

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



Date/Time: Wednesday, March 13, 2024, at 9:00 a.m.

Place: Nashville International Airport – Tennessee Board Room

Operations Committee Members: Bobby Joslin, Committee Chair
Nancy Sullivan, Vice Chair
Dr. Glenda Glover

I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is March 11, 2024, at 9:00 p.m.

III. APPROVAL OF MINUTES

February 14, 2024 Minutes of the Joint Meeting of the MNAA and MPC Operations, Engineering & Strategic Planning Committees

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. Donelson Pike Early Completion Initiative (Superior)
2. Construction Contract for BNA Parking Lot Modifications (Valet storage, Lot A & Employee Lot)
3. Concourse D Extension Concessions Node Art Finalist

VI. INFORMATION ITEMS

1. BNA Development Update
2. JWN Development Update (including Midfield Selection & RFI)
3. JWN FY25 Rental Rates

VII. ADJOURN

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



Date: February 14, 2024

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:00 a.m.

Committee Members Present:

Bobby Joslin, Committee Chair; Nancy Sullivan, Committee Vice Chair; Glenda Glover

Committee Members Absent:

Other Board Members Present:

Joycelyn Stevenson, Jimmy Granbery, Andrew Byrd, Bill Freeman

MNAA Staff & Guests Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman Marge Basrai, Daniel B. Brown, Chris Davidson, Kristen Deuben, Traci Holton, Carrie Logan, Rachel Moore, Ted Morrissey, Olivia Parven, Josh Powell, Robert Ramsey, Davita Taylor and Steve Martin (Paslay)

I. CALL TO ORDER

Chair Joslin 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 February 9, 2024.

II. PUBLIC COMMENTS

Chair Joslin stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Joslin asked for a motion to approve the minutes from the January 10, 2024 Operations Committee meeting. Vice Chair Sullivan made a motion and Commissioner Glover seconded the motion. Chair Joslin asked Ms. Saxman for a roll call:

Chair Joslin – Yes

Vice Chair Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 3 to 0.

CHAIR'S REPORT

Chair Joslin wished everyone a Happy Valentine's Day and had no Chair's Report.

IV. ITEMS FOR APPROVAL

1. Contract Extension for BNA Landscaping

President Kreulen introduced Daniel B. Brown, C.M., AVP, Maintenance, Environmental and Safety, to brief the Commissioners on the Contract Extension for BNA Landscaping. Mr. Brown stated this Contract Extension is to extend the contract for 1 year to allow ample time to create a more robust Request for Proposal ("RFP") for 104 acres, while keeping in line with the fiscal year. This contract scope is to provide landscaping services for the exterior of the terminal, some outlying buildings, parking lots, garages, and roadways to ensure the best customer experience and assist in MNAA's vision to be known as the premier airport for all travelers. It was initially planned to extend for 4 months. Upon receiving pricing from the contractor, it made sense to extend it out a full year. If MNAA extended for only 4 months, it would be \$120K per month and for the one-year extension it will be \$80K per month. The term of the contract is 12 months, with a start date of March 1, 2024. The contract amount is \$958,465.98, out of the O&M Budget, and the SMWBE is 10.2%.

Mr. Brown requested the Operations Committee recommend to the Board of Commissioners that it accept the proposed contract extension term with Bradshaw Landscape and Maintenance, LLC for exterior terminal landscaping; and authorize the Chair and President and CEO to execute the proposed Amendment for \$958,465.98.

Chair Joslin asked how long MNAA has contracted with Brashaw Landscape and Maintenance, LLC, to which Mr. Brown replied that this contract was for 5 years. Chair Joslin asked what the contract amount was at the start and Mr. Brown replied \$650,000 per year and has increased with growth. Commissioner Glover said that this is a big difference in price. Mr. Brown replied that was Contract Year 1 which was 2019, last year, year 5, was \$958,000 and there was no price increase from last year to this year. There have been increases over the years due to amounts of cutting, landscaping and the new facilities coming online and things MNAA has added to their contract.

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

Chair Joslin – Yes

Vice Chair Sullivan – Yes

Commissioner Glover– Yes

The motion was passed with a vote of 3 to 0.

2. Construction Contract for Part 139 RSA Improvements

President Kreulen introduced Robert Ramsey, EVP, Chief Development Officer, to brief the Committee on the Construction Contract for Part 139 RSA Improvements. Mr. Ramsey stated the scope includes grading the extended Runway Safety Areas (“RSA”) on runways 2L, 20R, 2C, 20C and 20L; reconstruction and expansion of the blast pads on Runway 2L-20R and paved shoulder widening on Runway 2L-20R. During the 2023 Part 139 Inspection, the FAA inspectors reported a safety deficiency of Runway Safety Area (“RSA”) at the end of Runway 20R. The Engineering and Operations teams proactively conducted further inspections and surveyed all of the RSAs and identified additional grade deficiencies on Runways 2L, 20R, 2C, 20C and 20L as well as shoulders and blast pads on Runway 2L-20R that are not currently sized for Group V operations. This project will correct those deficiencies in the RSAs as well as the reconstruction and expansion of the blast pads on Runway 2L-20R and paved shoulder widening on Runway 2L-20R to bring it into Group V compliance.

