

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



Date: October 16, 2024

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:00 a.m.

Board Members Present: Nancy Sullivan, Chair; Jimmy Granbery, Vice Chair; Andrew Byrd, Secretary; Bobby Joslin; Joycelyn Stevenson; Glenda Glover; and Glenn Farner

Board Members Absent:

MNAA Staff & Guests Present: Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Neale Bedrock, Daniel Brown, Andy Carpenter, John Cooper, Kristen Deuben, Randy Dorsten, Chief Brian Findlen, Adam Floyd, Traci Holton, Eric Johnson, Rick Jones, Carrie Logan, Syed Mehdi, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Josh Powell, Robert Ramsey, Davita Taylor and Puneet Vedi Clay Paslay, Paslay Group; Steve Martin, Paslay Group; David Schilling, Atkins; Scott Rumble, Atkins; Jeff Schulthess, Landrum & Brown; Matt Ruffra, Landrum & Brown; Kevin McPeek, PFM; Cory Czyzewski, BofA Securities

I. CALL TO ORDER

In accordance with the 3rd Amended and Restated Bylaws of the MNAA Board of Commissioners, Section 2.4, Chair Sullivan called the MNAA Board of Commissioners and MPC Board of Directors Meeting to order at 9:00 a.m., pursuant to Public Notice dated October 11, 2024.

II. PUBLIC COMMENTS

Chair Sullivan stated there were three public comments received. President Kreulen introduced the first public comments speaker, Ari Partrich, who requested to speak on Item VI, Human Capital Management System. President Kreulen told Mr. Partrich he was recognized and he had 2 minutes to speak. President Kreulen asked Ms. Rachel Moore, Executive Assistant to the President and CEO, to please start the timer.

Mr. Partrich stated Ladies and Gentlemen of the Airport Authority, gave his name and announced that he is a student at Vanderbilt University. He stands before them today as a supporter of the

Tennessee Driver's Union which represents thousands of rideshare drivers who are essential to the vibrant economy of Nashville. At a moment's notice, whether he is stuck at the airport, a concert or Broadway, he knows he is safe and effortlessly mobile with the push of a button because these drivers are the essential stopping gap between nearly every moment that is defined by wonderful experiences at Vanderbilt. He wants to express Agenda VI, the Contract for Human Capital Management System. For this system to function effectively, it is crucial to listen to those who are integral to its success, the rideshare drivers. Their demands are simple, but vital. First they need basic facilities that reflect their humanity. This includes creating separate bathrooms for women, and ensuring that men's bathrooms are equipped with urinals. The current conditions are unacceptable and should have been improved a long time ago. Additionally, they request a shaded waiting area and a brick-and-mortar bathroom. These drivers often wait for hours, striving to earn a livable wage, and lack the basic amenities and is intolerable. Lastly, there is a need for transparency. If a driver is banned from the airport, they must receive a clear explanation. Banned without reasons creates unnecessary confusion and trust. As we look to build a more sustainable and driving Nashville, let us ensure that the hardworking individuals behind the scenes, the drivers, are treated with dignity they deserve. Thank you for your time and consideration. Let's work together to create a better environment at the Nashville airport, drivers and patrons. President Kreulen thanked Mr. Partrich.

President Kreulen stated the second public comment speaker that registered is Mr. Mustafa Enver. Mr. Enver did not attend the meeting.

President Kreulen introduced the third public comments speaker, Mr. Aron Thomas Boehle, who requested to speak on Item VI, Human Capital Management System. President Kreulen told Mr. Boehle he was recognized and he had 2 minutes to speak. President Kreulen asked Ms. Rachel Moore, Executive Assistant to the President and CEO, to please start the timer.

