

# Agenda of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees



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Date/Time: Wednesday, April 10, 2024, at 9:20 a.m.

Place: Nashville International Airport – Tennessee Board Room

Finance Committee Members: Andrew Byrd, Committee Chair  
Dr. Glenda Glover, Vice Chair  
Jimmy Granbery

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I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is April 8, 2024 at 9 p.m.

III. APPROVAL OF MINUTES

March 13, 2024 Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. FY25 BNA O&M Budget, MNAA Resolution #2024-04
2. FY25 BNA CIP Budget, MNAA Resolution #2024-05
3. FY25 JWN O&M Budget, MNAA Resolution #2024-06
4. FY25 JWN CIP Budget, MNAA Resolution #2024-07
5. FY25 MPC O&M Budget, MPC Resolution #2024-01
6. FY25 MPC CIP Budget, MPC Resolution #2024-02

VI. INFORMATION ITEMS

1. None

VII. ADJOURN

# Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees



Date: March 13, 2024

Location: Metropolitan Nashville Airport Authority  
Tennessee Boardroom

Time: 9:33 a.m.

Committee Members Present:

Andrew Byrd, Committee Chair; Glenda Glover,  
Committee Vice Chair, Jimmy Granbery

Committee Members Absent:

None

Others Board Members Present:

Joycelyn Stevenson, Bobby Joslin, and Nancy Sullivan

MNAA Staff & Guests Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman  
Marge Basrai, Chris Davidson, Kristen Deuben, Adam Floyd,  
Traci Holton, Ijeoma Ike, Eric Johnson, Carrie Logan, Rachel  
Moore, Stacey Nickens, Josh Powell, Robert Ramsey, and  
Davita Taylor

## 1. CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development (Finance) Committees to order at 9:33 a.m. pursuant to Public Notice dated March 8, 2024.

## 2. PUBLIC COMMENTS

Chair Byrd stated there were no public comment requests received.

## 3. APPROVAL OF MINUTES

Chair Byrd asked for a motion to approve the February 14, 2024 Minutes of the Joint Meeting of the MNAA & MPC Finance, Diversity & Workforce Development (“Finance”) Committees. Commissioner Granbery made a motion and Vice Chair Glover seconded the motion. Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Granbery – Yes

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

4. CHAIR'S REPORT

Chair Byrd had no Chair's report.

5. ITEMS FOR APPROVAL

1. FY24 BNA O&M Budget Amendment, MNAA Resolution #2024-01

President Kreulen introduced Ms. Marge Basrai, EVP, Chief Financial Officer, to brief the Commissioners on the amended budget and resolutions. Ms. Basrai presented the FY24 BNA Passenger chart that is provided every month at the Board meetings. Ms. Basrai stated when the FY24 budget was brought to the Board for approval in April 2023, it was based on 21.9M passengers, but by June 2023, total passengers were already pretty close to that number. We knew we were not going to grow 0% in FY24, so we revised our passenger forecast to a moderate, strategic and aggressive forecast of 7%, 11% and 15% increase. MNAA chose the moderate forecast of 7% for our new passenger forecast for FY24, which was 23.48M passengers. To date we are averaging about 8% growth over the prior year, which is close to the 7% that we are using in the budget. Right now, our current year-end projection using an 8% growth for the remainder of fiscal year, is 23.6M to 23.8M passengers. Even though we updated this passenger forecast in July we never made any budget changes to our financial numbers. We usually wait until mid-year to see how passenger traffic is going and how our budget to actuals is tracking.

Ms. Basrai stated MNAA is adjusting the BNA O&M budget based on the new passenger forecast and a few other things that have happened. MNAA ran all of those proposed amendments through our rates and charges model to update the metrics that we follow when we do these budgets. Ms. Basrai presented a table with these metrics, showing where they were at the original budget in April 2023, and the highlighting what the new amended BNA budget metrics will be. The first metric, Debt Service Coverage, is how many times the airport can pay its annual debt service using the net revenues generated. The Minimum Debt service Coverage the Board approved in the Debt Management Policy is 1.5X for our senior lien debt; and 1.25X for our senior/subordinate lien debt combined. Our Debt Service Coverage has actually gone up from our previous budget. For the senior lien debt is 11.18X and senior/subordinate combined is 6.95X. The Landing Fee will go up from \$2.88

to \$3.13 annually over the year, because we did add some costs to the airline costs centers that resulted in an increase in Landing Fees. Cost per Enplanement will go up slightly from \$8.95 to \$9.05.

Ms. Basrai stated the O&M Budget adjustments will increase Operating Revenue by \$13.5M. Two main categories of Operating Revenue are Non-Airline Revenue and Signatory Airline Revenue. In the first category, Non-Airline Revenue, MNAA is increasing concessions by \$4.5M which includes food and retail, transportation network companies (“TNC”) and rental cars. The majority of that is due to higher enplanements, however, in June 2023 MNAA did an amendment to the Fraport agreement which gave us an additional 10% of the rent that Fraport receives. MNAA is increasing space rent by \$1.6M for additional concessions storage space that is being rented, and increasing Non-signatory landing fees by \$1.6M for the snow event in January, virtual ramp tower construction that the airlines requested and are agreeing to pay for, and increase in landed weights from non-signatory airlines. Ms. Basrai stated the Signatory Airline Revenue is increasing by \$5.8M due to increased landing fee from the snow event, virtual ramp tower and increase in landed weights from signatory airlines.

Ms. Basrai stated the Operating Expenses increased \$7.6M. Contractual services increased \$5.7M, including snow removal services, which increased by \$2.1M, parking lot operations increased \$1.3M due to more demand and higher valet labor costs, and the concessions contract with Paslay increased \$1M with a plan to in-source that group again and waiting for CRO to start at MNAA to hire his own staff. Initially, only 6 months were budgeted for that contract. Other expenses increased \$1.3M which included additional security, several studies, homeless mitigation, and restriping of roads.

Ms. Basrai reported Materials and Supplies increased \$1.6M for the snow removal supplies incurred in January, new tasers, and budget reclass of gas/diesel from other operating expenses to materials and supplies. MNAA is making some corrections and based on how things are actually reported in the financial statements, we are moving the budget so it mirrors the financial statements. Other Operating Expenses increased \$378K with additional travel/training, additional expenses for conference sponsorships and another reclass of intercompany revenue/expense and gas/diesel. The Net Non-Operating Revenue/Expense decreased \$347K which is the reclass of the intercompany revenue/expenses. Ms. Basrai presented a summary slide of all the adjusted budgets showing all the changes together - Total Operating Revenue \$295.8M; Total Operating Expense \$173.5M; Net Income before Depreciation and Grants \$139M.

Ms. Basrai requested the Finance Committee recommend to the Board of Commissioners that it approve the proposed amended FY24 BNA operating budget and authorize the Chair, President and CEO to execute MNAA Resolution No. 2024-01.

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

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Granbery – Yes

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

Vice Chair Granbery congratulated Ms. Basrai.