An Invitation to Bid (“ITB”) was advertised on December 11, 2023 with 2 bid schedules in order to get the most advantageous price for the airport, one for Concrete and the other for Asphalt. Contractors were allowed to submit on one or either of the bid schedules. MNAA received 2 bids on January 18, 2024 from Hi-Way Paving and Jones Bros, LLC. Hi-Way Paving was the lowest at \$7.98M, and was 20% lower than the Engineer of Record’s (Garver) opinion for probable construction cost. It was half the price of the bid from Jones Bros, LLC for concrete offering and 30% lower than their asphalt pricing. The DBE goal set for this project was 15.56% and Hi-Way Paving committed to meet that goal at 15.57 % using Archangel Protective Services, Gibco Construction, E3 Construction, Kimberly, and Rutherford Contracting. The anticipated start date for this contract is March 2024. The project is anticipated to last 182 calendar days to be

completed in September 2024. The contract amount is \$7,898,324.50 and is 100% funded by MNAA.

Mr. Ramsey requested the Operations Committee recommend to the Board of Commissioners that it accept the bid by Hi-Way Paving, Inc. for Part 139 RSA Improvements at BNA, and authorize the Chair and President and CEO to execute the proposed contract for the amount contained herein.

Commissioner Glover stated that the difference in the two prices is big and Mr. Ramsey agreed, stating that the contractor currently has other work at BNA and has a batch plant onsite and therefore would have better pricing. Hi-Way Paving, Inc. was 20% below the Engineer of Record and 30% below the asphalt option from Jones Bros, LLC. Vice Chair Sullivan asked what the significance of Group V is and Mr. Ramsey replied it is with the increased international traffic, and also the British Airways aircraft is Group V. As aircraft size and international service increases, MNAA will monitor runway needs as well as looking at additional taxiways. As BNA has grown, the runway guidelines will move us to another bracket to meet those studies. President Kreulen stated if you look at the engineering drawings for Group III safety areas are so wide, and as aircraft size increases, the FAA will make you prepare wider shoulders on the taxiways and runways because of longer wingtips. Commissioner Byrd asked if this was discussed last year in terms of repairs, in the October or November time frame. He stated that the scope appeared larger than it was last year when we were talking about these repairs. Mr. Ramsey stated last year when it was discussed, it had been on the end of the runway identified by FAA and staff did additional surveys and found other areas on the airfield with grading deficiencies to correct.

President Kreulen stated last year during the FAA inspection they were taking measurements on Runway 2R and it was written up because the slope was too deep because erosion wore some of the dirt down and that had to be built back up, which was done with Board support to meet the requirement. Commissioner Byrd asked for confirmation that the work has been done. President Kreulen presented the areas that had been completed and the new areas to be corrected. MNAA does not want the FAA to report a safety deficiency of RSAs in our next inspection, so MNAA proactively conducted further investigations, inspections, and surveys to make sure they are all good and to get ahead of the FAA. Commissioner Byrd asked for clarification that this is not the FAA that brought it to MNAA's attention. President Kreulen replied they brought it to MNAA's

attention when they found a problem with a safety deficiency of the RSA at the end of Runway 20R and now MNAA is being proactive and trying to prevent future findings. Vice Chair Sullivan asked if this would impact infrastructure or operations. President Kreulen replied he does not believe so in terms of other infrastructure, and staff are always watching for power and water lines. The operations and engineering teams have planned closures and will fix these deficiencies as the runways are already down. Chair Jolin asked if 20L was totally reconstructed about 4 years ago. Mr. Ramsey replied, yes, 2R/20L was totally reconstructed. The focus of that contract was on the concrete sections of the pavement itself and additional erosion was found on the very north end of the RSA when the additional survey was conducted.

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

Chair Joslin – Yes

Vice Chair Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 3 to 0.

V. INFORMATION ITEMS

1. Donelson Pike Early Completion Incentive

Mr. Ramsey reported that the Donelson Pike Early Completion Incentive is an agreement with TDOT and Superior to complete the relocation of Donelson Pike sooner than the contractual date of May 2026, so MNAA can build the roadway work around the airport. MNAA had an initial proposal that was brought to the Board last month, unfortunately Superior did not agree with that proposal and came back with a counter proposal that would only expedite the construction by 6 months. There were other portions in Superior's proposal MNAA found unacceptable, such as mandating that MNAA give them work from TARI, which would not have been through a bid process and would not follow MNAA guidelines. MNAA continues to work with Superior on the schedule on what is the fastest they can get the work completed. As staff went through the schedule, it was discovered that not only is 12 months acceleration possible, but probably 14 months to get into the April completion date, for approximately 411 days early completion. Superior had turned in a counter proposal with 411 days early completion, however the proposal eliminates all risk for Superior if they were not able to complete that. MNAA is continuing

conversations with TDOT and presenting a best and final offer to Superior in targeting that 411 days early completion and hope to bring back an offer to the Board for consideration once negotiations with TDOT and Superior are complete.

Commissioner Byrd stated Superior has the contract and this is a matter of accelerating the expansion. Mr. Ramsey replied yes, to accelerate Donelson Pike completion. President Kreulen stated Superior has the contract with the state. It is a state contract with Superior, and MNAA is asking TDOT to amend the contract with Superior to accelerate the completion date. The best and final offer was strategized conceptionally by Mr. Ramsey, Ms. Lankford, Ms. Holton and President Kreulen, and there are some things that are back in TDOT's court and have been elevated to higher levels to get them to make this amendment. Commissioner Byrd asked if there is an associated cost with it. President Kreulen replied yes, it is the same value previously presented in the \$6M range. MNAA is still within that range and think there is a way to get it done before that and obviously with no acceleration it will open, but 411 days is greater than a year and Superior is closer to understanding that we just need to get final details confirmed. Commissioner Byrd asked if MNAA asked for 547 days originally, and they came back with 411 days. President Kreulen replied what TDOT led us to believe is that Superior was going to accept the first agreement but since then negotiations have been back and forth. MNAA's goal has always been 365 days or greater. Commissioner Byrd stated that in his opinion that is good work. President Kreulen replied yes, if we get them to the finish line, it will be a huge improvement. MNAA is trying to push this so that staff may bring something to the Board at next week's Board meeting, and if not, it will be pushed to March.

