

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



Date: November 8, 2023

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:00 a.m.

Committee Members Present:

Nancy Sullivan, Committee Vice Chair, Dr. Glenda Glover

Committee Members Absent:

Bobby Joslin, Committee Chair

Others Present:

Joycelyn Stevenson, Bill Freeman, Andrew Byrd and
George Cate

MNAA Staff Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman
Marge Basrai, Kristy Bork, Daniel B. Brown, Chris Davidson,
Kristen Deuben, Adam Floyd, K.C. Hampton, Traci Holton, Ijeoma
Ike, Carrie Logan, Rachel Moore, Ted Morrissey, Floyd Munn,
Josh Powell, Stacey Nickens, Robert Ramsey Captain Chris Shuff,
Davita Taylor, Erin Thomas, Colleen Von, Hoene and Destiney
Williams

I. CALL TO ORDER

Vice Chair Sullivan called the Joint Meeting of the MNAA and MPC Operations, Engineering & Strategic Planning (Operations) Committee to order at 9:00 a.m. pursuant to Public Notice dated November 3, 2023.

II. APPROVAL OF MINUTES

Vice Chair Sullivan stated that the Operations Committee will delay approval of the minutes from the October 11, 2023 Operations Committee meeting until a future meeting.

Commissioner Byrd expressed his hesitation to approve the minutes of the Operations Committee of the prior Board until this Committee has reviewed each item in detail.

President Kreulen replied that the Operations Committee has a quorum with Vice Chair Sullivan and Commissioner Glover. The previous Board had the same challenge when they approved the June Committee and Board minutes. President Kreulen explained that the Board Secretary, Ms. Saxman, takes the minutes, it is reviewed by Ijeoma Ike, Senior Counsel, for accuracy, and then sent to Lisa Lankford, the Deputy Chief Executive Officer for review, and then sent to him for final review. Four people review and confirm the

accuracy of the minutes before they are transmitted to the Board. President Kreulen stated that he was fine with Board having more time to review the minutes. Commissioner Glover asked if the Commissioners would be comfortable with approving the minutes later today. Commissioner Byrd stated approving the minutes basically ratifies the actions of the Committee that were previously taken. He would like to have those actions reviewed by Board counsel before the Committees approves them.

Neale Bedrock, Executive Vice President, General Counsel & Chief Compliance Officer, suggested that the Board vote to acknowledge that the Committee has accepted the minutes. Board Chair Stevenson stated the Board would not be approving the accuracy of the information, because this Board was not there, but that the Board is in receipt of the minutes. Vice Chair Sullivan stated that the Board would need to come back at a later date and approve.

Commissioner Glover moved that the Operations Committee acknowledge the acceptance of the minutes and defer approval until the next meeting. President Kreulen asked for clarification if it is deferred until the next Committee meeting or the next Board meeting. Commissioner Byrd stated there is no time limit on approving minutes, and they could be reconsidered at the next Committee meeting because the Commissioners can approve them a year from now and they will still be valid. Vice Chair Sullivan seconded Commissioner Glover's motion to defer approval of minutes until the next meeting.

III. PUBLIC COMMENTS

President Kreulen stated there were no public comment requests received.

IV. CHAIR'S REPORT

Vice Chair Sullivan welcomed everyone and stated there is a lot on the agenda to review, including the previous Board's actions. Vice Chair Sullivan stated the Committee would like to hear all the items and then determine at the Management Committee or at a later Board meeting as to whether further review is required.

President Kreulen explained that he would review all 12 of the Operations Committee items that were discussed at the Special Board meeting on November 6, 2023, with specific added detail as annotated before, and he would entertain any questions. Commissioner Glover stated that she does not want to expose MNAA to litigation by rescinding contracts where performance has begun or terminating contracts that would hinder the progress of the airport. Commissioner Glover stated if there is a contract that will start in the future, there could be more discussions regarding it. Commissioner Byrd proposed acknowledging receipt of these

contracts and getting full disclosure with respect to the contracts, and at the same time moving forward with Board counsel and having that counsel review each of these contracts. Once the Board counsel has reviewed them, the Board would then take the actions that are deemed appropriate in the light of the fact that outside counsel reviewed these contracts. Commissioner Glover asked if Commissioner Byrd's recommendation applied to contracts that have already started. Commissioner Byrd replied that even though they may have already started, and in his opinion the Board should take that into account when they approve the contracts, the Board should listen to their own Board counsel and move forward with the contracts as expeditiously as possible. This needs to be done now rather than later, he said. Commissioner Byrd stated that the Board needs to get its own Board counsel now and to have somebody reviewing these contracts. The Board should listen, understand, and then move forward as expeditiously as possible, he said.

Board Chair Stevenson stated that from an action item standpoint the Board should hear the information. She stated from a general standpoint and for the record, and not as a member of this Committee, the Authority's counsel has provided an opinion related to this. There is a de facto officer doctrine that exists and there is an opinion that says because of that even if there were actions taken by a group that was later found to be unconstitutional, those actions are still valid. Board Chair Stevenson said that if the Board decided it did not want to get into the weeds of these contracts, and if something is wrong with a contract that the prior Board approved, then we have an opinion from counsel that says the prior Board was authorized to take those actions and we do not want to get involved in it. Board Chair Stevenson said that if the Board starts rubber stamping certain contracts, while undoing others, then the Board is voluntarily putting itself into it. Board Chair Stevenson noted that to Commissioner Glover's point, that before the Board takes action, the legal ramifications of rescinding any contract, whether or not performance pursuant to the contract has begun, is understood by all Commissioners. She reiterated that she wants to make sure there is a clear understanding about that before any action is taken.

Board Chair Stevenson stated that at the Management Committee today, this idea of outside counsel will be discussed. There may be agreements or disagreements between Board members as to how that is used. She asked that the Committee do their due diligence and cautioned the Committee as far as any action taken today. Commissioner Byrd stated that was a great point, but he thinks honestly the Committee could disagree about the enforceability of the actions of the Board that were constituted pursuant to a law that was subsequently deemed unconstitutional law. He stated that his basic approach would be to retain counsel, listen to the counsel for the Board, and then make a decision on these contracts. Further, the Board should move forward as quickly as possible to retain counsel and have that counsel review these contracts, he said.

