

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



Date: August 14, 2024

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:00 a.m.

Committee Members Present:

Jimmy Granbery, Committee Chair; Bobby Joslin,
Committee Vice Chair; Nancy Sullivan

Committee Members Absent:

None

Other Board Members Present:

Andrew Byrd, Joycelyn Stevenson, and Glenda Glover

MNAA Staff & Guests Present:

Doug Kreulen, Neale Bedrock, Lisa Lankford, Trish Saxman
Marge Basrai, Adam Bouchard, Kristy Bork, John Cooper,
Capt. Brian Findlen, Adam Floyd, Tre Hardin, Traci Holton,
Eric Johnson, Carrie Logan, Rachel Moore, Ted Morrissey,
Stacey Nickens, Olivia Parven, Brandi Porter, Robert
Ramsey, Davita Taylor, Adam Wolf, and Colleen Von Hoene

I. CALL TO ORDER

Chair Granbery 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 August 9, 2024.

II. PUBLIC COMMENT

Chair Granbery stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Granbery asked for a motion to approve the minutes from the July 10, 2024 Operations Committee meeting. Vice Chair Sullivan made a motion and Commissioner Joslin seconded the motion.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

IV. CHAIR'S REPORT

Chair Granbery stated he is proud to serve as Chair of the Operations Committee and there is a lot going on and important stuff moving forward. He commended President Kreulen and the MNAA Staff for all their hard work and for being on time and on budget. Chair Granbery stated sometimes we forget that we are doing all this work all the while we are running 24M people through BNA on an annual basis. It is commendable to execute both at the same time, keep up the good work.

V. ITEMS FOR APPROVAL

1. Contract Renewal for Radio Communication Services

President Kreulen introduced Adam Bouchard, VP, Operations, to brief the Committee on the Contract Renewal for Radio Communication Services. Mr. Bouchard stated this is to approve the Service Agreement with Motorola Solutions to provide maintenance and support for MNAA's radio system which includes more than 300 handheld radios. The system is used to communicate and manage the day-to-day business of the Airport across Airport Operations, Maintenance, the Airport Communications Center, and the Department of Public Safety. MNAA has maintained a decades long partnership with Motorola Solutions who has supported and maintained our radio systems since the late 1980s. Additionally Motorola Solutions is the primary radio service provider for surrounding mutual aid agencies affording critical interoperability in the event of a large scale event that involves BNA.

Mr. Bouchard stated the new Service Agreement will commence on September 15, 2024 and is for a 6 year agreement with no renewal options. The total not to exceed amount is \$3,536,857 and the cost is carried in our O&M Budget and is allocated to the airlines through the rates and charges model.

Mr. Bouchard recommended the Operations Committee recommend that the Board of Commissioners accept the Service Agreement with Motorola Solutions for radio system maintenance and support and authorize the Chair and President & CEO to execute the proposed contract for \$3,536,857.

Vice Chair Joslin asked if the radios are on their own repeater or on multiple repeater networks. Mr. Bouchard replied MNAA has one main radio station and one repeater here at BNA.

Chair Granbery asked for a motion to approve as presented. Commissioner Sullivan made a motion and Vice Chair Joslin seconded the motion.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

Chair Granbery asked what the range is for these radios. Mr. Bouchard replied it can be well over a couple of miles, and he would get the exact range, but it more than covers BNA and exceeds a little bit beyond BNA boundaries. Chair Granbery asked how secure is it from hacking and someone hearing the intercommunications. Mr. Bouchard replied over the past decade MNAA has transitioned from traditional analog to digital radio system and there are some additional security measures that come with that, unfortunately he does not have all of the specifics, but all of the surrounding agencies, law enforcement, fire departments all use the same type of Motorola radio system, so our security measures are consistent with surrounding agencies and would have the same concerns. Chair Granbery asked if they ever had any issues. Mr. Bouchard replied not to his knowledge. Commissioner Sullivan asked if there is a backup plan. Mr. Bouchard stated if the system completely went down, which has never happened at BNA before, there are measures in place, we would certainly revert to mobile devices where needed. Again, the beauty of the inoperability is that if our system is down, we have the ability to leverage surrounding agencies in the same way they can leverage ours, so there are measures in place to ensure we are able to maintain the business of BNA if our primary system were to be affected. Commissioner Byrd asked if it has been tested with the fire department and Metro. Mr. Bouchard replied to his knowledge he is not entirely sure and deferred to Mr. Adam Floyd, SVP, Chief Operating Officer. Mr. Floyd replied yes, MNAA does joint operations with Metro on a routine basis and use joint interoperability channels. President Kreulen stated when MNAA switched to the new Motorola