Mr. Boehle stated Ladies and Gentlemen of the Airport Authority, gave his name and announced that he is a student at Vanderbilt University. He stands before them today as a very firm supporter of the Tennessee Driver's Union which represents thousands of rideshare drivers who are essential to the vibrant economy of Nashville. He understands the rideshare drivers are not only crucial agents of this city's economy but essential to the future of healthy multi-modal infrastructure of Nashville, making them a very unique actor in Nashville's future. He would like to address Agenda VI, the contract for Human Capital Management System. For this system to

function effectively, it is crucial to listen to those who are integral to its success, the rideshare drivers. A critical demand they have is for an expanded drive share lot. Currently, the drivers find themselves circling the airport four to six times, often unable to enter the ride-share lot. They propose moving the ride-share operations to the Cell Phone Lot or expanding it in Lot C. These drivers work 12 hour days, 7 days a week, just to get by, while Uber takes 70 – 80% of their earnings. In addition, they request more designated areas in the staging lot for pickups. Rideshare drivers make up the majority of airport traffic yet they should not have to navigate congestion and risk getting banned from the airport. Moving taxi services back to shuttles will help alleviate this issue. As we work towards a mutual better future for Nashville Tennessee, it is imperative that we support the hardworking drivers and working people who contribute so much to this community. They deserve the respect and dignity that comes with fair treatment as with facilities. Thank you for your time and consideration. Let’s collaborate to create a more equitable environment for everyone at Nashville airport. President Kreulen thanked Mr. Boehle.

III. APPROVAL OF MINUTES

Chair Sullivan called for a motion to approve the Minutes of the September 18, 2024, Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors. A motion to approve was made by Vice Chair Granbery and seconded by Commissioner Stevenson.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

IV. CHAIR’S REPORT

Chair Sullivan had no Chair’s report.

V. PRESIDENT'S REPORT

President Kreulen reported BNA continues to receive positive recognition. J.D. Power 2024 North America Satisfaction Study rated BNA #5 for Large Airports Overall Customer Satisfaction Index Ranking. John Wayne was #1; Tampa #2, Kansas City #3, Dallas Love #4 and BNA #5. The study measured overall passengers satisfaction based on ease of travel through airport; level of trust with airport; terminal facilities; airport staff; departure/to airport experience; food, beverage & retail; arrival/from airport experience. President Kreulen reported USA Today 2024 Readers' Choice Awards presented BNA with 1st Place for Best Airport Shopping; 1st Place – Best Airport Grab & Go Food (400 Degrees); 2nd Place – Best Large Airport; and 3rd Place – Best Airport Bar (Tootsie's). The write-up was interesting and stated, "The rich culture and history of the city can be discovered firsthand even within the airport limits". President Kreulen reported that House Beautiful recognized BNA as the 8th Most Impressive Airport. There are only 3 airports in the top 8 that are located in the United States: 1) Singapore Changi (SIN); 2) Doha Hamad (DOH); 3) Dubai (DXB); 4) Paris Charles de Gaulle (CDG); 5) Minneapolis – St. Paul (MSP); 6) Zurich (ZRH); 7) Hartsfield-Jackson Atlanta (ATL); and 8) Nashville International Airport (BNA). President Kreulen stated he enjoyed the write-up on Nashville "Once rinky-dink airport is now a sight to behold with a sprawling, sparkling lobby, friendly and efficient TSA process, terminals packed with local dining like the infamous hot chicken shack". These recognitions are credited to the Board and the MNAA Staff.

President Kreulen stated speaking of impressive, Dr. Glover has a street named after her, the Dr. Glenda Baskin Glover Blvd. in Memphis, Tennessee. The Resolution was signed by the Memphis City Council, District 5 on August 6, 2024. Big round of applause.

President Kreulen announced Josh Powell earned his AAAE Accredited Airport Executive (A.A.E.) accreditation. His panel in Ft. Lauderdale, FL was Bill Hopper, Pitt Greenville, NC; Michelle Anderson, Jackson Hole, WY; and Raymond Laroche, Punta Gorda, FL. Less than 10% of airport executives earn that accreditation. Big round of applause.

President Kreulen stated that Southwest Airlines announced 6 new nonstop destinations out of BNA. The routes will begin April 8, 2025, to Albuquerque, NM; Albany, NY; Jackson, MS; Memphis, TN; Providence, RI; and Tulsa, OK. This will boost Southwest to an all-time high of 174 Sunday departures in April and May 2025. This will be a benefit to Memphis, because it will be feeding

all of the people that live in the Memphis area to go to whatever destination they want to go, normally they would drive, but now they can fly and transfer within BNA to other airports.

