

Agenda of the Joint Meeting of the MNAAB Board of Commissioners and MPC Board of Directors



Date/Time: Wednesday, May 21, 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

I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comments received to date. Deadline is May 19, 2025 at 1:00 p.m.

III. APPROVAL OF MINUTES

April 16, 2025 Minutes of the Joint Meeting of the MNAAB Board of Commissioners & MPC Board of Directors

IV. CHAIR’S REPORT

V. PRESIDENT’S REPORT

VI. ITEMS FOR APPROVAL

1. CGMP3 for Central Ramp Expansion (Fill Placement & Drainage Infrastructure) (Operations)
2. CGMP2 for Concourse A Reconstruction (Enabling, Demo, Foundations, etc.) (Operations)
3. Task Order for Design of Taxiway Fillet Widening (TDG6) (Operations)
4. Task Order for Rehabilitate T/W T4 @ T/W Lima and South Terminal Apron (Operations)
5. Contract for Vehicle and Equipment Fuel Services for BNA & JWN (Operations)
6. Contract for Oil Water Separator Cleaning (Operations)
7. Purchase of Aircraft Rescue and Fire Fighting (ARFF) Vehicle (Operations)
8. Purchase of Airfield Multi-Tasking Snow Removal Machine (Operations)
9. Revisions to Investment Policy for Retirement Plan for MNAAB Employees and OPEB Plan, MNAAB Resolution 2025-08 (Finance)
10. MNAAB 55th Anniversary, MNAAB Resolution 2025-11 (Management)
11. MNAAB DBE, ACDBE & SMWBE Programs (Management)

VII. ADJOURN

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



Date: April 16, 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; and Glenda Glover

Board Members Absent: Glenn Farner

MNAA Staff & Guests Present: Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Daniel B. Brown, John Cooper, Kristen Deuben, Chief Findlen, Adam Floyd, Traci Holton, Eric Johnson, Carrie Logan, Rachel Moore, Brandi Porter, Josh Powell, and Robert Ramsey

I. CALL TO ORDER

In accordance with the 3rd Amended and Restated Bylaws of the MNAA Board of Commissioners, Section 2.4, Chair Sullivan called the MNAA Board of Commissioners and MPC Board of Directors Meeting to order at 1:00 p.m., pursuant to Public Notice dated April 11, 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 March 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

The motion passed with a vote of 6 to 0.

IV. CHAIR'S REPORT

Chair Sullivan congratulated Secretary Byrd and wished him a very Happy Birthday!! Secretary Byrd stated it is great to be alive and living in Tennessee. He thanked Chair Sullivan, the Board, and the MNAA Staff for recognizing his birthday.

Chair Sullivan thanked everyone for the successful international inaugural flight celebrations at BNA. The events were phenomenal, and she also thanked the Board members who were able to attend.

V. PRESIDENT'S REPORT

President Kreulen reported that the Nashville Post highlights professionals who have shaped Nashville since the turn of the millennium, and two of our Board members were recognized, Vice Chair Granbery in the Real Estate field, and Commissioner Stevenson in the Legal field.

President Kreulen stated March 25 through June 27, 2025, our arts program will have new art for the Spring/Summer Flying Solo Series. He presented photographs of several of the artists' work: James Allen (Time Travelers); William Arthur (The end is in the beginning); Sean Coffey (Untitled); Mark Flake (Fables); Dalia Garcia (The Duality of Colors – Reflection); and Blaine Steiner (Untitled). Vice Chair Granbery inquired if there was an update on artist Phil Ponder. President Kreulen replied MNAA sent the request to the Arts at the Airport (AaA) Board for consideration. He stated Mr. Ponder is on the AaA Board and will need to recuse himself if they make a decision on it.

President Kreulen stated the Airport Experience Conference was held on April 1, 2025 and BNA received several awards. He introduced Amy Billings who received the Best ACDBE Operator for Retail award. Large round of applause. Commissioner Granbery congratulated President Kreulen on the AXN Director of the Year, Large Airports Division award.

