

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



Date: April 10, 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

MNAA Staff & Guests Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman
Marge Basrai, Kristy Bork, Ben Dearman, Chris Davidson,
Kristen Deuben, Adam Floyd, Traci Holton, Ijeoma Ike, Eric
Johnson, Carrie Logan, Carina Lumpkin, Rachel Moore,
Stacey Nickens, Josh Powell, Robert Ramsey, Davita Taylor,
Colleen Von Hoene, and Steve Martin

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 April 8, 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 March 13, 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.

IV. CHAIR'S REPORT

Chair Joslin had no Chair's Report.

V. ITEMS FOR APPROVAL

None.

VI. INFORMATION ITEMS

1. Terminal II Siting Study Update 3 of 8

President Kreulen introduced Steve Martin, Paslay Group, Terminal II Program Manager, to update the Commissioners on the Terminal II Siting Study Update 3 of 8. Mr. Martin stated this is the 3rd update of 8 for the Terminal II Siting and CONRAC shortlist refinement. Mr. Martin stated the most recent update included the Planning Activity Levels ("PAL") 1 and 2, with PAL 1 at 42 Million Annual Passengers ("MAP") in FY39 and PAL 2 at 54 MAP in FY49. For now, we are looking at future horizons for planning facilities and we do look beyond those two levels. We know that the airport can support more traffic than shown on PALs 1 and 2, so when we are looking at the planning we are looking beyond that. Just to remind the Commissioners also, right now the BNA terminal complex is forecast to hit capacity in 2034, which is less than 10 years from now. The planning for something that does take a long time to actually get built is appropriate and probably quite due.

Mr. Martin stated in terms of our approach, the team started with a list of 7 sites for the Terminal II area and the process has been to eliminate sites down to the ones that warrant a deep dive. We are not trying to pick the best site right off the bat; we are trying to get the sites off the list that will not work, while we look at everything else and we will go through that. The last time we met we had made some cuts to the terminal sitings and have not made cuts to the CONRAC sitings. Mr. Martin presented a chart and stated the sites that are marked with Xs are the ones that have been eliminated. The most recent elimination is site 5. Just to recap we eliminated the other sites previously due to efficiency, and whether that is airfield efficiency or roadway efficiency, they all failed generally around this criteria. Site 5 fails mostly because it is between the Dell property, Amazon development, the Metro Industrial Development Board ownership, and the

soccer complex, it is very incumbent. Additionally, it is relatively kind of an island. Additionally, the National Guard site is in between Site 5 and Site 4. We are focused on the blend of Sites 3 and 4 for the site of Terminal II.

Mr. Martin stated Sites 3 and 4 go together and showed the outline of the 88 acres of the National Guard site, which is a limitation on what we can do prior to that lease expiring. We still believe Site 4 is feasible with phasing over time so it leads to the National Guard site eventually and works around it. The other areas that are shown in blue on the chart are utility sites and support the relocated critical infrastructure, including FBOs, cargo, maintenance, and other things. It is not that those sites cannot be developed, but they are not good sites for Terminal II. Some of those sites were also ones that were candidates for the CONRAC.

We explored 7 CONRAC sites which were matrixed with the 2 potential Terminal II Sites. We have gone through a preliminary evaluation, with 8 criteria to evaluate each of the sites. Most of the criteria have to do with customer service, whether it is walking, or bus, or distance involved in getting to the CONRAC site. It is going to be a change to go from a walkable CONRAC to either by bus, foot or train. Mr. Martin showed how some of the sites were eliminated, with running bus routes to both Terminal I site and Terminal II site, whether Terminal II is in Site 3 or 4. Site D is quite a long distance, it is very costly and results in a lot of meandering around runways and other facilities and contributes to greater traffic on the roadway system in general. That site is similar to site A which was also omitted. In Site E, located within Site 4, we concluded that we could not identify a suitable CONRAC site that was compatible with future terminal options at this time. This leaves Sites B1, B3 and C ranking the highest relative to the evaluation criteria and we will do a deeper drive on those 3 sites. Unlike the terminal, we know that the CONRAC can fit in any one of those sites, and it is simply a cost, customer service and access traffic challenges that we have to evaluate. We think we are pretty comfortable that each of the 3 sites offer a great outcome, they will all have different levels of service that we will go through with the Commissioners to make a determination.