2. Terminal II Siting Study Update 2 of 8

President Kreulen introduced Steve Martin, Executive Advisor with the Paslay Group, to update the Commissioners on the Terminal II Siting Study. Mr. Martin stated as a reminder the reason that the Terminal II and the CONRAC facilities are put together in this study is because they are somewhat competing for sites that are available. However, once the airport has a Terminal II, the service for the CONRAC is going to be very different depending on where that Terminal II is located. Therefore, it is a joint decision given the fact that there are overlapping considerations. Mr. Martin stated in terms of Terminal II work that has progressed and while there are a number of sites which he said will be pinpointed during the presentation, there are many things that are

common to all the outcomes. The forecast used is the same with evaluated potential airlines moves and different configurations. There is also a likely size for the first phase of Terminal II. A new Terminal II is probably going to be expanded sometime in the future and staff must future proof it and avoid “Terminal 3 risk” so that people 15 - 20 years from now are not performing the same work for the airport that Paslay is doing now.

Mr. Martin stated staff is going through an airfield capacity assessment to ensure that at least the first phase of the future Terminal II is compatible with the airfield as it is today. There is always the potential for the 4th parallel runway in the future and that may relate to Phase 2 of a Terminal II in the future. In terms of the forecast, Paslay is using the base forecast which is the most likely forecast among the ones that are available. It is slightly higher than the industry standard, which he thinks is appropriate. Mr. Martin presented a diagram and stated the first red dot, the triangle which is FY34, is the date when all the analysis shows that existing Terminal I is at or above its capacity, if the forecast along this line is accurate. This forecast probably has more risk of accelerating than it does of moving to the right, which creates other kinds of challenges. A 10-year horizon has been targeted to have a Terminal II open based on this forecast and exhaustion of Terminal I. Mr. Martin pointed out the planning activity levels or snap shots of the future when additional facilities may come online and the Phase 2 of when a future Terminal II will be further out probably about 15-20 years, but the goal has been to try to size Terminal II for 10 years out plus 5 years to a midpoint. It really depends on the growth, and we are likely to be challenged to even meet the 2024 date.

President Kreulen stated MNAA is now much better at forecasting data than in the past and this was one of the real challenges the Board asked the staff for many years is to get out in front of. MNAA is starting a Terminal II project, this scoping study that Mr. Martin is leading for us now, will take 10 years at the minimum to get something like that built. President Kreulen stated what he is most proud of is the future proofing of Terminal III. The existing terminal is at or near capacity—it can do more than that, but it will be cramped. In FY39, BNA will be at 42M passengers and in FY49, 54M passengers. Mayor O’Connell stated in a recent roadway discussion, that Nashville does not need to worry about 35M passengers, it needs to worry about 70M passengers. And when MNAA builds what we are building for Donelson Pike, we are going to be good at 35M passengers, but the problem is bigger and then what is next. When the Metro Council and Mayor

O'Connell came out to BNA , they were told how important the work MNAA is doing right now is. President Kreulen thanked Mr. Martin and stated the updates are really helping us to inform and show the community the long-range plan to be successful. Mr. Martin stated the point is to show how long it takes to develop internally a brand-new site which takes a lot longer than extending the existing concourse that the airport has been doing in the last few years. So that lead time is pretty important.

Mr. Martin stated that in looking at the potential sites for a Terminal II, everything was put on the table with no exceptions. All options were evaluated. Site 1 is the site that is designated in the master plan as the area between the existing east runway with a future fourth parallel runway. Commissioner Byrd asked for a simpler explanation for the Board. President Kreulen pointed out on the diagram the existing terminal, I-40, and downtown Nashville. President Kreulen also pointed out the quarry and the eastern side of BNA property where the majority of the land that is needed for the fifth runway or fourth parallel is located. Commissioner Byrd asked if MNAA has 1,200 acres currently. President Kreulen replied MNAA has 4,600 acres. Mr. Martin stated these are all the sites that were screened, and fairly quickly a number of sites were ruled out for 2 different primary factors. Sites 2a, 2b and 3 do not meet the requirements of a first phase in Terminal II for the minimal gate size or probable gate size, so those sites were knocked out based on the lack of area. Sites 1 and 6 were knocked out because they have structural problems relative to the way the aircraft moves. They add taxiway time for planes that land and take off and they had a lot of runway crossings. Mr. Martin met with the FAA and the tower and went through exactly how runway assignments occur. They are done by the Air Traffic Control Tower, so aircrafts coming from the east tend to get directed to the eastern runway. The assignment has nothing to do with where the gate is located. If a gate is located on one side or the other side and a plane lands, it would have to cross 2 or 3 runways to actually get to the gate. That is a safety and efficiency concern, so those sites were knocked out.

President Kreulen provided background stating that when BNA Vision started, the engineering team did modeling for the airlines for Concourse D, including how to get in and out of the ramp. When the airlines review this, they will want to know how much more time it will take to taxi and take off and land. The airlines bought in on the initial Vision project because it was 13 seconds. If you think about 13 seconds and you have a thousand jets, you must consider how much fuel

you are burning in and out. When talking about efficiency, the airlines want to land and deboard within a couple of seconds, as much as possible.