2. FY24 BNA CIP Budget Amendment, MNAA Resolution #2024-02

Ms. Basrai presented a slide showing the FY24 BNA CIP Budget Amendment additions and reductions. The original budget was \$188.5M, and the amended budget is \$155M with overall reduction of \$33.5M. Additions to the FY24 CIP Budget include: Concourse A (Design) \$20M, increase in additional design cost to match contract; Virtual Ramp Control Tower \$14.3M, new project with the landing fee increase passed onto the airlines to start covering that contract; and Reconstruction Bravo/Kilo Intersection \$3.4M added cost due to bids; and Restriping Discrete/Lot A/Employee Lot \$2.1M, new project that Mr. Ramsey presented in the Operations Committee Meeting. Ms. Basrai reported the top reductions items include: Apron Dual Taxilanes for T1 and T2 - \$70M, did a study and it is not needed at this time, so prioritizing another project for FY25; and Parking Study/Bridging Documents -\$8M reducing and modifying the scope, as new public parking garage will not be needed as quickly as initially thought.

Chair Byrd asked Ms. Basrai to briefly discuss Apron dual taxilanes so the Commissioners can understand the scope of that change. President Kreulen replied the Ms. Basrai, Chair Byrd and he had a review yesterday and discussed this issue to make sure Commissioners are familiar. To get out of the North ramp, there are two taxiways, T1 and T2, and we believed we were going to need to widen those sooner rather than later to get larger aircraft off those two taxiways. After meeting with the airlines, Southwest and other airlines asked MNAA to build a central ramp that allows them to do

Remain Over Night (“RON”) parking or do deicing in that area. MNAA thinks in terms of priorities the dual lane taxiway shifted down, and as Ms. Basrai stated we plan to put in \$150M for the central ramp to do a better job of handling unannounced planes that spend the night or deice during winter weather. MNAA thinks this is the right decision at this time.

Commissioner Granbury asked about Concourse A design, schedule, and how the fill on the Concourse A ramp is settling. Mr. Ramsey reported that settlement had consolidated faster than anticipated but it is slowing down at this point, and estimates it is a month or two faster than previously predicted. Commissioner Granbery thanked Mr. Ramsey.

Ms. Basrai presented a summary of the FY24 BNA Amended Capital Improvement Budget and 4-year Capital Improvements Plan and noted the only change is in the FY24 CIP total which is now \$155M bringing the total 5-year CIP to \$1.6B.

Mr. Basrai requested the Finance Committee recommend to the Board of Commissioners that it approve the proposed amended FY24-FY28 BNA Capital Improvement Plan and approve the amended FY24 BNA Capital Improvement Budget and authorize MNAA to accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the Chair, President and CEO to execute MNAA Resolution No. 2024-02.

Chair Byrd asked Ms. Basrai to briefly talk about FY25 CIP and the \$881M planned for terminal and landside. Ms. Basrai replied as of now FY25 is Concourse A construction. Chair Byrd replied thank you.

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

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Granbery – Yes

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

3. FY24 JWN O&M Budget Amendment, MNAA Resolution #2024-03

Ms. Basrai presented the Amendment for FY24 JWN O&M Budget. Operating Revenue increased \$420K due to execution of three North Development leases (5 parcels) after the budget was approved. Operating Expenses increased by \$154K, due to salaries and benefits increased \$13K for overtime for the January snow event; Contractual Services increased \$110K for Taxiway Bravo, the 2<sup>nd</sup> FBO studies, and equipment (tractor)/hangar repairs; and Materials & Supplies increased \$31K for snow removal supplies for the snow event and \$21K for new administrative maintenance building set-up. Ms. Basrai presented a summary of the adjusted budget for FY24 JWN O&M Budget. Total Operating Revenue is \$2.8M and Total Operating Expenses are \$2.5M with net income before depreciation and grants and transfers \$423K.

Ms. Basrai requested the Finance Committee recommend to the Board of Commissioners that it approve the proposed amended FY24 JWN operating budget and authorize the Chair, President and CEO to execute MNAA Resolution No. 2024-03.

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

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Granbery – Yes

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

6. INFORMATION ITEMS

1. None.

7. ADJOURN

There being no further business brought before the Finance Committee, Chair Byrd adjourned the meeting at 9:51 a.m.

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Andrew W. Byrd, Board Secretary

## STAFF ANALYSIS

### Finance Committee

Date: April 10, 2024  
Facility: Nashville International Airport (BNA)  
Subject: MNAA Resolution 2024-04  
FY25 BNA Operating Budget

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#### I. Recommendation

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

- 1) approve the proposed operating budget for Nashville International Airport (BNA) for fiscal year 2025 (FY25); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2024-04.

#### A. **Background**

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

In December 2023, the MNAA CEO gave the CFO and Finance staff financial goals/requirements for developing the FY25 budget:

- Departments should budget conservatively based on needs.
- Department budgets should not require the usage of contingency funds.
- Make our debt service payments.
- Meet Board required debt service coverage and days cash on hand.
- Maintain our credit ratings to ensure future bond issuances.
- Minimize financial impact on our business partners.

MNAA uses three enplanement forecasts to monitor growth at BNA: "Moderate Forecast", "Strategic Forecast", and an "Aggressive Forecast". In April 2023, the Board of Commissioners approved the FY24 Operating Budget based on 10,973,500 enplanements which was the "Moderate Forecast" at that time. After the budget was approved, MNAA continued to monitor passenger enplanement levels and compared them against the forecast. Since enplanements were outpacing the forecast by a significant amount, MNAA revised the three FY24 forecasts in July 2023. These new forecasts were incorporated into the amended FY24 O&M budget and approved by the Board in March 2024. For FY25, the new "Moderate/Strategic/Aggressive Forecasts" were based on 5%/7%/9% growth from the FY24 forecasted enplanements.



The amended enplanement forecasts for FY24 and the forecasts for FY25 are shown in the table below:

	Amended	
	FY24	FY25
Moderate Forecast	11,743,700	12,376,000
Strategic Forecast	12,182,400	12,611,000
Aggressive Forecast	12,621,500	12,847,000

MNAA management determined that the “Moderate Forecast”, which estimates enplanements at approximately 12,376,000, would be the basis for the FY25 Operating Budget. The “Moderate Forecast” enplanement forecast was then compared to the Financial Feasibility Model to determine the financial goals for which the FY25 budget would be based upon.

Additionally, Finance evaluated the use of the relief fund grants (CARES/CRRSSA/ARPA) – a total of \$6,554,722 of ARPA funds is projected to be remaining at the end of FY24. This has been programmed for FY25, all applied to debt service. The application of these funds was incorporated into the new FY25 financial rate model projections shown below:

