

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



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Date/Time: Wednesday, April 16, 2025, at 1:00 p.m.  
Place: Nashville International Airport – Tennessee Board Room  
Board Members: Nancy Sullivan, Chair  
Jimmy Granbery, Vice Chair  
Andrew Byrd, Secretary  
Bobby Joslin  
Joycelyn Stevenson  
Dr. Glenda Glover  
Glenn Farner

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I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comments received to date. Deadline is April 14, 2025 at 1:00 p.m.

III. APPROVAL OF MINUTES

March 19, 2025 Minutes of the Joint Meeting of the MNAA Board of Commissioners & MPC Board of Directors

IV. CHAIR'S REPORT

V. PRESIDENT'S REPORT

VI. ITEMS FOR APPROVAL

1. Construction Contract for TARI Ph 3.1 (Operations)
2. Contract for Clean Energy/Compressed Natural Gas (CNG) (Operations)
3. Contract for Nashville Electric Service (NES) Power (Operations)
4. FY25 CIP Budget Amendment, BNA, MNAA Resolution 2025-02 (Finance)
5. FY25 O&M Budget Amendment, BNA, MNAA Resolution 2025-03 (Finance)
6. FY26 O&M Budget, BNA, MNAA Resolution 2025-04 (Finance)
7. FY26 Capital Budget, BNA, MNAA Resolution 2025-05 (Finance)
8. FY26 O&M Budget, JWN, MNAA Resolution 2025-06 (Finance)
9. FY26 Capital Budget, JWN, MNAA Resolution 2025-07 (Finance)
10. FY26 O&M Budget, MPC, MPC Resolution 2025-01 (Finance)
11. FY26 Capital Budget, MPC, MPC Resolution 2025-02 (Finance)

VII. ADJOURN

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



Date: March 19, 2025

Location: Metropolitan Nashville Airport Authority  
Tennessee Boardroom

Time: 1:00 p.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: None

MNAA Staff & Guests Present: Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, John Cooper, Kristen Deuben, Chief Findlen, Aaron Flake, Adam Floyd, Traci Holton, Eric Johnson, Lisa Leyva, Carrie Logan, Rachel Moore, Ted Morrissey, Greg Patterson, Stacey Nickens, Brandi Porter, Josh Powell, Robert Ramsey, and Puneet VEDI

## I. CALL TO ORDER

In accordance with the 3<sup>rd</sup> 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 1:00 p.m., pursuant to Public Notice dated March 14, 2025.

## II. PUBLIC COMMENTS

Chair Sullivan stated there were no public comment requests received.

## III. APPROVAL OF MINUTES

Chair Sullivan called for a motion to approve the Minutes of the February 19, 2025 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 Joslin.

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 thanked MNAA staff for the successful operations of BNA.

V. PRESIDENT'S REPORT

President Kreulen reported on February 21, 2025, S&P affirmed MNAA's Senior Bond Rating of AA-/stable outlook. Strengths noted by S&P include MNAA's finance team and the Board's proactive leadership with safeguards in place to ensure we are maintaining a strong and healthy airport.

President Kreulen stated on February 26, 2025, Resonance Consultancy rated Nashville #22 of top 100 cities for nightlife, shopping, sports, and culture. In the sub-category ratings, Nashville was rated in the top 10 for nightlife and #13 for culture. It is another tribute to where we are as we continue to grow.

President Kreulen reported 4 airlines have new and returning air service to BNA. Avelo Airlines, Frontier Airlines, Southwest Airlines and Spirit Airlines. He presented a slide listing the 18 flights between March and May that will be growing our network even bigger. This is a great credit to our city and our state. Commissioner Glover asked when the nonstop flight from Jackson, MS starts. Mr. Josh Powell, VP, Airline Affairs, responded it will start April 8, 2025.

President Kreulen reported that TDOT completed its annual JWN inspection on March 18, 2025. TDOT inspected runway, taxiways, apron, nav aids and infrastructure and reported no immediate discrepancies and recommended BNA continue to look at trees and the ends of the approach and departure paths of R/W02 and R/W20. MNAA recently purchased Wingra drones that have the capability to identify which specific trees need to be addressed. The State of Tennessee also has a drone that they recently flew out at JWN. Chair Sullivan asked if there are any issues off the property that we must address. President Kreulen replied yes, most likely these trees are off our

property, and we will have to contact the landowner to make sure we have the ability to top them, and it may also involve Metro. Vice Chair Granbery asked if there is an update on the upgrades to tower radar at JWN. President Kreulen replied he will take that as an action item. He stated it has been discussed and there is now a direct connection between the two airports.

President Kreulen reported that FY25 BNA passengers show passenger growth back up to 5% - 6% through March. We believe by June 30, 2025 BNA may hit 25.1M. Right now, we are at 69.6K daily passengers. Vice Chair Granbery asked if there is an increase with the 16 teams coming in for the SEC, coming from as far away as Texas and Oklahoma. President Kreulen replied when Nashville hosts a big event like the SEC tournament, we see passengers come in and they are wearing their jerseys. Vice Chair Granbery asked which schools came in, and who was the farthest away. President Kreulen stated he would see if he could get a break down on that information.

President Kreulen stated the Central Ramp Expansion Update was presented in the Operations Committee, and he wanted to review again with the full Board as we reprogram the New Horizon I budget to take care of the Central Ramp Expansion. The Concourse D Extension budget is \$287M and MNAA will complete at \$247M with a contingency of \$40M. President Kreulen stated that under the program contingency MNAA has \$75M available, of which \$48.1M will be moved into Central Ramp Expansion. Those two moves will give us the funds that we planned on. The bottom line for New Horizon has not changed; we are still at \$1.62M. Commissioner Farner asked if the central ramp expansion's extra cost is for fill dirt. President Kreulen replied that out of the \$88M, there is drainage, fill material volume and cost increases, concrete cost increases, and ADG V/ TDG 6 improvements. Commissioner Farner asked what the \$40M savings consists of. Ms. Traci Holton, VP, New Horizon, responded it was not a reduction in scope, it was projections of when we programmed the project and now that we are close to the end realize we will not use all of it. President Kreulen stated even when we take out \$48.1M, leaving \$26.9 in program contingency, these projects individually have \$108M in contingencies to cover us from now until 2028. He concluded that he would reprogram the New Horizon I budget as presented.

President Kreulen stated the FAA created the Taxiway Design Group (TDG) Standard in March 2022. As Nashville continues to grow, the largest jets today at BNA hold 214 seats on the 787-8 and 272 seats on the 777-200, which are TDG 5 airplanes and BNA wants to move to TDG 6. Air service demand requires the airfield to be updated to accommodate larger aircraft. TDG 6 airplanes are longer and have wider main gears. For a TDG 5 (787-8), the main gear width is 38.1'

with distance from nose gear to main gear of 83.4'; for the TDG 6 (777-300ER), the main gear width is 42.3' with distance from nose gear to main gear of 114.4'. President Kreulen presented a diagram showing fillet widening of T/W Bravo 1, T/W Bravo/Kilo, T/W Alpha/Kilo, T/W Bravo/Lima, and T/W Kilo/T4 to improve radiuses. The cost is \$14M out of the FY25 CIP Amendment scheduled for April Committee/Board. It is scheduled to be operational in April 2026. President Kreulen presented another diagram showing the runway capability status as of April 2026. R/W 2L/20R will be ADG V/TDG 6; R/W 2C/20C will be ADG III/TDG 3; R/W 13/31 will be ADG V/TDG 5; and R/W 2R/20L will be ADG V/TDG 5. President Kreulen stated this is a good stop gap for BNA, but if a runway is out of commission, you always want to have a backup. President Kreulen stated the annual economic impact of larger aircraft would be approximately \$734K to \$1.7M increase, depending on aircraft. President Kreulen stated we will solve this problem first. The deadline is March 31, 2026 because next year British Airways wants to bring in a larger aircraft.

Commissioner Byrd asked when MNAA will make the move to expand from TDG 5 to TDG 6. President Kreulen replied we are working on that plan now and debating on phases. The bigger challenge is that we have two bridges that need to be widened, and that amount is approximately \$100M. Those bridges will need to hold 500K pound airplanes. Commissioner Glover asked if there were any requests for larger planes to land here. President Kreulen replied yes, British Airways started with 4 days a week and now at 10 flights a week beginning April 2026 and want to bring in a bigger aircraft.

President Kreulen stated the Capital Financial Strategy was presented at the March 12, 2025 Finance Committee. In October 2024, financial strength was assessed through Vision 1, Vision 2 and New Horizon 1 (airside), with a \$3.4B total project cost. On January 15, 2025 the Board approved New Horizon II (landside) program scope and budget for \$1.34B. The MNAA finance team reviewed the impact of adding an additional \$1.3B to the \$3.4B project cost, and assessed the impact to our overall financials. President Kreulen presented a chart showing the financial results of the \$4.7B capital funding, using the strategic forecast. He stated this is a 10-year planning document. With the MNAA Board Policy, which established a 1.5 senior debt service coverage (DSC) target and a 1.25 senior and subordinate DSC target, Landrum and Brown's model shows the lowest year is 1.60 DSC, and we are significantly above those minimum requirements. President Kreulen stated Days Cash on Hand continues to grow and in 2035 should be about 1,012 days and the Finance team plans to use some to fund projects so we do not have to borrow as

much. In 2035, we are looking at 36 million annual passengers (MAP) to 37 MAP, and we should get New Horizon done by 2028 to hold 40 MAP. Chair Byrd asked for an explanation of 18 million enplanements to 40 MAP. President Kreulen replied 18 million enplanements will be how many people get on an airplane and normally that same number will be arriving at BNA. Of those, 20% are transfers passengers.

President Kreulen presented the Committee 30-day Outlook for April, stating there will be a couple of items for approval in the Operations Committee and a very busy Finance Committee with budget approvals. The Management Committee has no agenda items at this time. President Kreulen stated MNAA Business Taking Off will be held March 28, 2025. The Committee 60-Day Outlook for May plans for 7 items for approval in the Operations Committee. The Finance Committee will have a couple of approvals. There is 1 item planned for the Management Committee.

Commissioner Byrd asked what the earliest time is when they will be able to review the budgets. President Kreulen replied two weeks prior to the Committee meeting.

President Kreulen concluded the President's update.

## VI. ITEMS FOR APPROVAL

### 1. CGMP3 for Baggage Handling System (BHS Construction) (Operations)

President Kreulen introduced Ms. Traci Holton, VP, New Horizon, to brief the Board on the Component Guaranteed Maximum Price (CGMP) 3 for the Baggage Handling System. Ms. Holton stated the project will expand the outbound baggage handling system to increase capacity and meet future enplanement projections; CGMP3 consists primarily of the construction of the baggage handling system. Ms. Holton stated this is the final bid package for this project in the amount of \$130M NTE, which will be used to determine the GMP price for the project of \$227,882,475.

This was presented to the Operations Committee which voted 3 to 0 to recommend approval on March 12, 2025. Ms. Holton requested the Board of Commissioners authorize the Chair and President and CEO to execute CGMP3 for the BHS Expansion contract with Messer Construction for \$130,005,000 NTE and a GMP of \$227,882,475.

Vice Chair Granbery asked for clarification that this is 100% funded by the airline agreement. President Kreulen replied yes, we will pay and then the Finance team bills the airlines back through rates and charges for their usage of the equipment.

Vice Chair Granbery stated the Operations Committee voted 3 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion 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.

2. Construction Contract for Part 139 Runway Safety Area Improvements R/W 20L (Operations)

President Kreulen introduced Mr. Puneet VEDI, VP, Airport Capital Development, to present the Construction Contract for Part 139 Runway Safety Area Improvements R/W 20L to the Board. Mr. VEDI stated that this project is for improvements to the extended Runway Safety Areas (RSAs) of Runway (R/W) 20L (North end of R/W 2R/20L), to fully comply with BNA grading standards for runway safety areas. On January 8, 2025 MNAA issued an Invitation to Bid (ITB) and on February 20, 2025 received 3 bids. Civil Constructors LLC had the lowest bid of \$777,470.00.

This was presented to the Operations Committee which voted 3 to 0 to recommend approval on March 12, 2025. Mr. VEDI recommended the Board of Commissioners authorize the Chair and President & CEO to execute the proposed contract with Civil Constructors, LLC in the amount of \$777,470.

Vice Chair Granbery stated the Operations Committee voted 3 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion 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 Terminal Ramp Reconstruction (Operations)

Mr. Vedi presented the Task Order for Terminal Ramp Reconstruction to the Board. Mr. Vedi stated that this will utilize our On-Call Airfield Pavement Repairs Contract with Hi-Way Paving, Inc., approved by the Board on November 20, 2024, we will remove and replace 12,750 SY of Terminal Apron pavement with 17" FAA specified P-501 concrete. The Task Order start date is April 2025 in the amount of \$6.2M out of a total of \$10M NTE for the on-call contract.

This was presented to the Operations Committee and voted 3 to 0 to recommend approval on March 12, 2025. Mr. Vedi recommended the Board of Commissioners authorize the Chair and President & CEO to execute the proposed Task Order with Hi-Way Paving, Inc. in an amount of \$6,200,000 NTE.