Commissioner Glover asked if Site B2 is eliminated. Mr. Martin confirmed that B2 is out and stated the reason is that if you compare it to B1 and B3, it definitely requires a bus to both terminal

sites and it would also be too small. It is confined by the roadway development that is already underway and it would be too small of a facility and would not be expandable. Whereas, if you look at B3, it can site the CONRAC and can be expandable. He noted that almost every CONRAC that has been built in the country, the rental car companies come back after 20 years and say it is too small. The CONRAC needs to be expandable. Commissioner Glover asked why Site C is a consideration. Mr. Martin replied Site C is still a candidate, even though it has limited bus access to the existing terminal and it is a little more challenging. If Terminal II ends up in Site 3, it will be challenging, but we have not made the determination yet that the terminal will be in Site 3. Once we get there and we kind of set that the CONRAC cannot be the tail that wags the dog, we have to get the terminal in the right place and then we will look at the CONRAC. Site C will struggle if we determine that Terminal II should be in Site 4.

Commissioner Glover asked if it has been determined that B1, B3, and C are in that order. Mr. Martin replied as of now, we are not putting in batting order, they are kind of equal and once we do a deeper dive in terms of connectivity costs, travel time, how many level changes passengers have to make and all the journey aspects of it, we will then decide how those 3 rank. For now, there is a clear line between those 3. Commissioner Byrd asked if we owned all of Site 4 or if the National Guard owned part of it. President Kreulen replied MNA owns all of Site 4. MNA owns those 88 acres, but the National Guard leases the space. The National Guard has had it since 1937 to 2045, when their lease will expire. President Kreulen replied he has met with several Generals a couple of times and they would like to move to Smyrna long-term and they are in the process of planning that move. Everything that we are trying to figure out on where the next terminal goes, we can sequence what happens so that is the last piece of land of that area. We will show you at the Board workshop how we will build in increments which will help financially. By 2045, we will have taken all of Site 4 over. Commissioner Granbery stated several others also are located in Site 4. President Kreulen replied yes, inside of Site 4 there are a lot of leases. Everybody that lives in Site 4, minus the National Guard, if they want to stay in Nashville, we can move them in other areas as part of this next 40 year plan. Commissioner Byrd asked if all those people lease. President Kreulen replied yes, from I-40 to Murfreesboro Road to the East of Donelson Pike and Briley Parkway is MNA's 4,600-acre campus. Anyone who is on our property is leasing because it is a Federal requirement that we control what goes on that property. We control the property to protect the airspace and protect the roads. Everybody in our 4,600 acres are leasing from us.

Commissioner Granbery asked regarding the green and blue on the chart, if those are sites that may have potential for something in the future but do not have value right now. Commissioner Granbery stated 2a, 2b, 6 and 7 are eliminated and 2C is left open. If we look at the chart that has the yellow in between sites 3 and 4, then that opens up 2c as a development site. President Kreulen stated we have to ask for permission to do anything related to Runway 13/31. These are the kinds of things we want to discuss with the Commissioners at the Board workshop.

We have to figure out that no matter where you park, you have connectivity between terminals, and how many buses will be eliminated on the roads if we go to a people mover. Commissioner Byrd asked if the ability to walk from T1 to one of the CONRAC locations is going to be possible. President Kreulen replied great question, and depending on how we build the infrastructure, theoretically you may be able to walk over on a walk path from T1, but on TII you may have to catch a shuttle or train. These are the things we would like to discuss with the Commissioners in detail at the workshop. The Commissioners will give us some idea on intent, and we will give you the dollar amount based on intent, and then we will figure out what is the best for the city.

Chair Joslin asked if we will even be looking at Site C because sooner or later you are going to have a 4th parallel runway. Atlanta does not have any cross runways, they are all east and west, and that is a lot of land right there to tie up for CONRAC if you are going to put in a 4th parallel runway. Chair Joslin stated he would be all for shutting down Runway 13/31, which costs us a lot of money to keep the thing operational for very little use. President Kreulen presented the slide that shows the utility sites and pointed to where a 4th parallel runway would be. Based on the drawings, we still have to move the future Harding Place extension. Then Nashville would have 4 parallels very similar to Atlanta. Of course, we do not have the money for this and we do not own all the land for this, but we would not put Site C in a place that would limit building a future parallel runway. With the SPS team, we have seen the models that show air traffic and we probably will not need that 4th parallel until 2050, so we have time to figure these other things out but we want to protect that area. Mr. Martin stated we can fit a CONRAC there but we will need to decide if there is a better use for that area like an FBO or something else because it is kind of waterfront airfield property. The opportunity cost of putting a CONRAC in Site C versus B1 and B3 is part of the

evaluation process. President Kreulen stated that is where the workshops help us. Commissioner Granbery stated it is like the north side of JWN.

