

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



Date: May 15, 2024

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 1:00 p.m.

Board Members Present: Joycelyn Stevenson, Chair; Jimmy Granbery, Vice Chair; Andrew Byrd, Secretary; Nancy Sullivan; and Dr. Glenda Glover

Board Members Absent: Bobby Joslin

MNAA Staff Present: Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman, Marge Basrai, Andy Carpenter, Kristen Deuben, Randy Dorsten, Adam Floyd, Ijeoma Ike, Eric Johnson, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Josh Powell, Robert Ramsey, Davita Taylor, Colleen Von Hoene and Clay Paslay

I. CALL TO ORDER

In accordance with the 3rd Amended and Restated Bylaws of the MNAA Board of Commissioners, Section 2.3, Chair Stevenson called the MNAA Board of Commissioners and MPC Board of Directors Meeting to order at 1:00 p.m., pursuant to Public Notice dated May 10, 2024.

II. PUBLIC COMMENTS

Chair Stevenson stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Stevenson called for a motion to approve the Minutes of the April 17, 2024 Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors. A motion to approve was made by Commissioner Glover and seconded by Commissioner Byrd.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd – Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

Commissioner Glover asked why her name was called last, and Commissioner Sullivan explained the names are called in officer and appointment order.

IV. CHAIR’S REPORT

Chair Stevenson had no Chair’s report.

V. PRESIDENT’S REPORT

President Kreulen congratulated Ms. Stacey Nickens, VP, Communications and Marketing, for being recognized as 2024 Women of Influence on April 24, 2024. There was a big round of applause for Ms. Nickens. President Kreulen stated that the airport is really proud of Ms. Nickens and that she adds a lot to our organization.

President Kreulen reported the Airport Authority had the honor of hosting the 96th Annual AAAE Conference, April 28 through May 1, 2024, with 318 airports attending, including Canada. Nashville broke every AAAE Conference record for the largest number of attendees, airports attending, booths, exhibitors, sponsors and 60 new, first-time exhibitors. MNAA hosted one night at the Grand Ole Opry with Commissioner Sullivan and her husband attending. MNAA had the ribbon cutting and opened the conference and had several great keynote speakers, including Deputy Governor Butch Eley, Sally Jenkins, Tom Costello and Magic Johnson, whose presentation was remarkable. Ms. Jenkins is a sportswriter and has been studying all kinds of successful athletes for many years to see how they train and what makes them special. Tom Costello is an NBC news reporter who covers the aviation industry and led a CEO panel. and Magic Johnson closed the conference. It was a pretty exciting 5 days.

President Kreulen reported that Dr. Glover surprised the 600 Tennessee State University (“TSU”) graduates with a gift of \$50 that was attached to the bottom of their seats at the ceremony. President Kreulen said congratulations to all the students graduating college.

President Kreulen stated BNA is continuing to grow, with the FY24 passenger projection at +8% over FY23, and ending up somewhere just under 24M passengers, at approximately 23.7M passengers. The daily average is 63K, and when you look at what BNA is actually doing on peak

days it is higher than that. This Sunday another new record will be set with close to 90K passengers. Looking at that single day that is about 32.8M passengers moving through. Sunday afternoon will be busy and plans are in place to communicate that to the public and have our traffic team ready to get the people in and out of BNA. Commissioner Glover asked if that is just one afternoon, for an hour or two. President Kreulen stated we currently have 3 or 4 peaks a day. Last Sunday we saw backup between 3:00 – 5:00 pm and we basically have 120 aircraft moving during that period, with 60 arriving and 60 departing. Multiplying that by the 150 passengers on each plane, it is about 18K passengers arriving and departing in that area which tends to overwhelm the roads and curbs at that time. That is another good reason for all of the expansion projects discussed. Commissioner Glover stated it would be good to look up what is happening over the weekend: commencements, both high school and college, as well as preparing for the holiday weekend. President Kreulen replied yes, that is correct.

President Kreulen reported the Committee 30-day Outlook for June will have a full schedule upcoming, with several contracts for approval in the Operations Committee and in the Finance Committee too. President Kreulen stated staff are still working on a couple of these and will tweak as we get closer. The Committee 60-Day Outlook for July will be busy with approvals in both Operations and Finance Committees. The FY24 Strategic Goals will be in July Management Committee and all of the Airport Authority teams will be doing their appraisals in that same period.