President Kreulen reported on April 8, 2025 BNA will officially reach its 100th nonstop destination with Southwest Airlines' new service connecting Nashville to Memphis, TN. By the end of April, BNA will offer 109 nonstop destinations and on August 5, 2025 BNA will reach 114 nonstop destinations with Southwest Airlines' inaugural flight to Louisville, KY.

President Kreulen stated BNA had two International inaugural flights back-to-back. On April 10, 2025, Icelandair arrived at BNA from Reykjavik, Iceland and on April 12, 2025 Aer Lingus arrived at BNA from Dublin, Ireland. He thanked the Board members who attended and stated Mayor O'Connell and several Commissioners were able to join as well. Responses to MNAA on both events have been over top with 68M impressions on social media and now at 240M. Icelandair contracted with Carrie Sharp at Channel 5, and she has been doing nightly stories on things to do when in Iceland.

President Kreulen stated on April 12, 2025 Ms. Stacey Nickens, VP, Communications & Marketing, attended the Nashville Cherry Blossom Festival and presented a check to the Mayor and Consul General of Japan. Ms. Masami Tyson, former MNAA Board of Commissioner, was also in attendance and she has been helping MNAA get nonstop service to Asia.

President Kreulen reported the BNA Passengers for January FY25 are projected to be at 25M by the end of the fiscal year. We are at plus 6% through the year so far and if we have a good May and June we will achieve that record.

President Kreulen presented the Committee 30-day Outlook for May, stating there are 10 items for approval planned in the Operations Committee and 2 items for approval in the Finance Committee. The Management Committee has one approval item and the Affirmative Action Program (AAP) Update. The last Management Committee meeting was held in November 2024. The Committee 60-Day Outlook for June plans for 3 items for approval in the Operations Committee. The Finance Committee will have 5 items for approval. There are 2 items planned for the Management Committee. President Kreulen stated MNAA staff is working on a Resolution to celebrate MNAA's 55th Anniversary on June 12, 2025.

President Kreulen concluded the President's update.

VI. ITEMS FOR APPROVAL

1. Construction Contract for Terminal Access Roadway Improvements (TARI) Ph. 3.1 (Operations)

President Kreulen introduced Traci Holton, VP, New Horizon, to brief the Commissioners on the Construction Contract for TARI Ph 3.1 to demolish existing Donelson Pike between I-40 and Terminal Drive as well as expand Economy Lot B. Ms. Holton presented a diagram showing a map of the location of the TARI, stating the red areas will be building a portion of the TARI, but does not include paving. Ms. Holton stated MNAA advertised an Invitation to Bid (“ITB”) on January 27, 2025, and received 3 bids from Civil Constructors, LLC (“Civil”), Jones Bros. Contractors, LLC, and Eutaw. Civil was the low bidder with \$74.3M. This is a 440-calendar day contract to begin in May 2025.

This was presented to the Operations Committee to recommend approval on April 9, 2025. Ms. Holton requested the Board of Commissioners authorize the Chair and President and CEO to execute the Construction Contract to Civil Construction in the amount of \$74,303,637.

Vice Chair Granbery inquired why the signs still say 2027. Ms. Holton replied she had a meeting with TDOT about that project and the shift in detail, and has requested those signs to be removed.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 2025. Vice Chair Granbery asked for a motion to approve as presented. Vice Chair Granbery made a motion, and Secretary Byrd 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

The motion passed with a vote of 6 to 0.

2. Contract for Compressed Natural Gas (CNG) (Operations)

President Kreulen introduced Daniel B. Brown, VP, Facility Management, to brief the Commissioners on the Contract for Compressed Natural Gas. Mr. Brown stated this project is to ensure the 24 employee and passenger shuttles operated by ABM are fueled 365 days a year. The contractor selected was Clean Energy. The start date of the contract is April 20, 2025, and it is a 3-year contract with three 1-year renewal options for a total of \$1.9M. The SWMBE goal is 4.63%. It will be funded by Operations and Maintenance budget.