digital radio systems it was done partially because Metro had switched to digital. We wanted to stay compatible and all that the law enforcement officers have to do is switch from one channel to another to talk with Metro. President Kreulen stated 50% of all of our law enforcement calls are medical, so we are getting Metro fire department here almost every day to handle passengers in need. Commissioner Byrd stated it is a lot of money for the radios for each year and asked about the reimbursement process with costs born by the airlines. Ms. Marge Basrai, EVP, Chief Financial Officer, answered stating that will be one of the expenses that gets rolled up in the airlines rates and charges. All of our expenses get recorded to different cost centers and that expense would get reported to the airline cost center and the airline will pay MNAA through landing fees or terminal rent, wherever that falls. President Kreulen replied whatever MNAA has to do to maintain the airport to 139 standards or TSA standards, the airlines reimburse us for those costs.

2. Art Selection for Concourse A Extension – Circular Node

President Kreulen introduced Stacey Nickens, VP, Corporate Communications & Marketing, to brief the Committee on two Art Selections for Concourse D Extension. Ms. Nickens stated the Art Selection for Concourse D Circular Node is for the terrazzo floor art that is a circular floor space in the middle of a round area that is to be designed by the designated artist. This art location is entered from a central axis and surrounded by hold room seating with carpeted flooring. The edge of this circular node space gives close to 360-degree views of parked aircraft, the BNA airfield and surrounding scenery. Ms. Nickens stated the Arts of the Airport (“AaA”) led by MNAA Curator, Tre Harding, who is here today, received 27 concept proposals. The AaA selected Brenda Stein’s concept design. This piece highlights Nashville’s most iconic structures and symbols of Nashville. MNAA may tweak a little bit of this to confirm we do not have any copyright issues with music notes. The contract for this piece is \$75,000, with the integration into construction/design team to begin August 2024 with final design and fabrication late 2024.

Ms. Nickens requested the Operations Committee recommend to the Board of Commissioners that it accept the recommendation of the AaA Foundation Board public art selection committee and the President and CEO to commission Brenda Stein to design the work for the Concourse D

Extension terrazzo circular node, and authorize the Chair and President and CEO to execute the 1% Public Art Contract for \$75,000.

Commissioner Stevenson asked if there is a place for passengers to get more information in real time of the art pieces at BNA. Ms. Nickens replied it is on our website, but we can look at having it more public and have a listing and drop down. That is a good recommendation. Commissioner Byrd asked how well will this hold up over time. Ms. Nickens asked Mr. Hardin to answer. Mr. Hardin replied for this specific project, it will have the same durability as the terrazzo flooring. The way the process will work is the artist will connect with the terrazzo contractor and the terrazzo contractor takes their design and implements into the existing terrazzo flooring. It will be the same as the terrazzo flooring throughout BNA. There are 2 art medallions currently at BNA that went through that similar process and this should hold up just as well. President Kreulen replied it may be 20 years or longer, in Vision 1.0, there is an art piece where Concourse A/B join and another one located on Concourse C/D.

Chair Granbery asked for a motion to approve as presented. Vice Chair Joslin made a motion and Commissioner Sullivan seconded the motion.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

3. Art Selection for Concourse D Extension - Connector

Ms. Nickens briefed the Commissioners on the art selection for Concourse D Extension Connector. The public artwork is integrated into six expansive wall sections that bridge the existing concourse to the new Concourse D Extension. Considerations include proximity to the public traveling along the moving walkway, various points of view from the concourse as well as the tarmac, and the length of the artwork zone. AaA received over 103 applications and selected New Hat. New Hat takes these simple wrist bands and creates this art piece based off the Tennessee textiles history. This aligns with Nashville becoming this all access city to go downtown, Broadway, special events

and just like this past week MNAA had wrist bands for the AMAC reception. The Budget is \$200,000.

Ms. Nickens requested the Operations Committee recommend to the Board of Commissioners that it accept the recommendation of the AAaA Foundation Board public art selection committee and the President and CEO to commission New Hat to design and install the work for the Concourse D Extension connector and authorize the Chair and President & CEO to execute the 1% Public Art Contract for \$200,000.

