

**Minutes of the Special Meeting of the MNAA
Board of Commissioners and MPC Board of Directors**



Date: November 6, 2023

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 3:00 p.m.

Board Members Present: Joycelyn Stevenson, Chair; Andrew Byrd, Secretary; Bill Freeman; Nancy Sullivan; and Dr. Glenda Glover

Board Members Absent: Jimmy Granbery, Vice Chair; Bobby Joslin

MNAA Staff Present: Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman, Marge Basrai, Daniel B. Brown, Chris Davidson, Kristen Deuben, Adam Floyd, Traci Holton, Ijeoma Ike, Carrie Logan, Ted Morrissey, Rachel Moore, Stacey Nickens, Olivia Parven, Josh Powell, Robert Ramsey, Erin Thomas, and Destiney Williams

I. CALL TO ORDER

In accordance with the 3rd Amended and Restated Bylaws of the MNAA Board of Commissioners, Section 2.3, Chair Stevenson called the MNAA Board of Commissioners and MPC Board of Directors Special Meeting to order at 3:00 p.m., pursuant to Public Notice posted to the MNAA website November 2, 2023.

II. PUBLIC COMMENTS

Chair Stevenson stated there were no public comment requests received.

III. CHAIR'S REPORT

Chair Stevenson stated it is good to see everyone at the table again and that she will keep her remarks short because there is a lot to cover. There are a lot of important issues going on with our city and our state and all around the world and she realizes it is a privilege to sit here and to be able to be here and talk today. Chair Stevenson stated she knows the impact that we all have, and that the airport has on our city and those who utilize it, she stated. The important thing for her to keep in mind as Chair is that we are here to do work. We are here to fulfill our responsibilities as Board members, and we are also human, and we are navigating some circumstances that none of us envisioned a year ago. But here we are, and we will do our jobs

diligently, respectfully and thoughtfully. She informed the Board that they have several meetings coming up in the next couple of weeks. Wednesday the regularly scheduled Committee meetings will be held and we will commit to keeping them, and the regularly scheduled Board meeting will be November 15, 2023. Today's agenda has been streamlined so the Board can focus on some important updates and summaries of actions taken over the last four months. She stated she had asked President Kreulen to provide information on all action items and all votes and to provide the Board a chance to ask questions to get a better understanding of the support behind the decisions and any consequences this Board needs to consider.

She said that she hopes to have a productive and respectful discussion today because at the end of the day all of us care about the airport and the 387 employees that work here, the 11K badge holders that come in and out every day, and the 22M passengers who expect us to be functioning, competent, compassionate and committed to serving their needs. Chair Stevenson asked President Kreulen to give a brief President's report and then to do a deep dive into all the actions since July. She encouraged the Board members to ask questions and figure out if more information or clarification is needed. And lastly at the end, she will provide all the Board members an opportunity to give any additional feedback, thoughts, issues or concerns they may have.

IV. PRESIDENT'S REPORT

President Kreulen thanked Chair Stevenson, welcomed back all the Board members, and stated it is good to see friends and business partners that have helped us run the airport for many years and he looks forward to updating the Board on the activity that has transpired over the last four months. President Kreulen stated for the big picture, MNAA is on budget and on schedule and, the passenger growth rate in the four months since the new fiscal year started is plus 9% above last year's record of 18.9%. BNA continues to grow and expand, and we are very thankful for Mayor O'Connell's outreach and willingness to meet yesterday. We had a very productive session with him, Wally Dietz and our legal counsel, and we appreciate what he is trying to do for the city and to move forward. President Kreulen stated he would proceed with the updates.

V. SPECIAL MEETING TOPICS

President Kreulen stated the topics today are to inform the Board about the activities of the July through October Board meetings. In the discussion yesterday Mayor O'Connell stated the key

questions that he is receiving from Commissioners and the concern received from the Chair are “what has been going on” and “how to bring the Board up to speed”. President Kreulen said he would start with 12 items from Operations, then 5 items from Finance and finish up with 2 items from Management that were discussed with the previous Commissioners and acted upon by them. President Kreulen and the legal team discussed the appropriate state law that governs these types of decisions with the Mayor and Mr. Dietz yesterday, and the de facto officer doctrine, which indicates that approvals by this Board through this time period are deemed constitutional, but he would like to give the Board an update on where we are at and what decisions were made so that they will feel comfortable with these decisions.

Commissioner Glover asked if those items are the entirety of the approved items, to which. President Kreulen replied these are the 12 approved items from the Operations Committee, and the normal informal informational updates on construction at JWN and BNA are not on here, but what he is covering will demonstrate to the Board that MNAA is on time and on par budget-wise on all of those projects. One of the challenges that the Chair and he discussed earlier today, is how to move forward with the Commissioners regarding the Board Retreat. The Board Retreat is not on here, and it included a lot of information that focused on what is coming in the next 10 - 20 years at the Airport Authority. President Kreulen said he would try to give the Board an update at Wednesday’s Committee meetings. And then at that time, the Board will need to decide if a more in depth review is required. It would be a 5 - 6 hour session to go through all of the details from the Board Retreat and that that he would defer to the Board’s decision and guidance.