Vice Chair Granbery asked if MNAA anticipates any other big items throughout the remainder of the year. President Kreulen replied he is not aware of any other items. MNAA has committed \$6.4M of the \$10M NTE and is doing this in chunks so no more than one gate is closed at a time. Mr. Vedi stated MNAA established it this on call to have the flexibility to tackle any additional projects.



Vice Chair Granbery stated the Operations Committee voted 3 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion 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. Contract for LiDAR (Light Detection & Ranging) for Apron Intrusion Detection (Operations)

President Kreulen introduced Brian Findlen, AVP, Chief of Police, DPS, to brief the Board on the Contract for LiDAR (Light Detection & Ranging) for Apron Intrusion Detection. Mr. Findlen stated that this contract is for the purchase of the LiDAR solution to replace the existing perimeter intrusion detection system on the apron. The LiDAR system consists of 26 sensors that will be mounted strategically around the area that is shown in red primarily on our concourses to provide not only . The LiDAR system technology will provide not only perimeter anomaly protection but also focus on perimeter intrusion. LiDAR is better described as light detection and ranging technology, and it uses remote sensing and lasers to build 3D models of living and nonliving objects, allowing us to discern where risks and issues are on our perimeter.

The contract will begin May 2025 with a 5-year contract with InDoor Lab, LLC. for service and maintenance to cover the term of the contract. This contract is race and gender-neutral because the quote that is currently presented was obtained through Incite Coop. Mr. Findlen stated this is an expansion of existing technology that we are currently utilizing inside the Satellite Concourse and Shuttle Station. The funding source for this project will come from the FY24 CIP project with year 1 cost of \$1.3M, of which a portion will go to InDoor Lab and the other portion will go to Simino Electric, LLC. The remaining funding of \$864,126 will be to InDoor Lab for software and maintenance for the remainder of that period. Mr. Findlen stated

the additional costs anticipated for the project of \$727,900 will go to electrical foundation work, IT related costs at MNAA, contingencies and staff costs.

This was presented to the Operations Committee and voted 3 to 0 to recommend approval on March 12, 2025. Mr. Findlen requested the Board of Commissioners that it authorize the Chair and President and CEO to execute the contract with The InDoor Lab, Inc. for the LiDAR Apron Intrusion Detection for \$1,436,226.

Vice Chair Granbery stated the Operations Committee voted 3 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion 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. Rental Car Service Site Lease (Avis/Budget/Payless, Sixt) (Finance)

President Kreulen introduced Mr. Aaron Flake, Director, Operations Business Strategy, to brief the Committee on the Rental Car Site Lease (Avis/Budget/Payless, Sixt). Mr. Flake stated on July 17, 2024, the Board accepted the realignment and new lease terms for the rental car service sites and authorized the Chair and President and CEO to execute lease agreements for each site within these terms. Mr. Flake stated the lease limited operations airport business and provided for rent escalations. The realignment of the property is determined based on the market share of each rental car business and future airport growth. Mr. Flake stated this site was reserved for MNAA parking will no longer be used for that purpose and staff is proposing re-leasing the property back to the Rental Car Agencies, Avis, Budget, Payless and Sixt.

Mr. Flake stated MNAA the new agreement has the same terms, 3% annual escalation, 5-year term, cancellation clause and no non-airport business prohibited on premises. The new rates were based on Fair Market Value (FMV) appraisal conducted by Airport Business Solutions (ABS) in March 2024. Mr. Flake presented a diagram showing the locations of the tracts, lease Tract 1 to Avis/Budget/Payless and Tract 2 to Sixt. Currently, MNAA receives \$143K for entire property and we will break that down into 2 tracts with new rates the annual income will increase to \$771,535 with net increase first year of \$628,335 to MNAA.

This was presented to the Finance Committee which voted 2 to 0 to recommend approval on March 12, 2025. Mr. Flake recommended the Board of Commissioners authorize the Chair and President and CEO to execute lease agreements between MNAA and Avis/Budget/Payless for Tract 1 and Sixt for Tract 2 of the Rental Car Service Site.

Commissioner Byrd stated the Finance Committee voted 2 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Commissioner Byrd made a motion 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. Long-Term Financing Underwriter Pool (Finance)

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer, to brief the Committee on the Long-Term Financing Underwriter Pool. Ms. Basrai stated on December 18, 2024, PFM (financial advisors) sent a Request for Qualifications (RFQ) for Bond Underwriting Services to twenty-eight (28) investment banks. The RFQ process was intended to select a Pool of Underwriters that demonstrates strong airport experience along with local, regional, and diversified experience. The Pool will consist of firms deemed the most (and best) qualified to serve as a Senior Managing Underwriter and/or as a Co-Manager for a period of

five years (2025-2030). The RFQ requested the following information: Information on the firm; Airport underwriting experience; Personnel and resources; Debt structuring considerations; and Municipal market and airport/airline considerations.

Ms. Basrai stated in January we closed the RFQ and received twenty-four (24) Statement of Qualifications. MNAA received 14 National/Regional Firms as well Minority as Non-Minority/Disabled Veteran firms and 10 Minority/Disabled Veteran Firms. Ms. Basrai presented a chart with 14 firms highlighted in yellow and stated they met the minimum requirements to be considered for the Senior Managing Underwriter Pool. The Statement of Qualifications were reviewed and compared against each other to determine the most (and best) qualified with airport experience, team assigned to MNAA, thoroughness of response to debt structure and airport/airline risk considerations, other relevant regional and other diversified experience, and firsthand experience. Based on these reviews, the following Pool of 10 firms is recommended: 6 Senior Managing Underwriters: BofA Securities, Jeffries, JP Morgan Securities; Loop Capital Markets, Samuel A Ramirez & Co. Siebert Williams Shank and 4 Co-Managing Underwriters: National/Regional (non-minority) FHN Financial Capital Markets and Morgan Stanley and Minority/Disabled Veteran: Academy Securities and Cabrera Capital Markets.

Ms. Basrai stated for each bond issuance, a team of Underwriters (Underwriting Syndicate) will be selected from the Pool. Selection will be made through an RFP in which only the Pool will participate. CFO and other members of the Financing Team will review the RFP responses and select (with concurrence from the President & CEO) the Underwriting Syndicate for that issuance. The Underwriting Syndicate for similar transactions typically consists of 1-2 Senior Managing Underwriters and 3-5 Co-Managers. Firms in the Senior Managing Pool may serve as a Co-Manager; however, firms in the Co-Manager Pool cannot serve as a Senior Managing Underwriter. Any changes to the Underwriter Pool will be presented to the Board.

Ms. Basrai requested the Board of Commissioners approve the Long-Term Financing Underwriter Pool for the Authority for five years (2025-2030) and authorize the Chief Financial Officer and the Financing Team, with concurrence from the President and CEO, to select the Underwriter Syndicate from the Pool for each bond issuance.

Commissioner Glover inquired if there are some who were in the senior managers' underwriters pool and this time are co-managers, and if they elected not to be senior

managers. Ms. Basrai replied they elected not to be in the senior managers' pool, some moved from firm to firm and did not meet our qualifications so were put in to be the co-managers. Commissioner Glover asked if this would be for the entire 5-year period. Ms. Basrai replied yes, unless there is a need, for example if in 2 years half of the underwriters in the senior managers pool decided not to do municipal bonds anymore, then MNAA would go out and get a new pool at that time. Ms. Basrai stated if there needs to be a change, she would come back to the Board. It really depends on what happens with the market.

Commissioner Byrd stated the Finance Committee voted 2 to 0 to recommend approval on March 12, 2025. Chair Sullivan asked for a motion to approve as presented. Commissioner Byrd made a motion and Commissioner Glover 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.

## VII. INFORMATION ITEMS

### 1. None

President Kreulen concluded the presentation.

## VIII. 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 7 to 0. Chair Sullivan adjourned the meeting at 1:41 p.m.

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Andrew Byrd, Board Secretary

## **STAFF ANALYSIS**

### **Board of Commissioners**

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: Construction Contract for Terminal Access Roadway Improvements (TARI) Phase 3.1,  
Project No. 1801C

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#### **I. Recommendation**

Staff requests the Board of Commissioners:

- 1) Accept the bid by Civil Constructors, LLC (Civil) for Terminal Access Roadway Improvements Phase 3.1 at BNA and;
- 2) Authorize the Chair and President and CEO to execute the construction contract for the amount contained herein.

#### **II. Analysis**

##### **A. Background**

The Terminal Access Roadway Improvement (TARI) project encompasses the realignment of existing roadways and the construction of new roadways to provide permanent access to Interstate 40 and Donelson Pike as part of the proposed Donelson Pike Relocation to be completed by the Tennessee Department of Transportation. Included in this three-phase project is the design of approximately 14 lane-miles of new construction roadway, multiple bridges, retaining walls, expansion and modifications to existing parking facilities, and all associated drainage and utility work.

TARI Phase 3.1 will encompass the demolition of existing Donelson Pike north of the Connector Roadway, between Donelson Pike, Terminal Drive, and the existing Donelson Bridge at I-40, and construction of a new portion of Terminal Drive around existing Lot B as well as an extension of Fly Nashville Way to the east. This project will also reconfigure and expand Economy Lot B and relocate the Lot B entrance and exit plaza to the extend portion of Fly Nashville Way. Utilities will include extending an NES duct bank, relocating a water main, and construction of new sanitary sewer, airport communications infrastructure, and drainage systems. One of the primary drivers for TARI Phase 3.1 is to advance the overall completion of TARI by performing work in the area available following of the realignment of Donelson Pike by TDOT's relocation project. All material removed during TARI Phase 3.1 will remain on airport property for future projects. Additionally, the demolition of Donelson Pike south of I-40 will provide additional space for the future CONRAC and Parking Garage project.

An Invitation to Bid for the project was advertised on January 27, 2025.

On March 13, 2025, three (3) bids were received as follows:

Contractor	Bid Amount
Civil Constructors	\$74,303,636.65
Jones Bros. Contractors, LLC	\$86,282,185.30
Eutaw	\$87,011,764.23
Engineer's Estimate	\$95,525,275.42

The DBE goal established for the project was 15.26% DBE. Civil was able to obtain 13.88% DBE and provided an acceptable good faith effort for the remaining 1.38%. Civil will be utilizing DBE subcontracts including Jerry B. Young, Crown Paving, Braav, WMC Contracting, Plan B Fiber, LA Scapes, Tennessee Texture, Campbell Construction, ProTech Coating and Double M.

Civil's Bid is 22.2% lower than the Engineer of Record's (Atkins North America) opinion of probable construction cost of \$95,525,275.42. Civil Bid is 13.88% lower than the next responsive bidder.

The Metropolitan Nashville Airport Authority (MNAA) and Engineer of Record, Atkins North America, Inc., have evaluated the bids and determined the bid from Civil, to be responsive and responsible and recommend award to Civil.

#### **B. Impact/Findings**

MNAA DBE Goal:	15.26%
Civil's DBE Goal:	13.88%
Anticipated Contract Start Date:	May 2025
Duration of Contract:	440 Calendar Days
Contract Completion Date:	August 2026
Contract Cost:	\$74,303,636.65
Funding Source:	25% Federal and 75% MNAA ( <i>pending grant approval</i> )

#### **C. Strategic Priorities**

- Invest in BNA
- Plan for the future

#### **D. Options/Alternatives**

**Do Nothing:** The "Do Nothing" option will result in severe congestion of airport roadways and cause unreasonable delays to airport users.

### **III. Committee Review**

This item was presented to the Operations Committee on April 9, 2025. The Operations Committee voted 2 to 0 to recommend approval to the Board of Commissioners.



## **STAFF ANALYSIS**

### **Board of Commissioners**

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: Contract for Clean Energy / Compressed Natural Gas (CNG)

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#### **I. Recommendation**

Staff requests the Board of Commissioners:

- 1) Accept the proposal submitted by Clean Energy, for the Compressed Natural Gas (CNG) fueling contract utilized for fueling our ABM shuttle buses.
- 2) Authorize the Chair and President and CEO to execute the Contract

#### **II. Analysis**

##### **A. Background**

The Maintenance Department Compressed Natural Gas (CNG) Contract is needed to ensure that the current twenty-four (24) employee and passenger buses operated by ABM to serve Nashville International Airport are fueled 365 days a year. The selected vendor will provide all fuel, labor, materials, services, and integrity of the equipment necessary to maintain the Airport's CNG Facility uninterrupted twenty-four (24) hours a day, 365 days a year.

The former Maintenance Department Contract for CNG Fuel expires April 19, 2025 with the final year of the Contract totaling approximately \$137,000.

On December 16, 2024, a Request for Proposals (RFP) for the CNG Fueling Contract was published.

On January 7, 2025, a pre-proposal meeting was held. The timeline for awarding the Contract was as follows:

- January 27, 2025, the final addendum was issued to vendors
- February 3, 2025, final bids due in B2G (one proposal received)
- February 9, 2025 Selection committee evaluated the sole proposal received on the following criteria:
  - Qualifications/Experience of the Proposer = 25 points
  - Cost of proposed services = 25 Points
  - SMWBE Participation = 10 points
  - Responsiveness to RFP = 5 points

- Project Approach = 10 points
- April 20, 2025, Contract commencement

Based on the proposal received, Clean Energy was selected and recommended to provide CNG services.