President Kreulen complemented the Finance Team for doing a great job. Fitch Ratings reaffirmed Airport Revenue Bond Ratings and gave BNA A+ / Stable rating in Senior Airport Revenue Bonds; and A / Stable in Subordinate Lien Airport Revenue Bonds. Highlighting some of the ratings reflect: Underlying strength of BNA's air trade area, which continues to grow and diversify; Updated hybrid Airline Use and Lease Agreement (AULA), effective July 1, 2023, provides more favorable cost recovery terms for the airport compared to previous agreement; MNAA's total debt profile; Demand-driven and scalable infrastructure development (New Horizon I & II); and Well positioned financial metrics. President Kreulen noted that Moody's and Kroll ratings are expected in November.

President Kreulen stated Icelandair announced on September 26, 2024 nonstop service to Reykjavik, Iceland begins on May 16, 2025. Icelandair reported that they have been selling a lot of tickets. President Kreulen stated the U.S. Women's Soccer Team will play the Iceland Women's National Team here at Geodis on October 27th. MNAA will have a suite for the game and it will be adjacent to the Icelandair suite. This is a great opportunity to network with one of our newest airlines.

President Kreulen stated Aer Lingus announced on October 4, 2024 nonstop service to Dublin, Ireland begins on April 12, 2025. Aer Lingus previous launch in the United States had little over 350K impressions in the local media and Nashville had over 850K for this launch. BNA received additional support from Miranda Lambert yesterday promoting and she has 6.6M followers. The flights out of Nashville are continuing to do a great job.

President Kreulen stated the American Institute of Steel Construction 2024 presented Robert Ramsey, EVP, CDO, with the Innovative Design in Engineering and Architecture with Structural Steel (IDEAS²) award. They also presented awards to BNA partners who helped build the grand lobby and pedestrian bridge, including Hesel Phelps, Fentress, TMPartners, Corgan, Magnusson Kelmenic Associates, Logan Patri Engineering, Banker Steel, Irwin Steel, TruNorth Steel, Schuff Steel Company and Chicago Metal Rolled Products. Congratulations to Mr. Ramsey and Ms. Traci Holton, VP, New Horizon Engineering. Big round of applause.

President Kreulen stated the 2024 Association of Corporate Counsel (ACC) Annual Meeting was held at Music City Center, October 6-9, 2024. The MNAA Legal Team attended as well as Commissioner Stevenson. The ACC has more than 40,000 members employed by over 10,000 organizations and the Tennessee chapter membership has 670 attorneys. More than 3,000 legal professionals registered to attend.

President Kreulen announced that Props for a Purpose out at John C. Tune Airport was created by Jacob Bealle, a Belmont University Freshman. During the first few weeks of October, volunteers loaded seven private aircraft with water bottles, toilet paper, food, batteries and other essentials and the aircraft headed to Tennessee, Georgia, and especially North Carolina to help with the Hurricane relief.

President Kreulen stated BNA has several charity events, one of which is the BNA Aviation Golf Classic which will be held on October 23, 2024. In May 2025, BNA will hold its 4th BNA 5K on the Runway. Those are two big BNA events that allow us to raise funds that are unencumbered by the FAA rules and regulations.

9:16 AM – Interruption by Unrecognized Speaker, Simon Haber, representing Tennessee Drivers Union

President Kreulen stated for FY25 BNA passengers are projected at 5%, 7% and 9%, and projected to be 25.3M by the end of the year. BNA was 23.7M passengers at the end of FY24. BNA set a new checkpoint record on October 6, 2024, with 46,399 screened passengers, and approximately 107,000 arriving/departing. Fall break has been slightly under the projections due to the devastation in Florida, with flights being canceled.

President Kreulen presented the Committee 30-day Outlook for November which will have 6 items for approval in the Operations Committee and 5 items in the Finance Committee. The Management Committee will have one information item, the FY24 MNAA External Audit Update. The Committee 60-Day Outlook for December will have 5 items for approval in the Operations Committee and no approvals at this time for the Finance and Management Committees. The Finance Committee has one information item, the Procurement Policy Annual Review.

President Kreulen concluded the President's update.