Commissioner Byrd asked if the three Committees should revisit each of these items individually and see whether they think they are a good idea and if they should ratify the actions. President Kreulen reminded the Board that per the de facto officer doctrine all decisions made by the duly empowered constitutionally seated between July 1, 2023 and October 31, 2023 at 3:23 PM are deemed to be correct and in the best interest of the Airport Authority. President Kreulen stated as we continue to go through the items, he believes the Board will feel comfortable that the previous Board was doing normal business operations. Commissioner Byrd agreed and stated he does not doubt that and the Board was a very qualified group, but he also thinks this Board should review these actions, should make sure these actions are satisfactory to this Board, and should determine if we step up and ratify those decisions if that is the appropriate legal step to take.

Chair Stevenson stated as a follow up to Commissioner Byrd's concern, this is the reason that the Board is having a Special Board Meeting today, so that we are not just jumping into the Committee meetings on Wednesday as if nothing happened, and we want to make sure we have a full accounting of everything that has happened since the State Board was seated in July. Chair Stevenson asked the Board members to speak up if they had any questions or concerns and noted that items can be revisited on Wednesday if the Board feels there is a need to ratify, provide additional scrutiny, or take a look at again from a legal perspective

Commissioner Glover stated that she believes today the Board should be listening to what has happened the past 4 months, and if the Board thinks some prior approvals need to be ratified, the Board can do that on Wednesday. Commissioner Byrd stated he would like to further investigate what the correct legal treatment is, whether it is the de facto office doctrine or whatever the appropriate approach, just to make sure that the people and citizens of Nashville know that this Board sat down and reviewed these actions and made sure that they are in the best interest of the Metropolitan Government of Nashville and Davidson County.

President Kreulen replied that he thinks the Board will feel comfortable as we review these items, and that this Board would have supported the same decisions that were made. Today's presentation includes the actual slides that were presented when the items were approved by the State Board. Chair Stevenson stated if this Board has additional questions that may not have been asked by the other Board, then those can be discussed today and brought to the Committee meetings. Chair Stevenson asked President Kreulen to present the items.

1. Professional Services Contract for Executive Program Management (July)

President Kreulen stated this contract is to provide an additional 7 years of Executive Program Management Services. The contract was approved for Paslay Group. As the Commissioners are aware, he said, the Paslay Group has been a participant with us from 2017 through 2023. Paslay Group helped MNAA successfully build the BNA Vision program. This is a new contract for one year, with 6 one-year renewals, and was approved to get MNAA through the New Horizon program and the beginning of whatever comes out of Terminal 2. The annual cost is \$6.5M NTE and \$45.5M if granted all of the renewals.

Staff and the Operations Committee recommended approval to the full Board on July 19, 2023. The Board of Commissioners voted 6 to 0 to accept the Statement of Qualifications by

Paslay Group to provide executive program management services and authorize the Chair and President & CEO to execute the contract for \$6.5M NTE annually.

President Kreulen stated he has one comment, as the Board looks at this and considers ratification, the biggest challenge is that these were acted by the Commission at the time and that triggered staff to move forward with the contracts and execute those contracts and those contracts are moving forward at this point.

2. Professional Services Contract for Terminal 2 Siting Study (August)

President Kreulen stated this contract is a Professional Services Contract for Terminal 2 Siting Study and was awarded to Strategic Planning Services, Inc. ("SPS"). MNAA had multiple contractors submit and the selection committee chose SPS as the most qualified team. The term is a 1-year contract for \$3.5M NTE to help us determine location of Terminal 2. The current BNA terminal today has a capacity of north of 35M passengers, being at 22M today, we need to start looking towards the future. The master plan shows 2 possible locations, to the east of Donelson and to the south of our midfield runway. SPS is still negotiating the fees and contract to stay within the budget and are proposing to look at 6 sites and narrow it down to 2 and with Board's approval further narrow it down to where a future terminal would go.

Staff and the Operations Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to authorize the Chair and President and CEO to execute the Professional Services Contract with SPS for a not-to-exceed contract value of \$3,500,000.

Chair Stevenson asked if President Kreulen recalls the rationale for selecting SPS. President Kreulen responded yes, SPS was evaluated on 9 different subjects: situational assessment, existing conditions evaluation, terminal sizing, terminal siting, terminal access and connection, preliminary engineering, environmental and geotechnical feasibility, preferred alternatives selection, financial and implementation feasibility, and final documentation to include future CONRAC. Three companies provided the Statement of Qualifications ("SOQ"): SPS, HOK and Jacobsen Daniels, with SPS scoring the highest at 503, HOK was 366 and Jacobsen Daniels was 434. The contract was awarded to SPS based on the evaluation.

Commissioner Byrd stated obviously the Terminal 2 is a huge issue and a huge opportunity for our airport and that it is one the Operations Committee needs to sit down and get fully aware of in terms of our current developments as we move forward to getting this contract executed with the proposed broker. President Kreulen stated to that point, we will have another 12 months to engage with SPS to determine where that is. Another compliment to Mayor O'Connell, he asked at the conclusion of our meeting yesterday that he would like to get together with him in the future. President Kreulen stated he was on a leadership Nashville panel this past Thursday on transportation with NDOT and the challenge for us today is we built the facilities to get up to 35M passengers, but in order to get to 70M passengers for the city, we must determine where this next terminal is going, and how to get 70M people in and out on an annual basis. President Kreulen stated he accepts that challenge.

Commissioner Glover requested that as the items are presented, to list the minority participation. President Kreulen apologized and stated yes—regarding the first item, it was race and gender neutral and on the Terminal 2 Siting Study the SMWBE Goal was 6.51% which SPS met with 7% WBE participation using Civil Infrastructure Associates and Presentation & Design. Commissioner Sullivan requested the item be flagged to send the Staff Analysis. President Kreulen replied yes, it would be sent.