**Nashville International Airport  
Revenue and Expenses (Rate Model Based)  
For the year ending June 30, 2025**

	<b>FY25 12.38M Enplanements</b>
<b>Operating Revenues:</b>	
Signatory Airlines	\$ 124,574,985
Parking	113,600,000
Concessions	75,762,636
Space Rental	17,216,749
Other	10,501,013
<b>Total Operating Revenue</b>	<b>341,655,383</b>
<b>Operating Expenses:</b>	
Salaries and Benefits	72,954,464
Contractual Services	94,259,211
Materials and Supplies	9,422,842
Utilities	8,507,889
Other	10,560,224
<b>Total Operating Expenses</b>	<b>195,704,630</b>
<b>Other Rate Model Exp/Rev:</b>	
Total Debt Service - Bonds	101,495,916
Less: Debt paid by Cap Int	(5,818,153)
Less: Debt paid by PFCs	(32,529,365)
Less: Debt paid by Federal Relief Grants	(6,554,722)
Less: Operating Exp paid by Federal Relief Grants	-
Short Term Credit Facility Interest Expense	5,469,942
Operations & Maintenance Fund	8,364,208
Renewal & Replacement Fund	1,250,000
Airline Facility Fund	19,924,125
Authority/Amortization Facility Fund	25,750,200
NAE (Airline Incentive) Fund	2,000,000
Additional Pension/OPEB Contribution	-
Interest Income Transferred to Revenue Fund	(24,164,600)
Less: Budgeted Exp Excluded from Rate Model	(2,454,190)
Other Non Budgeted Rev Included in Rate Model	(3,257,327)
<b>Total Net Other Expenses</b>	<b>89,476,034</b>
<b>Net Income (Deposit to NAE)</b>	<b>\$ 56,474,719</b>

The application of \$6.6M in ARPA funds to debt service in FY25 is shown above in the “Other Rate Model Exp/Rev” section as a reduction. Based on these financial projections, MNAA will not need to access any of its reserves in FY25.

Using this forecast, the GAAP (Generally Accepted Accounting Principles) based O&M budget for FY25 was prepared. The summary is shown below:

BNA Summary (\$000)	AMENDED		
	BUDGET 2024	BUDGET 2025	
Non-Airline Revenue	193,447	217,080	①
Signatory Airline Revenue	102,405	124,575	②
Total Operating Revenue	295,852	341,655	
Operating Expense	(173,515)	(195,705)	③
Net Non-Operating Income	16,683	4,938	④
Income before Depreciation & Grants	139,020	150,888	

① Budgeted non-airline revenue increased by \$23.6M. Largest variances:

- Parking revenue increased \$11.8M due to higher forecasted enplanements and increased rates.
- Concession revenue increased \$10.2M:
  - \$6.6M for Food & Beverage/Retail concessions due to increased passengers and the impact of a full year of new food & retail concessions in the Grand Hall and Satellite Concourse.
  - Rental cars - \$1.2M, TNCs - \$2.4M, and ground transportation - \$14K make up the remaining increase, which is also due to increased passengers.
- Space rent and Other operating revenue increased in total by \$1.6M due to higher non-signatory airline per use fees based on the Airline Use & Lease Agreement (“AULA”), and increased terminal rental rates.

② Budgeted signatory airline revenue increased by \$22.2M:

- As previously approved by the Board, the AULA provides a methodology for charging the airlines rates and charges based on operating expenses, debt service requirements, and capital requirements. Based on the increases in these areas for FY25, the AULA Rate Model calculated the following increases:
  - Terminal rent increased \$8.2M due to an increase in the main terminal rate from \$173.84 to \$186.82 per square foot and an increase in the satellite terminal rate from \$169.49 to \$182.15 per square foot. There was also an increase in both rentable and leased space.
  - Baggage fees increased \$2.6M to cover capital and maintenance costs of the baggage handling system. The majority of the increase is due to increases in both the terminal rental rates allocated to the baggage area and in baggage claim area space.

- Landing fees increased \$11.1M due to a rate increase from \$3.13 to \$3.75 and higher forecasted landed weights.
- Passenger boarding bridges increased \$300k due to adding 4 new bridges.

③ Operating expense increased \$22.2M. Largest variances:

- Total salaries/benefits increased \$15.6M due to: 1) the addition of 22 new positions for FY25, 2) converting 16 contract positions to full time staff, 3) implementation of a cost-of-living adjustment, and 4) corresponding increases to benefits. In addition, at mid-year in FY24, 48 additional positions were added. It was determined that a FY24 mid-year budget adjustment was not needed due to salaries and benefits being under budget from vacancies and the timing of hiring these positions. The full year impact of these additional 48 positions is included in the FY25 budget. All increases are to support airport growth.
- Contractual services increased \$6.4M. Largest variances:
  - Contract services decreased a net \$300K. This was due to the partial year implementation of the Virtual Control Ramp Tower for an increase of \$3.6M for staffing, as well as an increase in passenger boarding bridges and baggage handling system costs of \$1.0M. Offsetting this is a decrease for a one-time expense from FY24 for snow removal (\$2.1M), a decrease in converting IT contract staffing to employees of (\$2.0M) and a decrease in contract concession costs of (\$750k).
  - Shuttle bus services increased \$4.0M due to additional landside routes needed due to the TARI construction, a full year impact of the updated contract rates for landslide, and the full year impact of the electric shuttle bus services to the Satellite Concourse.
  - Janitorial services increased \$1.0M due to contract escalation and the impact of a full year of service in the Grand Hall and the Satellite Concourse.
  - Elevator and escalator maintenance services increased \$1.5M due to increased service levels needed due to expiration of warranties.
- Materials and supplies decreased (\$400K). Largest variances:
  - Minor equipment, radios and uniforms for new and existing employees decreased (\$250K).
  - Janitorial supplies increased \$300k due to an increase in passengers.
  - Various building maintenance supplies increased \$350k to maintain airport facilities.
  - IT Hardware Enhancements increased \$200k to support airport operations.
  - There is a decrease of (\$1M) due to a removal of snow supplies and tasers added during the mid-year budget adjustment.
- Utilities decreased (\$600K). Largest variances:
  - Natural Gas decreased (\$675K) from the prior year budget, moreover, FY25 budget includes estimated increase in rates, but less usage (usage estimated in prior year was too high).

- Water and Sewer increased \$45K due to increases in published rates.
- Trash Removal decreased \$65K due to a reduction of pickups in the new contract.
- Telecommunications and Wireless Services increased \$95K due to costs of maintaining current systems and the increase in the number of employees.
- Other Operating Expenses increased \$1.1M. Largest variances:
  - Special Events increased \$600K due to hosting the Airport Minority Advisory Council conference.
  - Property Insurance increased \$550K due to expected increases in rates.
  - Advertising increased \$350K due to website refresh and terminal advertising.
  - Staff Travel and Training increased \$300K due to increases in the number of employees.
  - Offsetting these is a decrease of (\$700K) for the reclassification of expenses to Net Non-Operating Income.

④ Net Non-Operating Income decreased (\$11.7M). Largest variances are:

- ARPA/CRRSAA relief fund receipts decreased (\$24.8M) due to using the remaining relief grant funds in FY25. Projected use of funds in FY24 - \$31.4M versus projected use in FY25 - \$6.6M.
- Interest income increased \$11M due to higher projected rates compared to the FY24 estimated rates and increases in projected cash balances.
- Passenger Facility Charges and Customer Facility Charges increased \$3.1M and \$3.5M respectively, due to increased enplaned passengers.
- Bond Issuance Costs increased \$3.0M due to expected costs related to a potential issuance of new bonds at the end of FY25.
- Interest expense increased \$2.4M due to anticipating a higher balance/use of the short-term credit facility.
- Inter-Company Expense increased \$900K. \$200K of this was related to the increases in MPC for lease expense and management fee increases and \$700K was related to the reclassification of expense from Other Operating Expense.

**B. Strategic Priorities**

- Invest in MNA
- Plan for the Future
- Prepare for the Unexpected

**C. Options/Alternatives**

Revise the FY25 operating budget by adding or reducing revenue and expense items.