President Kreulen stated that discussion is for another Committee, not the Operations Committee. Board Chair Stevenson agreed and asked to please proceed with the Operations Committee. Vice Chair Sullivan agreed. President Kreulen stated that every one of the items presented today has been approved by airport counsel and voted on by the previous Board. Vice Chair Sullivan stated she believes it is unlikely that any of these are going to change, but since they are the foundation for everything being done in the future and that each project builds on the other, it is a good idea to take a second look. President Kreulen stated he agreed, and that he would review the contracts which were presented at the Special Board Meeting on November 6, 2023, again today. He expressed his confidence that the Commissioners would feel comfortable with the decisions that were made and that were recommended by the staff and vetted by the Legal Department.

V. REVIEW OF JULY – OCTOBER 2023 BOARD ACTIONS

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

President Kreulen stated this contract provides an additional 7 years of Executive Program Management Services and was approved for Paslay Group. Previously this Board approved the Paslay Group Executive Program Management from 2017 through 2023. This contract runs from 2023 to 2030 and the annual cost with the renewal options will total \$45.5M. Paslay has been successful with the BNA Vision program and their assistance is needed for both the New Horizon program that runs to 2028 and then for the Terminal 2 program which will take MNAA many years passed that. This was advertised as a Request for Qualifications (“RFQ”) and one Statement of Qualifications (“SOQ”) was received. It was deemed race and gender neutral by the Chief Procurement Officer, Davita Taylor

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 SOQ 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. The contract is in effect.

Commissioner Glover stated she printed out all the materials that were sent. Commissioner Byrd stated he printed the Finance Committee but did not print off all the other materials. Commissioner Glover stated it was in the package. Vice Chair Sullivan asked if there were any other questions. Commissioner Byrd asked why the work could not be performed internally by BNA staff. President

Kreulen replied that Paslay has have access to industry experts around the United States and globally. They have large hub experience, and several come to us out of LAX and DFW. They are familiar with managing large multimillion dollar projects and Vision would not have been successful without that. Robert Ramsey, Executive Vice President, Chief Operations Officer and Traci Holton, Vice President, Deputy Chief Operations Officer have done a great job leading that team of experts, but that talent moves from city to city depending on how big the programs are and where there are opportunities. The Paslay Group has several executives working for MNAA, and it would be hard executing the program and finding the talent required for the program if they left.

Commissioner Glover asked if they are located on the premises. President Kreulen replied yes, they work out of the Program Management Office (“PMO”) that was established 6 years ago on Murfreesboro Pike. That is where all contractors work out of so there is synergy between MNAA staff and the multiple contractors that are trying to build the different programs. When staff are hired for projects like New Horizon, they know it is a 5-year program. They move themselves and families to Nashville and work here for the 5 years and then move on to the next big contract.

Commissioner Glover asked for an explanation for the SMWBE participation goal being 0%. President Kreulen asked Ms. Davita Taylor, VP of Procurement and Business Diversity, to please respond. Ms. Taylor replied typically that when a project has 0% or race and gender-neutral participation levels that means that it is either 0% availability or a very, very small number, like 1 out of 200 small businesses that could do that work. In this case, that was the situation. The only other small business that could have potentially done this work, Jacobson and Daniels, outgrew the program, and now 0 firms are able to do this type of work. Based on the methodology utilized for coming up with the goals, it was 0% because there was not anyone in that category. Commissioner Glover stated Ms. Taylor had explained to her that she does outreach but Commissioner Glover believed that someone in the United States must be able to do this sort of work and asked how to find that person. Ms. Taylor responded that when it is an SMWBE or local program, MNAA is required to stay within the boundaries of the State of Tennessee based upon the Disparity Study. The entire local SMWBE program is founded on the Disparity Study, and without that MNAA could not have a local program nor could MNAA have goals. The market area is defined as the State of Tennessee, so staff could not look beyond Tennessee for certified small businesses. Commissioner Glover asked if that is the rule of the Disparity Study. Ms. Taylor responded that any Disparity Study develops the market area. Commissioner Glover replied that she understood, and asked if the

market area is insufficient to supply MNAA's needs, was she still precluded from going outside the market area. Ms. Taylor explained in a Disparity Study, the total spend is reviewed and our total spend typically comes from within the State of Tennessee, which is how they develop our market area. In some categories there may not be any availability and in other categories, as you will see as we go along with some of our other projects, there may be a 15% or 18% goal, which means there are more firms available in those different categories, she said.

MNAA has an extensive outreach program, Ms. Taylor continued, so when staff comes across 0% availability, staff shakes the bushes to find someone. In some of these categories, staff cannot find firms or individuals who want to become certified. Commissioner Glover stated that when she chaired the Airport Authority in Jackson, Mississippi they needed a Black CPA and at that time there were only 1,000 in the whole country and there were not any in Mississippi that met the criteria. The Jackson Airport Authority went outside of the State to find the talent. Commissioner Glover stated she cannot imagine that the Disparity Study is so restrictive with no loopholes that will allow MNAA to seek talent where talent exists. Ms. Taylor replied that MNAA must be able to speak to discrimination and disparity within our market area and MNAA cannot just jump outside of that market area—if MNAA does that, then the whole program could be dismantled. There are very descriptive boundaries MNAA must stay within. Commissioner Glover asked if the restrictions are based on federal or state law, to which Ms. Taylor replied court rulings which require entities to stay within a certain boundary unless inequities can be proven. Ms. Taylor pointed out that *Croson* is one such ruling. Commissioner Glover questioned having a 0% SMWBE goal when there is not availability in the State. Ms. Taylor explained that if it is not in the market area and we do not have it, we can try to grow it, which is what we do with some of the outreach things that we do. She informed the Board that MNAA has a mentor protégé program to grow people. She explained the example from Jackson may have been from the DBE program, which allows nationwide DBE certified firms, which has different goal setting methodology than a local program. Commissioner Glover then asked about the contract for trash removal, and asked Ms. Taylor if she cannot find a Black firm. Ms. Taylor replied she has not found any who want to get certified.