Commissioner Granbery asked if Charlotte, North Carolina passes the test today with the amount of taxi time. Mr. Martin stated it would, but Atlanta's 5th parallel runway can take 25 minutes to taxi, and is used as a last resort. Both airports do have the terminal in the middle of the runways. Chair Joslin asked if Site 4 is next to the National Guard property. Mr. Martin replied it is mostly in the west side of Site 4. President Kreulen stated Site 4 has the National Guard on 80 acres and the Dell property is also located there on Murfreesboro Road.

Mr. Martin explained how the remaining sites were evaluated, with different weightings and different criteria for scoring. No matter how the weightings were set, the results were always the same, i.e., the bottom ranked sites were always at the bottom and were always in the same order; the top ranked sites were common, although they changed in order. Mr. Martin stated that this information will likely be shared with the airlines to explain to them whether you are looking at it from their point of view, which is all about efficiency, or the airport's point of view, which is more about landside operations, the same candidate sites prevail. Commissioner Byrd asked what is the difference between Option A and Option B on the evaluation matrix. Mr. Martin replied it is weighting, with the variables in Option A more airport focused and Option B more airline focused. Shifting the weights does not move the needle much when evaluating the various scenarios.

Mr. Martin stated the remaining sites will have to be further evaluated. Site 3 is the area of the existing terminal. It has some future value if the crosswind runway were to be decommissioned, which is not a forecastable event. Site 4, as identified earlier, is largely where the National Guard is located and where a lot of the Fixed Based Operators ("FBO") are also located. Each of the likely footprints of Terminal II is about 50% of each one of the sites shown. President Kreulen stated Mr. Martin is leading MNAA through this process, and all have requirements, such as relocating the National Guard or decommissioning the crosswind runway. There are a lot of airports that do not have crosswind runways. MNAA could theoretically end up closing that crosswind runway because it is more efficient to put Terminal II there, then that would open up property either for a short crosswind runway or future development. This is big picture wise and over the next 10 months staff will be walking the Commissioners through this and trying to answer all questions.

Mr. Martin stated from a planning perspective, Terminal II needs to be built well before we would likely get a decision on the crosswind runway. Chair Joslin asked if Runway 13/31 is closed. Mr. Ramsey stated it is closed for the Bravo Kilo project, which continues until early fall. President Kreulen stated Bravo Kilo is a 5-way taxiway intersection, also referred to as an FAA “hotspot”, and going down to a 4-way intersection, as a taxiway had to be eliminated. Mr. Ramsey stated it should be back up by the end of March. Commissioner Granbery asked how much land MNAA owns in Site 5. Mr. Ramsey stated it is a small portion at the top. President Kreulen stated that it is the long-range plan and challenge as we get going. Mr. Martin stated all of these sites have relocation challenges or obstacles that will affect schedule and costs, and that will be one of the big parts of the next phase, which studies what the fastest and least cost alternatives for the best site available.

Mr. Martin stated in terms of next steps, the project is progressing and on schedule, if not ahead of schedule. The next step is to go through an optimizing of Phase 1 footprint, which is within that 15-40 gate size and that probably determines which airlines may be candidates for relocating to the new terminal. There are a lot of enabling requirements that have to be evaluated, and there may be something in the way no matter what site is selected, and it will have to be thought through. To be clear, every time an area requires a relocation, a site must be found for that entity’s relocation. There is 2nd order effect on land uses and other land developments that must be considered. If an FBO has to be moved, a site for it will have to be identified. Some of the sites that have been abandoned in this study are good sites for those relocations. We have also gone through a pre- future proofing exercise, related to the Terminal III risk question. At the end of the day, affordability cannot be forgotten, because this is a very expensive undertaking. Mr. Martin stated the full development cost will have to be determined, which includes all the earth work, civil work, relocations, and the effect on airline rates and charges over time. Affordability is going to be a challenge because it is going to be an expensive project no matter what is done. Commissioner Glover asked which of the four that were eliminated would be a 4th target. Mr. Martin replied if we had to go to another one, it would probably be Site 1 as a distant 4th, but that would have the problem of runway crossings, particularly if a southern runway is not built for a while. BNA might not have a runway for 15-20 years, and everyone would be taxiing across the airfields and across Donelson Pike to get to the terminal.

Mr. Martin stated the Consolidated Rental Car Facility ("CONRAC"), which is currently located in the main terminal area, has been outgrown by the demand of the airport. When it was built 15 years ago, no one would have forecasted the airport to have grown at this size and it cannot meet the airport needs today, and certainly not 10-15 years from now. It does need to be relocated if it is not a scalable facility today. We started off with a few sites for the CONRAC relocation, and have added to the sites after going through a few exercises. Some of those sites are now available because of what was discarded in the Terminal II study. Mr. Martin presented a diagram of candidate sites and their footprints. He noted that CONRACs can be any size because they can go vertical, unlike the terminal. Most CONRACs at large airports are 4 levels high. There is a lot of flexibility in site development. Mr. Martin stated that he feels certain that all the sites that are on the table, unlike the terminal site, can accommodate the future need partly because of the ability to go vertical. There is a financial capacity challenge that will have to be evaluated. There is a Customer Facility Charge ("CFC") charged on a transaction day basis that each rental pays, and that is how an airport generally pays for a CONRAC. The charge at BNA is lower than the industry standard because the facility is not brand new. We will have to look at when this gets increased in order to fund a new project, how much the CFC funds, and what that means for the facility size and configuration. Commissioner Byrd asked if the CONRAC pays that charge. Mr. Martin replied technically the way the CONRACs are structured is that the CFC, which is paid by the passenger/user, goes to the rental car companies and then remitted to the airport. That and the space rent on the rental car companies are how these projects are funded. President Kreulen stated that is exactly how we did it and today we charge every customer \$4.50 per day. When President Kreulen recently travelled to the Miami airport and rented a car for 5 days there was a \$60.00 CFC fee. The finance team determines the appropriate rate. Commissioner Byrd asked when we built these new parking garages, if one of them is occupied by CONRAC. President Kreulen replied no, the CONRAC is right next door, and it is 3 stories. Commissioner Byrd asked if it has been in existence for 15 years. Ms. Traci Holton replied that it has been open since 2010.