VI. ITEMS FOR APPROVAL

1. Construction Contract for MNPDP Hangar at John C. Tune Airport (Operations)

President Kreulen introduced Robert Ramsey, EVP, Chief Development Officer, for approval of the Construction Contract for the Metropolitan Nashville Police Department (“MNPDP”) Hangar at John C. Tune Airport. Mr. Ramsey stated this project consists of the construction of an aircraft hangar and an Invitation to Bid (“ITB”) was advertised on March 18, 2024. Two bids were received on April 18, 2024 from Baron and JE Dunn. The lowest bid was Baron construction for approximately \$10.4M with the anticipated start date of June 2024 and completion date of March 2025.

This was recommended for approval by the Operations Committee by a vote of 3 to 0. Mr. Ramsey noted that this contract is contingent on execution of amendment to the lease

between MNAA & MNPD, which authorizes supplemental rent to reimburse MNAA for design and construction of the hangar.

Mr. Ramsey recommended the Board of Commissioners authorize the Chair and President and CEO to execute the proposed contract with Baron Construction, LLC in the amount of \$10,412,000.

Chair Stevenson noted Commissioner Joslin's absence and asked Commissioner Sullivan if she had any comments. Commissioner Sullivan stated the Operations Committee voted 3-0 to recommend approval by the Board. Commissioner Sullivan made a motion for approval and Secretary Byrd seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Abstained

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 4 to 1.

2. Construction Contract for Cargo Apron Slab Replacement, Phase 8 of 22 (Operations)

Mr. Ramsey updated the Commissioners on the Construction Contract for Cargo Apron Slab Replacement, stating this contract is for the cargo slab replacement on the west side of the field. An ITB was advertised on March 5, 2024 and MNAA received 3 bids on April 4, 2024. The lowest bid was approximately \$2M for total contract for all of the schedules for the project. This item will replace the aging payment on the apron for cargo operations. It was presented to the Operations Committee and recommended for approval by vote of 3-0.

Mr. Ramsey recommended the Board of Commissioners authorize the Chair and President and CEO to execute the proposed contract with The Harper Company in the amount of \$2,044,433.

Commissioner Sullivan stated the Operations Committee voted 3-0 to recommend approval by the Board. Commissioner Sullivan made a motion for approval and Secretary Byrd seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

3. On Call Contract for Field & Laboratory Testing Services (Operations)

Ms. Ramsey updated the Commissioners on the On Call Contract for Field & Laboratory Testing Services. The Engineering firm uses these on call contracts to provide on call field and laboratory testing and inspection services for third party testing and evaluation as well as assistance in inspection if we have additional scheduling conflicts and not enough staff resources. They provide additional bodies and resources to inspect on weekends or at night to help support if we have multiple projects ongoing at any given time. A Request for Proposal (“RFP”) was advertised on March 4, 2024 and MNAA received 4 proposals on April 3, 2024. The selection committee evaluated those proposals and recommended award to all four companies: ECS Southeast, LLC, S&ME, Inc., Terracon Consultants, Inc., and TTL, Inc. These contracts will each be \$1M NTE t per year with a total of \$4M NTE per year. Mr. Ramsey stated we use these contracts as we may have one firm working for a design firm and another working for the contractor and having 4 firms on call gives us the ability to make sure we have an unbiased third party firm to use for the testing of those projects.

Mr. Ramsey recommended the Board of Commissioners authorize the Chair and President and CEO to execute the proposed contracts with ECS Southeast, S&ME, Inc., Terracon Consultants, Inc., and TTL, Inc. for \$1M NTE per contract per year.

Commissioner Sullivan stated she is familiar with all of the firms and they do a great job and the Operations Committee voted 3-0 to recommend approval to the Board. Commissioner Sullivan made a motion for approval and Secretary Byrd seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

4. First Amendment to MNPB Lease Agreement (Finance)

President Kreulen introduced Eric Johnson, SVP, Chief Revenue Officer, to brief the Board on the First Amendment to MNPB Lease Agreement. Mr. Johnson stated the Metropolitan Government of Nashville and Davidson County (“Metro”) & Authority entered into a lease on December 22, 2022 for the design & construction of a hangar for Metropolitan Nashville Police Department (“MNPB”). Metro is responsible for reimbursing Authority for the cost of the design and construction through supplemental rent . Metro has the right to terminate the lease within 60 days from the date they were notified of the supplemental rent no later than June 23, 2024. The property is approximately 0.84 acres or 36,624 square feet of unimproved land at JWN, also known as parcel 10. The key amendment terms are: 1) the effective date is July 1, 2024; 2) supplemental rent is \$66,746.54 monthly (\$800,958.48 annually); 3) a water submeter will be installed to measure and invoice the consumption of water by MNPB; and 4) an easement will be granted by the Authority for Metro access in, to, and across the drainage culvert located between the access road known as Tune Airport Drive and the Premises, for the purpose of vehicular access for ingress and egress to and from the Premises. Mr. Johnson said that during the Finance Committee there was a question about the length of this easement, and he provided a graphic and explained it is basically to provide the access over the drainage culvert to get to their parking areas.