VI. ITEMS FOR APPROVAL

1. Maintenance and Service Contract for BNA Conveyance (Operations)

President Kreulen introduced Daniel B. Brown, VP, Facility Management, to brief the Board on the Maintenance and Service Contract for BNA Conveyance. Mr. Brown stated this contract is to provide 24/7 onsite support of BNA's conveyance units currently consisting of 68 units (46 elevators and 22 escalators) and increasing to 79 total conveyance units with Concourse D Extension and new Concourse A. The contractor selected is Kone with a start date of November 1, 2024 and contract duration is 3 years with 3 one-year option terms. If all 6 years are optioned out the total will be \$15,348,000. The contract is race and gender neutral and the funding source is the Operations and Maintenance (O&M) Funds. This will be a big benefit to all of the customers that come in and out of BNA to have Kone on site, and it means if a person becomes trapped in an elevator we can get them out faster than waiting on the fire department.

Mr. Brown requested the Board of Commissioners accept the proposal submitted by KONE and authorize the Chair and President and CEO to execute the proposed contract for up to \$15.348M.

Vice Chair Granbery asked if there were any other bids. Mr. Brown replied yes, 3 bids were received, Kone, Elevated Facility Services and Schindler. Schindler was close to same price as Kone but their package did not score anywhere near Kone's score and Elevated Facility Services score was lower than that. Vice Chair Granbery asked on the 46 units, will different vendors cross over into other maintenance contracts. Mr. Brown replied yes, MNAA is currently utilizing that now off a State contract, and efficiency rates have come up from 75% to 95%. President Kreulen stated that the benefits are going up to 99% and also in the program we planned for power walks and other elevators that will come on in the next several years. Commissioner Glover asked what race and gender neutral means percentage-wise. Ms. Davita Taylor, VP, Procurement and Business Diversity Development, replied that no one in the category in terms of minority is available to do the job. Commissioner Glover stated that it is zero. There previously was one women-owned company, but they sold their business. President Kreulen stated it does not happen often, but sometimes there is not a minority business available.

Commissioner Joslin made a motion to approve and Commissioner Farner seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

2. Construction Contract for Concourse A Ramp Expansion Paving (Operations)

President Kreulen introduced Ms. Traci Holton, VP, New Horizon, to brief the Board on the Construction Contract for Concourse A Ramp Expansion Paving. Ms. Holton stated this is for the construction of concrete terminal apron for aircraft maneuvering around the future Concourse A expansion. MNAA advertised a Request for Proposal (RFP) in July 2024. Two proposals were received in August 2024, and one firm was deemed non-responsive for failure to meet SMWBE level or to provide acceptable good-faith efforts. Hi-Way Paving, Inc.'s proposal was deemed responsive and responsible. Their proposal was at \$20.5M. The SMWBE goal was 10.45% MBE and 8%WBE and Hi-Way Paving, Inc. committed to slightly exceed with 10.50% MBE and 8.04% WBE.

Ms. Holton recommended the Board of Commissioners accept the proposal by Hi-Way Paving, Inc. and authorize the Chair and President and CEO to execute the construction contract for \$20,507,508.

Vice Chair Granbery asked Ms. Holton if she felt good about the amount of fill for the hole and if it has stopped moving. Ms. Holton replied yes, MNAA feels good about it and there are no settlement issues. Vice Chair Granbery asked if we have appointed any tactics to prevent it from being a problem. Ms. Holton replied the FAA sets clear guidance on the quality control requirements and quality assurance testing requirements, which MNAA will follow. There are

specific things that we can look for ahead of time to alleviate some of the stuff that happened with TATE. Hi-Way Paving, Inc. has done the majority of the concrete paving at BNA, and we feel confident in this contractor. President Kreulen stated MNAA continues to go back and do an after-action review and it is a success story of what has happened. Mr. Ramsey and the team put together a drawing of over 1,500 18.5 X 18.5 panels, with half placed by Superior and half placed by Hi-Way Paving, Inc. The half done by Hi-Way Paving, Inc. had only one panel that had to be replaced. Superior had 119 panels requiring replacement.

Ms. Holton stated MNAA will do the Concourse A ramp paving in 2 phases, one phase will allow Operations to use for the interim time period for some Remain Overnight (RON) positions as well as when we start filling the Central Ramp, they will be coming across the remainder of the payment. It does not have to be complete until 2028, but we also need a lay-down area to build Concourse A. and they have committed to a 30-day early completion on the schedule, so the 270 is 30 days earlier than originally planned for both phases. Chair Sullivan asked who the engineer is. Ms. Holton replied Garver was the Engineer of Record.