3. Professional Services Contract for On Call Engineering Services (August)

President Kreulen stated the Professional Services Contract for On Call Professional Engineering Services is for professional engineering design services for all engineering-led capital projects for the next 3 years. Garver LLC was selected for a 1-year contract with two 1-year renewal options at \$5M NTE. The SMWBE goal was 10% and Garver bid 10% WBE or MBE participation using Civil Infrastructure Associates and Shrewsberry.

President Kreulen stated that as a point to how important these contracts are, we are now using Garver, as previously mentioned in a recent update to Commissioners, on efforts to improve traffic with TDOT, Garver is going to help us design the widening of I-40 to 2 lanes exiting as it hits BNA. This requires permission to make it wider and Robert Ramsey, EVP, Chief Operating Officer, and his team is working on getting permission, and Garver is providing us with these on call services that we need some help with. Commissioner Glover inquired if the SMWBE participation is MBE. President Kreulen replied it will be any combination of WBE and

MBE, with Civil Infrastructure Associates as the WBE and the Shrewsbury is MBE to meet their 10% participation.

Staff and the Operations Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to authorize the Chair and President and CEO to execute the On Call Engineering Professional Services Contract with Garver for an annual not-to-exceed contract value of \$5,000,000.

Commissioner Byrd stated on Wednesday he would like to understand better who Garver is. President Kreulen replied that we use Garver often, and he would provide additional information on Garver.

4. TARI -Telecommunication Provider License and Access Fees Agreement - Crown Castle (August)

President Kreulen stated the telecommunication lines are moving through a bank that we built, and we are leasing space for access to that duct bank. Today AT&T, Lumen, Comcast and Verizon rent space and now Crown Castle is paying MNAA \$343,639 for their share of the cost to build that duct bank and they pay MNAA a prorated amount of conduit length and total space they occupy. To date AT&T, Lumen, Comcast and Verizon and now Crown Castle will have paid MNAA \$3,191,860.

Staff and the Operations Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to authorize the Chair and President and CEO to execute the license and receive \$343,639 in fees from Crown Castle.

5. Professional Services Contract for Commercial Trash, Recycled Materials and Electronics Disposal (August)

President Kreulen stated the Professional Services Contract for Commercial Trash, Recycled Materials and Electronics Disposal went to Waste Management, Inc. for 3 years plus two 1-year renewal options and the cost per year adds up to \$4M. This contract was race and gender neutral, with no SMWBE goal and Commissioner Glover asked why. Ms. Destiney Williams, Director, Procurement, replied that she will find out and get back with the information.

President Kreulen committed to give an update on Wednesday. Commissioner Glover replied with these big dollars going out, minority participation should be the first thing we think about. President Kreulen replied all contracts require evaluation for a goal, and the Board will see bigger numbers coming in on some of the other contracts.

Waste Management, Inc. will provide 4 recycling containers, 2 recycling compactors and 13 trash containers around the campus with the estimated tonnage of 4,026 tons and the recycling compactors was 325.8 tons.

Staff and the Operations Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to accept the proposal by Waste Management, Inc. for Trash Removal Services for BNA and Outlying Properties and authorize the Chair and President and CEO to execute the proposed contract for \$4M NTE.

6. Amendment to Professional Services Contract for Custodial Services – Satellite Concourse (August)

President Kreulen stated the Amendment to Professional Services Contract for Custodial Services is for the Satellite Concourse that is now open. The Commissioners previously approved the construction of the satellite concourse, which is now open, and this contract was added to Bestway Services, Inc. Bestway is a 100% minority owned firm and has an additional SMWBE goal of 18.11% participation to continue to expand minority opportunities within their own company. This contract has a total value is over \$9M. Commissioner Byrd stated that he imagines this was bid out, to which, President Kreulen replied, yes.

Staff and the Operations Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to accept the proposal by Bestway Services, Inc. for Professional (Custodial) Services for the Satellite Concourse and authorize the Chair and President and CEO to execute the proposed contract amendment for \$2.6M.

7. Design, Build, Operate and Maintain Virtual Ramp Control System (September)

President Kreulen stated the Design, Build, Operate and Maintain Virtual Ramp Control System is for remote virtual ramp control services for the BNA ramp. As BNA continues to grow in volume, we have so many commercial jets moving in and out of the concourses that we need a way to flow them out to the taxiways and runways that are controlled by the FAA.

This was a request prior to the enactment of the Board legislation and to keep the airlines in a workable business framework, the airlines are renting space on top of Concourse C for an interim ramp control. They are looking out the windows and directing jets to move to the runways. This is our commitment to the airlines to build a virtual ramp control system, which will be located in a room in the Consolidated Services Facility ("CSF") maintenance building. It will be a room with all displays to be able to control the airplanes pushing back and which gates they go to from that center. This is due to open October 30, 2023. The Operations team worked with the Procurement team to put this together. MNAA had industry days here so potential contractors could see the challenges and everything we were trying to put together. We had 4 attendees for the pre-proposal meetings, DSI, Frequentis, SAAB and Garver. The Selection Committee evaluated the proposal on program management, technical approach, past technical experience (specifically Kansas City and Orlando airports) and VRC operations approach.