## B. Impact/Findings

MNAA SMWBE Goal: 4.63% MBE and/or WBE

Clean Energy Participation: 4.63%

Duration of Contract: Three years, plus three, one- year options

Contract Completion Date: December 31, 2030 (with options)

**Note:** Completion date aligns with ABM Shuttle bus contract

Contract Cost:

	Total
Year 1	\$290,500
Year 2	\$297,500
Year 3	\$311,500
Year 4 (optional)	\$325,500
Year 5 (optional)	\$339,500
Year 6 (optional)	\$353,500
Total (w/options)	\$1,918,000

MNAA SMWBE Goal: 4.63% MBE and/or WBE

Funding Source: Operations and Maintenance (O&M)

## C. Strategic Priorities

- Invest in BNA
- Plan for the Future
- Prepare for the Unexpected

## D. Options/Alternatives

1. Do Nothing: The “Do Nothing” option will result in BNA not having on-demand fuel supply and facility maintenance will impact the Authority’s, day to day and irregular airport operations for provided transportation to employees and passengers.

## III. Committee Review

This item was presented to the Operations Committee on April 9, 2025. The Operations Committee voted 2 to 0 to recommend approval to the Board of Commissioners.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: Nashville Electric Service (NES) 5-Year Power Contract

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the renewal of the service contract with Nashville Electric Service (NES) for supply of electric power; and
- 2) Authorize the Chair and President and CEO to execute the 5-year service contract with NES

#### II. Analysis

##### A. Background

With 24/7 operations, the delivery of high quality uninterrupted electric power is critical to the safe and efficient operation of all BNA facilities. Based on the airport's power usage, its rates and charges are established under the class "Large General Power Rate-Schedule" ("GSB"). MNAA entered into a contract with NES in April 2020 providing the GSB rate, and that contract expires in April 2025. That contract included a contract demand of 9,000 kW for both on-peak and off-peak periods, at a GSB rate of \$10.87 per kW.

Under this contract renewal, NES will make available the necessary firm power and energy for operation of BNA's facilities, with a contract demand of 10,000 kW for both on-peak and off-peak, at a GSB rate of \$11.95 per kW, versus the "standard" rate of approximately \$20.37 per kW. The power will be made available in the form of a 3-phase alternating current at a frequency of approximately 60-hertz and at a minimal voltage of 23,900 volts. The amounts of power and energy delivered will be measured by two sets of primary metering equipment. BNA facilities include an additional circuit providing Standby Service.

##### B. Impact/Findings

MNAA SMWBE Goal:	Race and gender neutral
Contract Effective Date:	April 2025
Duration of Contract:	5 years; May be terminated by either party upon at least 7 months' prior written notice

Contract End Date: April 2030  
GSB Rate: \$11.95 per KW  
Funding Source: Operations and Maintenance (O&M)

**C. Strategic Priorities**

- Invest in BNA
- Plan for the Future
- Prepare for the Unexpected

**D. Options/Alternatives**

- E. NES requires service contracts for commercial users to receive the GSB Rate
1. Do Nothing: Failure to renew this contract would result in MNAA being placed in the standard rate versus the current GSB rate and could result in a 70% increase in electrical service cost (FY25 BNA electric budget = \$5.5M @ GSB rate, which equates to \$9.4M at standard rate)

**III. Committee Review**

This item was presented to the Operations Committee on April 9, 2025. The Operations Committee voted 2 to 0 to recommend approval to the Board of Commissioners.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-02  
FY25 BNA Amended Capital Improvements Budget and FY25-29 BNA Amended Capital Improvement Plan

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed amended FY25-FY29 BNA Capital Improvements Plan; and
- 2) approve the proposed amended FY25 BNA Capital Improvements Budget; and
- 3) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-02.

#### II. Analysis

##### A. **Background**

Staff annually presents a five-year capital improvements plan and the forthcoming year capital improvements budget for approval by the Board of Commissioners.

Pursuant to the 3<sup>rd</sup> and Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.3, a capital improvements budget shall be prepared annually for a 5-year period and submitted to the Board for approval at least 60 days prior to the beginning of the Authority's fiscal year. Requests for additional appropriations shall be submitted to the Board for approval.

On April 17, 2024, the Board of Commissioners approved the FY25-FY29 BNA Capital Improvements Plan and the FY25 BNA Capital Improvements Budget. Since that time, there have been items identified on the FY25 BNA Capital Improvements Budget that require adjustment. The proposed amended BNA Capital Improvements Budget for FY25 is \$1,493,884,000 reflecting a net increase of \$225,900,000 in project costs.

The changes to the FY25 BNA Capital Improvements Budget by project are as follows:

Project	Original Amount Approved	Grants	Authority	Airline	Other	Bond
<b>Original Approved FY25 CIP</b>	<b>1,267,984,000</b>	<b>\$ 71,917,562</b>	<b>\$ 25,750,200</b>	<b>\$ 14,554,800</b>	<b>\$ 10,485,000</b>	<b>\$ 1,145,276,438</b>
Changes to FY25 CIP:						
Westside Development Study ①	(500,000)	-	(500,000)	-	-	-
Snow Equipment Building ①	(10,500,000)	-	-	-	-	(10,500,000)
Gasaway Parking Lot Rehab ①	(1,000,000)	-	(1,000,000)	-	-	-
TARI Phase II & Phase III ②	133,500,000	(37,447,562)	-	-	-	170,947,562
Deicing Storage Modifications ③	-	-	-	2,000,000	-	(2,000,000)
Airport Master Plan ③	-	5,250,000	(2,625,000)	(2,625,000)	-	-
Rehabilitate Taxiway S/S6/S7/T4 ③	-	2,282,132	-	(2,282,132)	-	-
Central Ramp Expansion ④	88,100,000	-	-	-	-	88,100,000
Administration Building Reconfiguration ⑤	1,300,000	-	(600,000)	-	-	1,900,000
Gasaway roof replacement ⑥	1,000,000	-	1,000,000	-	-	-
ADG 5/TGD6 (RW 2L/20R) ⑦	14,000,000	10,500,000	-	-	3,500,000	-
<b>Amended FY25 CIP</b>	<b>\$ 1,493,884,000</b>	<b>\$ 52,502,132</b>	<b>\$ 22,025,200</b>	<b>\$ 11,647,668</b>	<b>\$ 13,985,000</b>	<b>\$ 1,393,724,000</b>

## B. Summary of Changes

Below is a description of the project and funding changes noted above:

- ① The following CIP projects are cancelled due to the development of Terminal II (net impact is a decrease in the CIP of \$12M): Westside Development Study (\$500k), Snow Equipment Building (\$10.5M), and Gassaway Parking Lot Rehab (\$1M).
- ② An additional \$133.5M is being added to TARI Phase II & Phase III projects to match what the Board of Commissioners approved as part of New Horizon II budget in January 2025 (\$300M). In addition to the added project costs, the following changes to funding are being made: a decrease of \$37.5M in federal grant funding (to be allocated to other projects), and a \$171M increase of bond funds.
- ③ The following funding changes are being requested, with no impact on project costs:
  - a. The Deicing Storage Modifications funding of \$2M will be moved to the Airline Investment Fund from bond funds. (Funding subject to Signatory Airline Majority-in-Interest Review)
  - b. Airport Master Plan: \$5.25M of the total cost of \$7M will now be funded with federal grants, reducing Authority and Airline funds by \$2.6M each.
  - c. Rehabilitate Taxiway S/S6/S7/T4: The Authority has been awarded an additional \$2.3M of FAA grant funds to be used on this project, which decreases Airline funds by that amount.
- ④ \$88.1M was added to the Central Ramp Expansion project to agree to the updated budget of \$242,350,000 in New Horizon II briefed to the Board of Commissioners in March 2025. The additional project costs will be bond funded, with annual debt service paid by the Airlines. (Funding subject to Signatory Airline Majority-in-Interest Review)
- ⑤ The Administration Building Reconfiguration project is being increased by \$1.3M. Also, moving the total project costs of \$1.9M to bond funding and decreasing Authority funds by \$600k (excess bond proceeds will be used).
- ⑥ Gassaway Building Roof Replacement: \$1M in Authority funds is being moved up from FY27 to FY25 to address current maintenance concerns.

- ⑦ A \$14M project was added for the Taxiway Design Group 6, initial capability project, aimed at ensuring the taxiway system can handle the current operational demands. \$10.5M will be funded by federal grants, with the remaining \$3.5M funded by Passenger Facility Charges.

Based on these changes, the amended BNA Capital Improvements Plan for FY25-FY29 is summarized below:

<b>BNA Summary:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
Terminal & Landside	\$ 1,153,240,000	\$ 191,220,000	\$ 56,520,000	\$ 395,420,000	\$ 500,000	\$ 1,796,900,000
Vehicles & Equipment	4,399,000	4,482,938	2,139,650	2,164,750	1,645,000	14,831,338
Airside Improvements	335,730,000	55,450,000	85,100,000	68,000,000	18,000,000	562,280,000
AULA - Airport Reliever Contribution	515,000	530,450	546,364	562,754	579,637	2,734,205
<b>Total</b>	<b>\$ 1,493,884,000</b>	<b>\$ 251,683,388</b>	<b>\$ 144,306,014</b>	<b>\$ 466,147,504</b>	<b>\$ 20,724,637</b>	<b>\$ 2,376,745,543</b>

<b>Funding Allocations:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
MNAA Authority	\$ 21,505,200	\$ 50,443,951	\$ 5,726,294	\$ 2,729,814	\$ 2,491,047	\$ 82,896,306
MNAA Amortization Fund	520,000	1,000,000	1,000,000	600,000	-	3,120,000
MNAA Airline Fund	11,647,668	8,574,437	5,225,070	6,222,940	3,233,590	34,903,705
Federal (Entitlement)	5,952,132	3,930,500	4,470,500	4,795,000	-	19,148,132
Federal (Discretionary)	-	10,125,000	10,529,500	17,705,000	-	38,359,500
Federal (BIL)	46,550,000	7,319,500	10,559,376	-	-	64,428,876
Bond Funded	1,393,724,000	152,125,000	106,240,624	433,500,000	15,000,000	2,100,589,624
Passenger Facility Charges	3,500,000	-	-	-	-	3,500,000
Customer Facility Charges	10,000,000	18,000,000	-	-	-	28,000,000
Other	485,000	165,000	554,650	594,750	-	1,799,400
<b>Total</b>	<b>\$ 1,493,884,000</b>	<b>\$ 251,683,388</b>	<b>\$ 144,306,014</b>	<b>\$ 466,147,504</b>	<b>\$ 20,724,637</b>	<b>\$ 2,376,745,543</b>

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY25, and their anticipated funding sources are shown in the attached Capital Improvements Plan. The projects and costs shown above for FY26-FY29 represent a planning tool and are only estimates at this time.

### C. Strategic Priorities

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

### D. Options/Alternatives

Revise the amended FY25 Capital Improvements Budget by adding or omitting projects from the proposed capital budget.

## III. Committee Review

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

**Attachment:** FY2025-2029 BNA Amended Capital Improvements Plan

BNA Capital Improvements Plan  
Fiscal Year 2025 Proposed Mid-Year Adjustment  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2025 Projects											
Concourse A Expansion	798,500,000										798,500,000
TARI Phase II & Phase III	300,000,000			30,800,000							269,200,000
2nd Terminal (Environmental, Programming and Preliminary Design)	15,000,000					15,000,000					
ADG 5/TGD6 (RW 2L/20R)	14,000,000			10,500,000						3,500,000	
Deicing Storage Modifications (Design)	2,000,000							2,000,000			
Airport Master Plan	7,000,000			5,250,000		875,000		875,000			
Part 139 RSA/TSA Improvements Phase 2 - TXWY Lima East & Alpha North	15,000,000										15,000,000
Concourse B and C Upgrades - Phase 2 Holdrooms + Holdroom Seating	16,700,000										16,700,000
Cargo Apron Slab Replacement (Phase 9 of 22)	1,500,000							1,500,000			
Rehabilitate Taxiway S/S6/S7/T4 Intersection (Design + Construction)	9,000,000	5,952,132						3,047,868			
Terminal Apron Lighting Upgrade - B & C Concourses	520,000						520,000				
JWN Match	515,000					515,000					
Airfield Pavement Rehabilitation & Striping - 2R/20L & Associated Taxiways	1,500,000							1,500,000			
CCTV Replacement	400,000					400,000					
Airside Tree Obstruction Removal	250,000							250,000			
DPS Range Improvements	200,000									200,000	
Airside New Wildlife Fencing (FY25-FY28)	20,000,000										20,000,000
ACC Modernization	300,000					300,000					
Gassaway - Update Common Areas	170,000					170,000					
Gassaway - HVAC Upgrades (1st Floor)	150,000					150,000					
Gassaway Roof Replacement	1,000,000					1,000,000					
SCADA Upgrade & TOC Water Pumps	130,000							130,000			
CONRAC Expansion (Year 1 - Planning & Procurement)	10,000,000								10,000,000		
Central Ramp Expansion	242,350,000										242,350,000
Misc. Building Demolitions ( Enterprise/Aerial Survey Building)	1,000,000					1,000,000					
Terminal Ramp Reconstruction (FY25-FY27)	30,000,000										30,000,000
BNA Strategic Material Stockpile Study	400,000					400,000					
Administration Building Reconfiguration	1,900,000										1,900,000
Vehicles											
2013 Ford Explorer K-9 MEQ 6543 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer K-9 MEQ 6544 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6578 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6589 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6595 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6596 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2017 Chevy Tahoe MEQ 6587 / Replace with Chevy Tahoe	95,000					81,510		13,490			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
MEQ6314 1995 GMC C7H064 TOP KICK DUMP TRUCK (WITH SALT SPREADER)	250,000					214,500		35,500			
Airfield De-Icer (MEQ 6255)	900,000							900,000			
MEQ6527 (Grounds) 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
MX, 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
Maintenance 3/4 Ton Service Body Truck (MEQ 6489)	85,000					72,930		12,070			
Maintenance Box Truck (MEQ 6519)	75,000					64,350		10,650			
2010 FORD WAGON E-350 XL SUPER DUTY (MEQ 6501)	65,000					55,770		9,230			
Maintenance 3/4 Ton Service Body Truck (MEQ 6520)	85,000					72,930		12,070			
MX, replacing 2013 F-150, CREW CAB, 4WD (MEQ 6532)	85,000					72,930		12,070			
MX, replacing 2008 CHEVY SILVERADO 1500, REG CAB, 2WD (MEQ 6494)	65,000					55,770		9,230			
Runway Rubber/Marking Removal Truck	1,100,000							1,100,000			
Environmental Mini-Excavator	185,000					158,730		26,270			
Maintenance Kubota Tractor	180,000					154,440		25,560			
Operations Full Size SUV (Ford Expedition XL) for airside not replacing	75,000							75,000			
Operations Full Size Truck (F150) for landside not replacing	65,000					65,000					
Operations Full Size SUV (Ford Expedition) ADMs not replacing	70,000					60,060		9,940			
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
	1,493,884,000	5,952,132	-	46,550,000	-	21,505,200	520,000	11,647,668	10,000,000	3,985,000	1,393,724,000