Chair Granbery asked for a motion to approve as presented. Commissioner Sullivan made a motion and Vice Chair Joslin seconded the motion.

Commissioner Sullivan asked how long is the art piece. Ms. Nickens replied 14 feet. Mr. Hardin stated he believes it to be 100 feet and the height is 14 feet. Ms. Nickens replied we can send the information to you. Chair Granbery asked if the artist will use the wrist bands, not paint. Ms. Nickens replied yes, and it will be protected with a UV coating. Chair Granbery asked if it will be close enough for passengers to read what is on the wrist bands. Ms. Nickens replied there will not be any writing on it, just colors. President Kreulen replied this will be located in a long hallway with a moving sidewalk and we will get the Commissioners the length and height for the Board meeting. The whole BNA journey for passengers will be looking at different art pieces to calm the passengers during their journey.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

4. Progressive Design-Build Contract for Central Ramp Expansion

President Kreulen introduced Ms. Traci Holton, VP, New Horizon, to brief the Committee on the Professional Services Contract for Central Ramp Expansion. Ms. Holton stated that this contract is to expand terminal apron to provide 7 remain overnight and de-icing positions for the airlines.

Ms. Holton stated MNAA advertised a Request for Proposal (“RFP”) on June 3, 2024 and on July 17, 2024 received 2 proposals from Kiewit and Sundt Construction. Those proposals were reviewed based on Mandatory requirements; Team/Individual Qualifications & Experience; Technical Approach; SMWBE Participation and Price. Both teams were shortlisted and interviewed and Kiewit was the highest rated proposer. This is for Component Guaranteed Maximum Price (“CGMP”) 1 in the amount of \$28.8M. There is a fairly aggressive schedule to complete this contract by September 30, 2027. The contract does include high liquidated damages as well as an incentive; if they finish 30 days early, it is a \$1.5M payout, or 60 days early it is \$4.5M payout.

Ms. Holton requested the Operations Committee recommend to the Board of Commissioners that it accept the proposal by Kiewit for the Central Ramp Expansion and authorize the Chair and President and CEO to the Component Guaranteed Maximum Price #1 (CGMP1) for \$28,821,386.

Chair Granbery asked for a motion to approve as presented. Vice Chair Joslin made a motion and Commissioner Sullivan seconded the motion.

Commissioner Sullivan asked if the payout for early construction is included in the \$28M. Ms. Holton replied it is not in the \$28M, that is only for design and pre-construction phase services. This is progressive so once they start giving out packages we will return to the Committee for each CGMP approval to get to an estimated GMP of \$150M. President Kreulen stated it is within that \$150M in the New Horizon budget and the overall project is \$150M and MNAA received really good bids. Our need is that September 30th deadline, but if there is a way that the contractors can get done before the winter weather even farther in advance, it will be to our advantage. Commissioner Sullivan asked if the contract end date is for the entire project. President Kreulen replied yes, BNA will start parking jets on there on October 1, 2024 if they are done by September 30, 2024. Chair Granbery asked if Kiewit is the contractor that will complete the whole project. Ms. Holton replied yes, Kiewit is the design/builder. The contract will be with Kiewit and they will have design consultants and will be self-performing and bidding out packages.

Chair Granbery stated Kiewit was selected as the contractor for I-440 and they performed unbelievable, on time, on budget and early completion. They are a huge contractor and have all

the different tools in the toolbox to get it done by September. Ms. Holton replied they also did the Fast 68 project and the Broadway bridge for TDOT. Ms. Holton stated she asked during the interview if they have ever missed a schedule and no one in the room said they have ever missed a schedule. She felt good about it. Chair Granbery stated they have not met President Kreulen yet. Commissioner Glover asked if that the CGMP's are year 1, 2 and 3. Ms. Holton replied it is not based on years, so it is a progressive project and once they get a certain level of design, they will go bid several packages out and come back with CGMP and MNAA anticipates a total of 4 years. They are responsible for delivering the design and construction on the project. Commissioner Glover asked what are they bidding out. Ms. Holton replied they will self-perform some of it, but they will put out bid packages to the local community, for grading, there is a lot of fill material. Commissioner Glover asked what if it is more, are you going to make sure it is not more. Ms. Holton replied we are going to work towards that of course and we think are going to be well within that. We will know as we go into it as we move along and come back to the Board to decide to proceed. Our goal is always to be under budget and believe that we are good.