The selection committee recommended to SAAB Sensis to build it, because of the rapid pace of the airlines who want it operational by October of 2024. It includes design, build and operation. MNAA will roll the \$37M cost the airline rate model, and it is not something that MNAA funds. This is a service the airlines asked us to build. It came up after the airline agreement negotiations were complete, and because the volume continues to build so fast at Nashville, the airlines believe they need it for safety. The FAA was involved and will continue to be involved. Overall, this was a smart move on the airlines to start an interim tower, which the Operations team came up with good operational procedures for. This will be the permanent home for how we will control the volume of what is going in and out of the ramp.

Commissioner Glover asked if any part of this will use artificial intelligence. President Kreulen replied he has been to a few seminars lately discussing artificial intelligence and it really depends on how the question is asked. President Kreulen explained the way we use our scheduling and gate management tools now we try to best schedule which gates to use, so there may be a little bit of artificial intelligence. MNAA has a pretty sophisticated team in Operations that knows when the aircraft arrives and how long they can stay before being billed for being there too long. Due to the technical nature of this and the speed of which delivery was required, there was not a SMWBE goal. President Kreulen asked that the Commissioners also take into consideration that \$37M is something that is going to be billed directly to the airlines. Commissioner Glover asked if there is no goal at all for \$37M. President

Kreulen confirmed that the contract was race and gender neutral and had a goal of 0%, and he offered to flag this one if she further wishes to discuss. Commissioner Sullivan asked for the Staff Analysis as well.

Staff and the Operations Committee recommended approval to the full Board on September 20, 2023. The Board of Commissioners voted 6 to 0 to accept the proposal by SAAB Sensis for the design, build, operation & maintenance of a Remote Virtual Ramp Control System and authorize the Chair and President and CEO to execute the proposed contract for \$37.9M NTE (w/2 renewal options).

8. Construction Contract for Terminal Access Roadway Improvements Phase 2 (Operations)

President Kreulen briefed the Board on the Construction Contract for Terminal Access Roadway Improvements (“TARI”) Phase 2. This will be primarily grading, drainage and removal of all the rock on Donelson Pike. Once TDOT opens the connector roadway between Donelson Pike, Terminal Drive, and the Taxiway Bridges, construction of a new Airport Service Road will begin. TDOT has been moving Donelson Pike out of the way and they are about ready to connect the temporary connection to Donelson Pike and once that connection is made here in a few days that will allow us to begin demolishing the old Donelson Pike and lowering the road by 30-40 feet. The Commissioners participated in the federal part, where Secretary Buttigieg presented a \$7M check. The overall contract is \$23M awarded to Jones Brothers. MNAA received 4 bids, Cleary Construction, Jones Brothers, Superior and 1 bid was deemed as non-responsive because they did not meet the Disadvantaged Business Enterprise (“DBE”) goal. The DBE goal established for the project was 15.5% participation and Jones Bros was able to meet that goal. The bid was determined to be responsive and responsible.

Staff and the Operations Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to authorize the Chair and President and CEO to execute the proposed contract with Jones Bros. Contractors, LLC in the amount of \$23,759,322.50.

9. Construction Contract for Taxiway Bravo/Kilo Intersection Reconstruction (Operations)

President Kreulen stated the Construction Contract for Taxiway Bravo/Kilo Intersection Reconstruction has been discussed with the Commissioners and has been on the agenda for many years. This contract is for the reconstruction of the intersection of Taxiway Bravo and

Taxiway Kilo and removal of Taxiway Tango 3. MNAA pavement has met its useful life and has been identified as a hot spot by FAA. An Invitation to Bid (“ITB”) was advertised on May 22, 2023 and MNAA received one bid, from Hi-Way Paving, Inc. who is already doing work at BNA. The DBE participation goal was 18.78%, which Hi-Way Paving, Inc. met using Rutherford Contracting, Kimberly, Archangel, SB Johnson Construction, E3 Materials & Logistics, AH & Son Hauling and Gibco Construction. This is a 270 calendar day project. The bid was deemed responsive and responsible by the staff, however the amount of \$16,483,880 was over the capital improvement budget and after reviewing and analyzing it is our belief that we were just low on our engineering estimate. An amended FY24 Capital Improvement Plan (“CIP”) will be brought back to the Board in January.

Staff and the Operations Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to authorize the Chair and President and CEO to execute the proposed contract with Hi-Way Paving, Inc. in the amount \$16,483,880.

10. Professional Services Contracts for Staff Augmentation – BNA Vision/New Horizon (Operations)

President Kreulen stated the Professional Services Contracts for Staff Augmentation will be utilized to provide supplemental staffing to the Engineering Department to support the capital improvement programs including BNA Vision and New Horizon. The first 6 years was done with BNA Vision, and this is the group that is going to come in and help MNAA build the New Horizon Program. A Request for Qualifications (“RFQ”) was issued on August 8, 2023, with two primary categories, Project Management and Project Controls, and each had a solicitation for a majority firm and a small business target market, making it possible for a company to respond to 4 solicitations. MNAA received 16 Statements of Qualifications (“SOQ”). The selection company analyzed and recommended Innova Solutions for Project Controls, majority firm; WPUA, Inc., for Project Management, majority firm; and Accura Engineering and Consulting Services, Inc. for Project Management, small business target. MNAA received 1 solicitation for the Project Controls, small business target market, and it was deemed nonresponsive. That solicitation will be cancelled and rebid in the future. The total for all 4 companies is \$8.7M NTE and this is designed to give us continuity for the building of the next 6-7 years for the New Horizon program.