## MNAA RESOLUTION NO. 2024-04

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.**

WHEREAS, the President has submitted, for Board approval, the Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the Nashville International Airport for fiscal year 2025.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.

# STAFF ANALYSIS

## Finance Committee

Date: April 10, 2024

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2024-05  
 FY25 BNA Capital Improvements Budget and FY25-29 BNA Capital Improvements Plan

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### I. Recommendation

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

- 1) approve the proposed FY25-29 BNA Capital Improvements Plan; and
- 2) approve the proposed FY25 BNA Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2024-05.

### II. Analysis

#### A. Background

Staff annually presents a five-year capital improvements plan and the forthcoming year capital improvements budget for approval by the Board of Commissioners.

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.3, a capital improvements budget shall be prepared annually for a 5-year period and submitted to the Board at least 60 days prior to the beginning of the Authority’s fiscal year.

The proposed Capital Improvements Plan for FY25-29 is summarized below:

BNA Summary:	2025	2026	2027	2028	2029	TOTAL
Terminal & Landside	1,018,940,000	191,220,000	57,520,000	395,420,000	500,000	1,663,600,000
Vehicles & Equipment	4,399,000	4,482,938	2,139,650	2,164,750	1,645,000	14,831,338
Airside Improvements	244,130,000	55,450,000	85,100,000	68,000,000	18,000,000	470,680,000
AULA - Airport Reliever Contribution	515,000	530,450	546,364	562,754	579,637	2,734,205
<b>Total</b>	<b>1,267,984,000</b>	<b>251,683,388</b>	<b>145,306,014</b>	<b>466,147,504</b>	<b>20,724,637</b>	<b>2,151,845,543</b>

<b>Funding Allocations:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
MNAA Authority	\$ 25,230,200	\$ 50,443,951	\$ 6,726,294	\$ 2,729,814	\$ 2,491,047	\$ 87,621,306
MNAA Amortization Fund	\$ 520,000	\$ 1,000,000	\$ 1,000,000	\$ 600,000	\$ -	\$ 3,120,000
MNAA Airline Fund	\$ 14,554,800	\$ 8,574,437	\$ 5,225,070	\$ 6,222,940	\$ 3,233,590	\$ 37,810,837
Federal (Entitlement)	\$ 3,670,000	\$ 3,930,500	\$ 4,470,500	\$ 4,795,000	\$ -	\$ 16,866,000
Federal (Discretionary)	\$ -	\$ 10,125,000	\$ 10,529,500	\$ 17,705,000	\$ -	\$ 38,359,500
Federal (BIL)	\$ 68,247,562	\$ 7,319,500	\$ 10,559,376	\$ -	\$ -	\$ 86,126,438
Bond Funded	\$ 1,145,276,438	\$ 152,125,000	\$ 106,240,624	\$ 433,500,000	\$ 15,000,000	\$ 1,852,142,062
Customer Facility Charges	\$ 10,000,000	\$ 18,000,000	\$ -	\$ -	\$ -	\$ 28,000,000
Other	\$ 485,000	\$ 165,000	\$ 554,650	\$ 594,750	\$ -	\$ 1,799,400
<b>Total</b>	<b>\$ 1,267,984,000</b>	<b>\$ 251,683,388</b>	<b>\$ 145,306,014</b>	<b>\$ 466,147,504</b>	<b>\$ 20,724,637</b>	<b>\$ 2,151,845,543</b>

The FY25 Capital Improvements Budget includes the following major projects: 1) Concourse A Expansion - \$798.5M; 2) TARI Phase II & Phase III - \$166.5M; 3) Central Apron Parking Expansion Phase 1 - \$154.3M.

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY25, and their anticipated funding sources, are shown in the attached Capital Improvements Plan. The projects, costs, and anticipated funding sources for FY26-29 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

#### **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

#### **C. Options/Alternatives**

Revise the FY25 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

**Attachment:** FY2025-2029 BNA Capital Improvements Plan



## MNAA RESOLUTION NO. 2024-05

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEARS 2025 TO 2029, THE CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL 2025 AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for Nashville International Airport for five fiscal years beginning July 1, 2024, and ending June 30, 2029, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the attached FY25 - FY29 Capital Improvements Plan and FY25 Capital Improvements Budget for fiscal year July 1, 2024 through June 30, 2025 for Nashville International Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the Nashville International Airport.

Section 2. That the Board of Commissioners authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for state funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.

BNA Capital Improvements Plan  
Fiscal Years 2025 - 2029  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2025 Projects</u></b>											
Concourse A Expansion	798,500,000										798,500,000
TARI Phase II & Phase III	166,500,000			68,247,562							98,252,438
2nd Terminal (Environmental, Programming and Preliminary Design)	15,000,000					15,000,000					
Deicing Storage Modifications (Design)	2,000,000										2,000,000
Westside Development Engineering Study	500,000					500,000					
Airport Master Plan	7,000,000					3,500,000		3,500,000			
Part 139 RSA/TSA Improvements Phase 2 - TXWY Lima East & Alpha North	15,000,000										15,000,000
Concourse B and C Upgrades - Phase 2 Holdrooms + Holdroom Seating	16,700,000										16,700,000
Snow Equipment Building	10,500,000										10,500,000
Cargo Apron Slab Replacement (Phase 9 of 22)	1,500,000							1,500,000			
Rehabilitate Taxiway S/S6/S7/T4 Intersection (Design + Construction)	9,000,000	3,670,000						5,330,000			
Terminal Apron Lighting Upgrade - B & C Concourses	520,000						520,000				
JWN Match	515,000					515,000					
Airfield Pavement Rehabilitation & Striping - 2R/20L & Associated Taxiways	1,500,000							1,500,000			
CCTV Replacement	400,000					400,000					
Airside Tree Obstruction Removal	250,000							250,000			
DPS Range Improvements	200,000									200,000	
Airside New Wildlife Fencing (FY25-FY28 - \$5M per year)	20,000,000										20,000,000
ACC Modernization	300,000					300,000					
Gassaway Parking Lot Rehab (Phase 1 of 2)	1,000,000					1,000,000					
Gassaway - Update Common Areas	170,000					170,000					
Gassaway - HVAC Upgrades (1st Floor)	150,000					150,000					
SCADA Upgrade & TOC Water Pumps	130,000							130,000			
CONRAC Expansion (Year 1 - Planning & Procurement)	10,000,000								10,000,000		
Central Ramp Expansion	154,250,000										154,250,000
Misc. Building Demolitions ( Enterprise/Aerial Survey Building)	1,000,000					1,000,000					
Terminal Ramp Reconstruction (FY25-FY27 - \$10M per year)	30,000,000										30,000,000
BNA Strategic Material Stockpile Study	400,000					400,000					
Administration Building Reconfiguration	600,000					600,000					
<b><u>Vehicles</u></b>											
2013 Ford Explorer K-9 MEQ 6543 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer K-9 MEQ 6544 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6578 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6589 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6595 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6596 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2017 Chevy Tahoe MEQ 6587 / Replace with Chevy Tahoe	95,000					81,510		13,490			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
MEQ6314 1995 GMC C7H064 TOP KICK DUMP TRUCK (WITH SALT SPREADER)	250,000					214,500		35,500			
Airfield De-Icer (MEQ 6255)	900,000							900,000			
MEQ6527 (Grounds) 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
MX, 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
Maintenance 3/4 Ton Service Body Truck (MEQ 6489)	85,000					72,930		12,070			
Maintenance Box Truck (MEQ 6519)	75,000					64,350		10,650			
2010 FORD WAGON E-350 XL SUPER DUTY (MEQ 6501)	65,000					55,770		9,230			
Maintenance 3/4 Ton Service Body Truck (MEQ 6520)	85,000					72,930		12,070			
MX, replacing 2013 F-150, CREW CAB, 4WD (MEQ 6532)	85,000					72,930		12,070			
MX, replacing 2008 CHEVY SILVERADO 1500, REG CAB, 2WD (MEQ 6494)	65,000					55,770		9,230			
Runway Rubber/Marking Removal Truck	1,100,000							1,100,000			
Environmental Mini-Excavator	185,000					158,730		26,270			
Maintenance Kubota Tractor	180,000					154,440		25,560			
Operations Full Size SUV (Ford Expedition XL) for airside not replacing	75,000							75,000			
Operations Full Size Truck (F150) for landside not replacing	65,000					65,000					
Operations Full Size SUV (Ford Expedition) ADMs not replacing	70,000					60,060		9,940			
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
<b>TOTAL FY 2025 Projects</b>	<b>1,267,984,000</b>	<b>3,670,000</b>	<b>-</b>	<b>68,247,562</b>	<b>-</b>	<b>25,230,200</b>	<b>520,000</b>	<b>14,554,800</b>	<b>10,000,000</b>	<b>485,000</b>	<b>1,145,276,438</b>