Chair Granbery asked what measures have you put into place to eliminate what happened on the previous apron for the arrivals. Ms. Holton replied we also have very high LDs; for the first 30 days it is \$50K a day and after 30 days, it is \$100K a day. It is no different than any contract, we did an RFP and have contract measures in to incentivize both ways, to finish on time or early. Chair Granbery stated he was referring to the problems with the concrete we had going back on the other one \$6-\$7M redo, what have we done differently to not have that problem again, have we changed any of our specs. Ms. Holton replied no, it is FAA spec concrete, we are following the FAA guidelines when it comes to the concrete apron. Commissioner Sullivan stated that was an oversight and asked if that will be further down the road. Ms. Holton stated one of the biggest challenges we had was learning about the ASR and the rock and testing, so there are things that we learned that obviously the engineers will be looking at in a different way as we go forward. Commissioner Byrd asked what is the source of funding, is it reimbursed by the airlines. Ms. Basrai replied MNAA will bond fund at 100% and the airlines will pay us for that debt service every year in rates and charges. Commissioner Byrd stated for the next 30 years. President Kreulen stated the Finance team will put together the budget each year and lay out the capital projects, as part of our Airline Use and Lease Agreement ("AULA"), the airlines see all of this which means they pay for it. If they do not disapprove it, then it is an indication to us that they realize they are going to

be paying us back. Ms. Basrai stated MNAA has done a couple of ballots, we give the airlines the information and ballot and they can send the ballots back saying they disapprove.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

5. New Horizon I Program Scope and Budget

President Kreulen stated the New Horizon I Program Scope and Budget is the next item for approval. In October 2021 New Horizon concept was introduced to the Board. MNAA knew in the middle of BNA Vision 2017 – 2024, that we are going to exceed the growth requirements and we needed to start moving ahead so in 2021 MNAA came up with the concept of New Horizon. MNAA worked with the Commissioners and Consultants to develop what this looks like over time. In November 2022 through October 2023 the Baggage Handling System (“BHS”) Expansion design-build, Concourse D Extension design-build, Concourse A design, and TARI Phase 2 were approved by the Board. October 2023 – June 2024 additional projects were identified, with winter weather the Central ramp Expansion project came on, and CONRAC, other facilities, land and roadway requirements. In June 2024 MNAA made the decision to split New Horizon into 2 programs, New Horizon I (airside) and New Horizon II (landside). The third program for Future MNAA Campus Requirements is in development and Terminal II will be phased. Each one is probably a \$1B program, and Terminal II is multibillion dollar program. MNAA believes it can successfully execute the New Horizon I program with the five areas adjusted. The BHS has gone through the design and expanded from the initial scope to be able to handle 40M passengers and added a third baggage conveyor line for redundancy in case primary lanes one or two go down, and the price has come up to \$232M. The Board has already approved the Concourse D Extension and later in the year we will bring Concourse A to the Board and it is almost \$900M. Because of the Terminal II project and as Nashville continues to go, we are not sure where the Air Freight Building will go, so we are pulling it from the program. The airlines added the \$156M central ramp project to park jets overnight and/or to de-ice in the winter. When we look at these changes, the initial scope was about \$1.3B, and may now be \$1.6B. The Staff is looking to lock in these projects, at these

estimated prices and obviously we will deal with Operations and Finance to make sure we have the ability to pay for all of this. Then using 7 years of experience to finish the BNA Vision on schedule and on budget, each of these projects shows an approximate contingency for the project and also has a 5% program contingency That gave us enough flexibility on the first 7 years to finish on track and on budget. When the Board approves this scope, it does not mean it approves the individual projects.

President Kreulen recommended that the Operations Committee recommend to the Board of Commissioners that it accept the proposed New Horizon I program Scope and Budget of \$1.62B and authorize the President and CEO to proceed with New Horizon I program execution.

Chair Granbery asked for a motion to approve as presented. Commissioner Sullivan made a motion and Vice Chair Joslin seconded the motion.

