



# Joint Meeting of MNAA Board of Commissioners and MPC Board of Directors

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December 18, 2024



# Call to Order

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December 18, 2024

# Public Comment

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Tennessee Code Annotated, Title 8, Chapter 44, Part 1

MNAA Policy ID: 33-007, Public Comment Policy, effective November 27, 2024

No Requests for Public Comment Received by Monday, December 16, at 1:00 pm

# Approval of Minutes

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Joint Meeting of the MNAA Board of Commissioners & MPC Board of Directors

November 20, 2024

# Chair's Report

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Nancy B. Sullivan, P.E.

Board Chair

# President's Report

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Douglas E. Kreulen, A.A.E.

President and CEO



## Frommer's Names Nashville in Best Places to Go in 2025

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- December 3, 2024
- 14<sup>th</sup> year in a row Nashville has been named



## Avelo Adds Direct Service to 4 New Markets

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- Announced: December 4, 2024
- 2x weekly service:
  - Concord, NC (USA) (4/4/25)
  - Wilmington, DE (ILG) (5/1/25)
  - Rochester, NY (ROC) (4/3/25)
  - Wilmington, NC (ILM) (4/3/25)
- Boeing 737 (189 seats)



- Airport awards highlight organizations which have excelled in route development marketing
- Judged by airlines
- Over 20 million passenger airport shortlist
  - 1) Denver International Airport
  - 2) Montreal-Trudeau International Airport
  - 3) Nashville International Airport
  - 4) Tampa International Airport
  - 5) Washington Dulles International Airport
- Winners will be announced at Routes Americas 2025
  - Nassau & Paradise Island, Bahamas
  - February 10 – 12, 2025

## **BNA Shortlisted for Routes Americas Award**

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- December 11, 2024



## Southwest Adds Direct Service to Louisville, KY

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- Announced: December 13, 2024
- Louisville, KY (SDF)
- Begins August 5, 2025, daily except Saturday
- Boeing 737 (143 seats)

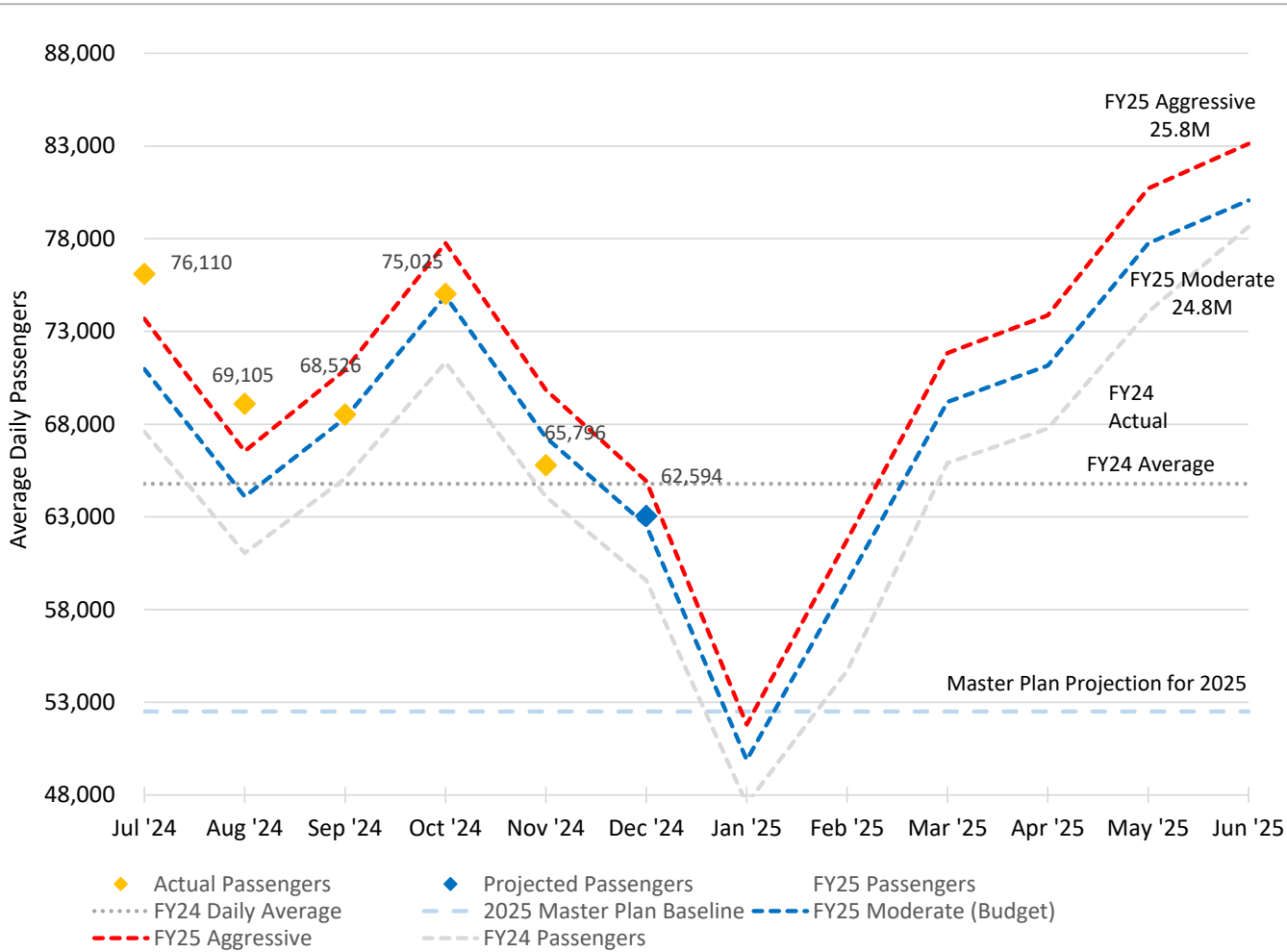
- Transition Terminal Wi-Fi from Boingo to MNAA (Boldyn)
  - Up to 20 times faster – download speeds up to 100 MBPS
  - More convenient customer experience
    - No ads (brief survey required)
    - No interruptions
- Additional equipment planned for July 2025 to further enhance Wi-Fi speeds
  - Goal: Fastest Free Wi-Fi in American Airports