BNA Capital Improvements Plan  
Fiscal Years 2025 - 2029  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2026 Projects</u></b>											
New Air Freight Bldg./Multi-purpose Bldg.	125,000,000										125,000,000
Rwy 2L/20R Extension (Design - Year 1)	15,000,000	3,930,500		7,319,500							3,750,000
2nd Terminal (Years 2+3)	40,000,000					40,000,000					
Part 139 RSA/TSA Improvements Phase 3 - Bravo North	20,000,000										20,000,000
Replace Stormwater Pipe (Phase 7 of 9)	2,000,000							2,000,000			
Cargo Apron Slab Replacement (Phase 10 of 22)	1,500,000							1,500,000			
Switch Replacement	520,000					520,000					
PBX Upgrade of CS1000	180,000					180,000					
Data Center Primary & Firewall	800,000					800,000					
IT Infrastructure Deployment	1,500,000					1,500,000					
Cell DAS & Wi-Fi Refresh	750,000					750,000					
Deicing Storage Modifications Phase 1	13,500,000		10,125,000								3,375,000
JWN Match	530,450					530,450					
Airfield Pavement Rehabilitation - 2L/20R & Associated Taxiways	1,500,000							1,500,000			
Taxiway Alpha Seal Coat	1,000,000							1,000,000			
CONRAC Expansion (Year 2 - EA & Design)	18,000,000								18,000,000		
Terminal Apron Lighting Upgrade (Concourse D)	600,000						600,000				
Gassaway Parking Lot Rehab (Phase 2 of 2)	1,000,000					1,000,000					
Pendar X10 - Hazmat & EOD Identification Tool (DPS)	70,000									70,000	
Gassaway - Sewer (Assessment may be needed)	150,000					150,000					
Landside Pavement Rehabilitation - Knapp Blvd (Phase 1 of 3)	1,000,000					1,000,000					
Hydrologic Assessment of Ramp	350,000						350,000				
FIDS / IDS to Amadeus	900,000					900,000					
RIDS	100,000					50,000	50,000				
Amadeus ACUS	250,000					250,000					
ERP Evaluation	200,000					200,000					
HRIS system (Ultipro Replacement)	200,000					200,000					
PCI Study - Airside	600,000							600,000			
<b><u>Vehicles</u></b>											
Airfield Paint Striping Vehicle	475,000							475,000			
Multi-Function Sweeper Replacing Sweeper	1,100,000							1,100,000			
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
DPS - EOD Emergency Response Vehicle	412,938					354,301		58,637			
Skid Steer (ENV) (Cat 289)	110,000					94,380		15,620			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Skid Steer with Attachments (MEQ 6493)	95,000					81,510		13,490			
MEQ6468 (Grounds) 2006 KUBOTA RTV 900	45,000					38,610		6,390			
MEQ6429 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6430 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6315 (Grounds) 1995 GMC C7H064 TOP KICK DUMP TRUCK (NEW DEAL SPREADER)	250,000					214,500		35,500			
MEQ6516 (ADMIN) 2012 FORD EXPLORER	65,000					55,770		9,230			
MEQ6536 (ELTR) 2012 F150	65,000					55,770		9,230			
MEQ6538 (ELEC) F-550 BUCKET TRUCK	180,000					154,440		25,560			
MEQ6542 (AFEL) 2014 CHEVY 3500 WITH CENTER CRANE	95,000					81,510		13,490			
MEQ6550 (BLDGS) 2015 FORD F250	85,000					72,930		12,070			
MEQ6559 (OPS) FORD FLEX AWD	65,000					55,770		9,230			
MEQ6561 (GRDS) 2015 CHEVY 3500 CREW CAB, 4WD	95,000					81,510		13,490			
MEQ6562 (HVAC) 2016 FORD F250, 2WD, SERVICE BODY/LADDER	85,000					72,930		12,070			
<b>TOTAL FY 2026 Projects</b>	<b>251,683,388</b>	<b>3,930,500</b>	<b>10,125,000</b>	<b>7,319,500</b>	<b>-</b>	<b>50,443,951</b>	<b>1,000,000</b>	<b>8,574,437</b>	<b>18,000,000</b>	<b>165,000</b>	<b>152,125,000</b>