BNA Capital Improvements Plan Fiscal Year 2025 Proposed Mid-Year Adjustment Nashville International Airport											
Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2026 Projects											
New Air Freight Bldg./Multi-purpose Bldg.	125,000,000										125,000,000
Rwy 2L/20R Extension (Design - Year 1)	15,000,000	3,930,500		7,319,500							3,750,000
2nd Terminal (Years 2+3)	40,000,000					40,000,000					
Part 139 RSA/TSA Improvements Phase 3 - Bravo North	20,000,000										20,000,000
Replace Stormwater Pipe (Phase 7 of 9)	2,000,000							2,000,000			
Cargo Apron Slab Replacement (Phase 10 of 22)	1,500,000							1,500,000			
Switch Replacement	520,000					520,000					
PBX Upgrade of CS1000	180,000					180,000					
Data Center Primary & Firewall	800,000					800,000					
IT Infrastructure Deployment	1,500,000					1,500,000					
Cell DAS & Wi-Fi Refresh	750,000					750,000					
Deicing Storage Modifications Phase 1	13,500,000		10,125,000								3,375,000
JWN Match	530,450					530,450					
Airfield Pavement Rehabilitation - 2L/20R & Associated Taxiways	1,500,000							1,500,000			
Taxiway Alpha Seal Coat	1,000,000							1,000,000			
CONRAC Expansion (Year 2 - EA & Design)	18,000,000								18,000,000		
Terminal Apron Lighting Upgrade (Concourse D)	600,000						600,000				
Gassaway Parking Lot Rehab (Phase 2 of 2)	1,000,000					1,000,000					
Pendar X10 - Hazmat & EOD Identification Tool (DPS)	70,000									70,000	
Gassaway - Sewer (Assessment may be needed)	150,000					150,000					
Landside Pavement Rehabilitation - Knapp Blvd (Phase 1 of 3)	1,000,000					1,000,000					
Hydrologic Assessment of Ramp	350,000						350,000				
FIDS / IDS to Amadeus	900,000					900,000					
RIDS	100,000					50,000	50,000				
Amadeus ACUS	250,000					250,000					
ERP Evaluation	200,000					200,000					
HRIS system (Ultipro Replacement)	200,000					200,000					
PCI Study - Airside	600,000							600,000			
Vehicles											
Airfield Paint Striping Vehicle	475,000							475,000			
Multi-Function Sweeper Replacing Sweeper	1,100,000							1,100,000			
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
DPS - EOD Emergency Response Vehicle	412,938					354,301		58,637			
Skid Steer (ENV) (Cat 289)	110,000					94,380		15,620			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Skid Steer with Attachments (MEQ 6493)	95,000					81,510		13,490			
MEQ6468 (Grounds) 2006 KUBOTA RTV 900	45,000					38,610		6,390			
MEQ6429 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6430 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6315 (Grounds) 1995 GMC C7H064 TOP KICK DUMP TRUCK (NEW DEAL SPREADER)	250,000					214,500		35,500			
MEQ6516 (ADMIN) 2012 FORD EXPLORER	65,000					55,770		9,230			
MEQ6536 (ELTR) 2012 F150	65,000					55,770		9,230			
MEQ6538 (ELEC) F-550 BUCKET TRUCK	180,000					154,440		25,560			
MEQ6542 (AFEL) 2014 CHEVY 3500 WITH CENTER CRANE	95,000					81,510		13,490			
MEQ6550 (BLDGS) 2015 FORD F250	85,000					72,930		12,070			
MEQ6559 (OPS) FORD FLEX AWD	65,000					55,770		9,230			
MEQ6561 (GRDS) 2015 CHEVY 3500 CREW CAB, 4WD	95,000					81,510		13,490			
MEQ6562 (HVAC) 2016 FORD F250, 2WD, SERVICE BODY/LADDER	85,000					72,930		12,070			
TOTAL FY 2026 Projects	251,683,388	3,930,500	10,125,000	7,319,500	-	50,443,951	1,000,000	8,574,437	18,000,000	165,000	152,125,000

BNA Capital Improvements Plan  
Fiscal Year 2025 Proposed Mid-Year Adjustment  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2027 Projects</u></b>											
<b><u>Projects</u></b>											
Runway 2L Extension Enabling Project: New PMO	11,800,000										11,800,000
Runway 2L Extension Enabling Project: New ARFF Annex (Design + Construction)	20,000,000	4,470,500	10,529,500								5,000,000
Rwy 2L/20R Extension (Design - Year 2)	15,000,000			10,559,376							4,440,624
CONRAC Expansion (Year 3 - Site Prep)	40,000,000										40,000,000
Convert Concourse C gates to Max 10	3,500,000					2,500,000	1,000,000				
Deicing Storage Modifications Phase 2	25,000,000										25,000,000
Replace Stormwater Pipe (Phase 8 of 9)	2,000,000							2,000,000			
Cargo Apron Slab Replacement (Phase 11 of 22)	1,500,000							1,500,000			
6-inch Diesel Water Pump	100,000					100,000					
JWN Match	546,364					546,364					
Airfield Pavement Rehabilitation - 2C/20C & Associated Taxiways	1,500,000							1,500,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 2 of 3)	820,000					820,000					
T1/T2 Relocation, TSA Upgrade, and Rehabilitation	20,000,000										20,000,000
PCI Study - Landside	400,000					400,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
DPS - Command Vehicle	554,650									554,650	
MEQ6479 (Grounds) 2007 AVS POSI-TRAC RC-100 SKID STEER	125,000					107,250		17,750			
MEQ6306 (ENV) 1993 GMC TOP KICK WITH FLAT BED	115,000					98,670		16,330			
MEQ6322 (Grounds) 1994 JOHN DEERE 6300 TRACTOR	150,000					128,700		21,300			
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220		12,780			
MEQ6564 (GRDS) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220		12,780			
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220		12,780			
MEQ6567 (MOEQ) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220		12,780			
MEQ6570 (D&E) 2016 CHEVY EQUINOX, AWD, 4DR	40,000					34,320		5,680			
MEQ6586 (OPS) 2017 FORD FLEX, AWD	40,000					34,320		5,680			
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000					77,220		12,780			
<b>TOTAL FY 2027 Projects</b>	<b>144,306,014</b>	<b>4,470,500</b>	<b>10,529,500</b>	<b>10,559,376</b>	<b>-</b>	<b>5,726,294</b>	<b>1,000,000</b>	<b>5,225,070</b>	<b>-</b>	<b>554,650</b>	<b>106,240,624</b>

BNA Capital Improvements Plan  
Fiscal Year 2025 Proposed Mid-Year Adjustment  
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2028 Projects</u></b>											
<b><u>Projects</u></b>											
Rwy 2L/20R Extension (Construction Phase 1) [Site Prep/Utilities]	30,000,000	4,795,000	17,705,000								7,500,000
Cargo Apron Slab Replacement (Phase 12 of 22)	1,500,000							1,500,000			
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000							3,000,000			
CONRAC Expansion (Year 4/5 - Construction)	334,000,000										334,000,000
2nd Terminal (Sitework & Design)	60,000,000										60,000,000
Terminal Apron Lighting Replacement (IAF)	600,000						600,000				
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	820,000					820,000					
Terminal Ramp Reconstruction (FY28-FY29 - \$10M per year)	20,000,000										20,000,000
JWN Match	562,754					562,754					
Annual Airfield Pavement Striping Rehabilitation	1,500,000							1,500,000			
Taxiway Hotel South, TSA Improvements	12,000,000										12,000,000
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
EOD Robot	594,750									594,750	
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000					171,600		28,400			
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000					38,610		6,390			
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000					38,610		6,390			
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000					64,350		10,650			
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000					38,610		6,390			
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220		12,780			
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220		12,780			
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000					81,510		13,490			
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000					55,770		9,230			
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000					77,220		12,780			
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000					55,770		9,230			
<b>TOTAL FY 2028 Projects</b>	<b>466,147,504</b>	<b>4,795,000</b>	<b>17,705,000</b>	<b>-</b>	<b>-</b>	<b>2,729,814</b>	<b>600,000</b>	<b>6,222,940</b>	<b>-</b>	<b>594,750</b>	<b>433,500,000</b>
<b><u>FY2029 Projects</u></b>											
<b><u>Projects</u></b>											
JWN Match	579,637					579,637					
Annual Airfield Pavement Striping Rehabilitation	1,500,000							1,500,000			
Cargo Apron Slab Replacement (Phase 13 of 22)	1,500,000							1,500,000			
Taxiway Alpha/Kilo Reconstruction (Asphalt to Concrete)	15,000,000										15,000,000
Landside Pavement Rehabilitation	500,000					500,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					570,570		94,430			
MEQ6569 (GRDS) 2015 TORO GROUNDSMASTER 4110D MOWER	130,000					111,540		18,460			
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000					171,600		28,400			
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000					38,610		6,390			
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000					60,060		9,940			
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000					81,510		13,490			
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000					77,220		12,780			
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000					60,060		9,940			
ACC Full Size SUV (Ford Explorer / Expedition) not replacing	70,000					60,060		9,940			
<b>TOTAL FY 2029 Projects</b>	<b>20,724,637</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,491,047</b>	<b>-</b>	<b>3,233,590</b>	<b>-</b>	<b>-</b>	<b>15,000,000</b>
<b>Total 5 Year CIP</b>	<b>2,376,745,543</b>	<b>19,148,132</b>	<b>38,359,500</b>	<b>64,428,876</b>	<b>-</b>	<b>82,896,306</b>	<b>3,120,000</b>	<b>34,903,705</b>	<b>28,000,000</b>	<b>5,299,400</b>	<b>2,100,589,624</b>

## MNAA RESOLUTION NO. 2025-02

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AMENDING MNAA RESOLUTION 2024-05, APPROVING THE AMENDED CAPITAL IMPROVEMENTS PLAN FOR FISCAL YEARS 2025 TO 2029, AND APPROVING THE AMENDED CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEAR 2025.**

WHEREAS, the President has submitted, for Board approval, an Amended Capital Improvements Plan for Nashville International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby amends MNAA Resolution No. 2024-05 by approving the FY25 - FY29 Amended Capital Improvements Plan and the FY25 Amended Capital Improvements Budget as presented, which has been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the Nashville International Airport for fiscal year 2025.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

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Douglas E. Kreulen, President & CEO

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Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

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MNAA Legal Counsel

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Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-03  
FY25 BNA Amended Operating Budget

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed amended operating budget for Nashville International Airport (BNA) for fiscal year 2025 (FY25); and
- 2) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-03.

#### II. Analysis

##### A. Background

Pursuant to the 3<sup>rd</sup> and Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year. Requests for additional appropriations shall be submitted to the Board for approval.

On April 17, 2024, the Board of Commissioners approved the FY25 BNA Operating Budget. Based on actual revenue and expenses to date Finance is requesting the following changes to the FY25 Budget:

- Decrease budgeted landing fee revenue and non-signatory revenue to account for the cancellation of certain capital projects.
- Decrease other signatory fees to account for the estimated year-end true-up refund.
- Reclassify operating revenue to non-operating grant revenue to account for concessions revenue that is expected to be reimbursed by federal relief funds.

No changes are being requested to operating expenses and forecasted enplanements.