Board Chair Stevenson asked Ms. Taylor to explain the certification process a little more. Ms. Taylor explained that certified firms must pass certain criteria. MNAA verifies that they are 51% owned, managed, and controlled by those individuals. MNAA must make sure that these firms are indeed certified because those individuals need to be the ones benefiting from the programs. Oftentimes

some firms do not want to go through the process of certification. Regardless of how MNAA tries to convince the firms to become certified, some do not want to do that. Some firms find having to disclose their financial information to a public entity intrusive. Over the years the Business Diversity Development team has convinced a lot of individuals/firms to do it; however, the team is not always successful. If the goal is 0%, there are not any firms available. Commissioner Glover thanked Ms. Taylor and complemented her presentation.

President Kreulen thanked Ms. Taylor for her leadership and thanked Ms. Destiney Williams, Director, Procurement and Inventory Management, and Mr. Floyd Munn, Director, Business Diversity Development. The Disparity Study Ms. Taylor referenced provides the legal framework to prove MNAA is operating in accordance with the law. MNAA is required to do a Disparity Study approximately every 5 years so there is a valid document to run the program Ms. Taylor described. One of the results of the 2013 Disparity Study was to expand from the 14 -16 county Metropolitan Statistical Area ("MSA"), because there was not discrimination within that area, and the finding required the market area to be expanded to the entire State of Tennessee. Firms will come in and build an office in Tennessee and then come to Ms. Taylor's team to get certified. MNAA has hundreds of firms that are certified. Commissioner Glover stated that MNAA needs to get more through the outreach program. Ms. Taylor agreed, and stated MNAA is also involved with Airport Minority Advisory Council ("AMAC") which helps with recruiting other firms as well. President Kreulen stated MNAA is hosting the national conference for AMAC in August 2024 and that is another investment to highlight our program to all the airports in the United States. Commissioner Glover asked if Ms. Taylor had enough staff on her team to handle all of it. President Kreulen replied yes.

Commissioner Byrd asked if someone could make him a copy of the backup materials. President Kreulen replied yes, and explained they were sent electronically in advance of the meeting. Commissioner Byrd asked if this contract was shopped and if other firms responded. President Kreulen replied yes, it was competitively solicited through an RFQ, and also direct solicited. Ms. Taylor stated it was sent to 7 or 8 national organizations to make sure everyone who does this type of work was contacted.

Commissioner Byrd asked can he please have a copy. President Kreulen replied yes, and that someone was making him a copy.

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

President Kreulen stated that this contract is a Professional Services Contract for the Terminal 2 Siting Study and was awarded to Strategic Planning Services, Inc. ("SPS"). Possible sites for a second terminal are east of Donelson Pike or to the south of the center runway, closer to the Murfreesboro/Donelson intersection. To prepare for growth beyond the 22M passengers today and the terminal built for 35M passengers, the site for next terminal needs to be located. The staff put out an RFQ and received 3 responses. Based on 9 evaluation criteria, SPS scored 503, HOK 366 and Jacobsen Daniels 434. Staff recommended SPS for a 1-year contract for \$3.5M NTE. The goal was 6.5% MBE and/or WBE and SPS SMWBE participation is 7.0% WBE with CIA and Presentation & Design, Inc.

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.

President Kreulen stated the Board received the 120 Day schedule and there are quarterly updates scheduled from this firm. Commissioner Glover asked if the work had already started. President Kreulen replied yes, we have been negotiating that contract and they are about to agree to the \$3.5M fee and the scope. Commissioner Glover stated she did not want to mess with the contracts that have already started. President Kreulen replied the contract was approved at the August 16, 2023 Board meeting and since then staff have been in negotiation with SPS regarding the scope of work to be performed, and then the contract will be routed for execution.

Vice Chair Sullivan asked for the reasoning behind bringing on a new contractor when MNAA already has experts familiar with the location, utilities and traffic and other problems we have run into in the past. She also asked if there is something this contractor has expertise in that others did not. Robert Ramsey, EVP, Chief Operating Officer, replied this will be a deeper dive than what has been done on the previous Master Plans. The Master Plan is at a 30K foot level, and as the need for Terminal 2 gets closer, this study drills down on the exact access routes, utilities, utilities capacity and maybe some of the things that have not been identified. The first step of this study will identify optimal location, and then subsequent steps will include design and environmental approvals once

the location has been identified. President Kreulen replied that the firms that responded to the RFQ and are firms that build terminals for other airports throughout the United States, so they have a specific expertise beyond just normal construction projects to help MNA make the best decision possible as to where a second terminal might go. Ms. Holton stated they have several local firms on the team that are familiar with the infrastructure and vicinity and teams that have worked on airport projects, so it is a mixture of national firms that do terminal planning as well as local firms that have the expertise for the infrastructure. President Kreulen stated the teams consist of the following firms: SPS, Demattei Wong Architecture, Faithful+Guild, Kimley Horn, Landrum & Brown, Munich Airport International, Garver, Lea+Elliott, Terracon, Gresham Smith, Civil Infrastructure Associates, LLC (CIA) and Presentation & Design, Inc.

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 \$5M NTE with two 1-year renewal options and total \$15M NTE. MNA has 7 projects already planned: Part 139; Intrusion Detection System Replacement; Parking Access and Revenue Control System Replacement; Deicing Treatment Engineering Study; Airfield and Landside Pavement Condition Index Updates; Municipal Separate Storm Sewer System Study and JWN Southwest Side Drainage Improvements. When this item was presented at Monday's Special Board Meeting, the Commissioners asked for more information about Garver. Garver was founded in 1919 and has over 1,000 employees across the United States. They focus on aviation, buildings, construction, enterprise solutions, federal, survey, transportation, water, and wastewater. Garver is in the top 100 of Engineering News-Record's Top 500 Design firms, with 49 offices in 8 states, including an office in Franklin, TN. The SMWBE goal was 10% and Garver bid 10% WBE or MBE participation using Civil Infrastructure Associates and Shrewsberry. Garver's team consists of the following firms: Garver, Atkins, Jacobs, and Kimbley Horn, Barge Civil Associates, CEC, Civil Infrastructure Associates, Exult Engineering, Shrewsberry and Terracon.