Staff and the Operations Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to:

- 1) Accept the statements of qualifications by Innova Solutions, Accura Engineering and Consulting Services, Inc., and WSP USA Inc. to provide staff augmentation services at Nashville International Airport (BNA); and
- 2) Authorize the Chair and President and CEO to execute the Staff Augmentation Professional Services Contract(s) for an annual not-to-exceed aggregate contract value of \$8.7 Million annually; and,
- 3) Authorize the President and CEO to execute any amendments for the Staff Augmentation Professional Services Contracts as long as the total value of the contracts does not exceed the \$8.7M annual NTE amount.

Commissioner Glover asked if the work had already started. President Kreulen replied yes, they are scheduled to start on November 1, 2023, and Ms. Holton clarified MNAA is working on the contract to be signed. Commissioner Sullivan asked for Ms. Holton's definition of project controls. Ms. Holton replied they oversee the scheduling, change orders, all the pay outs that come in to make sure they do not run over budget. All the vision books the Commissioners receive each month are produced by the project controls. President Kreulen replied we have a 3 inch set of documents that comes out of project controls showing every spend, we call it the red slide to show us how we are doing to help us track all monies and they are the ones dealing directly with the contractor if there is a discrepancy to what they are invoicing us and the work that is done.

11. Professional Services (Design) Contract for Concourse A Reconstruction (Operations)

President Kreulen stated the Professional Services (Design) Contract for Concourse A Reconstruction is for demolition of the 7 gates on the existing Concourse A and reconstruction of 16 gates for a net of 10. The Commissioners previously awarded the contract for Concourse D and the extension of Concourse D, we are about to get into the demolition phase in the very near future to move the air freight building out of the way. Once that opens up in July 2025, then immediately this concourse will be closed within 30 – 60 days and it will get demolished over the time period and we are waiting for the roadwork that this Board previously approved, where we built the ramp up 95B, to finish settling before we put the

contract cap over the top of it. This is the company that will design that new concourse and as we will be bringing back the renderings of the space and how everything will fit together. Fentress has already been a partner out here and Corrigan was our architect for BNA Vision and Fentress will now be doing the building for this new concourse here. The SMWBE goal participation was 9.62% MBE and/or WBE and Fentress committed to 14.75% participation with a combination of WBE and MBE with CSBD, EOA Architects, Logan Patri, IES, CIA and Connico.

Staff and the Operations Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to authorize the Chair and President and CEO to execute the professional service contract to Fentress Architects in the amount of \$47,126,684.

12. Construction Contract for JWN Terminal Parking Lot Expansion (Operations)

President Kreulen stated the Construction Contract for JWN Terminal Parking Lot Expansion is to construct additional vehicular parking near the terminal building and repave a part of JWN Airport Drive. In October, Rogers Group, Inc. was awarded this contract, being the lowest bidder, with a 6-0 vote for \$1.58M. This will add 60 spaces maximizing the roadway and rebuilding a section shown on the slide. The DBE goal was 19.87% and DBE participation was 16.39%. Business Diversity Development determined the contractor demonstrated good faith efforts.

Staff and the Operations Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to authorize the Chair and President and CEO to execute the construction contract with Rogers Group, Inc. in the amount of \$1,582,781.25.

President Kreulen stated that the Operations Committee review was complete.

Chair Stevenson asked if President Kreulen and the team can create a list of the items approved by the prior Board and email all Commissioners so everyone can review, be on the same page and make any additions if needed.

Commissioner Byrd proposed taking these various items to the Committees and having them reviewed by the Committees to give everyone a chance to ask any questions they have in the Committees, because some Commissioner may have questions that have not been brought up at this point. Commissioner Byrd stated that he thinks that a review by the Committees and then further discuss ratification by the Board would be entirely appropriate. President Kreulen replied ratification is not a requirement by law, but he will defer to the Chair. Chair Stevenson asked Commissioner Glover for her thoughts regarding how the Board should handle this situation, and then to think through her thoughts on Wednesday from a Committee standpoint. Commissioner Glover asked Commissioner Sullivan if she would like to go first. Commissioner Sullivan stated she thinks there are a couple that she has some questions on, but does not believe that the Board has to review every one of them, but if that gave everyone comfort, she does not have any issues reviewing every item. Commissioner Byrd stated some of them will be really fast. Commissioner Glover stated for those contracts pursuant to which performance has begun, she would not like to upend those, but expressed concerned that for an airport this size, an engine of economic growth, the minority participation almost does not exist on quite a few of these contracts and she believes that the Committees should review those. She also stated she doesn't mind ratifying the approvals of the prior Board.

President Kreulen stated that the Board can review the list at the end of the meeting today, or can review Operations list now, whichever the Board chooses, or add to the Committee meetings this Wednesday, which will make the meeting longer. Chair Stevenson stated that the review of some items may be quick, and asked if the staff could tell the Board which contracts are already in place. Commissioner Byrd stated that maybe the Board can get an understanding of these items and then discuss them next time. Chair Stevenson stated if that is the case, then we can probably agree that with respect to some of those contracts that would not be appropriate and may affect us negatively at this point but if there are some that we have additional questions, then we will give Commissioners a chance and an opportunity to talk those through. Chair Stevenson stated that meetings are already set for Wednesday, which President Kreulen confirmed. Chair Stevenson stated if the Board has to be here longer, then it has to be here a little bit longer. This Board has returned after four months and can have a special meeting, if necessary, she said. She stated that she would like everyone to feel comfortable with where the Board is and that the Board has a lot to do currently and moving forward with the airport and that she wants the Board to be in a position to keep things moving.