# Terminal Wi-Fi Upgrade

- December 19, 2024



# FY25 BNA Passengers



\*December projections based on TSA data through December 16, 2024

- FY25 Forecast: 5%, 7%, 9%
  - Projected 25.3M
- December FY25 Projected\*
  - 1.9M total passengers
  - 63K daily passengers
- FYTD December (+7%)
  - 12.8M total passengers
  - 70K daily passengers

## Operations

- Approvals
  - 1) Contract for Landscaping
  - 2) On-Call Architectural Task Order for Central Ramp Independent Cost Estimating – *tentative*
  - 3) New Horizon II Program Scope and Budget
- Information
  - 1) Terminal II Siting Study (Update 7 of 8) – *tentative*

## Finance

- Approvals
  - 1) Amendment to Advertising Contract
- Information
  - 1) Procurement Policy Annual Review

## Management - TBD

# Committee 30-day Outlook

- January 8 & 15, 2025
- Commissioners Byrd & Granbery unavailable for January 8 Committee Meeting
- Board Tour of Concourse D Extension – January 15 following Board Meeting

## Operations

- Approvals
  - 1) Professional Services Contract for BNA Master Plan
  - 2) On-Call Contract for Tree Clearing, Grubbing and Grading
  - 3) CGMP 2 for Central Ramp Expansion
- Information - None

## Finance

- Approvals
  - 1) Cell Carrier License Agreements for DAS – **tentative**
- Information
  - 1) Quarterly Retirement/OPEB/Treasury Investment Reports
  - 2) BNA Concessions Program Quarterly Update and Sales Report

Management - TBD

# Committee 60-day Outlook

- February 12 & 19, 2025
- ACI-NA CEO Forum
  - Tucson, Arizona
  - February 4 – 8, 2025

# Items for Approval

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December 18, 2024

- Construction Contract Change Order 3 for JWN Terminal Building Parking Lot Expansion (Operations)

## Item for Approval

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Puneet Vedi, AIA, C.M., LEED GA  
VP, Airport Capital Development



# Construction Contract Change Order 3 for JWN Terminal Building Parking Lot Expansion

**Project Description:** Add scope to the construction contract for JWN Lot Expansion to include additional resurfacing of 2,900 linear feet of Tune Airport Drive to Cockrill Bend Road.

**Contractor:** Roger's Group, Inc.

**Contract Value:**

Contract Amount:	\$1,582,781.25 (FY23 CIP)
Change Order 1:	\$ 10,132.25 (FY23 CIP)
Change Order 2:	\$ 0.00 (FY23 CIP)
<b>Change Order 3:</b>	<b>\$ 500,000.00 (FY25 CIP)</b>
Total Contract:	\$ 2,092,913.50 NTE

**Schedule:** Contract Start: May 2024  
Contract Complete: February 2025

**DBE Commitment:** 16.39% DBE

**Funding Sources:**



**Committee Review:** Operations Committee voted 3 to 0 to recommend approval on December 11, 2024.

**Staff Recommendation:** Board of Commissioners authorize the Chair and President and CEO to execute Change Order 3 to the Construction Contract with Roger's Group, Inc. for \$500,000 NTE.

- On-Call Job Order Contract Task Order for Ground Transportation Center (GTC) Reconfiguration (Operations)

## Item for Approval

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Traci Holton, PE, C.M.  
VP, New Horizon

# On-Call Job Order Contract Task Order for Ground Transportation Center (GTC) Reconfiguration

**Project Description:** Reconfigure the GTC, including new signage, improved crosswalk locations, removal of curbs and installation of bollards, for better vehicular and pedestrian flow and safety, in preparation for the move of Transportation Network Companies (TNCs) drop-offs to the GTC.

**Contractor:** Utopia Construction, Inc.

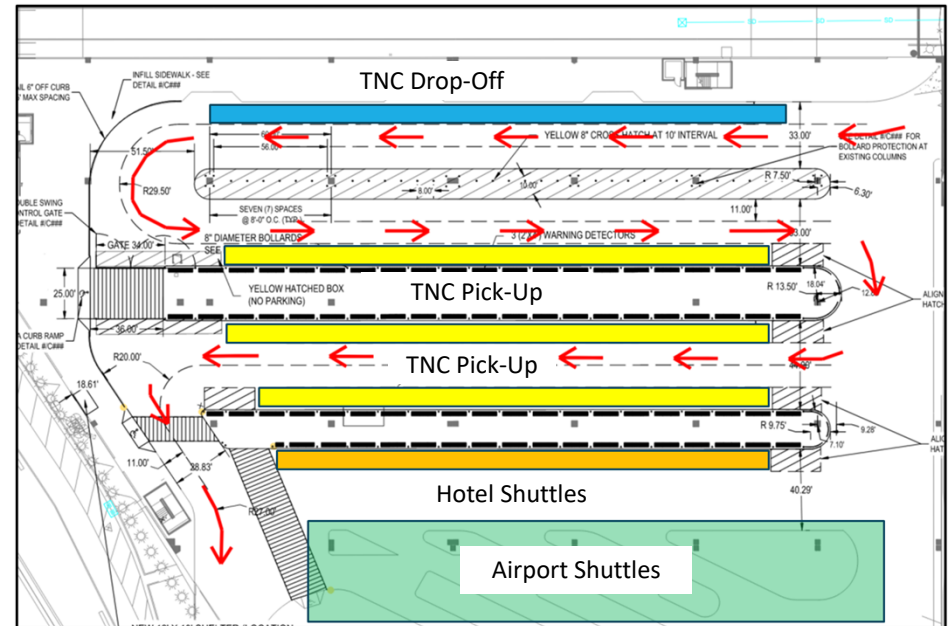
**On-Call Contract Value:** \$5,000,000 NTE (Year 2)