Commissioner Glover asked why he as President was making the presentation as opposed to someone from the team. President Kreulen stated because of the strategic nature of this program is something the Board put on him through the objectives and then he passes it down. This is New Horizon I once the Board adopts it. In history, when BNA Vision was kicked off, the Chair at that time had the President present the overall scope and as the CEO wanted to know what we would build and how we would live within that scope. The experts will come in and present to the Board on each individual one. Commissioner Glover stated she wanted to know if he had to now stop and head up something else or needs to hire someone else. Commissioner Byrd asked what happened to the BHS, going from \$145M to \$243M. President Kreulen stated that was our initial estimate at the time, by the time we got into the design of the program, it is very hard to keep the existing system running while you are building a brand new system because it cannot be shut down and the complexity of it is huge. The airlines are also on board with the \$243M and wanted another baggage makeup area and another redundant line, today we only have 2 prior lines and if one fails, then we are done. This has a third line, it consolidates all of the baggage resolution areas into one, so where we have 6 machines running today, we will have 8 machines.

Commissioner Byrd asked if we have any bonds that are in place that have been issued. Ms. Basrai replied not yet, it will be bond funded and paid by the airlines. President Kreulen stated the

biggest challenge is MNAA wants to build all of it. We know from past analysis that we have ability to go from a \$1.6B program to \$3.2B program, and MNAA will give 10 year financial performance data to show how we will finance over the next years to 2028. Once this scope is approved, then the Finance team has plans to go out to bonds in the 2025 and 2026 period. Commissioner Byrd asked if Concourse A reconstruction price is a set number. President Kreulen stated it is in an active solicitation now and MNAA will be coming to the Board soon and will know more soon. The beauty of this is we are all learning to deal with these numbers and just like the airlines and the Majority in Interest are paying back for the central ramp, they are paying for Concourse D and Concourse A. The airlines are saying they need 70 gates, we are at 54 gates now and going to 70 gates, and we achieve that when Concourse A opens up July 2028. When the airlines signed the new AULA, they know the signatory airlines signed the deal they are with us through 3033 and to be with us they know they are going to pay to land, park the jet and rent space and that is what Ms. Basrai takes to New York.

Chair Granbery asked if the Concourse A Ramp Expansion was funded in BNA Vision. President Kreulen replied yes, you will see on a slide in the Information Items with a graphic of the active projects and Concourse A ramp will be filled in 2025 and that will close out BNA Vision. Chair Granbery stated closing Concourse A will help without the passengers impacting the team. President Kreulen stated yes, and that is one reason we did it this way was the speed to market.

Chair Granbery asked Ms. Saxman for a roll call:

Chair Granbery – Yes

Vice Chair Joslin – Yes

Commissioner Sullivan – Yes

The motion passed with a vote of 3 to 0.

VI. INFORMATION ITEMS

1. BNA Development Update

President Kreulen presented renderings of the new Concourse A, stating today Concourse A is at 6 gates and will be closed for demo July 3, 2025, and will come back at 16 gates. We filled in and raised the ground 95 feet which will get paved next year and the construction team will come in

and build over the top of it. President Kreulen presented renderings showing several views of Concourse A design, with the entry views, concessions node and mezzanine terraces. There will be two 120' moving walkways, dual loaded concourse which will load on both sides, the same wood trims that you have seen from the Tennessee design standards. When you get into the large concessions node you will see high ceilings and on the floor above will be the lounges, with outside areas. In the middle of Concourse A will be restrooms, 3 times the size of the existing restrooms we now have. President Kreulen presented a graphic with the expansion locations which shows New Horizon I which includes the New Concourse A, the Baggage Handling System, the Central Ramp Extension and Concourse D Extension. Horizon II will be where the future garage will be located, the new CONRAC, and terminal roadways based on modeling passengers. President Kreulen showed the space where Terminal II is planned stating it will be phased and we have a lot of work to do before we can get to that area. A study is also going on right now by the FAA for the runway extension for Asia service and may be a two year process to find out what their recommendations will be.

2. JWN Development Update

President Kreulen presented a panoramic photograph of JWN North Development area with the parcels identified. President Kreulen pointed out the Metro Nashville Police Department will be breaking ground October 1, 2024. On July 17, 2024 MNAA released an RFP for a 2nd Fixed Base Operator ("FBO") and at the pre-proposal meeting there were 36 attendees with 20 potential bidders. Staff will update the Committee in early September. President Kreulen stated we are still planning to issue a solicitation for the midfield area.

President Kreulen concluded the presentation of the informational items.

VII. ADJOURN

There being no further business brought before the Operations Committee, Chair Granbery adjourned the meeting at 9:49 a.m.



Andrew W. Byrd, Board Secretary