President Kreulen stated that everyone is moving forward and that he wants to provide the Board with the information it needs to make them feel comfortable with moving forward. The biggest challenge from the President and CEO side of the house is the exposure to litigation if MNAA reverses the awarding of contracts. Commissioner Glover stated that the Board understands that and does not want to upend anything. Chair Stevenson stated she certainly wants to make sure we have those discussions as necessary and to let us know when there are issues. Commissioner Byrd stated that he wants this Board to have input. Commissioner Glover stated that the Board has an obligation to understand each and every one of these projects and to ask questions about them and if those questions result in further work being done, then so be it. Commissioner Glover likes the idea that some of the contracts were great but has questions on some of them. Chair Stevenson replied that the Board will work through them. President Kreulen asked if the Board would like to review now or at the end. Chair Stevenson replied at the end. Commissioner Glover replied she wanted confirmation that these were the only 12 items approved. Chair Stevenson stated these were all the approved items. President Kreulen replied yes, these are the 12 items that were brought forward to the Board of Commissioners from the Operations Committee for approval, and they were approved by the previous Board as indicated by the slide.

President Kreulen then stated that he would now run through the items presented to the Finance Committee.

1. JWN North Development Parcel 1 – Future SPE for Steve Smith

President Kreulen stated this is for one of the 10 parcels we had subdivided out of the northern section of JWN. The Special Purpose Entity (“SPE”) created by Mr. Smith, submitted a Letter of Intent for that parcel. You can see the base rent is at the average of all of the parcels together. Mr. Smith agreed to all of the previous terms that the other tenants agreed to that this Board previously approved.

Commissioner Byrd asked who Steve Smith was. President Kreulen replied he is a local business owner who does work on Broadway, and also a participant of Tootsie’s at BNA, and has a license agreement with the owner. Commissioner Byrd asked what he agreed to do. President Kreulen replied he is going to invest his capital to build a hangar on Parcel 1 and he

is going to begin paying MNAA with rent. It is a 30-year term with a 5-year option. President Kreulen reminded Commissioner Byrd that rates were determined when the Notice of Availability was issued, and that this was the last parcel. Tennessee Highway Patrol and TBI were interested in the parcel at one time, but they declined. MNAA went back out to all the participants that had previously submitted offers, and he got this parcel at the established \$2.70/sf rate. These are the terms that the other entities agreed to, except the slight differences in the cost per square foot. President Kreulen pointed out that on parcel 10, MNAA took on that effort awhile back to work a deal with Metro to build them a hangar for their police department. It is now in the design phase and Metro has agreed for MNAA to spend \$1.5M to design a hangar for their police department. MNAA is getting close to finishing that design and then will bid that design out. When bids are received, that dollar amount will be given to Metro and Metro council will have to ratify that number going into the lease. If they do so, then we build Metro a hangar on Parcel 10 for a 30-year commitment on JWN, he said. If Metro chooses not to, then MNAA will go back out and bid that space again.

Staff and the Finance Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to approve the terms negotiated between MNAA & future Special Purpose Entity for Steve Smith via Letter of Intent; and authorize the Chair and President and CEO to execute a lease agreement with future special purpose entity for Steve Smith, consistent with these terms

Commissioner Byrd asked if this lease had been executed. President Kreulen replied it had been executed by both parties. Commissioner Byrd expressed concern regarding the constitutionality of the previous airport authority Board's power to execute that contract. President Kreulen replied that the plan is to discuss in Executive Session next Wednesday at the Management Committee meeting. Per the documents MNAA received from the three Judge panel, from July 1, 2023 to October 31, 2023 the prior Board was a constitutionally seated Board. Commissioner Glover stated in reading the Order, they had the authority to act during those 4 months, but if this Board feels more comfortable ratifying the acts of the prior Board, then this Board should. She stated that that she does not know that by not ratifying the approved items, that it cancels out what the prior Board did because they had the authority to act during those 4 months.

President Kreulen informed the Board that if they chose to ratify the acts of the prior Board, that is great, and if they did not ratify them for whatever reasons, then the lease would still be in place. If the Board directs staff to break the lease, MNAA could be in litigation for a long time. Commissioner Byrd stated one of the things he would like to discuss is the Board having independent counsel to determine about what is in the Board's best interest and what is in MNAA's best interest. This is often times done with publicly traded companies, he said, they have Board counsel that independently represents the Board. He stated that is something that the Board needs to consider at some point in time, but particularly with respect to contracts that have been entered into and leases that have been entered into, those are questions he would like answered. Chair Steven stated we will have an Executive Session on Wednesday and she understands there are some Board members that have raised that issue of having outside counsel and she also would like to get into that as she does have some thoughts on it herself, having served on Boards who had outside counsel and having been outside counsel for Boards and she has some perspective on that as well. Chair Stevenson stated that she wanted the Board members to be thoughtful about retaining independent Board counsel and understand what their role would be with respect to the Board. Commissioner Byrd stated that is fine with him. Commissioner Glover stated she was going to say the same thing, and asked him to hold his thoughts because we have thoughts on it and she does not disagree with him, but that the discussion should probably happen in a different setting.

2. Amendment 1 to Fraport Subleases with Ferncroft Airport LLC

President Kreulen stated MNAA has been working very hard with Fraport since 2019 and they did a very good job of getting MNAA to the opening with the 15 stores and a couple of their stores wanted to change their names from Nashville Music City to The Music City Shop; The All Day to Kitty Hawk Eat and Drink; and Titans Sports Bar to The Titans Press Box. Those name changes required a change in the lease and that was brought back to the Board for approval.