The financial rate model projections (original versus amended budget) are shown on page 2:

**Nashville International Airport**  
**Revenue and Expenses (Rate Model Based)**  
**For the year ending June 30, 2025**

	<b>FY25 - Original</b>	<b>FY25 - Amended</b>
<b>Operating Revenues:</b>		
Signatory Airlines	\$ 124,574,985	\$ 115,543,085
Parking	113,600,000	113,600,000
Concessions	75,762,636	68,107,636
Space Rental	17,216,749	17,216,749
Other	10,501,013	10,201,013
<b>Total Operating Revenues</b>	<b>341,655,383</b>	<b>324,668,483</b>
<b>Operating Expenses:</b>		
Salaries and Benefits	72,954,464	72,954,464
Contractual Services	94,259,211	94,259,211
Materials and Supplies	9,422,842	9,422,842
Utilities	8,507,889	8,507,889
Other	10,560,224	10,560,224
<b>Total Operating Expenses</b>	<b>195,704,630</b>	<b>195,704,630</b>
<b>Other Rate Model Exp/Rev:</b>		
Total Debt Service - Bonds	101,495,916	101,495,916
Less: Debt paid by Cap Int	(5,818,153)	(5,818,153)
Less: Debt paid by PFCs	(32,529,365)	(32,529,365)
Less: Debt paid by Federal Relief Grants	(6,554,722)	(6,554,722)
Operating Revenue reimbursed by Federal Relief Funds	-	(7,655,000)
Short Term Credit Facility Interest Expense	5,469,942	5,469,942
Operations & Maintenance Fund	8,364,208	8,364,208
Renewal & Replacement Fund	1,250,000	1,250,000
Airline Facility Fund	19,924,125	11,647,668
Authority/Amortization Facility Fund	25,750,200	22,025,200
NAE (Airline Incentive) Fund	2,000,000	2,000,000
Additional Pension/OPEB Contribution	-	-
Interest Income Transferred to Revenue Fund	(24,164,600)	(24,164,600)
Less: Budgeted Exp Excluded from Rate Model	(2,454,190)	(2,454,190)
Other Non Budgeted Rev Included in Rate Model	(3,257,327)	(3,257,327)
<b>Total Net Other Expenses</b>	<b>89,476,034</b>	<b>69,819,577</b>
<b>Net Income (Deposit to NAE)</b>	<b>\$ 56,474,719</b>	<b>\$ 59,144,276</b>

Based on the proposed changes, the GAAP (Generally Accepted Accounting Principles) based amended budget for FY25 was prepared. The summary is shown below:

<b>BNA Summary (\$000)</b>	<b>APPROVED BUDGET 2025</b>	<b>AMENDED BUDGET 2025</b>	
Non-Airline Revenue	217,080	209,125	②
Signatory Airline Revenue	124,575	115,543	①
Total Operating Revenue	341,655	324,668	
Operating Expense	(195,705)	(195,705)	
Net Non-Operating Income	4,938	12,593	③
Income before Depreciation & Grants	150,888	141,556	

① Signatory Airline Revenue decreased by \$9M:

- Landing Fees decreased \$7.3M:
  - a) In May 2024, MNAA cancelled the Virtual Ramp Control Tower project (\$5.4M), which was after the FY25 budget was approved by the Board. The Signatory landing fee included in the budget was \$3.75, however, with the removal of this project, the landing fee was reduced to \$3.38. The Airlines were informed of the change in the landing fee and have been paying the \$3.38 since the beginning of the year. The decrease of \$5.1M to the budgeted Landing Fee Revenue is to accurately reflect the landing fee being charged.
  - b) Additional decrease of \$2.2M was made due to the changes in funding for 3 projects approved in the FY25 BNA CIP Amendment (Deicing Storage Modifications, Airport Master Plan, Rehabilitate TW S/S6/S7/T4), offset by decrease in projected landed weights.
- Other Signatory fees decreased by \$1.7M due to the projected airline year-end true-up (expected to be a refund), thereby lowering the total revenue expected:
  - Terminal rental rates, baggage fees and Terminal Ramp fees are projected to decrease \$800k, \$600k, and \$300k respectively, related to less operating expenses allocated to the terminal cost center.

② Non-Airline Revenue decreased by \$8M:

- Concessions revenue decreased \$7.7M due to the anticipated receipt of federal relief funds (ARPA Concessions Grant) for concessions. This results in a reclassification of revenue: a decrease to Concessions Revenue and an increase in Other Non-Operating Revenue.
- Other revenue (non-signatory revenue) decreased \$300k due to the cancellation of the Virtual Ramp Control Tower project as described above. The non-signatory landing fee in the budget was \$4.68, but was reduced to \$4.23 after the project was cancelled. The decrease of \$300k to the budgeted non-signatory revenue is to accurately reflect the landing fee being charged.

③ Net Non-Operating Income increased \$7.7M due to the anticipated receipt of federal relief funds (ARPA Concessions Grant) for concessions. This results in a reclassification of revenue: a decrease to Concessions Revenue and an increase in Other Non-Operating Revenue.

#### **Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

#### **B. Options/Alternatives**

Revise the FY25 Operating Budget by adding or reducing revenue and expense items.

#### **III. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.



## MNAA RESOLUTION NO. 2025-03

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AMENDING MNAA RESOLUTION 2024-04 AND APPROVING THE AMENDED OPERATING BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.**

WHEREAS, the President has submitted, for Board approval, an Amended Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby amends MNAA Resolution No. 2024-04 by approving the Amended Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the Nashville International Airport for fiscal year 2025.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

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Douglas E. Kreulen, President & CEO

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Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

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MNAA Legal Counsel

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Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025  
Facility: Nashville International Airport (BNA)  
Subject: MNAA Resolution 2025-04  
FY26 BNA Operating Budget

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed operating budget for Nashville International Airport (BNA) for fiscal year 2026 (FY26); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-04.

#### A. **Background**

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

In December 2024, the MNAA CEO gave the CFO and Finance staff financial goals/requirements for developing the FY26 budget:

- Departments should budget conservatively based on needs
- Maintain the Board required debt service coverage and days cash on hand metrics
- Maintain our credit ratings to ensure future bond issuances
- Minimize financial impact on our business partners

Finance had also been tracking revenue forecasts for FY25 and has seen a softening in revenue generation, especially in parking revenue. We believe this will continue into FY26, which results in a minimal increase to budgeted non-airline revenue for FY26. In addition, Southwest Airlines sent a letter to the CEO in January 2025 requesting that MNAA review O&M expenses and help keep cost increases to a reasonable level, especially given the increase in debt service for the new facilities (which is supported by the Airlines). These two items became a driving force during the development of the FY26 budget. By working with all Airport departments to reduce excess estimates in the budget, Finance was able to keep the FY26 O&M expense growth to only \$3.1M or a minimal 1.6%.

MNAA uses three enplanement forecasts to monitor growth at BNA: “Moderate Forecast”, “Strategic Forecast”, and an “Aggressive Forecast”. In April 2024, the Board of Commissioners approved the FY25 Operating Budget based on 12,376,000 enplanements which was the “Moderate Forecast” at that time. For FY26, the new “Moderate/Strategic/Aggressive Forecasts” were based on an approximate 5%/7%/10% growth from the FY25 forecasted enplanements.

The enplanement forecasts for FY25 and the forecasts for FY26 are shown in the table below:

	<u>FY25</u>	<u>FY26</u>	<u>Variance \$</u> <u>Inc/(Dec)</u>	<u>Variance %</u> <u>Inc/(Dec)</u>
Moderate Forecast	12,376,000	12,966,000	590,000	4.8%
Strategic Forecast	12,611,000	13,242,000	631,000	5.0%
Aggressive Forecast	12,847,000	13,614,000	767,000	6.0%

MNAA management determined that the “Moderate Forecast”, which estimates enplanements at approximately 12,966,000, would be the basis for the FY26 Operating Budget. The “Moderate Forecast” was then compared to the Financial Feasibility Model to determine the financial goals for which the FY26 budget would be based upon. The application of the enplanement assumptions was incorporated into the new FY26 financial rate model projections shown below:

**Nashville International Airport**  
**Revenue and Expenses (Rate Model Based)**  
**For the year ending June 30, 2026**

	<b>FY26</b>
	<b>12.97M</b>
	<b>Enplanements</b>
<b>Operating Revenues:</b>	
Signatory Airlines	\$ 134,298,546
Parking	113,742,813
Concessions	79,375,714
Space Rental	18,766,307
Other	12,436,835
<b>Total Operating Revenues</b>	<b>358,620,215</b>
<b>Operating Expenses:</b>	
Salaries and Benefits	73,570,572
Contractual Services	93,398,049
Materials and Supplies	9,794,544
Utilities	10,450,182
Other	11,553,060
<b>Total Operating Expenses</b>	<b>198,766,407</b>
<b>Other Rate Model Exp/Rev:</b>	
Total Debt Service - Bonds	208,490,743
Less: Debt paid by Cap Int	(86,790,098)
Less: Debt paid by PFCs	(34,689,479)
Short Term Credit Facility Interest Expense	8,567,062
Operations & Maintenance Fund	4,696,594
Renewal & Replacement Fund	1,250,000
Airline Facility Fund	15,612,325
Authority/Amortization Facility Fund	24,583,125
NAE (Airline Incentive) Fund	2,000,000
Additional Pension/OPEB Contribution	-
Interest Income Transferred to Revenue Fund	(19,000,000)
Less: Budgeted Exp Excluded from Rate Model	(2,682,591)
Other Non Budgeted Rev Included in Rate Model	(4,243,297)
<b>Total Net Other Expenses</b>	<b>117,794,384</b>
<b>Net Income (Deposit to NAE)</b>	<b>\$ 42,059,424</b>

Using this forecast, the GAAP (Generally Accepted Accounting Principles) based O&M budget for FY26 was prepared. The summary is shown below:

<b>BNA Summary (\$000)</b>	<b>AMENDED BUDGET 2025</b>	<b>BUDGET 2026</b>	<b>VARIANCE \$ INC/(DEC)</b>	<b>VARIANCE % INC/(DEC)</b>	
Non-Airline Revenue	\$ 209,125	\$ 224,322	\$ 15,197	7.3%	①
Signatory Airline Revenue	115,543	134,298	18,755	16.2%	②
Total Operating Revenue	324,668	358,620	33,952	10.5%	
Operating Expense	(195,705)	(198,766)	(3,061)	1.6%	③
Net Non-Operating Income/Loss	12,593	(27,126)	(39,719)	(315.4%)	④
Income before Depreciation & Grants	\$ 141,556	\$ 132,728	\$ (8,828)	-6.2%	

① Budgeted Non-Airline Revenue increased by \$15.2M. Largest variances:

- Parking Revenue increased \$100k. Finance anticipates that the Parking Revenue for FY25 will end up below budget, therefore, leaving Parking Revenue relatively flat for FY26.
- Concessions Revenue increased \$11.3M:
  - Food and Retail Concessions increased \$8M. \$7.7M is due to the reversal of the one-time reclass made from Concessions Revenue to Non-Operating Revenue in the FY25 BNA Amended Budget for the ARPA Concessions Grant. The remaining \$300k is due to increased passengers.
  - Rental Car Concessions increased \$2.1M due to increased passengers.
  - Advertising Concessions increased \$500k, primarily driven by the new advertising contract.
  - TNC Revenue increased \$400k due to projected increased utilization of TNCs based on increased passengers.
  - Ground Transportation (Limos, Taxis, Hotel Shuttles, TURO) increased \$300k due to higher expected passengers.
- Space Rent and Other Operating Revenue increased in total by \$3.8M due to higher non-signatory airline per use fees based on the Airline Use & Lease Agreement ("AULA") rates and charges calculations, increased rental car service site rental rates, and increase to reimbursable services (utility expense passthroughs).

② Budgeted Signatory Airline Revenue increased by \$18.7M. The AULA provides a methodology for charging the airlines rates and charges based on operating expenses, debt service requirements, and capital requirements. Based on the increases in these areas for FY26, the AULA Rate Model calculated the following increases:

- Terminal rent increased \$8.8M due to an increase in the main terminal rate from \$186.82 to \$213.93 per square foot and an increase in the satellite terminal rate from \$182.15 to \$208.58 per square foot, mainly driven by an increase in debt service

requirements that is expected by the airlines (completion of Concourse D). There were also increases in both rentable and leased space due to the anticipated opening of Concourse D Extension and the closing of Concourse A shortly after.

- Baggage fees, which increased \$3M, are charged to cover maintenance costs and debt service of the baggage handling system. The majority of the increase is due to increases in the terminal rental rates allocated to the baggage area.
- Landing fees increased \$4.5M due to a rate increase from \$3.38 to \$3.50 with a small increase in forecasted landed weights. Increase in rate due to slight increase in debt service and capital projects charged directly to the Airline Investment Fund.
- Terminal Ramp Fees, Signatory Per Use Fees, and Passenger Loading Bridge Fees increased \$1.4M in total due to increases in O&M expenses and debt service.
- Airline Revenue Sharing Credit (which decreases revenue owed) decreased \$900k due to the AULA contractual decrease of the present share of terminal concessions and revenue share per EPAX.