Mr. Martin stated the last update is the delivery schedule. Site readiness and the site availability effect the delivery schedule and until we have a site for the new CONRAC, we cannot use the site where the existing CONRAC is to support Terminal I from the landside operations and traffic reduction point of view. The faster we can move on the CONRAC location, the faster we can plan the reuse of whatever the footprint is today that can support the terminal and the traffic of the

existing terminal, so that is a critical factor in our work. Chair Joslin asked if Mr. Martin wants to identify the Terminal II site first and then do the CONRAC near that. Mr. Martin replied we may be able to do that and we are trying to do that. If it is determined that there is a large degree of independence between the terminal decision and the CONRAC decision, we will accelerate the CONRAC. The biggest variable is the transportation distance between the CONRAC to what will be two terminals, and that evaluation will be one of the most important parts of this.

Mr. Martin stated the new CONRAC can fit and will likely be affordable, but where it is located effects the transportation costs and the customer service to each of the terminals in the future so optimizing that will be the real challenge. Commissioner Byrd asked if there would only be one CONRAC. Mr. Martin replied at all airports there is only one CONRAC. Commissioner Byrd stated we will have to find some way to consolidate this one into the new one. Mr. Martin explained that this one is going to close. Commissioner Glover stated she was at DCA and Avis was off campus, and there were some rental cars at the terminal, and asked if we are considering keeping any of them here. Mr. Martin replied at most large airports, the big players are always located in the CONRAC because competition drives them to that, and there may be small franchises of other rental car companies that may elect not to be in there because they cannot make the financial commitments and they will have to pick up their customers. There is not a major airport in this country where the big rental car companies are not in the CONRAC. Commissioner Glover stated they are all located off site.

President Kreulen stated for example, Miami was a 1.4 mile walk through the concourses, out baggage claim and then to the CONRAC. This was a great CONRAC when it was built and has done a great job of serving its purpose, but that location is needed for more ground transportation and also additional parking close to the airport. The future twin to this building may be on top of that garage possibly as we move, but you cannot address that need until you know where this thing is going to go. As Mr. Martin stated, you want the CONRAC somewhere between Terminal I and Terminal II because both of them are going to be busing or riling passengers to that CONRAC. Commissioner Byrd asked if we could go up on our 3-floor facility. President Kreulen replied, no it was not built for that. Mr. Martin stated just to be clear, when we have Terminal II, the existing CONRAC is a terrible location for rental cars considering there would be another terminal.

Mr. Martin stated we are doing evaluation criteria for a new CONRAC in parallel with Terminal II. One variable for CONRACs is if we can get everything in one location, which we may not be able to do. It is a goal to decide how large of the “nice to have” are going to be within this site. The two he will focus on in the interest of time are traffic distribution and bus operating efficiency. There is a benefit to spreading facilities out and distributing the traffic over longer distances so that there is not all this weaving and congestion. But on the other hand, the further away the rental car facility is the more burdensome the bus operations are going to be. Baltimore airport is the classic example of the most distant CONRAC in the industry. They put it there because they were trying to reduce automobile traffic in the center area, but now they have a really long bus ride to get to the facility. There is an optimization exercise to be done. Commissioner Byrd stated people hate those bus rides.

Mr. Martin stated for both projects the next steps are to report back to the Board every 1 – 2 months going forward on the progress. We might be able to accelerate the CONRAC process, but there are a lot of decisions to be made largely around engaging with the rental car companies on affordability. We are scheduled to have the Terminal II short list, which is sites within the areas, the black boxes we identified, by the 3rd quarter of this year. Most of the work we have to do on that is about how to get the site ready, whether it is civil work or relocation work, and that is really what the long goal intent is going to wind up being. We must preserve the ability to expand Terminal II to its second phase, whenever that may happen. That may take time, but there has to have a vision that goes with it, while in the middle of all that, looking at affordability and how it all fits into the equation.

Commissioner Glover asked what the overall issue is. She travels and does not like going offsite to rental car facilities. President Kreulen replied the challenge is that MNA built this CONRAC, and we have grown so much bigger today. The rental car companies are asking for more storage, more spaces, and more turn areas. Because we are so much bigger, we have to make it twice as big because we are planning on increasing passenger volume from 35M passengers to 50M passengers. There will need to be 60 - 70 acres dedicated to this new center so that it can handle it. It is not convenient, but Nashville is getting big, and we have to make big decisions on how to handle this volume. Commissioner Glover asked if new rental car companies will be coming. President Kreulen stated we brought in 2 new ones in the last couple of years and there are

probably 4 or 5 others that want to come in here but there is just not space to let them come in. Commissioner Byrd asked if MNAA is doing a financial feasibility study at the same time. President Kreulen replied yes, Landrum & Brown is on the team, and they have been the go-to for the Vision and New Horizon projects. Commissioner Byrd said yes and asked how we pay for it. MNAA only has certain sources of financing and cannot go public – maybe the FAA or the federal government, but basically, we issue bonds, and the bonds have to be serviced. Commissioner Byrd stated when we had 75 people a day coming through here during the pandemic, it was not going well. Things go well and things go bad, you just never know what the future holds, he said. President Kreulen stated a CONRAC will be easier to finance with that CFC than Terminal II, but we will figure both of those out. He took away two homework assignments related to financing for CONRAC and for Terminal II. President Kreulen stated we will review at least every other month and if we get to a fork in the road, we want to make sure the Board understands.