Staff and the Finance Committee recommended approval to the full Board on August 16, 2023. The Board of Commissioners voted 5 to 0 to accept and authorize the Chair and President and CEO to execute the amendments to the subleases between Fraport, Ferncroft Airport, LLC and MNAA.

3. BNA Westside Development – Future SPE for Scott Sohr

President Kreulen stated the BNA Westside Development is a Special Purpose Entity for Scott Sohr, it is a 5.15 acres parcel of that 5.97 acre on the west side of BNA. We have discussed this many times. This first came to us at \$1.20/sf and MNAA looked at the lease parameters and went back to Mr. Sohr, who now will be paying \$2.40/sf. In addition he will pay \$.50/sf for the easement fee to the taxiway that connects that area. Mr. Sohr will make a minimum of \$14M investment hangar facilities that will total around 66,000/sf, the same terms the Board came up with previously. President Kreulen stated he is thankful for everything this Board previously did when we started making business decisions and setting standardized templates because that has helped a great deal with negotiations. This is what MNAA came up with for this portion of this lease.

Staff and the Finance Committee recommended approval to the full Board on September 20, 2023. The Board of Commissioners voted 6 to 0 to: Approve the terms negotiated between MNAA and future Special Purpose Entity for Scott Sohr, via Letter of Intent; and Authorize the Chair and President and CEO to execute a lease agreement with future special purpose entity for Scott Sohr, consistent with these terms.

President Kreulen informed the Board that they stated you all will see this again because Mr. Sohr is building two hangars, one for his company and one for HCA and it is possible they want to split those two leases for each to have their own section. MNAA is trying to figure out how to do that lease and carve up the 5.15 acres so that the two entities can still build the same size facilities and make that same investment.

Commissioner Glover asked if this one is signed. President Kreulen replied Mr. Sohr has executed a Letter of Intent and pointed out that Mr. Sohr was in the audience, and that he will not be let out of that Letter of Intent, until we get a Letter of Intent from him and HCA and we can split this up from one lease to two.

4. British Airways Incentive Agreement (London) (Finance)

President Kreulen stated this is an Amendment to British Airways Incentive Agreement (London) that the Board previously approved in November 2020 for \$2.2M. In the February to May time period, British Airways stopped flying from England to the United States due to

the emergence of a new variant of the COVID-19 virus. British Airways had 2 other airports offer to extend their existing agreement by the 4 months that they missed and that is what we recommended and also increased the dollar amount from \$2.2M to \$5M because they are now flying 7 days a week. When we initially did the estimate, it was 5 days a week. February 29, 2024 is the last day they fly for free. As of now it has been paid out of the incentive account.

Staff & the Finance Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 6 to 0 to approve funding for the proposed amendment to the British Airways Letter of Agreement (LOA) including extending the term to February 29, 2024 and increasing the cap of landing and facility fee abatements to \$2.5M; and authorize the Chair and President & CEO to execute the Letter of Agreement (LOA) Amendment by and between MNAA and British Airways outlining the specific terms of the proposed incentive amendment.

Commissioner Byrd asked if British Airways is talking about increasing their service. President Kreulen replied yes. Mr. Powell stated there is a planned gauge increase that has not been published yet, to go to a larger aircraft and that schedule has not been finalized but that is the plan. With the incentive there are maximum incentives daily so if they were to increase the number of flights for this, that would not qualify for the incentive. Commissioner Byrd asked if they would be able to handle their luggage properly. President Kreulen replied yes with the new International Arrivals Facility there should not be any issues, but to his point, MNAA does not know when British Airways will make its announcement, but they fly a 787 with 216 seats and the next aircraft that is close to 300 and we have 567 passengers going daily from Nashville to Europe. Commissioner Byrd asked if it is 2 flights per day. President Kreulen stated may be 2 flights a day, or it could be to another destination, which will be discussed with Commissioners. Commissioner Glover asked if it is only 1 flight, to which President Kreulen replied, yes, he that he thinks there will be added competition coming to another country to gobble up those 300 passengers going through Atlanta or Charlotte or some other way to Europe.

5. Trademark License Agreement (Hilton BNA) (Finance)

President Kreulen stated the Trademark License Agreement between MNAA and Nashville Airport Hotel Partners, LLC., which is a special purpose entity for Chartwell Hospitality

("Chartwell") building the hotel across the plaza and MNAA's Administrative Building. When MNAA started this trademark of BNA many years ago in early 2017 time period, MNAA always had to prove to the trademark office that we are using our license agreement and we are selling merchandise and things are being used to be named after us beyond just our hats, t-shirts, and socks, he said. This is MNAA's first hotel that will have, the Hilton BNA and on the top floor will be the BNA Sky Pavilion. This is a gratis license based on the provision of the existing Project Lease Agreement.

Staff and the Finance Committee recommended approval to the full Board on October 18, 2023. The Board of Commissioners voted 5 to 0 (1 abstention) to approve the terms negotiated between MNAA and Nashville Airport Hotel Partners, LLC (the "Tenant") via the trademark license agreement and authorize MNAA Staff and the Board of Commissioners to execute a trademark license agreement between MNAA and Tenant.

Commissioner Glover asked if MNAA had a trademark attorney. Mr. Bedrock replied yes, we had outside counsel.