Mr. Johnson stated the impact is the ground rent remains \$83,367 annually (annual escalation) and the supplemental rent begins July 1st at \$800,958.48 annually for payback of design and construction of hangar and the new asset, which will vest in approximately 29 years. The Finance Committee voted 3-0 to recommend approval on May 8, 2024.

Mr. Johnson requested the Board of Commissioners approve the First Amendment effective July 1, 2024; \$800,958.48 annual supplemental rent; water submeter; easement to driveway; and authorize the Chair and President and CEO to execute the First Amendment. Mr. Johnson noted that the Amendment requires approval by Metro Council via resolution (by June 24, 2024) to reimburse the Airport Authority for design and construction costs.

Secretary Byrd stated the Finance Committee voted 3-0 to recommend approval to the Board. Secretary Byrd made a motion for approval and Vice Chair Granbery seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

President Kreulen stated after all the approvals, a quick break would be taken for the Chair and Secretary to sign this First Amendment to the MNPD Lease Agreement and then it would be transferred to Metro's legal counsel to create the Resolutions for approval before the next Metro Council meeting.

5. Amendment to IT Staffing Services Purchase Order ("PO") (Finance)

President Kreulen introduced Randy Dorsten, AVP, Human Resources, to update the Board on the Amendment to the IT Staffing Services PO. Mr. Dorsten stated that this is a PO for staff augmentation services for the Information Technology Terminal Operations Team. The Finance Committee voted 3 to 0 to recommend approval.

Mr. Dorsten recommended the Board of Commissioners authorize the President and CEO to execute an amendment to the IT Staffing Services, transferring \$600,000 from the IT O&M budget to pay for 13 personnel procured through Innova, for 24/7 Common Use IT Services Team. The PO value increased to a total of \$1,000,000, and the project is complete.

Commissioner Glover asked if this includes anything beyond IT. President Kreulen replied this is only for this PO that allows staff to get the Amadeus system up and running. That work has been completed and once approved it allows us to pay it and once paid will be closed out.

Secretary Byrd stated the Finance Committee voted 3-0 to recommend approval to the Board. Secretary Byrd made a motion for approval and Vice Chair Granbery seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

6. Sublease Amendments for Fraport Subtenants (Finance)

President Kreulen introduced Colleen Von Hoene, Associate Principal with Paslay Group, to update the Board on the Sublease Amendments for Fraport subtenants. Ms. Von Hoene stated the subleases require amendments to incorporate minor modifications to the terms. Since the sublease terms extend beyond the expiration of the Fraport agreement (January 31, 2029), MNAA must become a party to and consent to the amendments. This was presented to the Finance Committee and the Finance Committee voted 3-0 for approval. Commissioner Glover asked how many tenants are at MNAA. President Kreulen replied MNAA has 1 contract with Fraport, which has 38 subleases, and those subleases have 102 different concessions.

Ms. Von Hoene recommended the Board of Commissioners approve the six (6) sublease amendments; and authorize the Chair and President & CEO to execute the sublease amendments.

Secretary Byrd stated the Finance Committee voted 3-0 to recommend approval to the Board. Secretary Byrd made a motion for approval and Commissioner Sullivan seconded the motion.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd -Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0. -

7. Terminal II Preferred Site (Board Workshop)

President Kreulen stated earlier today MNAA held the Terminal II and CONRAC Siting Study Board Workshop. At the Workshop, Terminal II locations were discussed, as well as the fatal flaws with Site 3, and the recommendation of Site 4 as the preferred Terminal II site. Based on this review, staff recommended the Board accept the recommendation for Site 4 as the preferred Terminal II site; and authorize staff to further refine terminal, connectivity, roads and airfield layout at Site 4.

Chair Stevenson called for a motion to approve the Terminal II Preferred Site. A motion to approve was made by Vice Chair Granbery and seconded by Commissioner Byrd.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd – Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

There was a break at 1:07 PM and the meeting resumed at 1:23 PM

8. Board Officer Elections (Management)

Chair Stevenson stated that pursuant to the 3rd Amended & Restated Bylaws of the MNAA Board of Commissioners, Article II – Board of Commissioners, Section 2.3 – Board Officers, Paragraph 2.3.1 – General, which states at the May meeting of the Board, in even numbered years, the Board, by affirmative vote of the majority of the members, shall elect a Chair, Vice Chair and Secretary for a 2 year term beginning on July 1. Chair Stevenson stated that she would start off the discussion, with first saying she has really enjoyed serving as Chair. She stated that the Commissioners have all served on several Boards, but none like the airport's.