Commissioner Joslin stated the Operations Committee voted 2 to 0 to recommend approval on October 9, 2024 and made a motion to approve and Commissioner Stevenson seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

3. Task Order for Design of Taxiway Safety Area (“TSA”) Improvements to T/W Alpha North (Operations)

President Kreulen introduced Puneet VEDI, VP, Airport Capital Development, to brief the Board on the Task Order for Design of Taxiway Safety Area Improvements to T/W Alpha North.

Mr. Vedi stated this task order is for design, bidding, and construction administration services for Part 139 Taxiway Safety Area Improvements to Taxiway Alpha North. Garver submitted a Scope of Work and Fee Proposal on September 10, 2024. The total Task Order cost is \$1,286,605 and will start in October 2024 and end October 2025. The SMWBE goal was 10% MBE and/or WBE and Garver has committed to 14.34% MBE and/or WBE participation on all current task orders.

President Kreulen added that the Operations Committee had questions and we modified the slides to show what was recommended by Committee vote – \$1.286M -- and combined with what has been spent totals \$3.6M of the \$5M NTE committed, so we are within budget on the task order.

Mr. Vedi recommended the Board of Commissioners authorize the proposed Task Order through the Engineering On-Call Contract with Garver for \$1,286,605.

Commissioner Joslin stated the Operations Committee voted 2 to 0 to recommend approval on October 9, 2024, and made a motion to approve and Commissioner Stevenson seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

4. Task Order for Design of Terminal Ramp Reconstruction (Operations)

Mr. Vedi stated this task order is for design, bidding, and construction administration services for Terminal Ramp Reconstruction. Garver submitted the Scope of Work and Fee Proposal on September 30, 2024. The total Task Order cost is \$872,000 NTE and will start in October 2024 and end in July 2025. The SMWBE commitment is 14.34% MBE and/or WBE participation on

all current task orders and is 100% funded by MNAA. This Task Order brings the total committed to \$4.4M of the \$5M NTE budget.

Mr. Vedi recommended the Board of Commissioners authorize the proposed Task Order through Engineering On-Call Contract with Garver for \$872,000 NTE.

Commissioner Joslin stated the Operations Committee voted 2 to 0 to recommend approval on October 9, 2024 and made a motion to approve and Commissioner Stevenson seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

5. Amended and Restated Note Purchase Agreement with Bank of America, N.A. (Finance)

MNAA Resolution 2024-09; Initial Resolution

MNAA Resolution 2024-10, Authorizing Resolution

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer, to brief the Board on the Amended and Restated Note Purchase Agreement with Bank of America, N.A. (“BofA”). Ms. Basrai stated on January 7, 2019, MNAA entered into a new Note Purchase Agreement (NPA) with Bank of America (BofA) to provide short-term cash flow funding for MNAA’s capital projects. Draws are expected to be refinanced with long-term bonds. MNAA made a commitment amount of \$300 million for five years at variable interest rates using LIBOR (London Interbank Offered Rate) index. On November 26, 2019, MNAA executed the First Amendment of the NPA with BofA and increased the commitment amount to \$400 million and added an accordion feature which set our initial commitment amount at \$100 million and gave the ability to increase/decrease the facility as needed in order to save on commitment

fees. On December 1, 2021, MNAA executed the Second Amendment of the NPA with BofA, which reduced the commitment amount to \$300 million, removed the accordion feature and updated the interest rate index to BSBY (Bloomberg Short-Term Bank Yield) due to LIBOR publication ceased on June 30, 2023. On December 20, 2023, MNAA executed the Third Amendment of the NPA with BofA, which extended maturity of the notes for a period not to exceed one year to allow additional time to negotiate a new NPA.

MNAA discussed our need for a new NPA with PFM, MNAA's financial advisors. Based on current market conditions (limited commercial banks willing to lend at the \$300M+ without other significant business relationships) and the excellent results of the current NPA and flexibility from BofA, PFM's recommendation was to negotiate directly with BofA for a new NPA. In August 2024 we completed negotiations for the Amended & Restated NPA with BofA for a three-year period. Ms. Basrai asked PFM to compare the proposed pricing and terms to other similar short-term financing programs recently completed (airports, higher education, and state entities). From their view, the proposed pricing/terms are comparable and in a lot of cases favorable to other programs and recommended proceeding with the renewal with BofA.