BNA Capital Improvements Plan  
Fiscal Years 2025 - 2029  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2027 Projects</u></b>											
Runway 2L Extension Enabling Project: New PMO	11,800,000										11,800,000
Runway 2L Extension Enabling Project: New ARFF Annex (Design + Construction)	20,000,000	4,470,500	10,529,500								5,000,000
Rwy 2L/20R Extension (Design - Year 2)	15,000,000			10,559,376							4,440,624
CONRAC Expansion (Year 3 - Site Prep)	40,000,000										40,000,000
Convert Concourse C gates to Max 10	3,500,000					2,500,000	1,000,000				
Deicing Storage Modifications Phase 2	25,000,000										25,000,000
Replace Stormwater Pipe (Phase 8 of 9)	2,000,000										2,000,000
Cargo Apron Slab Replacement (Phase 11 of 22)	1,500,000										1,500,000
Gassaway - Roof Replacement	1,000,000					1,000,000					
6-inch Diesel Water Pump	100,000					100,000					
JWN Match	546,364					546,364					
Airfield Pavement Rehabilitation - 2C/20C & Associated Taxiways	1,500,000										1,500,000
Landside Pavement Rehabilitation - Knapp Blvd (Phase 2 of 3)	820,000					820,000					
T1/T2 Relocation, TSA Upgrade, and Rehabilitation	20,000,000										20,000,000
PCI Study - Landside	400,000					400,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570					94,430
DPS - Command Vehicle	554,650									554,650	
MEQ6479 (Grounds) 2007 AVS POSI-TRAC RC-100 SKID STEER	125,000					107,250					17,750
MEQ6306 (ENV) 1993 GMC TOP KICK WITH FLAT BED	115,000					98,670					16,330
MEQ6322 (Grounds) 1994 JOHN DEERE 6300 TRACTOR	150,000					128,700					21,300
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220					12,780
MEQ6564 (GRDS) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220					12,780
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220					12,780
MEQ6567 (MOEQ) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220					12,780
MEQ6570 (D&E) 2016 CHEVY EQUINOX, AWD, 4DR	40,000					34,320					5,680
MEQ6586 (OPS) 2017 FORD FLEX, AWD	40,000					34,320					5,680
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000					77,220					12,780
<b>TOTAL FY 2027 Projects</b>	<b>145,306,014</b>	<b>4,470,500</b>	<b>10,529,500</b>	<b>10,559,376</b>	<b>-</b>	<b>6,726,294</b>	<b>1,000,000</b>	<b>5,225,070</b>	<b>-</b>	<b>554,650</b>	<b>106,240,624</b>
<b><u>FY 2028 Projects</u></b>											
Rwy 2L/20R Extension (Construction Phase 1) [Site Prep/Utilities]	30,000,000	4,795,000	17,705,000								7,500,000
Cargo Apron Slab Replacement (Phase 12 of 22)	1,500,000										1,500,000
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000										3,000,000
CONRAC Expansion (Year 4/5 - Construction)	334,000,000										334,000,000
2nd Terminal (Sitework & Design)	60,000,000										60,000,000
Terminal Apron Lighting Replacement (IAF)	600,000						600,000				
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	820,000					820,000					
Terminal Ramp Reconstruction (FY28-FY29 - \$10M per year)	20,000,000										20,000,000
JWN Match	562,754					562,754					
Annual Airfield Pavement Striping Rehabilitation	1,500,000										1,500,000
Taxiway Hotel South, TSA Improvements	12,000,000										12,000,000
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570					94,430
EOD Robot	594,750									594,750	
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000					171,600					28,400
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000					38,610					6,390
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000					38,610					6,390
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000					64,350					10,650
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000					38,610					6,390
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220					12,780
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220					12,780
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000					81,510					13,490
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000					55,770					9,230
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000					77,220					12,780
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000					55,770					9,230
<b>TOTAL FY 2028 Projects</b>	<b>466,147,504</b>	<b>4,795,000</b>	<b>17,705,000</b>	<b>-</b>	<b>-</b>	<b>2,729,814</b>	<b>600,000</b>	<b>6,222,940</b>	<b>-</b>	<b>594,750</b>	<b>433,500,000</b>

BNA Capital Improvements Plan  
Fiscal Years 2025 - 2029  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY2029 Projects</u></b>											
JWN Match	579,637					579,637					
Annual Airfield Pavement Striping Rehabilitation	1,500,000							1,500,000			
Cargo Apron Slab Replacement (Phase 13 of 22)	1,500,000							1,500,000			
Taxiway Alpha/Kilo Reconstruction (Asphalt to Concrete)	15,000,000										15,000,000
Landside Pavement Rehabilitation	500,000					500,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
MEQ6569 (GRDS) 2015 TORO GROUNDMASTER 4110D MOWER	130,000					111,540		18,460			
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000					171,600		28,400			
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000					38,610		6,390			
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000					60,060		9,940			
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000					81,510		13,490			
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000					77,220		12,780			
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000					60,060		9,940			
ACC Full Size SUV (Ford Explorer / Expedition) not replacing	70,000					60,060		9,940			
<b>TOTAL FY 2029 Projects</b>	<b>20,724,637</b>	-	-	-	-	<b>2,491,047</b>	-	<b>3,233,590</b>	-	-	<b>15,000,000</b>
<b>Total 5 Year CIP</b>	<b>2,151,845,543</b>	<b>16,866,000</b>	<b>38,359,500</b>	<b>86,126,438</b>	-	<b>87,621,306</b>	<b>3,120,000</b>	<b>37,810,837</b>	<b>28,000,000</b>	<b>1,799,400</b>	<b>1,852,142,062</b>

## STAFF ANALYSIS

### Finance Committee

Date: April 10, 2024  
 Facility: John C. Tune Airport (JWN)  
 Subject: MNAA Resolution 2024-06  
 FY25 JWN Operating Budget

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#### I. Recommendation

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

- 1) approve the proposed operating budget for John C. Tune Airport (JWN) for fiscal year 2025 (FY25); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2024-06.

#### A. Background

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

The proposed Operating Budget for FY25 is summarized below:

<b>JWN Summary</b>	<b>AMENDED BUDGET 2024</b>	<b>BUDGET 2025</b>	
Operating Revenue	\$ 2,804,000	\$ 3,011,000	①
Operating Expense	(2,457,000)	(2,296,000)	②
Non-Operating Revenue	76,000	178,000	③
Income before Depreciation, Grants, and Transfers from MNAA	\$ 423,000	\$ 893,000	

① Budgeted operating revenue increased \$207,000. Largest variances:

- Land rental and hangar rents increased \$163,000, owing to having a full year of the North Development leases and a rise in hangar rents.
- Flowage Fees increased \$13,000 due to an increase in aviation fuel sales.

- Reimbursable Services increased \$31,000 due to the increase in reimbursable auto and equipment fuel expenses.

② Budgeted operating expense decreased \$161,000. Largest variances:

- Payroll expenses decreased \$30,000 due to a reduction of benefits (\$17k) and the removal of the added overtime to the FY24 mid-year budget adjustment for the January 2024 snow event (\$13k).
- Contractual services decreased \$98,000 due to the removal of one-time expenses for the 2<sup>nd</sup> FBO consultant study/RFP prep (\$64k), taxiway Bravo study (\$27k), unexpected tractor repair (\$13k), and unexpected hangar repairs (\$6k). These decreases were offset by an increase of \$12k for additional mowing for the North Side Development.
- Materials & supplies decreased \$3,000 due to a reduction in building maintenance supplies (\$7k) and machinery & equipment supplies (\$8k) (non-utilization of prior year budgets); and removal of one-time expenses for January 2024 snow removal and new office setup (\$31k). These decreases were offset by an increase of \$34k due to the reclass of expense account categories, and an increase in Gasoline and Diesel costs of \$9k.
- Utilities increased \$9,000 due to expected rate increases.
- Other Operating Expense decreased \$39,000 primarily driven by a decrease in Tune's share of allocable MNAA's administrative expenses (\$10k) and a reclass (\$34k) of expense account categories. These decreases were offset by an increase of (\$5k) in Airport Promotions.

③ Budgeted non-operating revenues increased \$103,000:

- Interest income increased \$103,000 due to increases in cash balances and anticipated above average interest rates.

**B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

**C. Options/Alternatives**

Revise the FY25 Operating Budget by adding or reducing revenue and expense items.

## MNAA RESOLUTION NO. 2024-06

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR JOHN C. TUNE AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.**

WHEREAS, the President has submitted, for Board approval, the Operating Budget for John C. Tune International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the John C. Tune Airport for fiscal year 2025.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.