When she writes her book later in life, she said, serving on this Board will be a big chapter of it in a good and positive way. She has learned a lot and has enjoyed serving as Secretary, Vice Chair and filling out the remainder of Commissioner Freeman's term as Chair. At the end of the day, we all care about the airport. There was a round of applause.

Chair Stevenson stated her term expired in early April, and as of today, she has not been reappointed, so at a minimum today, the Board will need a new Chair. She then opened the floor to the Commissioners for discussion. Chair Stevenson said she would make a motion for Commissioner Sullivan to serve as Chair beginning July 1, 2024. She expressed that her support for Commissioner Sullivan was not intended to be an offense to the Vice Chair or Secretary, as she believes they are both serving well in those roles. Chair Stevenson stated she would like to show her support for Commissioner Sullivan for today's vote and she would like to honor that others want to have their voices heard as well.

Chair Stevenson thanked the Commissioners and stated that if she is not reappointed, please know that this was a very great experience for her and that if she can support the airport at any time in the future, to not hesitate to call her. Commissioner Byrd stated he would second that nomination and stated Commissioner Sullivan would do a fabulous job. Commissioner Byrd questioned whether, due to not having a full Board and only having 5 members present, the Board should push the nominations until Commissioner Joslin is able to join and appoint the Board next month. Commissioner Glover asked if the Mayor had already appointed a new member to the Board. Commissioner Byrd responded, yes. Commissioner Sullivan also asked if the Mayor has already appointed someone, and Commissioner Byrd responded yes. Chair Stevenson stated the Mayor told her he plans to appoint next month, and she thinks we should move forward but is happy to talk or do whatever the Board wants to do.

Chair Stevenson stated she thinks at a minimum we are supposed to have elections today. Vice Chair Granbery stated he respects her decision and does not necessarily agree with how the Board got here, but respects her decision and he would move to keep the remaining officers the same. Vice Chair Granbery stated the consistency, considering where we are with this airport is, is extremely important to President Kreulen and the MNAA staff. Commissioner Sullivan, he said, has been on the Board for a long time and if the Chair willing to pass the gavel to her and keep the remaining officers the same, he would make a motion on that regard. Chair Stevenson called on Commissioner Sullivan. Commissioner Sullivan stated that

she and Commissioner Glover have terms extending more than two years. Commissioner Glover stated that she was not interested at all. Commissioner Sullivan stated unless Commissioner Joslin is interested in running, she would support the motion. Vice Chair Granbery replied Commissioner Joslin is not interested.

Chair Stevenson stated that she would support Vice Chair Granbery's motion to replace her with Commissioner Sullivan as Chair and keep the other two remaining officers the same so that the Board will have a full set of officers and some consistency. She stated that because the Board does not have the other Board members yet, and with other ongoing matters happening outside of this room, she seconds the motion.

Commissioner Byrd stated his thinking is that we would do very well to have Commissioner Sullivan as Chair of the Board, Commissioner Glover as Secretary of the Board, and himself as Vice Chair of the Board and that this would be an alternative motion. Commissioner Byrd stated he has served for years and believes that he has served well representing the various interests that are represented here. He then restated his alternative motion. Commissioner Glover stated she is not interested in serving as Secretary. Commissioner Byrd stated then we could choose someone else and there will be others who will be joining the Board, and we can move forward in that direction.

Commissioner Sullivan stated that she would propose, especially since this is the full term, the current group of officers. Chair Stevenson stated it was not her term, she was Vice Chair and now fulfilling Commissioner Freeman's term after he resigned as Chair. Chair Stevenson stated this is the end of the terms of that original group. Commissioner Sullivan stated she thinks anyone at the table could do an excellent job as officer in any of the positions, so she is inclined to keep the positions of Vice Chair and Secretary as they are now.

Chair Stevenson stated the best way to move forward would be to take one motion and if it fails, then move to the next motion. Chair Stevenson stated Commissioner Granbery moved to have Commissioner Sullivan as Chair and keep the other officers the same, and she seconded that motion. Chair Stevenson stated Commissioner Byrd has put an alternate motion on the table, but that the Board would vote on the first motion, and if it did not pass, then the Board would move on to the second one. Chair Stevenson asked if everyone was good with that. Commissioner Glover asked what the motion is and how do we do that. Chair

Stevenson replied we will stay here until we get a motion passed. Commissioner Byrd stated he is in favor of this motion and let us move ahead in this direction. Chair Stevenson stated let us do this, we have a motion and a second, and then asked the Commissioners if they were clear on what the motion is. President Kreulen stated the motion by Commissioner Granbery is Commissioner Sullivan as Chair, Commissioner Granbery as Vice Chair and Commissioner Byrd as Secretary, and Chair Stevenson seconded the motion. Chair Stevenson stated with that, no further discussion was needed.