3. Roadway Access Improvements

President Kreulen introduced Ms. Traci Holton, VP, New Horizon, to give an update on the Roadway Access Improvements. Ms. Holton stated the MNAA Discrete Widening project is widening a total 3,400 LF. MNAA completed the first 1,700 LF and are about to start the second phase of 1,700 LF, with completion expected in the middle of May 2024. MNAA has also been working with TDOT on widening Exit 216A, so TDOT requires a feasibility study. That study is complete and will be submitted to TDOT today. The next step will be a Safety & Operations Analysis Report (“SOAR”), which is a requirement of the Federal Highway Administration (“FHWA”) and will be the first one to be done in the State of Tennessee. The completion dates are marked to be determined (“TBD”) because MNAA does not yet have a feel on how that process will go. A call is scheduled with TDOT to talk through that process.

President Kreulen complimented the staff. These are all initiatives MNAA is taking to try to improve the roads; however, MNAA is not in control of a lot of them, like the Donelson Pike acceleration and Exit 216A. Everybody is leaning forward saying good luck. MNAA is doing Federal highway work, TDOT work, and trying to get them approved. This takes time and that is MNAA’s big challenge right now. Vice Chair Sullivan asked who is responsible for paying for the widening. President Kreulen replied MNAA would pay. Commissioner Granbery asked if we are participating

to expediate it. President Kreulen replied we are participating to do all of this because they will not do it on their own. Ms. Holton replied yes, MNAA plans the design and builds it, in accordance with their few requirements such as using a TDOT qualified contractor, and providing a CEI firm and construction administration firm. President Kreulen explained that MNAA is more in control that way.

4. BNA Development Update

President Kreulen provided BNA Development Updates. The Air Freight Demolition is complete, and the Multipurpose Building will move some time down the road. Concourse A design kick off was February 5, 2024. President Kreulen stated that if you imagine driving in from Nashville and you exit 216A, this will be the road bringing you up to the beautiful new terminal. President Kreulen presented a design showing the location of the food court when we build the new Concourse A, and there will be jets loaded on both sides and that is how we ended up adding 16 gates. The Genesco building is being taken down in sections and will be gone later this year. Hilton BNA will celebrate with a Grand Opening on the evening of April 3, 2024. The Commissioners will receive a formal invitation to participate in that event.

5. JWN Development Update (including RFI results/RFP issue)

President Kreulen stated JWN North Development has its first hangar going up and another slab being poured. President Kreulen presented a photograph of the retaining wall and stated there was an issue where we had to tie that wall into the hillside, and we might have overstepped by a few feet over the property line. MNAA's legal team is speaking with the property owner's legal team and trying to get a resolution and easement for that. There are 3 hangars that Contour had to rebuild and in the next 6-8 weeks, Commissioners you will see steel starting to go up on hangar 3.

President Kreulen presented a slide to the Commissioners of the JWN midfield Development Options showing the ramp which was previously used as a lay down yard and now turned it into an aircraft parking location. Staff has been studying how to optimize and use it to take care of some of our waitlist challenges. One option shows box hangars on the outside of 48 ft hangars in the middle and another option shows all box hangars, which can be achieved with a little more

pavement. To build both of these scenarios, we think we have an approximate estimate of costs depending on what we are doing, he said. Staff will run a financial analysis to determine what we need to build. President Kreulen stated if MNAA builds it, the box hanger waitlist is basically cleared, and every one of those will be rented. When we get to the south side, we are looking at a rendering for that and will maybe focus there on some 48" hangar and keep ourselves segregated. Chair Joslin stated the waitlist out there is unbelievable. Commissioner Byrd asked what happened to the airport operator running the FOB out there. President Kreulen asked if he was inquiring about an MNAA employee or Contour. Commissioner Byrd replied Contour. President Kreulen replied he will talk more on that on the next slide. Chair Joslin asked if there is a timetable. President Kreulen asked when he would want it to open, to which Chair Joslin replied, next month. Commissioner Granbery asked how many aircrafts go through these types of hangars now, and if it will take a lot of pressure off. Chair Joslin replied 8-15 per hangar. President Kreulen stated based on the existing waitlist, if you have a big enough airplane to go into a box, and that is where you want to go. There are 31, 42, 48 hangar requests that may go into Contour. MNAA is going to do a financial analysis and an RFP may be issued to get a competitive bid. Chair Joslin stated that taxiway still needs work, and remarked that he was number 11 last week to get out of there.

President Kreulen stated the existing Fixed Based Operator has a contract that goes through the summer of 2027. We have been asking our team to develop a Request for Information ("RFI") and these are the companies that have responded to our RFI: Atlantic, Jet Aviation, Clay Lacy, Revv Aviation, Avflight, Azure, Hawthorne, and Signature. Staff is going to make some changes to an RFP that will go out and this will be our future FBO. We do not want to wait until 2027, award the contract, and then have 2 more years of construction. The goal is to put this RFP out, get a good proposal in, and then allow the winning bidder to build in 2025 and 2026, so that when the other FBO expires MNAA already has a new facility up and running. There are several things that MNAA asked for feedback on in the RFI and now we need to finalize the RFP and determine what we are going to put on the street to make sure staff is in line with the Board. Chair Joslin asked if Wilson Air was sent the RFI. President Kreulen stated he believes they were on the list, but will verify.