**Task Order Cost:** \$1,000,000 NTE (\$4.2M of \$5M NTE committed)

**Schedule:** Task Order Start: December 2024  
Task Order End: May 2025

**JOC SMWBE Commitment:** 24.0% MBE and/or WBE

**Funding Sources:**



**Committee Review:** Operations Committee voted 3 to 0 to recommend approval on December 11, 2024.

**Staff Recommendation:** Operations Committee recommend to the Board of Commissioners that it authorize the proposed Task Order through the Job Order Contract with Utopia for \$1,000,000 NTE.

- Service Contract for Common Use System (Finance)

## Item for Approval

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KC Hampton  
AVP, Information Technology

# Service Contract for Common Use System

**Contract Description:** Service contract to provide a Common Use Systems at BNA for ticketing and gate boarding operations to include software, hardware, management, and maintenance.

**Contractor:** AeroCloud Systems Ltd.

**Contract Cost:** Year 1: \$ 696,248 (\$307,521 plus one-time setup fee of \$388,727)  
Year 2: \$ 319,820  
Year 3: \$ 332,612  
Year 4: \$ 345,915  
Year 5: \$ 359,752  
Total: \$2,054,350

**Procurement Method:** Carahsoft Cooperative Agreement  
(Master Agreement: R2472, State PA: 67955)

**Schedule:** Contract Start: December 20, 2024  
Contract Term: 5 years

**SMWBE:** 0% goal

**Funding Sources:** 29% CIP 71% FY25 O&M



**Committee Review:** Finance Committee voted 3 to 0 to recommend approval on December 11, 2024.

**Staff Recommendation:** Board of Commissioners authorize the Chair and President & CEO to execute the proposed contract with AeroCloud Systems Ltd. For \$2,054,350.



- 10<sup>th</sup> Amendment to Fraport Lease & Concession Agreement (Finance)
- 2<sup>nd</sup> Amendment to Paradies Lease & Concession Agreement (Finance)

## Items for Approval

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Eric Johnson, C.M.  
SVP, Chief Revenue Officer

# Tenth Amendment to Fraport Lease & Concession Agreement

## Background:

- MNAA has a Lease and Concession Agreement (Agreement) with Fraport, Tennessee, Inc. (Fraport) to develop and operate terminal-wide concessions program, including food, beverage, services, retail and vending offerings.
- The term of the agreement commenced on February 1, 2019, and will expire on January 31, 2029.
- Fraport has requested modifications to certain operating provisions of the Agreement to ease operating costs for concession tenants.

## Proposed Amendment and Justification:

- 1) Amend concession pricing to allow prices comparable to **street prices plus up to ten percent**
  - Allows concession tenants to recover higher airport operating costs
  - Aligns BNA with most U.S. airports
- 2) Amend concession **operating hours** requiring tenants to remain open until the last scheduled departure **from their respective concourse**
  - Requiring all tenants to remain open until the last actual departure **in the entire terminal** results in higher operating costs and impacts employee retention
  - NOTE: Tenants may be required to remain open beyond the last scheduled departure when needed to provide service due to flight delays

Committee Review: Finance Committee voted 3 to 0 to recommend approval on December 11, 2024

Staff Recommendation: Board of Commissioners accept the 10<sup>th</sup> Amendment to the Fraport Agreement and authorize the Chair and President & CEO to execute the Amendment.

# Second Amendment to Paradies Lease & Concession Agreement

## **Background:**

- MNAA has a Lease and Concession Agreement (Agreement) with Paradies-Lagardere@Nashville, LLC (Paradies) to develop and operate a concessions program in the Satellite Concourse.
- The term of the agreement commenced on October 19, 2023, and will expire on October 18, 2033.

## **Proposed Amendment and Justification:**

- Amend concession pricing to allow prices comparable to **street prices plus up to ten percent**
  - Allows concession tenants to recover higher airport operating costs
  - Aligns BNA with most U.S. airports
  - Aligns concession pricing provisions with those in the 10<sup>th</sup> Amendment to the Fraport Agreement

**Committee Review:** Finance Committee voted 3 to 0 to recommend approval on December 11, 2024

**Staff Recommendation:** Board of Commissioners accept the 2<sup>nd</sup> Amendment to the Paradies Agreement and authorize the Chair and President & CEO to execute the Amendment.