## STAFF ANALYSIS

### Finance Committee

Date: April 10, 2024  
Facility: John C. Tune Airport (JWN)  
Subject: MNAA Resolution 2024-07  
FY25 JWN Capital Improvements Budget and FY25-29 JWN Capital Improvements Plan

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#### I. Recommendation

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

- 1) approve the proposed FY25-29 JWN Capital Improvements Plan; and
- 2) approve the proposed FY25 JWN Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2024-07.

#### II. Analysis

##### A. Background

Staff annually presents a five-year capital improvements plan and the forthcoming year capital improvements budget for approval by the Board of Commissioners.

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.3, a capital improvements budget shall be prepared annually for a 5-year period and submitted to the Board at least 60 days prior to the beginning of the Authority's fiscal year.

The proposed Capital Improvements Plan for FY25-29 is summarized below:

<b>JWN Summary:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
Terminal & Landside	\$ 930,000	\$ -	\$ -	\$ 6,700,000	\$ -	\$ 7,630,000
Vehicles & Equipment	-	200,000	330,000	40,000	-	570,000
Airside Improvements	-	2,900,000	3,400,000	225,000	2,700,000	9,225,000
<b>Total</b>	<b>\$ 930,000</b>	<b>\$ 3,100,000</b>	<b>\$ 3,730,000</b>	<b>\$ 6,965,000</b>	<b>\$ 2,700,000</b>	<b>\$ 17,425,000</b>

  

<b>Funding Allocations:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
JWN Funding	\$ 930,000	\$ 2,064,000	\$ 1,592,000	\$ 935,000	\$ 2,550,000	\$ 8,071,000
Federal Funds	\$ -	\$ 1,036,000	\$ 2,138,000	\$ 300,000	\$ 150,000	\$ 3,624,000
State Funds	\$ -	\$ -	\$ -	\$ 5,730,000	\$ -	\$ 5,730,000
	<b>\$ 930,000</b>	<b>\$ 3,100,000</b>	<b>\$ 3,730,000</b>	<b>\$ 6,965,000</b>	<b>\$ 2,700,000</b>	<b>\$ 17,425,000</b>

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY25, and the anticipated funding sources, are shown in the attached Capital Improvements Plan.

Federal funds include entitlement and discretionary funds, as well as the Bipartisan Infrastructure Bill (BIL). The BIL funds designated as FY23 (\$292,000) and FY24 (\$294,000), which are programmed for FY26, are based on actual BIL program allocations published by the FAA. The FY25 and FY26 BIL allocations, which are programmed for FY27, are estimated at \$844,000 annually, contingent on the 2025 update to the National Plan of Integrated Airport Systems (NPIAS), in which the JWN classification is expected to change from a Regional to National designation. JWN also anticipates applying for BIL competitive funds for the RADAR system (programmed for FY27). State funds include the State Economic Community Development Fund. If any of the Federal or State funds are not available, Finance will identify other sources of funding, including bond funds, for capital projects.

The specific projects for each year are listed in the attached FY25-29 Capital Improvements Plan, with a total of \$930,000 currently programmed for the FY25 Capital Improvements Budget. The projects and costs shown for FY26-29 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

**B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

**C. Options/Alternatives**

Revise the FY25 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

**Attachment:** FY2025-2029 JWN Capital Improvements Plan

## MNAA RESOLUTION NO. 2024-07

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR JOHN C. TUNE AIRPORT FOR FISCAL YEARS 2025 TO 2029, THE CAPITAL IMPROVEMENTS BUDGET FOR JOHN C. TUNE AIRPORT FOR FISCAL 2025 AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for John C. Tune Airport for five fiscal years beginning July 1, 2024, and ending June 30, 2029, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the attached FY25-FY29 Capital Improvements Plan and FY25 Capital Improvements Budget for fiscal year July 1, 2024 through June 30, 2025 for John C. Tune Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the John C. Tune Airport.

Section 2. That the Board of Commissioners authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for state funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.

JWN Capital Improvements Plan  
Fiscal Years 2025 - 2029  
John C Tune Airport

	Total Project Cost	AIP Entitlement	AIP Entitlement Year	State ECD	BIL (AIG) Entitlement	AIG Allocation Year	BIL (ATP) Competitive	JWN
<b>FY 2025 Projects</b>								
Tune Parking Lot Resurfacing	400,000							400,000
Tune Airport Drive Resurface	530,000							530,000
<b>FY 2025 TOTAL</b>	930,000	-		-	-			930,000
<b>FY 2026 Projects</b>								
Apron Pavement Rehab (Phase 1 of 2; South Area)	2,600,000	450,000	<i>FY24+FY25+FY26</i>		586,000	<i>FY23+FY24</i>		1,564,000
EMAS Rehab	300,000							300,000
Front End Loader (Tractor Replacement)	200,000							200,000
<b>FY 2026 TOTAL</b>	3,100,000	450,000		-	586,000		-	2,064,000
<b>FY 2027 Projects</b>								
Apron Pavement Rehab (Phase 2 of 2; North Area)	1,900,000				1,688,000	<i>FY25+FY26</i>		212,000
RADAR system for JWN ATCT	500,000						450,000	50,000
South Side Apron Development	1,000,000							1,000,000
New 72" Mower	145,000							145,000
Replace JC CX-15 Bush Hog Mower	185,000							185,000
<b>FY 2027 TOTAL</b>	3,730,000	-		-	1,688,000		450,000	1,592,000
<b>FY 2028 Projects</b>								
West Side Access Road and Utilities	6,700,000	300,000	<i>FY27+FY28</i>	5,730,000				670,000
PAPI Light Replacement	225,000							225,000
Scissor Lift (MEQ 7406- 25' working height)	40,000							40,000
<b>FY 2028 TOTAL</b>	6,965,000	300,000		5,730,000	-		-	935,000
<b>FY 2029 Projects</b>								
Runway Pavement Rehabilitation (Mill and Overlay)	2,700,000	150,000	<i>FY29</i>					2,550,000
<b>FY 2029 TOTAL</b>	2,700,000	150,000		-	-		-	2,550,000
<b>JWN TOTAL</b>	17,425,000	900,000		5,730,000	2,274,000		450,000	8,071,000

## STAFF ANALYSIS MPC Finance Committee

Date: April 10, 2024  
 Facility: MNAA Properties Corporation (MPC)  
 Subject: MPC Resolution 2024-01  
 FY25 MPC Operating Budget

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### I. Recommendation

Staff requests that the MPC Finance Committee recommend to the Board of Directors that it:

- 1) approve the proposed operating budget for MNAA Properties Corporation (MPC) for fiscal year 2025 (FY25); and
- 2) authorize the Chair and President & CEO to execute MPC Resolution No. 2024-01.