Ms. Basrai presented a table with the comparison of the pricing/terms between the current NPA and the Amended & Restated NPA. The available Commitment will go back up to \$400M. It is a 3-year commitment period that will mature on or before 11/5/27 (trying to close before 10/31; 11/5 is the backup date). Bank of America offered the accordion feature back. Initial Commitment amount on day of closing will be \$200M. From there we can request increases to the Commitment amount in increments up to the \$400M. This will save us in unused commitment fees. These requests for increase up to \$400M is subject to approval from BofA, however, we believe the risk is very low they will not grant the increase. In the event that something does not get approved we have cash that we can temporarily use to fund our construction and then go back to the market sooner than we anticipated. The current NPA uses BSBY as the interest rate index. That will be ceasing on November 15, 2024, so we are now using the Daily SOFR (Secured Overnight Financing Rate) as the index. Ms. Basrai showed the comparable rates as of 9/23/24, which are just slightly higher due to some new banking regulations in early 2024. Most of our debt is tax-exempt, and the interest rate difference is very minimal. The Commitment Fee we do pay is a fee on the unused portion of 50% of the

commitment amount. The commitment fee is going up 11 bps (20 to 31 bps), however, with the accordion feature we can minimize the commitment amount to keep these fees down.

Ms. Basrai recommended that the Board of Commissioners:

- 1) Approve MNAA Resolution No. 2024-09, Initial Resolution, pertaining to an additional issuance under the Authority's Amended and Restated NPA to finance a portion of the Authority's Capital Improvement Program not to exceed \$400 million; and
- 2) Approve MNAA Resolution 2024-10, Authorizing Resolution, for an Amended and Restated NPA to finance a portion of the Authority's Capital Improvement Program, to consolidate the NPAs into a single document, and establish an initial available commitment of \$200 million; and
- 3) Authorize the President and CEO to execute the Amended and Restated NPA with BofA

Chair Sullivan asked if this is something the audit team will review. Ms. Basrai stated the auditors look at all of our debt as part of their overall external audit to make sure that we are in compliance and also that we are not over the amounts.

Commissioner Byrd stated the Finance Committee voted 3 to 0 to recommend approval on October 9, 2024, and made a motion to approve and Commissioner Farner seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

6. Contract for Human Capital Management System (Finance)

President Kreulen introduced Randy Dorsten, AVP, Human Resources, to brief the Board on the Contract for Human Capital Management System. Mr. Dorsten stated this contract is for the replacement of the current UKG HCMS (Human Resources and Payroll System). This system helps us recruit, train, payroll, and benefits. MNAA has been on the UKG for approximately 20 years. UKG is planning to sunset their current system and would become unsupported in the next few years. Through a Request for Information (“RFI”), MNAA identified and evaluated 2 systems (ADP and Workday) on Cooperative Contracts, and selected ADP. The contract start date is October 2024 and go live planned for December 2025.

Mr. Dorsten recommended the Board of Commissioners accept the proposal by ADP for Workforce Now and authorize the Chair and President and CEO to execute the contract for \$2,300,000 NTE.

Commissioner Byrd stated the Finance Committee voted 3 to 0 to recommend approval on October 9, 2024, and made a motion to approve and Commissioner Farner seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

7. FY25 CEO Key Performance Indicators (KPIs) (Management)

Chair Sullivan stated the FY25 CEO Key Performance Indicators were reviewed and recommended for approval by the Management Committee with slight modifications to FY24,

by a vote of 2 to 0 on October 9, 2024, and made a motion to approve and Commissioner Stevenson seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

I. INFORMATION ITEMS

1. BNA Development Update (Operations)

President Kreulen presented several renderings of BNA Development. The Concourse D extension continues to make progress and 259 days to opening. Terminal Drive has been expanded to 2 lanes after you get onto BNA property to the terminal. The pavement has been completed and permanent markings will be down by the end of October 2024. Taxis and Limos will move to the South Wing Lot on November 5, 2024. The Central Ramp Expansion team has weekly task force meetings that started on September 4, 2024, and has sent a draft Environmental Assessment to the FAA on October 15, 2024.