# Information Items

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December 18, 2024 - None



## Joint Meeting of MNAA Board of Commissioners and MPC Board of Directors

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Meeting Adjourned

# Staff Reports

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December 18, 2024

Provided for Information Only

# Operations Report

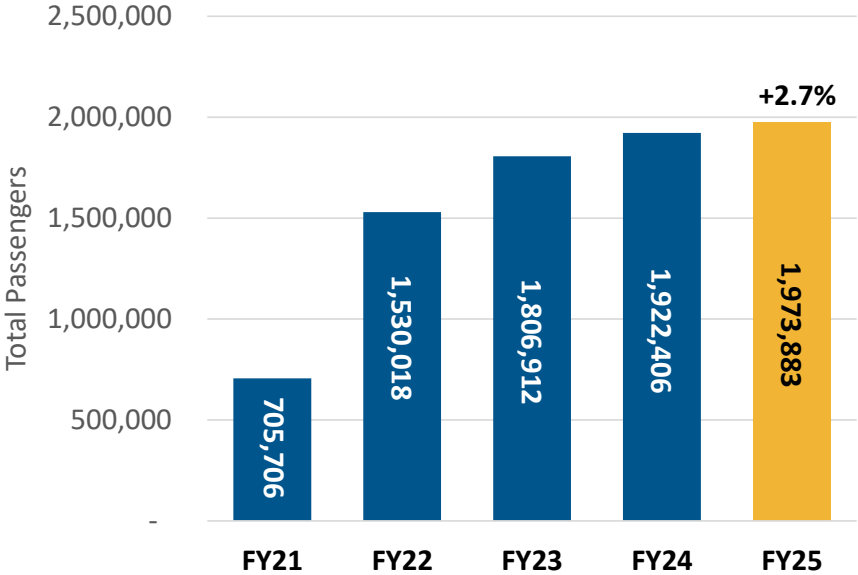
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Adam Floyd, C.M.

