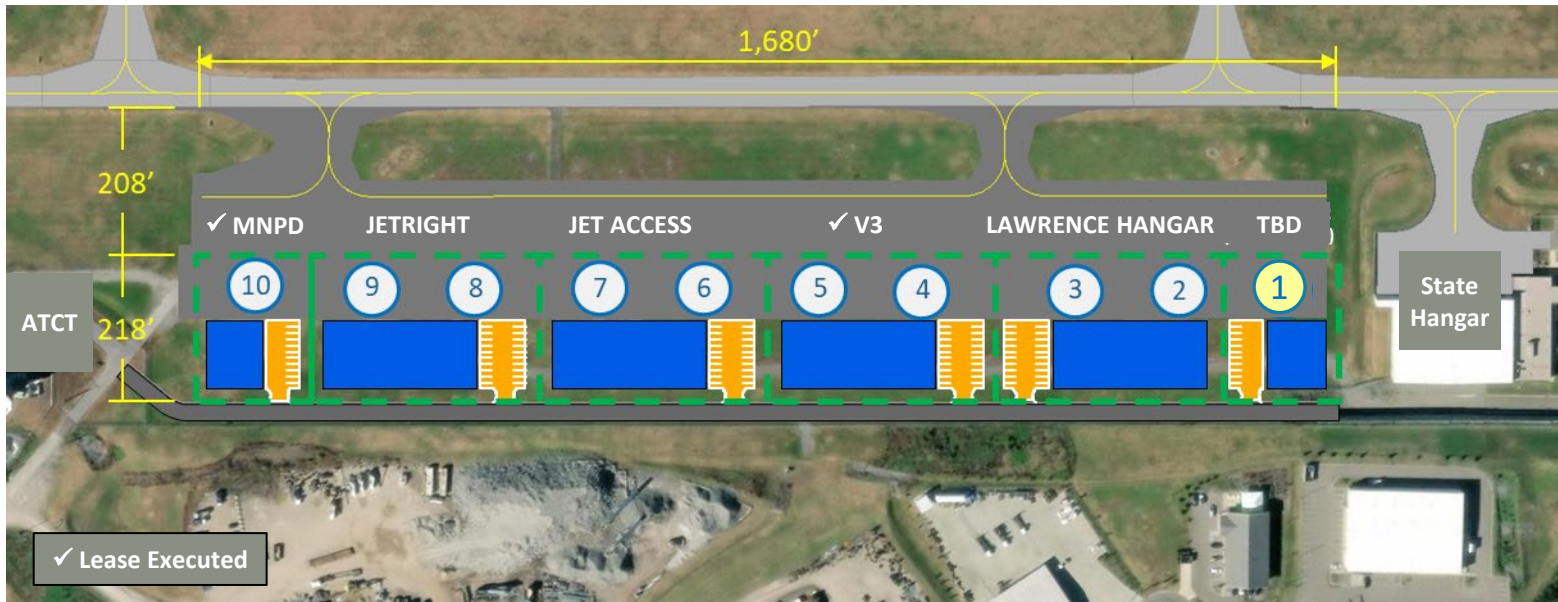
# Information Item

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Carrie R. Logan, C.M.  
Associate General Counsel

# JWN Development Update

- Parcel 1: Discussion with potential tenant planned for March 22<sup>nd</sup>
- Parcels 2 - 3: Lease progressing
- Parcels 4 – 5: Lease executed
- Parcels 6-9: Approval of key lease terms March Finance Committee
- Parcel 10:
  - 2 Statements of Qualification (SOQ) received February 23<sup>rd</sup>
  - Board approval planned for April





## Joint Meeting of the MNAA and MPC Operations, Engineering & Strategic Planning (“Operations”) Committees

Meeting Adjourned