Vice Chair Granbery asked if there has been any movement with TDOT on expanding the exit from I-40. President Kreulen stated great question, in the Board Retreat today we will show the Board the roadway modeling that has been developed. There are 2 areas that MNAA wants to work with TDOT, and he sent email this morning to Deputy Governor Eley and his staff letting them know that we are presenting to the Board today and would like to come to them following the Board's review.

2. JWN Development Update (Operations)

President Kreulen presented a photograph of the JWN North Development showing the V3 aircraft hangar. They have not passed their fire inspection yet, and once that is achieved, they

will have their building inspection. President Kreulen presented a 2nd photograph showing the progress of the MNPD hangar. The 2nd FBO selection team is reviewing the 3 proposals received from Atlantic Aviation, Signature Aviation, and Jet Access. There will most likely be interviews of the finalists. It will come back to the Board in November for approval. Commissioner Joslin asked how many proposals MNAA received. Vice Chair Granbery stated only 3, which is disappointing, and asked if there is any underlying reason. President Kreulen replied he does not think so, there were 20 potential proposers at the pre-proposal meeting, and all 3 of the proposals received are already operating at BNA. There is one that MNAA thought was going to bid that did not show up to the mandatory pre-proposal meeting and that disqualified them.

Commissioner Joslin stated we set the bar too high, it is a \$35M minimum investment. President Kreulen replied yes, it is, and he does not believe MNAA set the bar too high to meet the long-term needs of JWN. We want the \$35M investment to build a new terminal, new hangars, and provide Part 145 jet maintenance. They all participated in the RFI so they saw and had the opportunity to influence us as we developed the final specifications and no one complained to his knowledge. Chair Sullivan stated a lot of times when that many show up for the proposals, it scares some off. Commissioner Joslin stated those are 3 big operators here, there are some regional operators, and they are going to control the fuel sales here and at BNA, that is his only fear.

President Kreulen stated that MNAA will come back to the Board in November 2024. Commissioner Joslin asked if Wilson Air bid, he thinks they did not want to have anything to do with the restaurant. Ms. Taylor replied that was one of the options. President Kreulen stated the features we wanted ended up going out in the proposal. Ms. Taylor stated we did the Request for Information (RFI) and an industry day, so they had an opportunity to talk through that. Their comments and suggestions from the RFI came into the RFP. Vice Chair Granbery asked where the \$35M came from. President Kreulen replied it is based on the facilities that we believe JWN is warranted and based on the amount of square footage and properties that we are going to lease. When we compared business deals that we have done with Signature and Atlantic here and around the United States, this is not an uncommon ask. JWN in operations is just behind Smyrna. Whoever is the selected proposer is coming into an airport where there is 100K operations happening in a year and that is why they decided to propose. I share your concern, but if MNAA was doing this on our own, we would have asked for these same sort of things based on feedback. Vice Chair Granbery stated controlling the rental of the hangars, at the end of the day regardless

of what they build, MNAA will have control of all of the hangars that are built. President Kreulen replied yes, we have control of all the hangars that are being built on the North and control of all the hangars on the South, and once the current FBO lease expires, we will be in control of those 3 new hangars that are being built. This FBO is to provide maintenance and overnight services to jets coming out of there, and they will need to build a terminal and hangars to park jets.

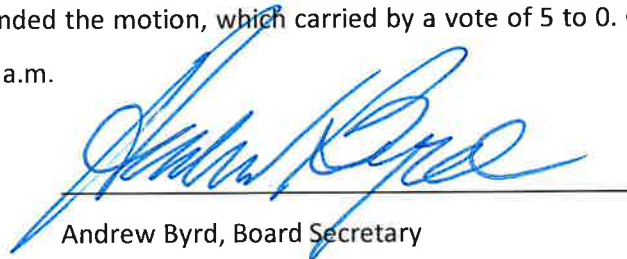
3. FY24 Employee Performance Results (Management)

President Kreulen reported the FY24 Employee Performance Results were shared at the Management Committee and the Performance Incentive Payout will be paid on Friday, October 18, 2024.

President Kreulen concluded the presentation of the informational items.

I. ADJOURN

There being no further business brought before the Board, Chair Sullivan made the motion to adjourn, and Vice Chair Granbery seconded the motion, which carried by a vote of 5 to 0. Chair Sullivan adjourned the meeting at 9:52 a.m.



Andrew Byrd, Board Secretary