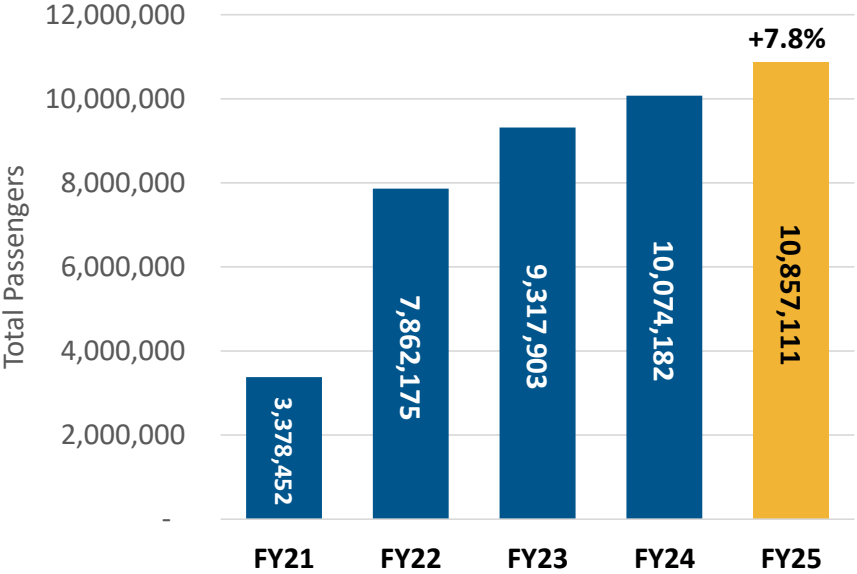
SVP, Chief Operating Officer

# BNA Total Passengers

### November

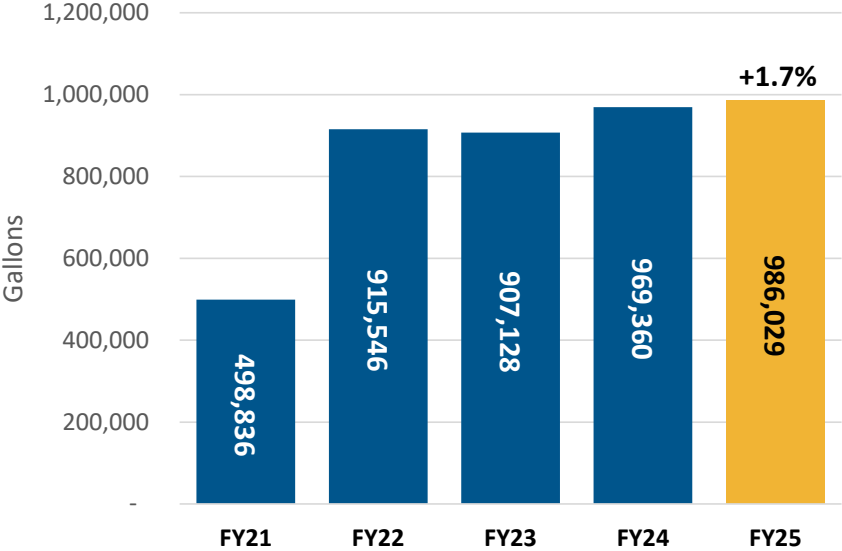


### November FYTD

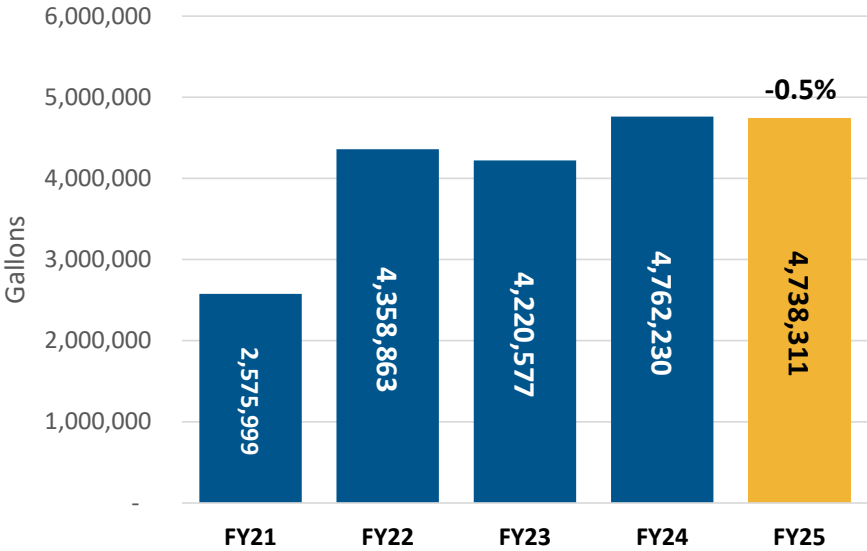


# BNA Fuel Sales (General Aviation)

### November

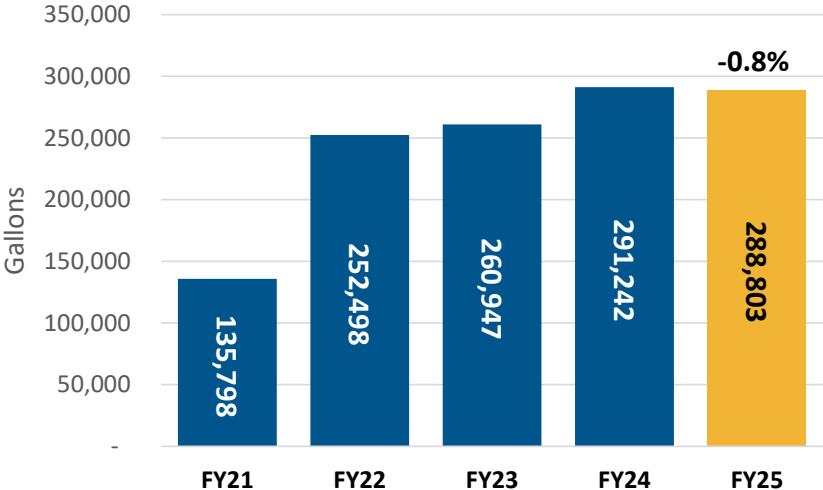


### November FYTD

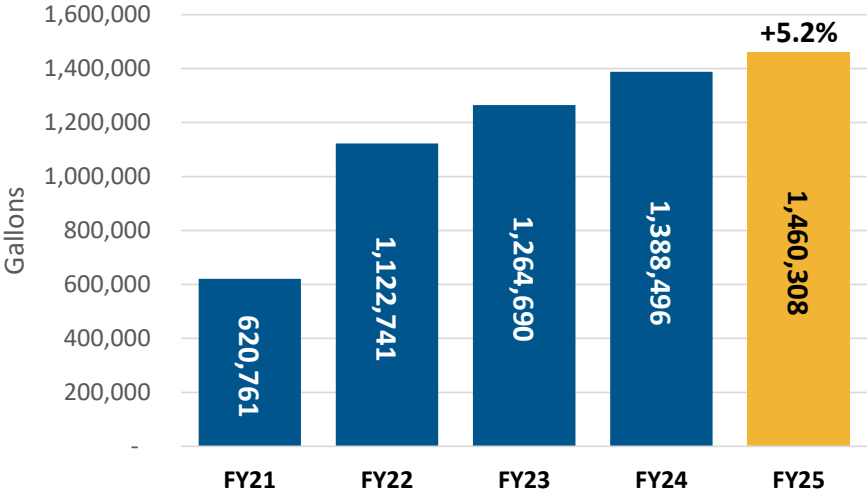


# JWN Fuel Sales

### November



### November FYTD



# Development Report

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Robert Ramsey, P.E., A.A.E., I.A.P.

EVP, Chief Development Officer



# Vision 1.0 Program Budget Update: December 2024

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
<b>VISION PROJECTS</b>	\$ 1,224,563,416	\$ 1,207,881,814	\$ 16,681,602	\$121,290,987 / \$0
Parking and Transportation Center	\$ 112,565,500	\$ 112,565,500	\$ -	\$5,100,000 / \$0
Concourse D & Terminal Wings	\$ 287,637,753	\$ 287,637,753	\$ -	\$33,964,557 / \$0
Garage C & Airport Administration Building	\$ 180,995,368	\$ 180,995,368	\$ -	\$20,341,202 / \$0
Garage B	\$ 97,428,000	\$ 80,746,398	\$ 16,681,602	\$2,700,000 / \$0
Terminal Lobby & IAF	\$ 480,436,795	\$ 480,436,795		\$54,865,228 / \$0
Terminal Access Roadway Improvements Ph 1	\$ 65,500,000	\$ 65,500,000	\$ -	\$4,320,000 / \$0
<b>VISION ENABLING PROJECTS</b>	\$ 62,390,352	\$ 62,390,351	\$ -	\$1,408,000 / \$950,497
ART	\$ 5,112,550	\$ 5,112,550	\$ -	
<b>PROGRAM CONTINGENCY</b>	\$ 12,941,682	\$ 20,623,284	\$ (7,681,602)	
<b>Total</b>	\$ 1,305,008,000	\$ 1,296,008,000	\$ 9,000,000	\$122,698,987 / \$950,497

**Total Contingency Remaining = \$20.6M program + \$950K project ~ \$21.5M**

# Vision 2.0 Program Budget Update: December 2024

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
<b>VISION 2.0 PROJECTS</b>	\$ 229,500,000	\$ 204,963,774	\$ 24,536,227	\$12,392,941 / \$1,440,000
Satellite Concourse	\$ 134,500,000	\$ 128,075,392	\$ 6,424,608	\$8,952,941 / \$0
Runway 2L/20R Extension EA/Preliminary Design/Property Acquisition	\$ 15,000,000	\$ 15,000,000	\$ -	\$0 / \$0
Concourse A Site Prep / Fill / EA	\$ 49,000,000	\$ 30,888,382	\$ 18,111,618	\$2,000,000 / \$0
Concourse A Ramp Paving	\$ 31,000,000	\$ 31,000,000	\$ -	\$1,440,000 / \$1,440,000
<b>PROGRAM CONTINGENCY</b>	\$ -	\$ 24,536,227	\$ (24,536,227)	
<b>Total</b>	\$ 229,500,000	\$ 229,500,000	\$ (0)	\$12,392,941 / \$1,440,000