③ Operating expense increased \$3.1M. Largest variances:

- Total salaries/benefits increased \$616k: 1) the addition of a potential 10-15 new positions for FY26 (of which 5 are conversions of contract positions to MNAA staff), and 2) the implementation of a cost-of-living adjustment and the results of the compensation study. These are offset by a decrease in salaries due to the creation of a vacancy allowance of approximately 6-7%.
- Contractual services decreased \$860k. Largest variances:
  - Shuttle bus services decreased \$1.7M primarily due to revised assumptions regarding the impact of the TARI construction and less shuttle usage needed at the Satellite Concourse.
  - Elevator and Escalator Maintenance increased \$400k due to a new contract that provides more covered services and reduced service interruptions during peak passenger times.
  - Landscaping Services increased \$300k due to new contract.
- Materials and supplies increased \$370k. Largest variances:
  - Snow and Ice Removal supplies have increased \$250k to address the financial impact of rising costs of recent snow events.
  - Passenger Boarding Bridges and Baggage Handling System supply costs have increased \$100k due to expected supply increases needed to maintain the aging infrastructure of these systems.
- Utilities increased \$1.9M:
  - To ensure better utility estimates, Finance performed additional usage analysis to forecast changes in the utilities. Electricity increased \$800k, primarily in the terminal, due to a 6.5% increase in usage and a 3.3% increase in rates. Natural Gas increased \$250k due to increases in usage and a 7% rate increase, and Water and Sewer increased \$750k due to increases in usage and a 2.6% rate increase.
- Other Operating Expenses increased \$1M. Largest variances:

- Airport Promotions and Memberships increased \$700k primarily due to increases in approved airline incentives (Icelandair and Aer Lingus).
- Insurance increased \$300k due to expected increases in rates.
- ④ Net Non-Operating Income/Loss decreased \$39.7M. Largest variances are:
  - Non-Operating Revenue increased \$12.9M:
    - Customer Facility Charges increased \$21.7M due to the CFC rate increase from \$4.50 to \$10.00 on February 1, 2025.
    - Passenger Facility Charges increased \$4.6M due to the projected increase in passengers.
    - Interest income increased \$800k due to higher projected rates compared to the FY25 estimated rates.
    - Other Non-Operating Revenue decreased \$14.2M due to the exhaustion of all federal relief funds in FY25.
  - Non-Operating Expenses increased \$52.6M:
    - Interest Expense increased \$50M due the estimated new bond issuance in December 2025.
    - Bond Issuance Costs increased \$3M. When the FY25 budget was prepared, there was a possibility that MNAA would need to do a bond issuance in June 2025 for ~ \$600M. Due to actual spending being slower than forecasted, that bond issuance has been pushed to December 2025. The new bond issuance is estimated to be ~ \$1.3B, which accounts for the increase in these costs.

## **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

## **C. Options/Alternatives**

Revise the FY26 operating budget by adding or reducing revenue and expense items.

## **II. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

## **MNAA RESOLUTION NO. 2025-04**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026.**

WHEREAS, the President has submitted, for Board approval, the Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the Nashville International Airport for fiscal year 2026.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
MNAA Legal Counsel

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.



## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-05  
FY26 BNA Capital Improvements Budget and FY26-30 BNA Capital Improvements Plan

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed FY26-30 BNA Capital Improvements Plan; and
- 2) approve the proposed FY26 BNA Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-05.

#### II. Analysis

##### A. Background

Staff annually presents a five-year capital improvements plan and the forthcoming year capital improvements budget for approval by the Board of Commissioners.

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.3, a capital improvements budget shall be prepared annually for a 5-year period and submitted to the Board at least 60 days prior to the beginning of the Authority's fiscal year.

The proposed Capital Improvements Plan for FY26-30 is summarized below:

<b>BNA Summary:</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>TOTAL</b>
Terminal & Landside	\$ 994,860,000	\$ 60,030,000	\$ 88,875,000	\$ 2,300,000	\$ 759,580,000	\$ 1,905,645,000
Vehicles & Equipment	5,955,000	5,390,000	2,474,750	1,645,000	1,415,000	16,879,750
Airside Improvements	72,015,000	107,720,000	100,050,000	64,550,000	54,050,000	398,385,000
AULA - Airport Reliever	530,450	546,360	562,750	579,630	597,020	2,816,210
<b>Total</b>	<b>\$ 1,073,360,450</b>	<b>\$ 173,686,360</b>	<b>\$ 191,962,500</b>	<b>\$ 69,074,630</b>	<b>\$ 815,642,020</b>	<b>\$ 2,323,725,960</b>

<b>Funding Allocations:</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>TOTAL</b>
MNAA Authority	\$ 23,128,125	\$ 20,226,220	\$ 13,702,670	\$ 13,542,685	\$ 15,642,505	\$ 86,242,205
MNAA Amortization Fund	1,455,000	4,250,000	1,350,000	750,000	750,000	8,555,000
MNAA Airline Fund	15,612,325	10,360,140	15,315,080	4,781,945	4,249,515	50,319,005
Federal (Entitlement)	6,000,000	6,180,000	6,365,000	6,556,000	6,753,000	31,854,000
Federal (Discretionary)	-	-	-	-	-	-
Federal (BIL)	20,000,000	-	-	-	-	20,000,000
Bond Funded	835,234,428	131,820,000	154,635,000	43,444,000	788,247,000	1,953,380,428
Customer Facility Charges	171,265,572	-	-	-	-	171,265,572
Other	665,000	850,000	594,750	-	-	2,109,750
<b>Total</b>	<b>\$ 1,073,360,450</b>	<b>\$ 173,686,360</b>	<b>\$ 191,962,500</b>	<b>\$ 69,074,630</b>	<b>\$ 815,642,020</b>	<b>\$ 2,323,725,960</b>

The FY26 Capital Improvements Budget includes the following major projects: 1) CONRAC/Public Parking Garage - \$877.5M; 2) Surface Parking - \$95M; and 3) Taxiway T4 Reconstruction/T5 & Lima Repairs - \$30M.

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY26, and their anticipated funding sources, are shown in the attached Capital Improvements Plan. The projects, costs, and anticipated funding sources for FY27-30 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

#### **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

#### **C. Options/Alternatives**

Revise the FY26 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

### **III. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

**Attachment:** FY2026-2030 BNA Capital Improvements Plan

BNA Capital Improvements Plan											
Fiscal Years 2026 - 2030											
Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2026 Projects</u></b>											
CONRAC/Public Parking Garage - New Horizon II	877,500,000								171,265,572		706,234,428
Surface Parking - New Horizon II	95,000,000										95,000,000
Taxiway T4 Reconstruction and Taxiway T5 and Lima Repairs	30,000,000	6,000,000		5,000,000							19,000,000
Part 139 RSA/TSA Improvements Phase 3 - Hotel South & Two Right	20,000,000			15,000,000							5,000,000
Land acquisition	10,000,000					10,000,000					
Terminal Building - Mezzanine Building for Admin Offices	10,000,000										10,000,000
CAD/RMS Replacement Dispatch System	5,000,000					5,000,000					
Taxiway T5 Reconstruction and Lima Reconstruction (Design Only)	2,000,000							2,000,000			
Replace Stormwater Pipe (Phase 7 of 9)	2,000,000							2,000,000			
Annual Airfield Pavement Maintenance (Joint Replacement & T/W Alpha South Crack Repair & Seal Coating)	1,900,000							1,900,000			
North Cargo Apron Reconstruction, Phase 8 of 9	1,500,000							1,500,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 1 of 3)	1,500,000							1,500,000			
IT Infrastructure Deployment - IT Refresh	1,500,000					1,500,000					
Terminal Sidewalk / Uniform color and consistent grip meant for high traffic volume	1,200,000						1,200,000				
Terminal Roadways - Bridges Expansion Joints Levels 2 and 3 North and South	800,000					800,000					
Cell DAS & Wi-Fi Refresh	750,000					750,000					
AOC Phone and Radio Integration to Touchscreen System	700,000					700,000					
Donelson Tunnel (T/W Romeo/Juliet Bridges) & Murfreesboro Tunnel Repairs	700,000							700,000			
Taxiway Juliet at ARFF Access - Pavement Rehabilitation	700,000							700,000			
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
JWN Match - AULA	530,450					530,450					
Landside Pavement Rehabilitation - Lot C	500,000					500,000					
Vehicle Mounted Ruggedized Laptops, Mounts, Installation	375,000					375,000					
Hydrologic Assessment of Ramp	350,000							350,000			
Environmental Management Software	300,000					300,000					
Data Center Primary and Firewall - IT	275,000					275,000					
FIDS Refresh (new Brightsign hardware) phase 1	255,000						255,000				
DPS/ARFF Building Enhancements for Additional Staff	250,000					250,000					
ARFF Driving Simulator	250,000							250,000			
Part 139 IET Training Modules/AAAE Video Refresh (Ops Videos)	250,000							250,000			
Windows 10 to 11 (210 workstations, includes EOC)	225,000					225,000					
Ramp Tower Facilities Improvements (Restrooms and Remaining Refurbished Spaces)	200,000							200,000			
AOA Gate Electronic Lock and Key Replacement	115,000							115,000			
Charter Hallway Fire Risers	100,000					100,000					
Pendar X10 - Hazmat & EOD Identification Tool (DPS)	75,000					75,000					
Veeam Microsoft Environment Backup	55,000					55,000					
<b><u>Vehicles</u></b>											
ARFF Truck (Rosenbauer)	1,250,000							1,250,000			
Multi-Function Sweeper Replacing Sweeper - MEQ 6363	1,200,000							1,200,000			
Seven (7) DPS vehicles @ \$95k	665,000									665,000	
3000 Gallon MB Deicer - MEQ 6277	700,000							700,000			
MEQ6429 2001 CHEVY C7H042 W/SALT SPREADER & PLOW (Not Airfield)	250,000					214,750		35,250			
MEQ6430 2001 CHEVY C7H042 W/SALT SPREADER & PLOW (Airfield)	250,000					214,750		35,250			
MEQ6315 (Grounds) 1995 GMC C7H064 TOP KICK DUMP TRUCK (NEW DEAL SPREADER for Airfield)	250,000					214,750		35,250			
MEQ6538 (ELEC) F-550 Bucket Trucks	180,000					154,620		25,380			
Skid Steer (ENV) (Cat 289)	130,000					111,670		18,330			
Skid Steer with Attachments (MEQ 6493)	130,000					111,670		18,330			
Operations ADM Vehicle (Expedition) - Replaces MEQ 6559 with an ops command vehicle	105,000					90,195		14,805			
Mulching Head for Mini-Excavator	95,000					81,605		13,395			
F150 for Environmental	95,000					81,605		13,395			
MEQ6542 (AFEL) 2014 CHEVY 3500 WITH CENTER CRANE - Airfield	95,000							95,000			
MEQ6561 (GRDS) 2015 CHEVY 3500 CREW CAB, 4WD - Airfield	95,000							95,000			
MEQ6550 (BLDGS) 2015 FORD F250	85,000					73,015		11,985			
MEQ6562 (HVAC) 2016 FORD F250, 2WD, SERVICE BODY/LADDER	85,000					73,015		11,985			
MEQ6516 (ADMIN) 2012 FORD EXPLORER	65,000					65,000					
MEQ6536 (ELTR) 2012 F150	65,000					55,835		9,165			
Operations Landside Pick-Up Truck (F150) - Replaces 6604	60,000					60,000					
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6468 (Grounds) 2006 KUBOTA RTV 900	45,000					38,655		6,345			
<b>TOTAL FY 2026 Projects</b>	<b>1,073,360,450</b>	<b>6,000,000</b>	<b>-</b>	<b>20,000,000</b>	<b>-</b>	<b>23,128,125</b>	<b>1,455,000</b>	<b>15,612,325</b>	<b>171,265,572</b>	<b>665,000</b>	<b>835,234,428</b>