Mr. Martin stated we plan to schedule a workshop with the Board of Commissioners. We are at a more challenging decision process; as earlier stated, the evaluation criteria for both projects show fine lines between the top tier sites and the ones that we discarded and now we are really in a decision-making process and competition among the sites which requires a level of dive that we cannot accomplish in 10 minutes. We are targeting some time in May. President Kreulen stated we are not sure what the Commissioner's calendars are like, but Ms. Saxman and himself, will check on dates and poll the Commissioners to schedule a workshop. Mr. Martin stated even with the workshop there is plenty to do in parallel with that. We are on or ahead of schedule versus what we originally planned, so we are in pretty good shape. One of the next big thresholds is getting us down to a shorter list to start doing financial analysis that is one thing that we have done some preliminary work on the CONRAC stuff, but we need to know more about the CONRAC phasing and the relocations that may be required. We want to get down to the point where we have a more limited set of alternatives so we can do that kind of evaluation. We do still need to have backup plans, as we may run into a problem with one of the sites with cost or speed to market. We are pretty much on target but most of what we have to do going forward is a deep dive on the short-listed sites. President Kreulen he comfortable after the last staff meeting that we can visualize years 2024, 2034, 2044, building over time.

Commissioner Granbery stated he was recently in Denver and it seemed like a long way to get to the rental cars, 100% by bus with no walking. He asked if we have some benchmarking data to compare to other big airports - how far it is, is it remotely walkable, etc. Mr. Martin replied Denver is very far away and it is only buses with no train alternatives. Some airports have pretty much a simple train, one that just goes back and forth and roll on and roll off and yes, that is what we will be using for comparison. We have to go through all those moves, if we will have to get to different levels for buses or trains, and if that will involve stairs. We think at least some of the sites we have a shot at some type of direct service, maybe not on the main roadways but directly going back and forth. For instance, on Site B3 we can have a direct separate right of way to and from that site to go back and forth. It may be just beyond the walkable distance at 1,200 – 1,500 feet

but some people may choose to walk. Some airports have some sort of simple train on the campus, or you can walk, and other airports have moving sidewalks. We can build solutions into it. Commissioner Byrd stated obviously everyone here at the table has heard that people are really appreciative that our current CONRAC is walkable and finds that to be a marketing advantage for the city; just being able to walk over there, even if it is a little longer walk. President Kreulen stated that is why Sites B1 or B3 may make more sense if we prioritize that, but the challenge with all the other airports, such as Atlanta and BWI, is that you have to ride a bus a long way to get to the CONRAC. However you can never make more space in front of the airport, so wherever we build the next CONRAC it will be there for 20 to 30 years. We believe we have three good options for the CONRAC. Mr. Martin stated and there is a sequence and challenge to the use of the existing CONRAC while we get one built. Using the existing site is pretty important in traffic management and parking. President Kreulen stated we rent more rental cars at BNA than all of the other rental car facilities in Davidson County, but what that also means is that all those cars are right at the front door. So, you want the curbs for the 50 million passengers we are planning for, not necessarily for the rental cars. It is a give and take on what is the best use of that space, we would love everything to be walkable, but it is a lot of cars that are rented at BNA today, and they tend to clog up our roads because they have to bring them right back to the front door to drop them off.

2. BNA Development Update

President Kreulen updated the Commissioners on BNA Development and provided some photographs of the construction on Concourse D Extension. He showed the steel coming out of the side of the existing Concourse D and where they are getting ready for all the grade beams and departure level decking. They are moving fast and right now we do not see any problems meeting the schedule. Commissioner Byrd asked what a triturator is. President Kreulen stated it is where all the stuff that comes out of restrooms goes.

3. BNA Development Update – New Horizon

President Kreulen presented a chart showing the “Preliminary” New Horizon Program Budget (2022 – 2028). Projects were highlighted and footnoted where the costs were in review, including budget reserves and program contingency. We are not sure about the future Air Freight Building

and Terminal Access Roadway Improvements (TARI) phase 3. Mr. Ramsey and Ms. Traci Holton are getting new estimates for Ms. Basrai to run through our model to make sure we can afford it. This is a draft and we will come back to the Board in May with a clean target for us to shoot for in the New Horizon Program. The New Horizon Program is covering the next 6 year period that follows the BNA Vision.

4. BNA Development Update – Concessions

President Kreulen stated we opened up two new restaurants, Half Moon Empanadas opened on April 3, 2024 and Prince's Hot Chicken opened on April 9, 2024. Both are getting some very positive press and passengers are excited that they are in BNA.

5. JWN Development Update

President Kreulen stated JWN North Development parcels 2/3 and 4/5 have steel going up. Contour has the steel for hangar 3 which should be going up soon. In terms of future development, we are still evaluating the midfield site and preparing the RFP for the 2nd FBO. Once we have this site figured out for a possible future large hangar, then we will be able to execute this RFP and move forward with that. President Kreulen stated both airports are making good progress.

President Kreulen concluded the presentation of the informational items.

VII. ADJOURN

There being no further business brought before the Operations Committee, Chair Joslin adjourned the meeting at 9:32 a.m.



Andrew W. Byrd, Board Secretary