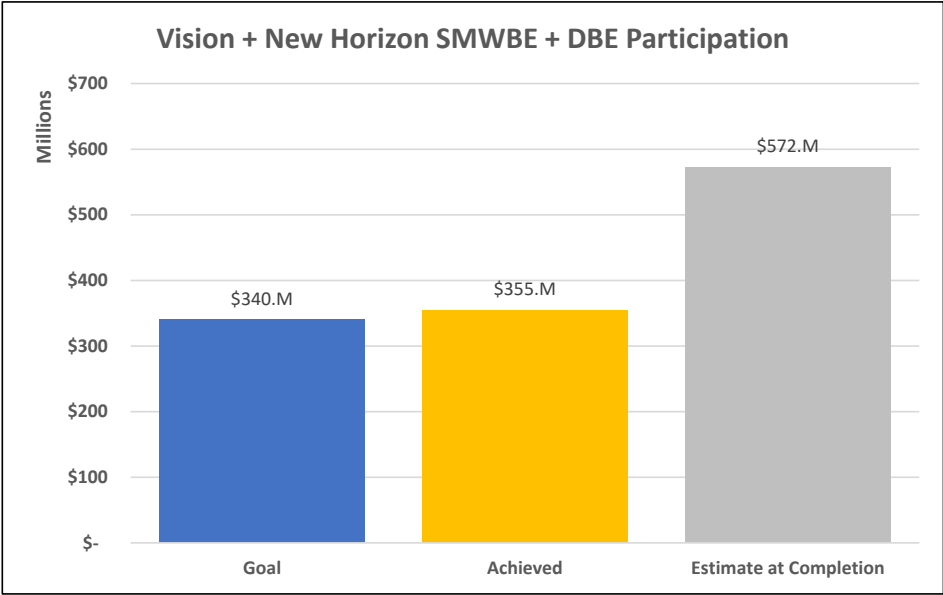
**Total Contingency Remaining = \$24.5M program + \$1.4M project ~ \$25.9M**

# New Horizon I Program Budget Update: December 2024

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
New Horizon I Projects (Airside)	\$ 1,541,000,000	\$ 1,541,000,000	\$ -	\$140,350,615 / \$140,350,615
Baggage Handling System Improvements	\$ 243,000,000	\$ 243,000,000	\$ -	\$22,090,909 / \$22,090,909
Concourse D Extension	\$ 287,000,000	\$ 287,000,000	\$ -	\$26,138,432 / \$26,138,432
Concourse A Expansion	\$ 855,000,000	\$ 855,000,000	\$ -	\$77,939,456 / \$77,939,456
Central Ramp Expansion	\$ 156,000,000	\$ 156,000,000	\$ -	\$14,181,818 / \$14,181,818
ART	\$ 4,000,000	\$ 4,000,000	\$ -	
PROGRAM CONTINGENCY	\$ 75,000,000	\$ 75,000,000	\$ -	
<b>Total</b>	<b>\$ 1,620,000,000</b>	<b>\$ 1,620,000,000</b>	<b>\$ -</b>	<b>\$140,350,615 / \$140,350,615</b>

**Total Contingency Remaining = \$75M program + \$140M project ~ \$215M**

# SMWBE Participation – Vision & New Horizon – December 2024



Includes MBE, WBE, SBE & DBE

	Vision	New Horizon	Total
Contract Amount	\$1.38B	\$370.9M	\$1.75B
Goal	\$276.5M	\$63.5M	\$340M
Achieved	\$337.5M	\$17.2M	\$355M
<b>Estimate at Completion</b>	<b>\$340.4M</b>	<b>\$231.6M</b>	<b>\$572M</b>