BNA Capital Improvements Plan											
Fiscal Years 2026 - 2030											
Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2027 Projects											
IOC/VRC/EOC/Data Center	50,000,000										50,000,000
Taxiway Tango 5 and Lima Reconstruction	35,000,000										35,000,000
Cargo Apron Slab Replacement (Phase 9 of 9)	16,500,000							1,500,000			15,000,000
Rwy 2L/20R Extension (Design - Year 1)	15,000,000										15,000,000
R/W 2C/20C & T/W Sierra & T/W T4 Rehabilitation	11,000,000	6,180,000									4,820,000
Part 139 RSA/TSA Improvements Phase 4	10,000,000										10,000,000
Land acquisition	10,000,000					10,000,000					
Convert Concourse C gates to Max 10	3,500,000						3,500,000				
Replace Stormwater Pipe (Phase 8 of 9)	2,000,000							2,000,000			
IDMS System for Badging Office	2,000,000					2,000,000					
T/W Bravo North and T/W T2 Reconstruction - Design Only	2,000,000										2,000,000
Annual Airfield Pavement Maintenance	1,500,000							1,500,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 2 of 3)	1,500,000							1,500,000			
Airfield Pavement Rehabilitation with joint replacement- 2C/20C & Associated Taxiways	1,000,000							1,000,000			
2027 Airfield PCI Study (including perimeter roads)	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 1 of 3)	1,000,000					1,000,000					
Body Worn Camera / Fleet-wide In Car Camera Replacement	750,000					750,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
Curbside Trench Drain Replacement (Phase 2)	750,000					750,000					
Parking Garage Structural Evaluation/Rehabilitation - Garage Joint Replacement (20%)	700,000					700,000					
2L / 20R RWY lights	570,000							570,000			
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
JWN Match - AULA	546,360					546,360					
BNA Strategic Material Stockpile Management	400,000					400,000					
PBX Upgrade of CS1000 - IT	180,000					180,000					
6-inch Diesel Water Pump	100,000							100,000			
Vehicles											
Multi-Function Sweeper Replacing Sweeper / MB5C	1,200,000					1,030,800		169,200			
DPS - Command Vehicle	850,000									850,000	
Seven (7) DPS vehicles @ \$95k	665,000					571,235		93,765			
DPS - EOD Emergency Response Vehicle	500,000					429,500		70,500			
Patterson TL3 Trash Truck	300,000					257,700		42,300			
Volvo Dump Truck / Replacement	275,000					236,225		38,775			
Volvo Dump Truck / Replacement	275,000					236,225		38,775			
Caterpillar Loader (Replacement)	250,000					214,750		35,250			
MEQ6322 (Grounds) 1994 JOHN DEERE 6300 TRACTOR	150,000					128,850		21,150			
MEQ6479 (Grounds) 2007 AVS POSI-TRAC RC-100 SKID STEER	125,000					107,375		17,625			
MEQ6306 (ENV) 1993 GMC TOP KICK WITH FLAT BED	115,000					98,785		16,215			
F-250	95,000					81,605		13,395			
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,310		12,690			
MEQ6564 (GRDS) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,310		12,690			
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,310		12,690			
MEQ6567 (MOEQ) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,310		12,690			
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000					77,310		12,690			
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6570 (D&E) 2016 CHEVY EQUINOX, AWD, 4DR	40,000					34,360		5,640			
MEQ6586 (OPS) 2017 FORD FLEX, AWD	40,000					34,360		5,640			
TOTAL FY 2027 Projects	173,686,360	6,180,000	-	-	-	20,226,220	4,250,000	10,360,140	-	850,000	131,820,000

BNA Capital Improvements Plan											
Fiscal Years 2026 - 2030											
Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2028 Projects											
2nd Terminal (Sitework & Design)	60,000,000										60,000,000
T/W Bravo North and T/W T2 Reconstruction	50,000,000	6,365,000									43,635,000
New PMO Design and Construction	26,000,000										26,000,000
Rwy 2L/20R Extension (Design - Year 2)	15,000,000										15,000,000
Land acquisition	10,000,000					10,000,000					
Part 139 RSA/TSA Improvements Phase 5	10,000,000										10,000,000
Terminal Ramp Reconstruction (Concourse B/Tango 2)	7,500,000							7,500,000			
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000							3,000,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 3 of 3)	1,500,000							1,500,000			
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 13/31	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 2 of 3)	1,000,000					1,000,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
Terminal Apron Lighting Replacement (IAF)	600,000						600,000				
JWN Match - AULA	562,750					562,750					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
Parking Garage Joint Replacement (20%)	525,000					525,000					
Vehicles											
Seven (7) DPS vehicles @ \$95k	665,000					571,235		93,765			
EOD Robot	594,750									594,750	
John Deere Tractor	250,000					214,750		35,250			
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000					171,800		28,200			
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000					81,605		13,395			
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,310		12,690			
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,310		12,690			
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000					77,310		12,690			
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000					64,425		10,575			
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000					55,835		9,165			
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000					55,835		9,165			
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000					38,655		6,345			
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000					38,655		6,345			
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000					38,655		6,345			
TOTAL FY 2028 Projects	191,962,500	6,365,000	-	-	-	13,702,670	1,350,000	15,315,080	-	594,750	154,635,000

BNA Capital Improvements Plan											
Fiscal Years 2026 - 2030											
Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
<b><u>FY 2029 Projects</u></b>											
Rwy 2L/20R Extension (Construction Phase 1)	30,000,000	6,556,000									23,444,000
Terminal Apron Reconstruction (Area between concourses C and D)	20,000,000										20,000,000
Land acquisition	10,000,000					10,000,000					
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
T/W T4 (between T/W November and T/W S7) Rehabilitation - Mill and Overlay	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 2R/20L	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	1,000,000					1,000,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
JWN Match - AULA	579,630					579,630					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
Parking Garage Joint Replacement (20%)	550,000					550,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					571,235		93,765			
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000					171,800		28,200			
MEQ6569 (GRDS) 2015 TORO GROUNDMASTER 4110D MOWER	130,000					111,670		18,330			
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000					81,605		13,395			
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000					77,310		12,690			
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000					60,130		9,870			
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000					60,130		9,870			
ACC Full Size SUV (Ford Explorer / Expedition) not replacing	70,000					60,130		9,870			
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000					38,655		6,345			
<b>TOTAL FY 2029 Projects</b>	<b>69,074,630</b>	<b>6,556,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,542,685</b>	<b>750,000</b>	<b>4,781,945</b>	<b>-</b>	<b>-</b>	<b>43,444,000</b>
<b><u>FY2030 Projects</u></b>											
Parking Garage E	630,000,000										630,000,000
New Air Freight Bldg./Multi-purpose Bldg./CRDC	125,000,000										125,000,000
T/W T6 and T/W Kilo South Reconstruction	20,000,000	6,753,000									13,247,000
Terminal Apron Reconstruction (Area between concourses C and SATCON)	20,000,000										20,000,000
Land acquisition	10,000,000					10,000,000					
Replace/Refresh Park Assist Smart Parking (camera, sensors, servers, software) contract ends 4/1/26	2,000,000					2,000,000					
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 2L/20R	1,000,000							1,000,000			
Airfield Pavement Condition Index Study	1,000,000							1,000,000			
Terminal and Concourse Roof Life Extension	750,000						750,000				
Landside Pavement Rehabilitation	750,000					750,000					
JWN Match - AULA	597,020					597,020					
Parking Garage Joint Replacement (20%)	580,000					580,000					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139 (Ramp painting of \$350k in MTE. O&M Budget)	550,000							550,000			
PCI Study - Landside	500,000					500,000					
<b><u>Vehicles</u></b>											
Seven (7) DPS vehicles @ \$95k	665,000					571,235		93,765			
10 Maintenance vehicles @75k	750,000					644,250		105,750			
<b>TOTAL FY 2030 Projects</b>	<b>815,642,020</b>	<b>6,753,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,642,505</b>	<b>750,000</b>	<b>4,249,515</b>	<b>-</b>	<b>-</b>	<b>788,247,000</b>
<b>Total 5 Year CIP</b>	<b>2,323,725,960</b>	<b>31,854,000</b>	<b>-</b>	<b>20,000,000</b>	<b>-</b>	<b>86,242,205</b>	<b>8,555,000</b>	<b>50,319,005</b>	<b>171,265,572</b>	<b>2,109,750</b>	<b>1,953,380,428</b>

## MNAA RESOLUTION NO. 2025-05

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEARS 2026 TO 2030, THE CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEAR 2026 AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for Nashville International Airport for five fiscal years beginning July 1, 2025, and ending June 30, 2030, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the attached FY26 – FY30 Capital Improvements Plan and FY26 Capital Improvements Budget for fiscal year July 1, 2025 through June 30, 2026 for Nashville International Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the Nashville International Airport.

Section 2. That the Board of Commissioners authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for state funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

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Douglas E. Kreulen, President & CEO

**ADOPTED:**

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Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

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MNAA Legal Counsel

**ATTEST:**

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Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025  
Facility: John C. Tune Airport (JWN)  
Subject: MNAA Resolution 2025-06  
FY26 JWN Operating Budget

#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed operating budget for John C. Tune Airport (JWN) for fiscal year 2026 (FY26); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-06.

#### A. Background

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

The proposed Operating Budget for FY26 is summarized below:

JWN Summary	BUDGET 2025	BUDGET 2026	VARIANCE \$ INC/(DEC)	VARIANCE % INC/(DEC)	
Operating Revenue	\$ 3,011,000	\$ 3,929,000	\$ 918,000	30.5%	①
Operating Expense	(2,296,000)	(2,515,000)	(219,000)	9.5%	②
Non-Operating Revenue	178,000	334,000	156,000	87.6%	③
Income before Depreciation, Grants, and Transfers to/from MNAA	\$ 893,000	\$ 1,748,000	\$ 855,000	95.7%	

① Budgeted operating revenue increased \$918,000. Largest variances:

- Land rental and hangar rents increased \$902,000, due to MNPd hangar rent added to budget in FY26 and increases in the individual hangar rent effective July 1, 2025.
- Space rental increased \$6,000 due to contractual increases for FBO.
- Flowage Fees increased \$10,000 due to an increase in aviation fuel sales.



② Budgeted operating expense increased \$219,000. Largest variances:

- Payroll expenses increased \$106,000 due to an increase in salaries of \$58k and benefits, retirement and taxes increase \$47k. This was due to the compensation study and COLA increases.
- Contractual services decreased \$3,000 due to the reduction of landscaping services of \$29k. Offsetting these are increases in:
  - Electrical Repair (\$5k) for hangar maintenance
  - Elevator and Escalator maintenance (\$5k) for the ATCT elevator inspection
  - Radio Maintenance (\$5k) for ATCT equipment
  - Janitorial Services (\$8k) to increase the frequency of cleaning in the admin building, ATCT and hangar restrooms
  - Miscellaneous vehicle maintenance (\$3k) for preventative maintenance
- Materials & supplies increased \$35,000 due to increases in Electrical Supplies (\$10k) for airfield light replacement, Machinery and Equipment supplies (\$20k) and Mobile Equipment supplies (\$2k) for preventive maintenance for tractors. Additionally, Janitorial Supplies and Telephone & Radio Equipment increased a combined (\$3k) to support the growth of the airport.
- Utilities increased \$1,000 due to anticipated rate increases.
- Other Operating Expense increased \$80,000 primarily driven by increases in Tune's share of allocable MNAA's administrative expenses (\$70k) and insurance expense (\$15k). These increases were offset by decreases of (\$3k) in Airport Promotions and in Internal Business Meetings (\$2k).

③ Budgeted non-operating income increased \$156,000:

- Non-Operating Income increased \$156,000. This is driven by increases in interest income (\$169k) due to increases in cash balances and a decrease in grant revenue (\$13k).

**B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

**C. Options/Alternatives**

Revise the FY26 Operating Budget by adding or reducing revenue and expense items.

**II. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

## **MNAA RESOLUTION NO. 2025-06**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR JOHN C. TUNE AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026.**

WHEREAS, the President has submitted, for Board approval, the Operating Budget for John C. Tune International Airport, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the John C. Tune Airport for fiscal year 2026.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
MNAA Legal Counsel

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## STAFF ANALYSIS

### Board of Commissioners

Date: April 16, 2025

Facility: John C. Tune Airport (JWN)

Subject: MNAA Resolution 2025-07  
FY26 JWN Capital Improvements Budget and FY26-30 JWN Capital Improvements Plan

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#### I. Recommendation

Staff requests the Board of Commissioners:

- 1) approve the proposed FY26-30 JWN Capital Improvements Plan; and
- 2) approve the proposed FY26 JWN Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-07.

#### II. Analysis

##### A. Background

Staff annually presents a five-year capital improvements plan and the forthcoming year capital improvements budget for approval by the Board of Commissioners.

Pursuant to the 3<sup>rd</sup> Amended & Restated Bylaws of the Board of Commissioners of MNAA (Bylaws), Section 4.3.3, a capital improvements budget shall be prepared annually for a 5-year period and submitted to the Board at least 60 days prior to the beginning of the Authority's fiscal year.

The proposed Capital Improvements Plan for FY26-30 is summarized below:

<b>JWN Summary:</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>TOTAL</b>
Terminal & Landside	\$ 190,000	\$ 1,200,000	\$ 6,700,000	\$ -	\$ -	\$ 8,090,000
Vehicles & Equipment	240,000	600,000	135,000	-	-	975,000
Airside Improvements	2,900,000	3,400,000	-	2,700,000	900,000	9,900,000
<b>Total</b>	<b>\$ 3,330,000</b>	<b>\$ 5,200,000</b>	<b>\$ 6,835,000</b>	<b>\$ 2,700,000</b>	<b>\$ 900,000</b>	<b>\$ 18,965,000</b>

  

<b>Funding Allocations:</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>TOTAL</b>
JWN Funding	\$ 1,704,010	\$ 3,812,670	\$ 805,000	\$ 2,550,000	\$ 750,000	\$ 9,621,680
Federal Funds	\$ 1,625,990	\$ 1,387,330	\$ 150,000	\$ 150,000	\$ 150,000	\$ 3,463,320
State Funds	\$ -	\$ -	\$ 5,880,000	\$ -	\$ -	\$ 5,880,000
	<b>\$ 3,330,000</b>	<b>\$ 5,200,000</b>	<b>\$ 6,835,000</b>	<b>\$ 2,700,000</b>	<b>\$ 900,000</b>	<b>\$ 18,965,000</b>

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY26, and the anticipated funding sources, are shown in the attached Capital Improvements Plan.

Federal funds include entitlement and discretionary funds, as well as the Bipartisan Infrastructure Bill (BIL). JWN has been allocated the following BIL funds from the FAA, FY23 (\$292,000), FY24 (\$294,000), and FY25 (\$687,000), these funds are programmed in JWNs FY26 CIP. FY26 BIL allocations, which are programmed for JWN CIP in FY26 and FY27, are estimated at \$687,000, based on JWN classification as a National Airport in the National Plan of Integrated Airport Systems (NPIAS). JWN also anticipates applying for BIL competitive funds for the RADAR system (programmed for FY27). State funds include the State Economic Community Development Fund. If any of the Federal or State funds are not available, Finance will identify other sources of funding, including bond funds, for capital projects.