Commissioner Glover asked if there was only 1 firm that applied. President Kreulen replied yes, Garver put the team together and there was no one to bid against them because they are already on the team. Garver will negotiate who can handle the given tasks on an on-call basis. Commissioner Byrd asked how the contract is renewed. Ms. Holton replied by letter. Commissioner Byrd asked what the time period for renewal is and about the ability to terminate the contract. Ms. Holton

replied 30 days for renewal and deferred to legal for the termination clause. Commissioner Byrd asked if it would terminate with 30 days' notice. Commissioner Glover asked if it is by either party. President Kreulen replied we do not have many that walk away from work they are doing, but yes, 30 days' notice. Vice Chair Sullivan stated it is also an on-call contract so MNAA could just stop giving them work. President Kreulen replied exactly.

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.

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

President Kreulen stated that the telecommunication lines are moving through a bank that MNAA leases space for access to that duct bank as part of getting ready for the Donelson Pike relocation. Today AT&T, Lumen, Comcast, and Verizon rent space and now Crown Castle is paying \$343,639 for their share of the cost to build that duct bank, which is based on 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. Commissioner Byrd asked if it is a one-time payment. 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 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 that the Professional Services Contract for Commercial Trash, Recycled Materials and Electronics Disposal was awarded to Waste Management, Inc. for 3 years plus two 1-year renewal options and the cost per year adds up to \$4M. There was no SMWBE goal on this contract. 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 briefed the Committee on the Amendment to Professional Services Contract for Custodial Services for the Satellite Concourse. The Commissioners previously approved the construction of the Satellite Concourse, and it is now open. This contract was awarded to Bestway Services, Inc., a 100% minority-owned firm, with an additional SMWBE goal of 18.11% participation to continue to expand minority opportunities within their own company. Commissioner Glover asked what happens if Bestway does not meet their SMWBE goal. President Kreulen replied it happens occasionally. Ms. Taylor responded there are potential penalties that are built into their contracts.

President Kreulen stated that staff monitors this on all contracts and all projects and if the goal is not met, it is normally due to unusual circumstances, i.e., a firm goes bankrupt so the contractor will search for another certified firm and the procurement team may reassess the goal. Ms. Taylor stated that MNAA has a compliance group that monitors all contracts to make sure that companies are making their participation goal and meeting their obligations.

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 briefed the Committee on the Design, Build, Operate and Maintain Virtual Ramp Control System for remote virtual ramp control services for the BNA ramp that will be located in the CSF Maintenance Facility Building. It will be a room with all displays to be able to control the airplanes pushing back and which gate it goes to from that center. This is a critical item for the airlines to operate out of BNA. The airlines currently rent space on top of Concourse C for an interim ramp control where they are looking out the windows and to direct jet movement. This is our

commitment to the airlines to build a virtual ramp control system. MNAA sent direct solicitations to all airlines and 7 potential vendors - SAAB, CI Squared, Robinson Aviation, Midwest Air Traffic Control, STB Inc. & Bristol Consulting. MNAA received 4 attendees for the pre-proposal meetings, DSI, Frequentis, SAAB and Garver, and only SAAB submitted a bid. The Selection Committee evaluated program management, tech approach, past technical experience (specifically Kansas City and Orlando airports) and VRC operations approach and the contract was recommended to SAAB Sensis. SAAB Sensis has 1 year to design/build, 3 years to operate, plus two 1-year renewal options. The good news is that the \$37,853,553 NTE is agreed to by the airlines to pay MNAA back and it will be factored into their O&M.

Commissioner Byrd asked when the permanent facility is scheduled to be built. President Kreulen replied October 2024 is the goal. Commissioner Byrd asked if this is a temporary facility. President Kreulen replied today, on top of the Concourse C, is the interim facility, which will stay in operation until this permanent facility opens. Commissioner Byrd asked where it will be located. President Kreulen replied in our Maintenance Facility Building, which is about 1 mile from BNA, and it will be virtual. This goes back to discussions in the past. BNA is one of the 30 largest airports in the United States, which means BNA is a large hub, and almost every large hub has this. There is lot of pressure from the airlines for this ramp control to be able to get in and get out more expeditiously.

Vice Chair Sullivan asked what the airlines did before this. President Kreulen replied they refereed themselves. This system will determine which airline will leave now. Commissioner Byrd asked where it will be located. President Kreulen replied that it will be located in our Maintenance Facility. Commissioner Byrd asked if this is a significant concern of the FAA. President Kreulen replied it is not a big FAA concern in Washington or the air traffic controllers. The virtual ramp control will manage what is called the nonmovement area of BNA – MNAA staff manages the nonmovement area to get these airplanes lined up on the right taxiway and then the FAA introduces them into the national system from there. The FAA runs the taxiways and the runway system as well and they control where the airplanes go in the air. Commissioner Byrd stated that this is important. President Kreulen replied yes, it is important. The airlines wanted it, we understood the need for it, and so as part the negotiation, the airlines agreed to pay for it, he said.

Commissioner Glover asked if artificial intelligence is used. President Kreulen replied that artificial intelligence is used in scheduling systems that schedule where the planes go next and what gates

are available. BNA now has 54 gates that are managed so there may be some artificial intelligence in there, but to us it looks like a software system that helps schedule where the jets go. In addition to the people that operate and maintain this system in the Maintenance Facility, we will have schedulers in there. So that liaison between us and the people that are controlling this movement is important because that is how the airlines will be billed when they attach to the gates. Commissioner Glover asked if this system kicks in when an aircraft lands and arrives at the gate early. President Kreulen replied that the system will tell us which gate is available. Commissioner Glover asked about aircraft sitting on the ground. President Kreulen replied it depends on which airline. BNA turns gates sometimes 6-12 times a day, so that jet needs to leave on time because the next jet is coming in right after that point.

MNAA uses a scheduling system that lets us flow jets in and out of there. Airlines can be moved to other gates if needed so they can offload, but then they may not have the people to go get the luggage. Commissioner Glover asked how much of the system integrates the air traffic controllers. President Kreulen replied we get the jets ready to go, the virtual ramp system will tell them when they are clear to back up and expect to get out to a taxiway to go to a runway. Now the jet has to call the FAA and ask for entry to the taxiway system to go to a runway and the FAA allows you to cross that imaginary boundary to begin operating. Commissioner Byrd stated the virtual ramp system will be stepping in to help MNAA control access and entrances and departures from the gates. President Kreulen replied yes, the airlines will call into the virtual ramp system upon landing and the system will tell them where to go. Commissioner Glover asked if this system helps with the background checks on the controllers. President Kreulen replied no, MNAA does background checks on National Criminal Information Checks ("NCIC") on all 11,187 badge holders, so before you are allowed to get an MNAA badge, you will go through the background check. Air traffic controllers are Federal employees and they run their own background checks.