Source: Vision Project Controls – Pending validation by BDD

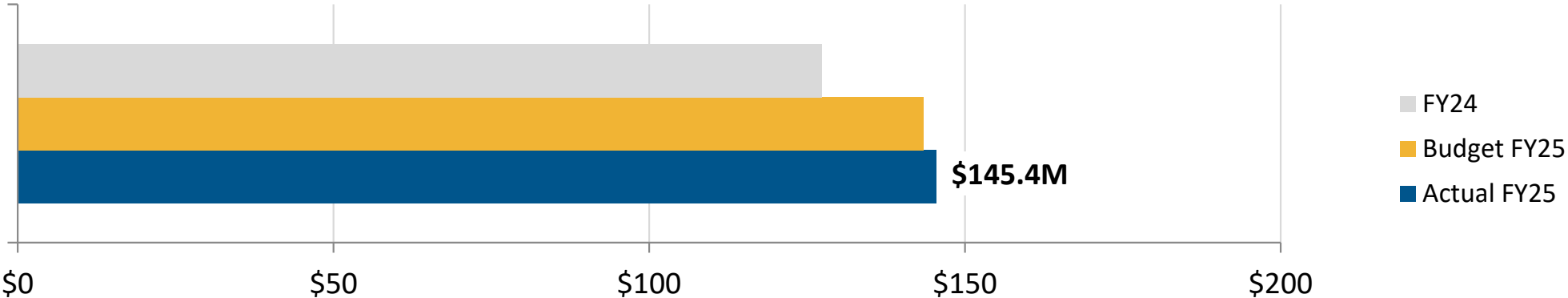
# Finance Report

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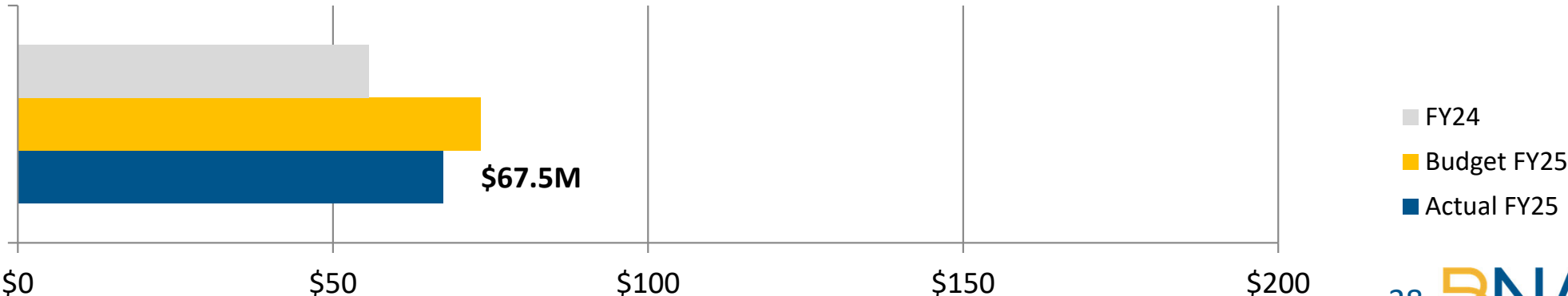
Marge Basrai, CPA, CGMA, CM  
EVP, Chief Financial Officer