### II. Analysis

#### A. Background

Pursuant to the Amended & Restated Bylaws of the Board of Directors of MNAA Properties Corporation (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

The proposed operating budget for FY25 is summarized below:

<b>MPC Summary</b>	<b>BUDGET 2024<sup>①</sup></b>	<b>BUDGET 2025</b>	
Operating Revenue	\$ 3,711,000	\$ 5,345,000	②
Operating Expense	(1,681,000)	(1,845,000)	③
Non-Operating Revenue	258,000	516,000	④
Non-Operating Expense	(347,000)	(588,000)	⑤
Income before Depreciation	<u>\$ 1,941,000</u>	<u>\$ 3,428,000</u>	

<b>MPC Budget by Subsidiary/Parent</b>	<b>International Plaza</b>	<b>Multi-Purpose Building</b>	<b>Global Tire</b>	<b>MPC Parent</b>	<b>TOTAL MPC BUDGET 2025</b>
Operating Revenue	\$ 3,185,000	\$ 2,106,000	\$ 54,000	\$ -	\$ 5,345,000
Operating Expense	(1,598,000)	(245,000)	-	(2,000)	(1,845,000)
Non-Operating Revenue	-	-	-	516,000	516,000
Non-Operating Expense	(146,000)	(72,000)	-	(370,000)	(588,000)
Income before Depreciation	\$ 1,441,000	\$ 1,789,000	\$ 54,000	\$ 144,000	\$ 3,428,000

① When the FY24 Operating Budget was presented to the Board for approval in April 2023, Operating Expense was \$2,028,000 and Non-Operating Expense was \$0. Subsequent to Board approval, Finance reclassified \$347,000 of Inter-Company expenses from Operating Expense to the Non-Operating Expense line to better align the budget to how the expenses are reported in the Annual Comprehensive Financial Report.

② Budgeted operating revenue increased by \$1,634,000: based on current lease agreements, the transfer of Air Freight Building tenants to the Multi-Purpose Building in December 2023, and assumption that only 85% of leases that expire in FY25 will renew.

③ Budgeted operating expense increased by \$164,000. Largest variances:

- Total contractual services increased by \$75,000: \$50,000 to work with Real Estate Broker to assist with vacancies, \$21,000 for increases in Maintenance Contracts, and a \$4,000 increase in Security Services.
- Materials and supplies increased by \$8,000 due to an increase in janitorial and HVAC supplies.
- Total utilities increased by \$73,000, to account for an estimated 4% increase in rates, along with more usage from the additional Multi-Purpose Building tenants.
- Other operating expenses increased by \$8,000 due to an increase in MPC's share of anticipated insurance premiums.

④ Interest income increased by \$258,000 due to increases in cash balances and anticipated interest rates.

⑤ Inter-Company expenses increased by \$241,000 due to increases in lease payments and increased management fees as a result of additional revenue from Air Freight tenants moving to the Multi-Purpose Building.

## **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

## **C. Options/Alternatives**

Revise the FY25 Operating Budget by increasing or decreasing revenue and expense items.

## **MPC RESOLUTION NO. 2024-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE OPERATING BUDGET FOR MPC HOLDINGS, LLC COVERING THE FISCAL YEAR 2025, BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025.**

WHEREAS, the President has submitted, for Board approval, the attached Operating Budget for MPC Holdings, LLC, Nashville, Tennessee, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, pursuant to Article IV, Section 4.3.2 of the Amended and Restated Bylaws of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION AS FOLLOWS:

Section 1. That the Board of Directors hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for MNAA Properties Corporation for fiscal year 2025.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Directors official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.

## STAFF ANALYSIS

### MPC Finance Committee

Date: April 10, 2024  
Facility: MNAA Properties Corporation (MPC)  
Subject: MPC Resolution 2024-02  
FY25 MPC Special Projects Budget and FY25-29 Special Projects Plan

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#### I. Recommendation

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

- 1) approve the proposed FY25-29 MPC Special Projects Plan (FY25-29 Capital Improvements Plan); and
- 2) approve the proposed FY25 MPC Special Projects Budget (FY25 MPC Capital Improvements Budget); and
- 3) authorize MPC to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for Federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of the corporation; and
- 4) authorize the Chair and President and CEO to execute MPC Resolution No. 2024-02.

#### II. Analysis

##### A. **Background**

Staff annually presents a five-year special projects plan (capital improvements plan) and the forthcoming year special projects budget (capital improvements budget) for approval by the Board of Directors.

Pursuant to the Amended & Restated Bylaws of the Board of Directors of MNAA Properties Corporation (Bylaws), Section 4.3.3, a budget for special projects (capital improvements project) shall be prepared and submitted to the Board for approval prior to the closing date of such capital improvements project.



The proposed Special Projects Plan for FY25-29 is summarized below:

MPC Summary:	2025	2026	2027	2028	2029	TOTAL
Total	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000

MNAA is studying the west side of BNA for future development, which may include the International Plaza Building (“IPB”). While no decision has been made on the future of the IPB, the building is occupied by tenants and some projects are needed to ensure the building is safe and in general working order. In 2022, MNAA contracted with outside consultants to perform an appraisal/evaluation of the IPB to assess the value and the major CIP projects needed to keep the building in working condition. Several projects were identified, and most were included in the FY24 Special Projects Budget. The final project from the evaluation is the roof replacement (\$1M), which is programmed for FY25.

All projects are contingent upon the identification and approval of a funding source. The projects programmed for FY25 are shown in the attached Special Projects Plan. There are currently no projects planned for FY26-29. Currently the only identified funding source for the projects on the FY25 Special Projects Plan is IPB’s operating cash account, which is \$11M as of March 14, 2024.

**B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

**C. Options/Alternatives**

Revise the FY25 MPC Special Projects Budget by adding/deleting projects from the proposed capital plan.

**Attachment: FY2025 – 2029 MPC Special Projects Plan**

## MPC RESOLUTION NO. 2024-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE SPECIAL PROJECTS PLAN FOR FISCAL YEARS 2025 TO 2029, THE SPECIAL PROJECTS BUDGET FOR MNAA PROPERTIES CORPORATION FOR FISCAL YEAR 2025, AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Special Projects Plan for MNAA Properties Corporation for five fiscal years beginning July 1, 2024, and ending June 30, 2029, pursuant to Article IV, Section 4.3.3 of the Amended and Restated Bylaws of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MNAA PROPERTIES CORPORATION AS FOLLOWS:

Section 1. That the Board of Directors hereby approves the attached FY25-FY29 Special Projects Plan and FY25 Special Projects Budget for fiscal year July 1, 2024 through June 30, 2025 for the MNAA Properties Corporation, which have been made a part hereof as if copied verbatim herein as the Special Projects Budget for the MNAA Properties Corporation.

Section 2: That the Board of Directors also authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for State funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Directors official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Joycelyn A. Stevenson, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Neale R. Bedrock, EVP, General Counsel & CCO

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 17<sup>th</sup> day of April 2024.

MPC Capital Improvement Plan  
Fiscal Years 2025 - 2029

Project #		Total Project Cost
		<b>FY 2025</b>
PY New	IPB: Roof Replacement	1,000,000
	IPB: Demo LL Café	100,000
<b>FY 2025 Total</b>		1,100,000
		<b>FY 2026</b>
<b>FY 2026 Total</b>		0
		<b>FY 2027</b>
<b>FY 2027 Total</b>		0
		<b>FY 2028</b>
<b>FY 2028 Total</b>		0
		<b>FY 2029</b>
<b>FY 2029 Total</b>		0
<b>MPC TOTAL</b>		<b>\$ 1,100,000</b>