Commissioner Glover asked if the SMWBE goal was 0%. President Kreulen replied yes based on availability of the contractors who perform this work. Ms. Taylor responded there are only 5 major firms that do this work and no small firms that do this work. Commissioner Glover referenced Vice Chair Sullivan's question regarding not meeting goals. Ms. Taylor responded that potentially in all of our contracts it is set up that if they do not make their goal and there is no justifiable explanation as to why they did not reach their goal, there are several penalties - from disbarment, suspension, to liquidated damages - those type of things become a contract term. Commissioner Glover stated she

is concerned when she sees the 0% goal and asked how many employees work in that area for the outreach program. Ms. Taylor responded there are 6 employees on the Business Diversity Development (“BDD”) team - the director, two managers and three compliance specialists. The two people that are charged with specifically doing outreach program are the director and certification manager.

President Kreulen stated he has spoken at AMAC, and other venues and other organizations brag about our team. Commissioner Glover asked why only 2 people and Ms. Taylor clarified that the Business Diversity Department has 6 employees. Commissioner Glover stated only 2 staff members are dedicated to outreach, and while the whole team is important, we have 0% goals and there has to be someone out there steadily shaking the bushes to raise MNAA’s percentages. It reflects poorly on MNAA to be a large airport and have 0% goals, she said. Commissioner Glover stated that in a different setting, MNAA’s organizational chart needs to be discussed and get someone else to assist with outreach. President Kreulen replied that you will not find a better team than the team that we have and the outreach that the team does across the State of Tennessee and Nashville through these conferences. One of the best things that Ms. Taylor and her team does is the Business Taking Off (“BTO”) Program. Every year MNAA advertises across our spectrum and over 500 different firms participate as staff lays out the opportunities and projects over the next 12 months totaling \$500 – \$800M. Ms. Taylor’s team cannot make anybody want to build a virtual ramp control system, but we at least tell them what the need is, and they have to choose what they want to do here. President Kreulen described one of the big success stories, E.J. Odom, and his company. He started as an IT contractor for the airport, and now he is doing IT work for 18 different airports and also a business partner running concessions out of the satellite concourse. MNAA’s procurement team really does a great job. Commissioner Glover agreed but asked the team to look at peer airports and see what the size the staff may be in their outreach programs, as she did not believe that 2 people would have the capacity to do what needs to be done to improve the percentages.

Board Chair Stevenson stated that from her perspective as a listener and a non-member of the Committee, there were a few issues that she identified: 1) the range of where we can look as far as our Disparity Study, we have a State of Tennessee mandate on some of these, and 2) the availability of people to actually do it. We may want to increase the numbers but if we do not have significant core of small business, minority owned businesses or women owned businesses that are doing the work, then that is a pipeline issue. Maybe there is a role for airports and AMAC or maybe others to

figure out how to encourage more people to do that, maybe look at peer airports, or use AMAC as a resource to see what other folks are doing so that we can at least educate ourselves or maybe the public, who may look at those numbers and think it is bad, aware that maybe the nature of that particular of business. There are other projects that Ms. Taylor mentioned with percentages a lot higher because there are more people performing that particular work. From a perception standpoint we want to make sure that MNAA is doing everything it can do but also making sure that people know there may be circumstances where we do not have the numbers there to support it.

Commissioner Glover stated she would still like to see just how many outreach personnel are in the different peer airports, that MNAA has to consider its peers. President Kreulen replied yes, we know who our peers are. Commissioner Glover stated she is no longer sure which airports are our peers and reiterated her position regarding outreach. If it is a pipeline issue, which is probably part of it, she said, there must be people out there pounding the pavement to find more and she expressed that she does not believe that 2 people alone can do it. President Kreulen stated MNAA hosted 100 people here from AMAC in preparation for the conference in August and he believes from Ricky Smith the President of BWI and Eboni Winbush the head of AMAC, they are really looking at Nashville because BNA has far exceeded what other airports are doing. President Kreulen stated that the best example is to compare 2012 - 2017 which had \$10M SMWBE spend per year, or \$50M spend over a 5-year period, and for the last 5 years spend has been \$50M per year. MNAA initially projected spending \$240M and has performed north of \$300M. Commissioner Byrd if there is a way is there to change our methodology and that we tend to focus on small minority/women-owned businesses. He asked if there is a way to encourage the contractors to diversify their workforces or provide their minority employees with training opportunities. President Kreulen replied we did that in the BNA Vision Program where there was a concern in Nashville in several promise zones that disadvantaged individuals were not able to find employment and MNAA put that into our solicitations. President Kreulen complimented Hensel Phelps and Messer who built a lot of the BNA Vision Programs, with the number of people they were able to recruit out of promise zones, train, and these individuals are continuing with their jobs. We evaluated them on their ability to try to help the city build a better program. Commissioner Byrd stated we need to think about more creative ways to reach minority communities. It could be a different methodology but commended the staff on what they have achieved. Commissioner Glover stated she wonders if it would help if we convened the college Presidents in the area, which areas that are growing, or maybe sit down and brainstorm with the MNAA's BDD team. President Kreulen replied yes when time permits.

Commissioner Byrd replied that Vanderbilt would be interested because they have a huge interest in minority outreach. President Kreulen stated he took a note on it.

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 Committee on the Construction Contract for Terminal Access Roadway Improvements ("TARI") Phase 2. This will be primarily grading and drainage removal of all the rock on Donelson Pike and once TDOT opens the connector roadway, between Donelson Pike, Terminal Drive, and the Taxiway Bridges, construction of a new Airport Service Road will begin. An Invitation to Bid ("ITB") was advertised on June 20, 2023 and 4 bids were received - 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 Selection Committee selected Jones Bros with the bid and the DBE goal established for the project was 15.5% participation and Jones Bros was able to meet that goal with Gibco, Kimberly and Tennatee Services. The bid was determined to be responsive and responsible. The construction will begin demolition as soon as TDOT connects between old and new.