President Kreulen then stated that he would run through the following items presented to the Management Committee:

1. CEO Employment Agreement (September)
2. CEO FY24 Performance Evaluation Key Performance Indicators (KPI') (September)

President Kreulen stated that those 2 items were discussed at the Management Committee meetings. Commissioner Glover asked to hold this discussion for the Executive Session. Mr. Bedrock stated the Executive Session is limited to litigation items and at this point he does not believe that the Board can discuss this item in Executive Session. Chair Stevenson asked if it could be discussed in Management Committee. Mr. Bedrock replied that would be more appropriate. President Kreulen stated it will still be an open session. Chair Stevenson asked Commissioner Glover if she had any concerns about discussing it today. Commissioner Glover stated we can wait until Wednesday. Commissioner Byrd stated the Board can still defer to Executive Session when the Board meets on Wednesday. President Kreulen stated he is prepared to discuss but if the Commissioners would like to wait until Wednesday's Management Committee meeting, he is

prepared to do it then as well. Chair Stevenson expressed her agreement with waiting until Wednesday.

VI. APPROVAL ITEMS

President Kreulen stated there were no approval items.

VII. INFORMATION ITEMS

President Kreulen stated there were no information items.

President Kreulen recapped the action items from the review.

1. Operations Committee - Send out the Staff Analysis for the Terminal 2 Siting
2. Operations Committee - Send out the Staff Analysis for the Garver's On Call Engineering Contract. Chair Stevenson stated Commissioner Byrd wanted more information on Garver. Commissioner Byrd replied yes, just to understand a little better of who they are.
3. Operations Committee – Provide details on how procurement came up with 0% SMWBE goal on the Waste Management Contract for Commercial Trash, Recycled Materials and Electronics Disposal. Commissioner Glover was dismayed with the 0% goal.
4. Operations Committee - Send out the Staff Analysis for the Design, Build, Operate & Maintain Remote Virtual Control System, and provide details on how the 0% SMWBE goal was established.
5. Finance Committee - Send Staff Analysis for the JWN North Development Parcel 1 – Future SPE for Steve Smith. Commissioner Byrd stated he would like to understand exactly how that decision was reached, what the history has been for that lease, and when was it approved. President Kreulen replied it was approved on August 16, 2023 by a 5-0 vote.
6. Management Committee - Defer the discussion of the CEO Employment Agreement and CEO FY242 Performance Evaluation Key Performance Indicators (KPIs) to the next Management Committee meeting.

Commissioner Glover asked if it is possible for all contracts over a certain amount, that the Board ensures they have some type of minority goal, because 0% is embarrassing, and if there is some kind of policy that can put together regarding that. President Kreulen replied this needs to be

discussed with our Procurement team, as this program is directed by our Disparity Study, and because we have to comply with all the federal requirements for the DBE program. MNAA also gets evaluated on the SMWBE program and staff are currently working through audit findings with the FAA. We cannot arbitrarily come up with a number, we must have a systematic way that we can defend ourselves, he said. Commissioner Glover stated yes, Ms. Davita Taylor, VP, Procurement and Business Diversity, does that. President Kreulen stated it was Ms. Taylor's birthday and she was not present at the meeting today. Commissioner Byrd stated he does think it is important and he appreciated the review today. From a process standpoint, these things can be discussed relatively quickly, but as a Board, they must assume the responsibility of evaluating these actions that were taken while this Board was not here, and then ratify those actions. Commissioner Byrd stated the Board should proceed with evaluation of Board counsel.

Chair Stevenson asked Commissioner Byrd and other Board members if they had any other feedback or concerns for consideration for today's meeting. Commissioner Byrd replied, no and that this meeting had been very professional, that MNAA staff had done a very good job in addressing these issues, and that he is appreciative. Commissioner Glover stated that people have been coming up to her and saying how beautiful the airport is. Commissioner Byrd stated it reflects 53 years of good work building this airport, building this terminal, and building this place. This Board approved the artwork that is going down the escalator, approved the entire layout and a lot of hard work had been put forth by everyone concerned. He expressed his deep appreciation and this certainly enables us to be one of the outstanding airports in the country, he said.

President Kreulen stated he appreciates the Commissioners support and passion for the airport, and he completely understands the history of 53 years. As Commissioner Byrd described it, we have done a really good job of getting to this point, and now we have to figure out how to get to 70M passengers. It is a challenge for MNAA and President Kreulen believes the Mayor accepts it as a challenge. President Kreulen stated that these action items will be reviewed by staff and brought back to the Board on Wednesday and thinks the Board will feel comfortable, move forward and keep making the airport better. Chair Stevenson commended President Kreulen and the staff for all of their hard work in keeping the airport moving forward and for what is happening in the future. Chair Stevenson stated she would like to talk about Board Retreat and how to handle that review. Chair Stevenson stated there would be many more meetings over the next few weeks.

Commissioner Glover asked if President Kreulen could schedule a tour to see the new additions to the airport. President Kreulen offered to schedule a tour or go now. Commissioner Glover and Chair Stevenson replied they would like to tour now.

President Kreulen stated the staff retreat was a very good retreat and all worked very hard. No business decisions were made at the staff retreat, but that it was more of the team having the ability to explain to the Commissioners the challenges ahead and he wants the Commissioners to understand those challenges. There are a lot of big challenges out there, he said, we are moving fast as possible.

VIII. ADJOURN

There being no further business brought before the Board, Chair Stevenson made the motion to adjourn, and seconded the motion, which carried by a vote of 5 to 0. Chair Stevenson adjourned the meeting at 4:22 p.m.



Andrew Byrd , Board Secretary