Chair Stevenson asked Ms. Saxman for a roll call:

Chair Stevenson – Yes

Vice Chair Granbery – Yes

Commissioner Byrd – Yes

Commissioner Sullivan – Yes

Commissioner Glover – Yes

The motion was passed with a vote of 5 to 0.

VII. INFORMATION ITEMS

1. BNA Development Update (Operations)

President Kreulen updated the Commissioners on BNA Development and stated the discrete inbound road should be finished this week, weather permitting. It has been widened all the way to the terminal and we are now waiting to pour the asphalt. President Kreulen provided a photograph of the blasting that went off at exactly at 1:00PM, right when Chair Stevenson hit her gavel. President Kreulen stated Concourse D's extension continues to progress and in order to move forward we are relocating the glycol tanks from their previous location. The FAA continues to work with BNA on beginning their Environmental Impact Statement.

2. JWN Development Update (Operations)

President Kreulen updated the Commissioners on JWN Development and stated we have already replaced 100 hangars and Contour is replacing three that were damaged or destroyed by the 2020 tornado. President Kreulen presented a photograph of the 10 parcels MNAA has leases for, including the Parcel 10 just approved with Metro, assuming Metro approves before the July deadline. Metro will pay us back over the next 29 years.

3. Quarterly Retirement/OPEB/Treasury Investment Reports (Finance)

President Kreulen stated MNAA has been very successful this quarter in investing our money. The OPEB performed well and was in compliance and meeting our policy objectives for the quarter. The treasury Investment Report was a challenge for us many years ago, because we were not investing and now we are maintaining 99.4% of our money with \$1.2B invested and we have invested \$13M over the past quarter. Our investment portfolio was in compliance and meeting our policy objectives for the quarter.

4. BNA Concessions Program Update (Finance)

President Kreulen stated that the BNA Concession sales keep going up year over year, basically coming out the pandemic. All the stores are now open, and we are getting about \$16.09 on average per passenger on food and retail. Vice Chair Granbery asked what the breakpoint on \$40M and will we start getting overage. President Kreulen replied it would have to be overall percentage, we are now getting 70% once they exceed the max, and he will get a break down on that. We are doing well with our concessions sales.

5. 2024 Affirmative Action Program (AAP) Update (Management)

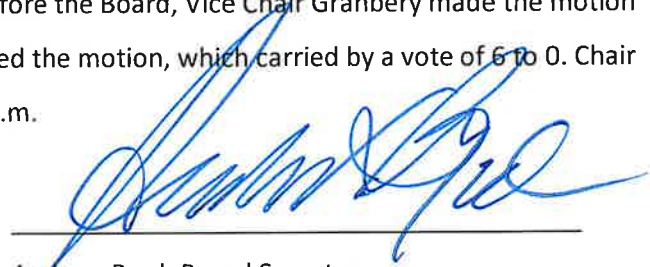
President Kreulen stated that Ogletree Deakins reviewed our Affirmative Action Program (“AAP”), and the good news is that they did not have any findings that we should be concerned with. AAP has a goal that we should be at 7% hiring Individuals with Disabilities and we are at 3.1%. They pointed out that it is an increase from previous, so we are getting better, but we are not to that 7% goal. Ogletree Deakins recommended that every 5 years MNAA survey its existing workforce to provide employees with an opportunity to self-identify as a person with a disability anonymously. For the Protected Veterans, we have done a really good job and exceeded the 5.4% hiring goal with 14.6% of bringing in Protected Veterans. We only have one availability goal this year for service workers (police) which is an improvement over last year. And we continuing outreach activities.

President Kreulen thanked the Board for coming out for the workshop and concluded the presentation of the informational items.

Vice Chair Granbery stated he just received a text from Commissioner Joslin, which provided an update regarding Commissioner Joslin's daughter. Vice Chair Granbery also asked that everyone to say a prayer for the airplane that just crashed in Williamson County.

I. ADJOURN

There being no further business brought before the Board, Vice Chair Granbery made the motion to adjourn, and Commissioner Byrd seconded the motion, which carried by a vote of 6 to 0. Chair Stevenson adjourned the meeting at 1:37 p.m.



Andrew Byrd, Board Secretary