# BNA – Revenues and Expenses YTD November 2024

### Operating Revenues (\$ millions)

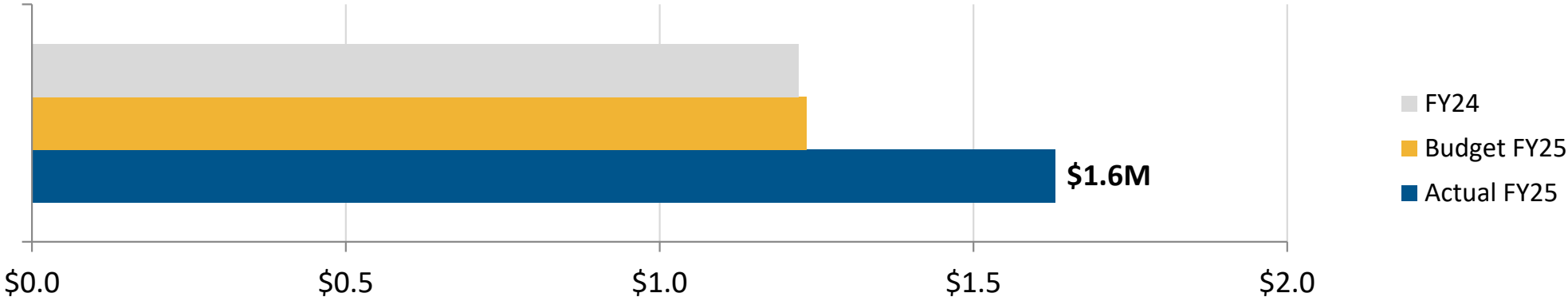


### Operating Expenses (\$ millions)

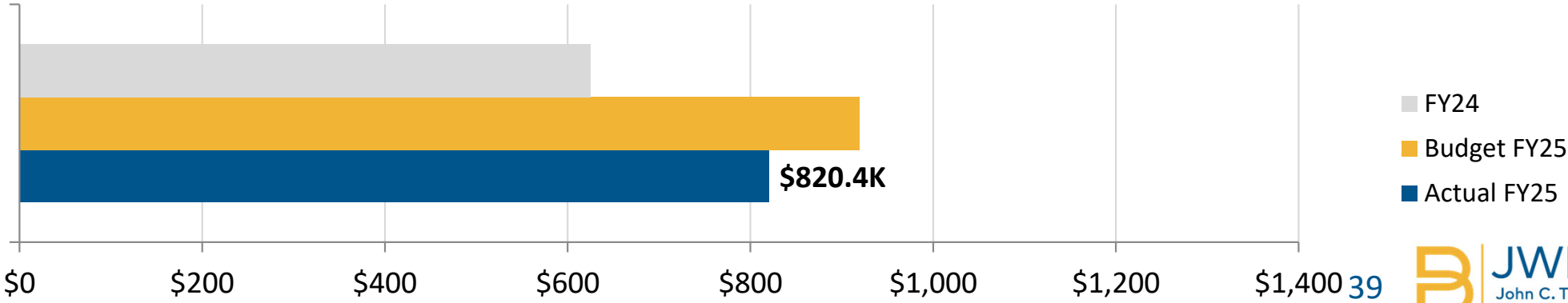


# JWN – Revenues and Expenses YTD November 2024

### Operating Revenues (\$ millions)

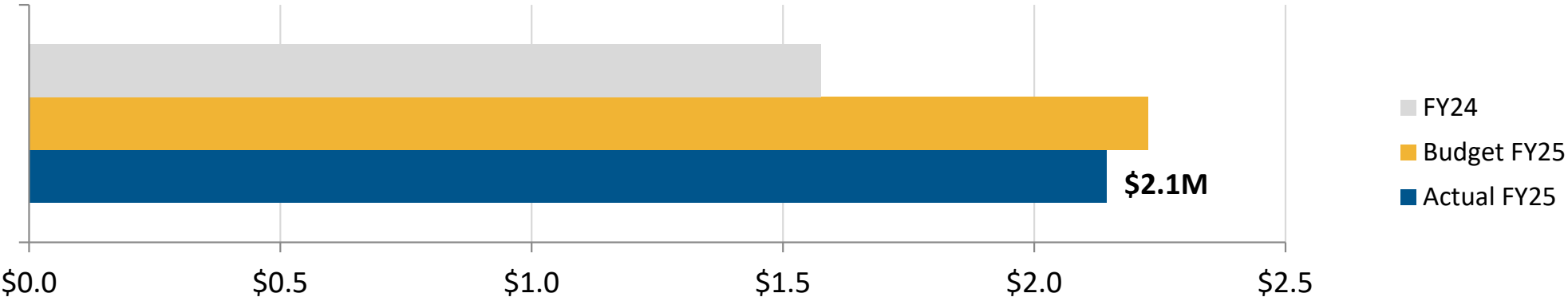


### Operating Expenses (\$ thousands)

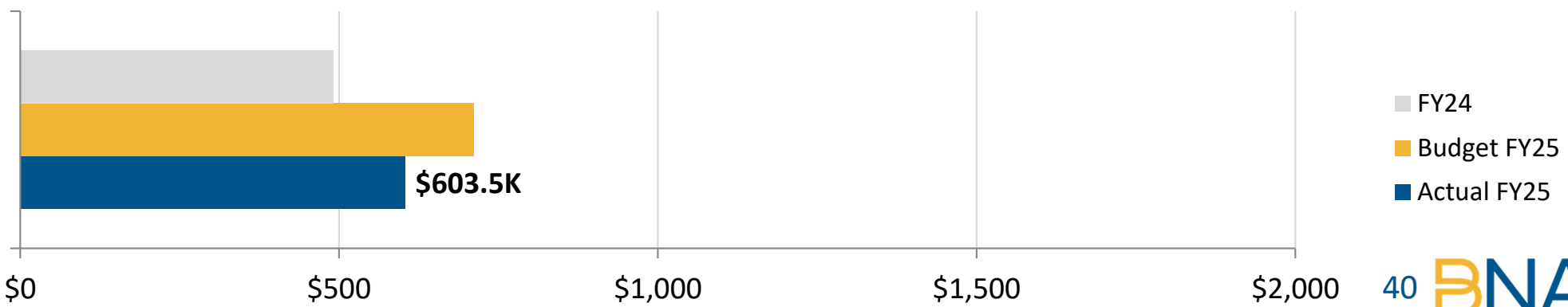


# MPC – Revenues and Expenses YTD November 2024

### Operating Revenues (\$ thousands)



### Operating Expenses (\$ thousands)





# Commercial Development Report

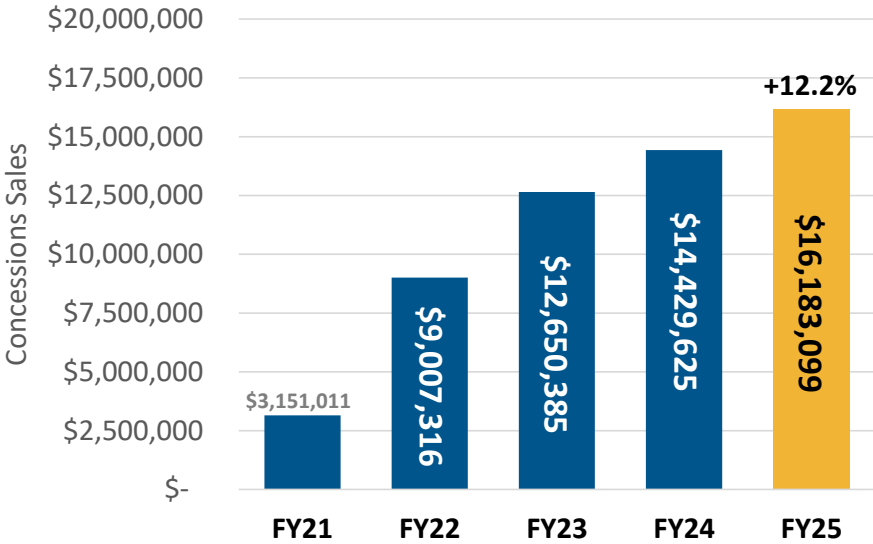
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Eric Johnson, CCIM, CM

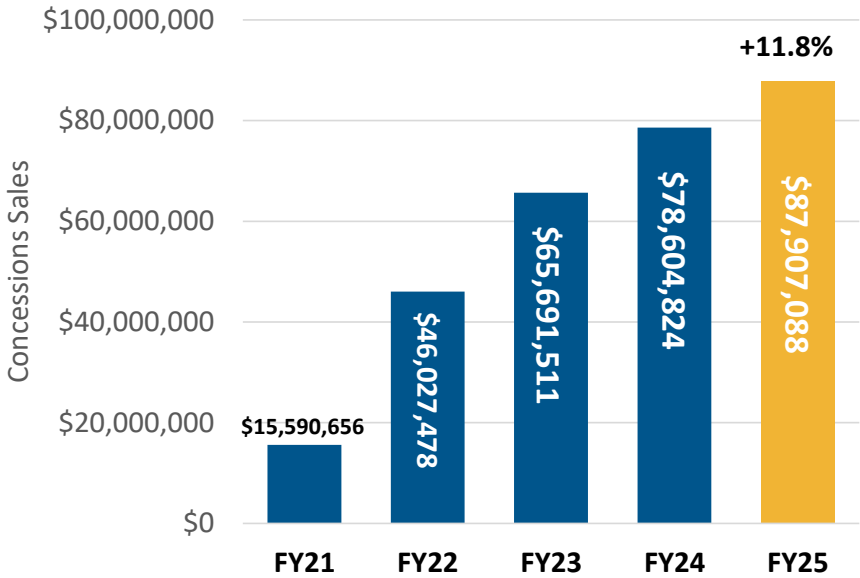
SVP, Chief Revenue Officer

# Concession Sales

## November



## November FYTD



Sales per Enplaned Passenger  
 November 2023: \$16.27  
 November 2024: \$15.09

\*Includes Fraport & Paradis