President Kreulen showed the last slide, which depicted where the new Donelson Pike will be located and all the land that has to be graded so a new Air Freight Building can be built. This is part of what Mr. Martin is looking at for the Terminal II and CONRAC sites.

President Kreulen concluded the presentation of the informational items.

VI. ADJOURN

There being no further business brought before the Operations Committee, Chair Joslin adjourned the meeting at 10:04 a.m.

Andrew W. Byrd, Board Secretary

STAFF ANALYSIS

Operations Committee

Date: March 13, 2024
Facility: Nashville International Airport
Subject: Donelson Pike Early Completion Incentive

I. Recommendation

Staff requests that the Operations Committee recommend to the Board of Commissioners that it:

- 1) authorize the President and CEO to execute an agreement with Tennessee Department of Transportation for an early completion incentive to Superior Construction Company Southeast, LLC. at a not to exceed amount of \$6,000,000.

II. Analysis

A. **Background – Non-Participating Work and Cost**

BNA has seen an average of ten percent year-over-year growth for the last ten years and the current roadway system cannot handle the volume at peak hours. MNAA has developed the Terminal Access Roadway Improvement (TARI) project to expand the airport's loop road and ingress/egress at BNA to meet the traffic demand. However, the TARI project cannot be completed in its entirety until Donelson Pike is fully relocated, which was delayed over 2 years due to the Colonial Pipeline strike. The current contract completion date for the relocation of Donelson Pike is May 31, 2026. At MNAA's request the Tennessee Department of Transportation (TDOT) is negotiating with Superior Construction Company Southeast, LLC. (Superior) to develop an incentive package to complete the construction of Donelson Pike sooner.

TDOT and MNAA negotiated with Superior and developed the early incentive package as follows:

- Modify the TDOT Phase 3A construction completion date from May 31, 2026 to May 31, 2025. The estimated Donelson Pike switchover date would be April 15, 2025, which would allow the airport to start the MNAA road project approximately 411 days earlier.
- MNAA would pay Superior through TDOT's contract acceleration payments of \$300,000 per month beginning in August 2024 through May 2025 for a maximum amount of \$3,000,000.
- If work is completed by May 31, 2025, the contractor would receive a bonus of \$3,000,000.
- If the work is not completed by May 31, 2025, the bonus would be reduced by \$66,000 per day until the amount of early acceleration and bonus is exhausted (\$6,000,000).
- By July 16, 2025, no additional bonus is available, and the contractor would return \$66,000 per day of the early acceleration payment until completion or until early acceleration funds are returned.

- By August 30, 2025 (91 days after May 31, 2025) the MNAA would have recovered the early acceleration payment (\$3,000,000).
- The liquidated damages specified in TDOT's contract for Phase 3A would begin August 30, 2025, instead of May 31, 2026 as specified in the existing contract.
- Superior will be authorized to borrow 200,000 CY of fill material from MNAA's stockpile sites to expedite the construction and would replace the fill material after the completion of the Donelson Pike project.

B. Impact/Findings

Early Incentive and Early Bonus Amount: \$6,000,000 NTE
Allow Superior to Borrow Fill Material: 200,000 CY NTE
Funding Source: MNAA

C. Strategic Priorities

- Invest in BNA
- Plan for the Future

D. Options/Alternatives

Do Nothing: The "Do Nothing" option will prevent the start of the TDOT project and subsequently the TARI project.

STAFF ANALYSIS

Operations Committee

Date: March 13, 2024
Facility: Nashville International Airport (BNA)
Subject: Construction Contract for BNA Parking Lot Modifications
Project No. 2460F

I. Recommendation

Staff requests that the Operations Committee recommend to the Board of Commissioners that it:

- 1) Accept the bid by BC Mason for BNA Parking Lot Modifications, and
- 2) authorize the Chair and President and CEO to execute the proposed contract for the amount contained herein.

II. Analysis

A. Background

In 2023, the Metropolitan Nashville Airport Authority (MNA) contracted Ricondo & Associates, MNA's on-call airport planning consultant, to study parking supply and demand at BNA and provide recommendations for improvements. Their findings included the recommendation to enhance BNA's existing parking lots to increase capacity. MNA contracted with Atkins-Realis, the on-call landside civil engineering consultant, to analyze Lot A, the Discrete Valet Storage Lot, and the Employee Lot for opportunities to increase the number of marked parking spaces without changing the size of the lot. Atkins-Realis prepared construction documents including pavement repairs, and reconfiguration of selected islands and pavement markings in the three lots.

An Invitation to Bid ("ITB") was advertised on December 11, 2023, and consisted of a base bid and an additive alternate. The base bid scope consists of island removals, pavement markings, and safety and maintenance of traffic to increase the number of spaces in each parking lot. The additive alternate scope consists of lighting modifications in the Discrete Valet Storage Lot.

On January 24, 2024, two (2) bids were received. Below is a tabulation of those bids:

Contractor	Base Bid	Add Alt 1	Total
BC Mason Group, LLC	\$1,701,343.18	\$65,000.00	\$1,766,343.18
Sessions Paving Co.	\$1,989,278.00	\$199,278.00	2,188,528.00

The SMWBE participation level established for the project is 11.65% MBE and 1.96% WBE. BC Mason Group, LLC committed to 12.42% MBE and 2.12% WBE. BC Mason, LCC committed to meeting the SMWBE participation level utilizing Athena Engineering & Environmental, EverReady Transportation, and Etchmark.