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 briefed the Committee on the Construction Contract for Taxiway Bravo/Kilo Intersection Reconstruction for 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 ITB was advertised on May 22, 2023 and MNAA received one bid, from Hi-Way Paving, Inc., a company already doing work at BNA. The DBE participation goal was 18.76%, which Hi-Way Paving, Inc. met using Rutherford Contracting, Kimberly, Archangel, SB Johnson Construction, E3

Materials & Logistics, AH & Son Hauling and Gibco Construction. This contract is important, in addition to rebuilding the 5-star intersection, the Federal regulations changed and are now not allowed so the one taxiway with an X will be removed as part of this rebuilding project. Commissioner Glover asked if Garver is on this contract. Ms. Holton replied that Garver was on the design, this is the construction contract. President Kreulen replied Garver designed it, and that is what MNAA bid out. President Kreulen stated he would like to follow up on a question from Monday's Special Board Meeting regarding Hi-Way Paving. Today this is asphalt and will be converted to cement, which is better for MNAA long-term, and Hi-Way Paving is the one mentioned earlier that did a great job getting the International Arrivals Facility concrete done on time and they already have a cement plant onsite which made them a little more competitive.

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. A 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 SOQs. The Selection Committee 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 controlled by task orders that engineering puts out.

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 \$8.7M 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.

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. An RFQ was published June 8, 2023 and received 4 SOQs from Corgan, Fentress, HOK and KPK. The Selection Committee reviewed and asked 3 firms, Corgan, Fentress and HOK for interviews. The recommendation was for Fentress to be selected. Fentress has already been a partner out here and Corrigan was MNAA's architect for BNA Vision. 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 exceeded and committed to 14.75% participation with a combination of WBE and MBE with CSBD, EOA Architects, Logan Patri, IES, CIA and Connico.

President Kreulen reiterated that Fentress has been working very well with Hensel Phelps to help us build everything you have seen up to this point and they will have the lead in doing the design for the new Concourse A, so staff feels extremely confident in their ability.

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. An ITB was advertised on August 21, 2023 and MNAA received 2 bids, Civil Constructors and Rogers Group, Inc. After evaluating the bids, Rogers Gorup, Inc. was recommended for the award. The DBE goal was 19.87% and DBE participation is 16.39%, they have a large contingency of people,

Gibco Construction SB Johnson, Clarksville Fence, LA Scapes, Water Quality & Erosion Control of TN, Jen-Hill Construction & Lestar. 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.

VI. ITEMS FOR APPROVAL

1. Design Build Contract for Concourse D Extension CGMP 4 of 4 & Final GMP

President Kreulen introduced Traci Holton, VP, Chief Engineer, to brief the Committee on the Design Build Contract for Concourse D Extension CGMP 4 of 4 & Final GMP. Ms. Holton stated that this is for the interior finishes for the interior buildout, IT, and electronics with Hensel Phelps. The Component Guaranteed Maximum Price (CGMP) 4 is \$75.371M NTE and final GMP is \$235M NTE. The SMWBE goal is 6.9% MBE, 6.77% WBE and 4.28% SBE target, which Hensel Phelps has committed to meet.

Ms. Holton requested the Operations Committee recommend to the Board of Commissioners that it authorize the Chair and President & CEO to execute the proposed Amendment 3 for the Component Guaranteed Maximum Price (CGMP) #4 for \$75.371M and the Guaranteed Maxim Price (GMP) for \$235M NTE.

Commissioner Byrd asked if there is a staff report. President Kreulen replied yes that the staff report is in the printed documents provided to the Board and was sent in advance of the meeting. Commissioner Byrd asked if the scope of this work is adding 5 domestic gates, and will it be an extension to all similarities to existing D Concourse including jet bridges, inground aircraft fueling system, utility paving infrastructure and personnel movers. President Kreulen replied yes, we are going to add moving sidewalks at the connector between Concourse D and pointed out that this Board previously approved CGMP 1, 2 and 3 and this is the last one to finish this project and get to GMP of \$235M NTE. Commissioner Byrd stated that this is basically the contract for the facility itself. President Kreulen

replied that CGMP3 was the foundations and the core shell, this CGMP 4 is the finishes and the build out of the inside of that concourse. Commissioner Byrd asked if any work has commenced with respect to CGMP 3. President Kreulen replied no, MNAA is in the process of paying for this as the work is being done, but we are in the design phase and very close to final design and then Concourse D will begin. An Air Freight Building is there now, he said, and the Board previously approved demolition of that Air Freight Building which begins at the beginning of the year. You will see construction starting by the demolition of the old building to make space and once demolition is complete, they go right into CGMP 3, putting in the foundations and buying the passenger boarding bridges, and this final one is for interior, all the things needed to build that space out for its final opening in July 2025.

Board Chair Stevenson asked if is this the project that will provide an outdoor space. President Kreulen replied yes, it is a circular outdoor lounge as shown in the renderings of the Concourse D extension. The Commissioners awarded the extension of Concourse D to Fraport to build out 7 different units in there. In the center of that record node will be a restaurant bar called Martini and people will be able to go to the outside of that lounge. Commissioner Byrd asked for clarification that this Board on June 21, 2023 approved CGMP 3, for the civil foundation, structure, core shell and passenger boarding bridges, when they were the existing Board. President Kreulen stated correct, the Board that sits in this room approved the first 3 CGMP's and now we are asking for the 4th and final CGMP to complete this project with the Operations Committee approval.

Vice Chair Sullivan asked if everything is within budget and within the estimates. Ms. Holton replied yes, we are within the \$250M design budget in the solicitation and contract and we may be under that, and we are still finalizing the negotiations. Commissioner Glover asked if the additional gates would go after the last Gate D6. President Kreulen replied, there will be a hole cut in that wall and a moving sidewalk will be built to connect passengers to the new section. There are 5 gates with this option and could possibly get to 7 gates on the record node. It will end up being Southwest's home. President Kreulen stated that he does not have confirmation at this time, and he has a trip scheduled on December 4, 2023 to talk with Southwest about the crew base announcement they made. This is where the passengers are at in the concourse, all the space below the concourse is normally used for office space, concessions, luggage, and the like, and it is between 8 – 12K s/f right now. For Southwest to be able to go from 250 to 750 pilots and from 1,000 to 3,000 flight attendants, they will need office space. We have not committed to what is below that flow where the passengers are, and dialogue will continue with our largest airlines.