The specific projects for each year are listed in the attached FY26-30 Capital Improvements Plan, with a total of \$3,330,000 currently programmed for the FY26 Capital Improvements Budget. The projects and costs shown for FY27-30 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

## **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

## **C. Options/Alternatives**

Revise the FY26 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

I. Committee Review

II. This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

**Attachment:** FY2026-2030 JWN Capital Improvements Plan

JWN Capital Improvement Plan  
Fiscal Years 2026 - 2030  
John C Tune Airport

	Total Project Cost	AIP Entitlement	AIP Entitlement Year	State ECD	BIL (AIG) Entitlement	AIG Allocation Year	BIL (ATP) Competitive	JWN
<b>FY 2026 Projects</b>								
Apron Pavement Rehab (Phase 1 of 2; South Area)	2,100,000	39,990	<i>FY24</i>		1,136,000	<i>FY23+FY24+FY25</i>		924,010
EMAS Rehab	300,000							300,000
Security Camera Upgrade	60,000							60,000
Administration Building Enhancements	130,000							130,000
PAPI Light Replacement	500,000	14,445	<i>FY24</i>		435,555	<i>FY25+FY26</i>		50,000
Skid steer with attachments (Tractor Replacement	200,000							200,000
Mobile Fuel Trailer	40,000							40,000
<b>FY 2026 TOTAL</b>	3,330,000	54,435		-	1,571,555		-	1,704,010
<b>FY 2027 Projects</b>								
Apron Pavement Rehab (Phase 2 of 2; North Area)	1,900,000	548,885	<i>FY24+FY25+FY26+FY27</i>		388,445	<i>FY26</i>		962,670
RADAR system for JWN ATCT	500,000						450,000	50,000
South Side Apron Development	1,000,000							1,000,000
North Development Access Rd. Paving	1,200,000							1,200,000
New 72" Mower	145,000							145,000
New F-150	90,000							90,000
Replace JC CX-15 Bush Hog Mower	185,000							185,000
Six Seat Golf Cart	35,000							35,000
Autonomous Mowers	50,000							50,000
Full Size SUV	95,000							95,000
<b>FY 2027 TOTAL</b>	5,200,000	548,885		-	388,445		450,000	3,812,670
<b>FY 2028 Projects</b>								
West Side Access Road and Utilities	6,700,000	150,000	<i>FY28</i>	5,880,000				670,000
Scissor Lift (MEQ 7406- 25' working height)	40,000							40,000
F-250 to replace MEQ6642	95,000							95,000
<b>FY 2028 TOTAL</b>	6,835,000	150,000		5,880,000	-		-	805,000
<b>FY 2029 Projects</b>								
Runway Pavement Rehabilitation (Mill and Overlay)	2,700,000	150,000	<i>FY29</i>					2,550,000
<b>FY 2029 TOTAL</b>	2,700,000	150,000		-	-		-	2,550,000
<b>FY 2030 Projects</b>								
Taxiway Alpha Rehabilitation	900,000	150,000	<i>FY30</i>					750,000
<b>FY 2030 TOTAL</b>	900,000	150,000		-	-		-	750,000
<b>JWN TOTAL</b>	18,965,000	1,053,320		5,880,000	1,960,000		450,000	9,621,680

## **MNAA RESOLUTION NO. 2025-07**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR JOHN C. TUNE AIRPORT FOR FISCAL YEARS 2026 TO 2030, THE CAPITAL IMPROVEMENTS BUDGET FOR JOHN C. TUNE AIRPORT FOR FISCAL 2026 AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for John C. Tune Airport for five fiscal years beginning July 1, 2025, and ending June 30, 2030, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AS FOLLOWS:

Section 1. That the Board of Commissioners hereby approves the attached FY26-FY30 Capital Improvements Plan and FY25 Capital Improvements Budget for fiscal year July 1, 2025 through June 30, 2026 for John C. Tune Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the John C. Tune Airport.

Section 2. That the Board of Commissioners authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for state funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Commissioners official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
MNAA Legal Counsel

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## STAFF ANALYSIS

### MPC Board of Directors

Date: April 16, 2025

Facility: MNAA Properties Corporation (MPC)

Subject: MPC Resolution 2025-01  
FY26 MPC Operating Budget

#### I. Recommendation

Staff requests the MPC Board of Directors:

- 1) approve the proposed operating budget for MNAA Properties Corporation (MPC) for fiscal year 2026 (FY26); and
- 2) authorize the Chair and President & CEO to execute MPC Resolution No. 2025-01.

#### II. Analysis

##### A. Background

Pursuant to the Amended & Restated Bylaws of the Board of Commissioners of MNAA Properties Corporation (Bylaws), Section 4.3.2, the President & CEO must submit the operating budget to the Board for approval at least 60 days prior to the beginning of the fiscal year.

The proposed operating budget for FY26 is summarized below:

MPC Summary	BUDGET 2025	BUDGET 2026	VARIANCE \$ INC/(DEC)	VARIANCE % INC/(DEC)	
Operating Revenue	\$ 5,345,000	\$ 4,963,000	\$ 382,000	7.1%	①
Operating Expense	(1,845,000)	(1,836,000)	(9,000)	0.5%	②
Non-Operating Revenue	516,000	521,000	(5,000)	-1.0%	③
Non-Operating Expense	(588,000)	(382,000)	(206,000)	35.0%	④
Income before Depreciation	\$ 3,428,000	\$ 3,266,000	\$ 162,000	4.7%	



<b>MPC Budget by Subsidiary/Parent</b>	<b>International Plaza</b>	<b>Multi-Purpose Building</b>	<b>Global Tire</b>	<b>MPC Parent</b>	<b>TOTAL MPC BUDGET 2026</b>
Operating Revenue	\$ 3,424,000	\$ 1,484,000	\$ 55,000	\$ -	\$ 4,963,000
Operating Expense	(1,513,000)	(323,000)	-	-	(1,836,000)
Non-Operating Revenue	-	-	-	521,000	521,000
Non-Operating Expense	(146,000)	(72,000)	-	(164,000)	(382,000)
Income before Depreciation	\$ 1,765,000	\$ 1,089,000	\$ 55,000	\$ 357,000	\$ 3,266,000

① Budgeted operating revenue decreased by \$382,000, to account for revisions to prior-year revenue assumptions.

② Budgeted operating expense decreased by \$9,000 primarily driven by a reduction in utilities of \$15,000. While Electricity and Water are expected to rise by \$85,000, this increase is offset by a \$100,000 decrease in anticipated usage for Natural Gas and Trash Removal. Additionally, the decrease in utilities will be offset by the contractual increase for elevator and escalator maintenance services of \$6,000.

③ Budgeted non-operating revenue increased by \$5,000 related to projected interest income increases.

④ Budgeted Inter-Company expenses decreased by \$206,000 due to revisions to prior-year estimates.

#### **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

#### **C. Options/Alternatives**

Revise the FY26 Operating Budget by increasing or decreasing revenue and expense items.

### **III. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Directors.

## **MPC RESOLUTION NO. 2025-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE OPERATING BUDGET FOR MPC HOLDINGS, LLC COVERING THE FISCAL YEAR 2026, BEGINNING JULY 1, 2025, AND ENDING JUNE 30, 2026.**

WHEREAS, the President has submitted, for Board approval, the attached Operating Budget for MPC Holdings, LLC, Nashville, Tennessee, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, pursuant to Article IV, Section 4.3.2 of the Amended and Restated Bylaws of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION AS FOLLOWS:

Section 1. That the Board of Directors hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for MNAA Properties Corporation for fiscal year 2026.

Section 2. This Resolution shall take effect from and after its adoption and be made a part of the Board of Directors official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

\_\_\_\_\_  
Douglas E. Kreulen, President & CEO

\_\_\_\_\_  
Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
MNAA Legal Counsel

\_\_\_\_\_  
Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.

## **STAFF ANALYSIS**

### **MPC Board of Directors**

Date: April 16, 2025

Facility: MNAA Properties Corporation (MPC)

Subject: MPC Resolution 2025-02  
FY26 MPC Special Projects Budget and FY26-30 MPC Special Projects Plan

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#### **I. Recommendation**

Staff requests the MPC Board of Directors:

- 1) approve the proposed FY26-30 MPC Special Projects Plan (FY26-30 MPC Capital Improvements Plan); and
- 2) approve the proposed FY26 MPC Special Projects Budget (FY26 MPC Capital Improvements Budget); and
- 3) authorize MPC to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for Federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of the corporation; and
- 4) authorize the Chair and President and CEO to execute MPC Resolution No. 2025-02.

#### **II. Analysis**

##### **A. Background**

Staff annually present a five-year special projects plan (capital improvements plan) and the forthcoming year special projects budget (capital improvements budget) for approval by the Board of Directors.

Pursuant to the Amended & Restated Bylaws of the Board of Directors of MNAA Properties Corporation (Bylaws), Section 4.3.3, a budget for special projects (capital improvements project) shall be prepared and submitted to the Board for approval prior to the closing date of such capital improvements project.

The proposed Special Projects Plan for FY26-30 is summarized below:

MPC Summary:	2026	2027	2028	2029	2030	TOTAL
Total	\$ 800,000	\$ 1,925,000	\$ 605,000	\$ 800,000	\$ -	\$ 4,130,000

MNAA is studying the west side of BNA for future development, which may include the International Plaza Building (“IPB”). While no decision has been made on the future of the IPB, the building is occupied by tenants and some projects are needed to ensure the building is safe and in general working order. In 2022, MNAA contracted with outside consultants to perform an appraisal/evaluation of the IPB to assess the value and the major CIP projects needed to keep the building in working condition. These projects were included in the FY24 and FY25 special projects budgets. The \$800,000 project for FY26 is for tenant improvements for new leases.

All projects are contingent upon the identification and approval of a funding source. The projects programmed for FY26-30 are shown in the attached Special Projects Plan. Currently the only identified funding source for the projects on the FY26-30 Special Projects Plan is IPB’s operating cash account, which is \$13.4M as of March 14, 2025.

#### **B. Strategic Priorities**

- Invest in MNAA
- Plan for the Future
- Prepare for the Unexpected

#### **C. Options/Alternatives**

Revise the FY26 MPC Special Projects Budget by adding/deleting projects from the proposed capital plan.

### **III. Committee Review**

This item was presented to the Finance Committee on April 9, 2025. The Finance Committee voted 3 to 0 to recommend approval to the Board of Directors.

**Attachment: FY2026 – 2030 MPC Special Projects Plan**

MPC Capital Improvement Plan  
Fiscal Years 2026 - 2030

Project #		Total Project Cost
<b>FY 2026</b>		
New	Tenant improvements for new leases	800,000
<b>FY 2026 Total</b>		800,000
<b>FY 2027</b>		
New	IPB Stucco Repairs	100,000
New	IPB Common Area updates	400,000
New	IPB Window resealing - 1/2 of windows	425,000
New	IPB HVAC updates	1,000,000
<b>FY 2027 Total</b>		1,925,000
<b>FY 2028</b>		
New	IPB Common area updates	180,000
New	IPB Window resealing - 1/2 of windows	425,000
<b>FY 2028 Total</b>		605,000
<b>FY 2029</b>		
New	Parking Lot Resurfacing	800,000
<b>FY 2029 Total</b>		800,000
<b>FY 2030</b>		
<b>FY 2030 Total</b>		0
<b>MPC TOTAL</b>		<b>\$ 4,130,000</b>

## **MPC RESOLUTION NO. 2025-02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE SPECIAL PROJECTS PLAN FOR FISCAL YEARS 2026 TO 2030, THE SPECIAL PROJECTS BUDGET FOR MNAA PROPERTIES CORPORATION FOR FISCAL YEAR 2026, AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.**

WHEREAS, the President has submitted, for Board approval, the attached Special Projects Plan for MNAA Properties Corporation for five fiscal years beginning July 1, 2025, and ending June 30, 2030, pursuant to Article IV, Section 4.3.3 of the Amended and Restated Bylaws of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MNAA PROPERTIES CORPORATION AS FOLLOWS:

Section 1. That the Board of Directors hereby approves the attached FY26-FY30 Special Projects Plan and FY26 Special Projects Budget for fiscal year July 1, 2025 through June 30, 2026 for the MNAA Properties Corporation, which have been made a part hereof as if copied verbatim herein as the Special Projects Budget for the MNAA Properties Corporation.

Section 2: That the Board of Directors also authorizes application for and acceptance of the grant(s) from the Federal Aviation Administration for federally funded projects and from the State of Tennessee for State funded projects, and designates the President and CEO, or designee, as the authorized representative of the Authority.

Section 3. This Resolution shall take effect from and after its adoption and be made a part of the Board of Directors official Minutes of Record.

**RECOMMENDED:**

**ADOPTED:**

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Douglas E. Kreulen, President & CEO

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Nancy B. Sullivan, Board Chair

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

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MNAA Legal Counsel

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Andrew W. Byrd, Board Secretary

This 16<sup>th</sup> day of April 2025.