BC Mason Group, LLC's Bid is 12% lower than the Engineer of Record's (Atkins) opinion of probable construction cost of \$2,007,150.00 for Based Bid and Add Alternate 1, and 19.3% lower than the high bidder, Sessions Paving Inc.

The Metropolitan Nashville Airport Authority (MNA) and Engineer of Record, Atkins, have evaluated the bids and determined the bid from BC Mason Group, LLC to be responsive and responsible and recommend award to BC Mason Group, LLC.

B. Impact/Findings

MNA SMWBE Level: 11.65% MBE and 1.96% WBE
Contractor SMWBE Level: 12.42% MBE and 2.12% WBE
Anticipated Contract Start Date: March 2024
Duration of Contract: 45 Calendar Days
Contract Completion Date: September 2024
Contract Cost: \$1,766,343.18
Funding Source: 100% Authority Funded

C. Strategic Priorities

- Invest in BNA
- Plan for the future

D. Options/Alternatives

Do Nothing: The "Do Nothing" option will result in no improvements to parking lots at BNA, less parking revenue collection, and insufficient parking supply for customers and employees.

STAFF ANALYSIS Operations Committee

Date: March 13, 2024
Facility: Nashville International Airport
Subject: Concourse D Extension Concessions Node Art Finalist

I. Recommendation

Staff requests the Operations Committee recommend to the Board of Commissioners that it:

- 1) Accept the recommendation of the Arts at the Airport (AaA) Foundation Board public art selection committee and Doug Kreulen, to commission Benjamin Ball to create the work titled, ***Woven Embrace***, to be suspended in the new Concourse D Extension Concessions Node.
- 2) Authorize the Chair and President & CEO to execute the 1% Public Art Contract.

II. Analysis

A. **Background**

In August 2023, through a Request for Qualifications (RFQ), the AaA Foundation Board began the process to commission a public art project for the Concourse D extension concessions node. The RFQ was advertised through Nashville Metro Arts Commission, Tennessee Arts Commission, and an international web-based program, CodaWorx, targeted to public artists. AaA received 115 applications. Through a panel member process of three rounds of scoring, three artists teams were invited to submit proposals. Artists were invited to a site visit at BNA where they met with the BNA construction team and toured the construction site.

Artist candidates presented their concepts to the eight-member AaA selection committee on October 23, 2023. The committee selected two top finalists, Donald Lipski and Benjamin Ball. On February 9, 2024, the finalists presented their concepts to the AaA selection committee, and both were scored based on (1) experience with projects of this scale, (2) setting and complexity, (3) resources available for completing the project and quality, and creativity, and (4) strength of work submitted. After careful review and consideration, the AaA selection committee voted unanimously to recommended Benjamin Ball's *Woven embrace* and MNAA President and CEO, Doug Kreulen agreed and accepted the selection committee's recommendation.

Benjamin Ball grew up in Colorado and Iowa where his mother's involvement in theatre proved influential. While studying for his degree at the Southern California Institute of Architecture, Ball logged stints at Gehry Partners and Shirdel Zago Kipnis. Upon graduation, he sought work as a set and production designer for films (including the Matrix series) as well as music videos and commercials with such influential directors as Mark Romanek and Tony Scott. His 20 year experience ranges from work on the Disney Concert Hall and small residential commissions for

boutique firms to complex medical structures and event design. In his current collaboration with Gaston Nogues, Ball is exploring the intersection of architecture, art and product design through physical modeling and the use of digital and more traditional forms of production. You can also find his work in Los Angeles International Airport (LAX), San Diego International Airport (SAN) and Nashville’s Music City Center.

B. Project Description

The Project guidelines call for a permanent public artwork integrated into and suspended in the Concourse D Extension. The Project requires the art piece to be impactful, iconic, and memorable for passengers and employees of BNA.

- **Woven Embrace**, an abstract, contemporary artwork invites viewers to take a journey of introspection and connection with fellow travelers. We’re reminded of the importance of welcoming our differences. Its yarns wrap around the people below it, and each traveler is reflected in the threads of the tapestry, and each is bound to their neighbor, person to person, one knot at a time.
- The artwork’s arching shape with metal-mirrored spheres is an ode to Newton’s cradle – a device that demonstrates the conservation of momentum.
- The crisscrossing footpaths of the structure represents the diverse journeys and shared experiences of individuals of all walks of life who we encounter on our passage through BNA.
- In summary, the design of the artwork is to be beautiful, inspirational, and meditative. It will recognize and celebrate BNA’s distinct identity. It will be a captivating, courageous, and spectacularly poetic gesture that can offer a quiet moment of grace, a moment of reflection and recognition for those who are beginning a journey or those who are coming back home.

C. Impact/Findings

Contract Cost:	\$500,000
Anticipated Contract Start Date:	March/April 2024
Installation:	Starting June 2025 (pending construction timeline)
Duration of Contract:	12 months
Contract Completion Date:	Winter 2025 (Early 2025)
Funding Sources:	100% MNAA
MNAA SMWBE Participation Level:	Project will be Race and Gender neutral and 0% goal

D. Strategic Priorities

- Invest in BNA

E. Options/Alternatives

Do Nothing: The “Do Nothing” option prevents MNAA from finalizing the Concourse D Extension art project utilizing the designated 1% public art funds. The MNAA Board can elect not to approve the artist recommendation of the AaA Foundation Board Selection Committee and request that the Board restart the RFQ and selection process.