Vice Chair Sullivan asked for a motion to approve as presented. Commissioner Glover made a motion and Vice Chair Sullivan seconded the motion. Vice Chair Sullivan asked Ms. Saxman for a roll call:

Vice Chair Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 2 to 0.

2. Construction Contract for Concourse B&C Upgrades

Ms. Holton presented the Construction Contract for Concourse B&C Upgrades. Ms. Holton stated this contract will upgrade finishes on B&C Concourses to match BNA Vision including corridor walls, column wraps, ceiling, LED lighting and signage. A Request for Proposals (“RFP”) was advertised at the end of July and on September 14, 2023 two proposals were received from Utopia Building Group and Whiting-Turner Contracting Company. The Selection Committee evaluated those proposals based on Mandatory Requirements; Experience and Project Approach; Schedule; Price and SMWBE participation. Whiting-Turner was the highest rated firm demonstrating the best understanding of the needs of the project and also had the lowest price. The SMWBE goal participation was 8.86% MBE and/or WBE, which Whiting-Turner exceeded by achieving 21.71% MBE and/or WBE participation by utilizing Cleaning Leaders and John Curry Electric.

Vice Chair Sullivan asked if this includes the restrooms. Ms. Holton replied the restrooms are being upgraded right now with the last one scheduled to be completed November 17, 2023. The only thing that will remain is a portal around the jet bridge doors and a gate podium and those will be forthcoming in the CIP next year. Commissioner Glover stated it looks good. President Kreulen stated during the pandemic the Commissioners took the leadership position that while passenger volumes were low to do the terrazzo and center and restroom upgrades and now it looks ready to go. Commissioner Byrd asked if there is a necessity for upgrading B&C Concourses. President Kreulen replied yes, primarily because Southwest is the biggest customer and also Delta and other airlines on Concourse B do not like the older finishes. President Kreulen stated when the program started 6 years ago, the airlines asked MNAA to bring everyone up to the same quality. Commissioner Byrd asked if there is any contribution by those airlines towards these updates. President Kreulen replied yes, there are terminal rent fees. Commissioner Glover asked if this includes the new Satellite Concourse. President Kreulen stated the Satellite Concourse has been built to this standard, except an all-black roof instead of the wood roof.

Vice Chair Sullivan made a motion and Commissioner Glover seconded the motion. Vice Chair Sullivan asked Ms. Saxman for a roll call:

Vice Chair Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 2 to 0.

VII. INFORMATION ITEMS

1. BNA Roadways and Parking Update

President Kreulen stated that MNAA has been working with TDOT to find ways to improve the traffic flow to and from the airport and they have been good business partners on this. Three initiatives are underway with TDOT now: 1) Accelerate the realignment of Donelson Pike - MNAA has made the recommendation to TDOT to see how this project can be completed a year ahead of schedule, and TDOT is working to get a cost estimate to accelerate; 2) Gain TDOT approval to widen Exit 216A from I-40 to Airport property line - TDOT has agreed to help us with the study to widen and if they do it then MNAA is willing to pay; 3) TDOT overhead signage about backups at BNA and staff has met with them and their communication center to come up with standard operating procedures for when those signs put out messages and the content of those messages. MNAA is very excited about this opportunity to improve.

Commissioner Glover stated that today when she came in there were barriers. President Kreulen replied the delineators are there to help manage traffic and for the safety of passengers. There is a problem with people wanting to make a 5-lane shift which has a high accident potential. To ensure smoother traffic flow, the MNAA's Communications team issues text alerts to inform the public which interstate exit to take. Board Chair Stevenson stated she noticed the new signs coming towards the airport stating arrivals this exit and the departures this exit and asked if there a sign for valet to go to the 2nd exit. President Kreulen replied no there is not but once you exit there are directions to valet. That is one of the communications challenges that staff members are trying to resolve. Commissioner Byrd stated he had the same problem and had to do 3 trips around the airport.

President Kreulen stated MNAA must comply with federal guidance regarding what messages can be affixed to roadway signs can say and also with what TDOT allows signs to say. We are not allowed to advertise for commercial benefits, such as valet and parking. It is a green roadway sign because it meets

all the Federal standards to tell people where they want to go versus making a business decision. These signs cannot give MNAA an advantage over off airport businesses. Commissioner Byrd asked what the expected additional costs are with respect to these 3 items. President Kreulen replied Item 3 is no cost; costs for items 1 and 2 are being developed, and staff will come to Commissioners to show you the cost benefit of waiting an additional year. Commissioner Byrd stated that access to the airport needs improvement because it is an ever-rising concern of people. President Kreulen replied this all started when TDOT struck Colonial Pipeline, and we spent 2.5 years in litigation. Now we are finding a way to get back on track and TDOT is amenable to looking at the business case. Commissioner Byrd asked about the commitment of the State to finish the Donelson Pike construction early, and if that commitment is in place to do that. President Kreulen replied we are working with TDOT. The project has inflation that must be dealt with, and pointed out on the screen that there is \$300M worth of work—about \$150M is TDOT federal funds and \$150M MNAA. TDOT has to get permission from the Federal Highway Administration to be able to do this. Commissioner Byrd asked if these contracts have been let for all this work. President Kreulen replied yes, for TDOT's work, but MNAA's work will be completed in 3 segments. TDOT is 100% committed to making all of that happen.

2. BNA Roadways and Parking Update

President Kreulen stated one of the challenges has been how to manufacture a cell phone lot. InterVistas and the Operations team have done an outstanding job of analyzing all our peer airports and how they manage traffic. MNAA plans to use garage space to make a cell phone lot and extend free parking from 0-20 minutes, reduce parking from the 20-40 minutes period to \$5 and 40-60 minutes to \$10 to allow people to pick passengers up without having to circle on the roadways. All these rates are in line with the other large airports, as shown on the slide, and MNAA staff is already in the planning phase to execute this on December 1, 2023. Through various calculations of cars that could be pulled off the road from orbiting, we estimate if we are 50% successful, we will have almost 600 vehicles off the road daily which will help reduce the traffic congestion at the airport. This has taken staff awhile to do the analysis and to get to this point and President Kreulen said he is proud of what the team has accomplished here.

