

Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development ("Finance") Committees

December 11, 2024



Call to Order

December 11, 2024



Public Comment

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

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

No Public Comment Requests Received by Monday, December 9, 2024, 9:00 am



Approval of Minutes

Joint Meeting of the MNAA & MPC Finance, Diversity & Workforce Development ("Finance") Committees November 13, 2024



Chair's Report

Andrew Byrd

Finance Committee Chair



Items for Approval

December 11, 2024



Service Contract for Common Use System

Item for Approval

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

<u>Procurement Method:</u> Carahsoft Cooperative Agreement (Master

Agreement: R2472, State PA: 67955)

Schedule: Contract Start: December 20, 2024

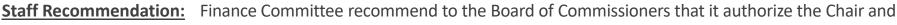
Contract Term: 5 years

SMWBE: Race and gender neutral

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







President & CEO to execute the proposed contract with AeroCloud Systems Ltd. for \$2,054,350.



- 10th Amendment to Fraport Lease & Concession Agreement
- 2nd Amendment to Paradies Lease & Concession Agreement

Items for Approval

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 <u>operating hours</u> requiring tenants to remain open until the last scheduled departure <u>from their respective</u> 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

Staff Recommendation:

- Staff requests that the Finance Committee recommend to the Board of Commissioners that it:
 - Accept the 10th 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 10th Amendment to the Fraport Agreement

Staff Recommendation:

- Staff requests the Finance Committee recommend to the Board of Commissioners that it:
 - Accept the 2nd Amendment to the Paradies Agreement and
 - Authorize the Chair and President & CEO to execute the Amendment.

Information Items

December 11, 2024 - None



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