Vice Chair Sullivan asked what percentage of the garage spaces this will take up. President Kreulen replied about 85 spaces will be designated for short-term parking and located in the front at the garages providing the shortest walk possible to the terminal, all 7,000 parking spaces are under the same rate structure. Commissioner Byrd questioned whether 20 minutes was enough time to park in the garage,

retrieve family, and then exit the garage. President Kreulen replied that MNAA staff has performed tests and added that is the reason why MNAA spent millions of dollars to put a parking guiding system to show green for available spaces.

President Kreulen stated that this is going to be a rapid transaction and pointed out that other airports have similar rates. One way to generate revenue as part of MNAA's bond covenant is to charge for parking and this is a good way to move forward. Commissioner Byrd stated that he is a little cautious about it. Commissioner Freeman stated it is a great plan, but he would like to see the free parking extended beyond 20 minutes because it is hard to get in and out in 20 minutes and that would be his only thought. President Kreulen stated that he will take this as an action item to review. Commissioner Glover proposed free parking for 30 minutes. Commissioner Byrd stated that the people who have lived in Nashville for a long time remember when parking was free. President Kreulen stated he had a brief conversation with the Mayor and he brought up how to improve traffic and has had good talks with TDOT and NDOT to figure this out. President Kreulen reminded the Mayor that he will give him an in-depth review of everything going on at the airport. President Kreulen reminded the Commissioners that 29% of people coming to BNA are Davidson County residents and residents of outlying Tennessee counties likely do not know where they are going; and therefore, signage needs to be right. 4.5M of our 22M passengers are from out of state, and they are not sure where to go,

Commissioner Byrd asked how the rates were set. President Kreulen replied staff benchmarked all the peer airports and BNA's parking rates are a little lower for garage parking and at the average for valet parking. The \$10 difference from surface to garage to valet is an industry average. Commissioner Byrd said if you park in valet, you should pay the fee but if you are here for a reasonably short period of time and trying to pick someone up, the cost should be somewhat affordable. Commissioner Byrd said that it is good to compare BNA to other airports, but BNA could be better than its peers. He asked how these parking rates affect MNAA's bond commitments, cash flow and what the impact is of changes with pricing. President Kreulen replied that Marge Basrai, Executive Vice President, Chief Financial Officer, has done a great job when dealing with the rating agencies, and she just finished with Kroll who reaffirmed MNAA's rating. Ms. Basrai must show the rating agencies where we are adjusting rates so that they feel comfortable and know that we are going for an increase here or there so this is all part of that. Commissioner Byrd stated it is only the short-term parking that he hears about and not long-term parking. He stated that people are used to lower fees and that it is something that he thinks the Board should keep in mind.

President Kreulen stated that last week MNAA won the Spirit of the Region Award for 2023 from the Nashville Chamber and when he attended that awards ceremony downtown, he spent \$43 to park for a little over two hours, so BNA is lower than downtown, and you can park in valet for \$40 for 24 hours here.

3. BNA Development Update

President Kreulen expressed his appreciation for Board Chair Stevenson and Commissioner Glover taking a tour of the satellite concourse that is now up and running. It is not at its maximum capacity yet, which is approximately 4.7M passengers a year. All the 7 concessions are not opened at this point, but the project finished on budget. Holder/Corgan did a great job, he said. There was 19.9% SMWBE of minority participation. This satellite concourse has 8 gates and goes to 40 non-stop destinations, which is more than any other airport in the State of Tennessee. Memphis goes to 31 destinations, Knoxville 24, Chattanooga 8, and Tri-Cities 5. BNA does a total of 99 non-stop destinations.

Board Chair Stevenson stated she appreciated the tour, which was a great experience, and reported that there were quite a few people there and that there was a line for the shuttle. She asked if the shuttles were working at full capacity. President Kreulen stated MNAA purchased 9 electric shuttle buses and during the tour 4 electric buses were running at that time, but that the shuttles can run around the clock based on load demand. President Kreulen reported that the information booth relayed that 4-5 times in a 24- hour period there is a little bit of a backup and staff is addressing that. Every 3 minutes those buses should be picking up and dropping off people Board Chair Stevenson stated that the step to get onto the shuttle was challenging for her in her dress and heels, and that as the Satellite Concourse becomes busier and more people use the shuttle to be mindful of that. President Kreulen stated he noted that, and the team is looking at as well to make sure there are attendants there to help people, but in a rush of a crowd you can miss that. Commissioner Glover stated Mr. Ramsey was taking notes and stated people should know that because it is electric does not mean it runs by itself, there is a driver.

JWN Development Update

Contour FBO Construction Progress Update

President Kreulen stated one of the three Contour FBO hangars that was destroyed, hanger 1 is almost skinned out and they should be moving inside to start building it out. The steel for Hangars 2 and 3 should be delivered mid-December and in January, and all 3 of those hangars should be substantially completed by July 2024. As Commissioners are aware since the March 3, 2020 tornado we have been

back and forth with excellent legal representation to get to this point and not having to go to court to get Contour to rebuild these hangars at their cost per the lease.

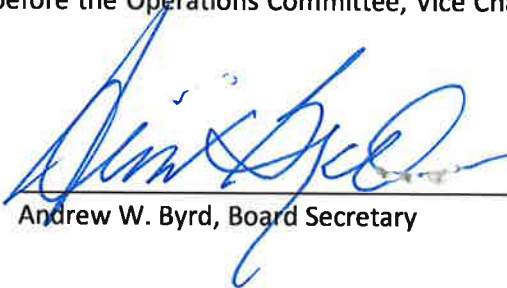
JWN North Development Update

President Kreulen stated that at the very North section of JWN, Commissioners invested \$10.8M to build a new ramp that connects to taxiway alpha in this area which is almost finished with the pavement work. He showed on the slide where the gravel base for those 6 hangars is going to be built between the tower and the state hangar. MNAA has done its part in terms of construction and leasing. Commissioners should start seeing a lot of facilities begin construction in the very near future. They will build not only their hangar in their specific parcel, but they will also have to connect to the ramp. This is a huge development for JWN.

President Kreulen concluded the presentation of the informational items.

VIII. ADJOURN

There being no further business brought before the Operations Committee, Vice Chair Sullivan adjourned the meeting at 10:48 a.m.



Andrew W. Byrd, Board Secretary