Mr. Brown requested the Board of Commissioners authorize the Chair and President and CEO to execute the Contract with Clean Energy for \$1,918,000.

Vice Chair Granbery asked if gas is stored on site. Mr. Brown replied it is piped in.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion and Secretary Byrd 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

The motion passed with a vote of 6 to 0.

3. Contract for Nashville Electric Services (NES) Power (Operations)

Mr. Brown stated the Contract for Nashville Electric Services (NES) Power establishes rates and chargers for power under the class "Large General Power Rate-Schedule" (GSB) and provides Standby Service. This is a 5-year contract that will start April 2025. The funding source is the Operations and Maintenance budget.

Mr. Brown requested the Board of Commissioners authorize the Chair and President and CEO to execute the 5-year service contract with NES.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 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

The motion passed with a vote of 6 to 0.

4. FY25 Amended BNA Budgets (Finance)

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer, to brief the Board on the FY25 BNA CIP Budget Amendment. Ms. Basrai stated she will present the two items as one approval. Ms. Basrai started with the amended FY25 BNA CIP Budget. The original budget for FY25 is \$1.27B, and the amended budget is \$1.494B, an overall increase of \$225.9M. The key changes are as follows: Cancelled 3 projects until Terminal II planning is further along; Revised TARI and Central Ramp Budgets consistent with prior Board approvals; and Added Taxiway Design Group 6 project to address airfield needs. The key changes to the FY25 BNA O&M Budget are as follows: Reduced landing fees due to cancellation of Virtual Ramp Control Tower FY24 project; and Reduced concessions revenue due to reclassification of federal relief funds to non-operating revenue. Debt service coverage and Days Cash metrics exceed Board approved requirements.

Ms. Basrai stated the Amendment to the FY25 BNA Capital Improvements Budget and Amended Capital Improvement Plan the original budget was \$1.27B; the amended budget is now \$1.494B with an overall increase of \$225.9M. FY27 went down \$1M because we shifted \$1M to FY25, and total CIP is now \$2.38B.

Ms. Basrai presented a summary slide on the adjusted FY25 Amendment BNA O&M Budget: Total Operating Revenue \$324.7M; Total Operating Expense \$195.7M; Net Income before depreciation and capital grants \$141.6M; Total Operating Revenue decreased \$17M. Two main categories of Operating Revenue – Signatory Airline Revenue and Non-Airline Revenue.

Ms. Basrai stated this was presented to the Finance Committee on April 9, 2025. Ms. Basrai requests the Board of Commissioners to: Capital: approve the amended FY25-FY29 BNA Capital Improvement Plan; and approve the amended FY25 BNA Capital Improvement Budget; and authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-02. Operating: approve the proposed amended FY25 BNA operating budget, and authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-03.

Secretary Byrd stated the Finance Committee voted 3 to 0 to recommend approval on April 9, 2025. Secretary Byrd made a motion and Vice Chair Granbery 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

The motion passed with a vote of 6 to 0.

5. FY26 Budget Approvals (Finance)

Ms. Basrai stated she will present all of the FY26 Budgets and have one approval for all 6. Ms. Basrai stated the BNA Operating budget is based on 26M passengers which is a 4% increase over the projected FY25 year-end. Budget Metrics exceed Board-approved requirements. Senior Debt Service coverage is 4.38; Senior/Subordinate Debt Service Coverage is 2.55; Signatory Landing Fee is \$3.38; Cost per Enplanement (CPE) is \$9.96, and Days Cash on Hand is 939 Days.

Ms. Basrai presented the summary slide on FY26 BNA O&M Budget: Total Operating Revenue \$358.6M; Total Operating Expense \$198.8M; Income before depreciation and capital grants \$132.7M, 8.8M less than prior year's budget.

Ms. Basrai presented a summary of the FY26 BNA Capital Budget and the 5-year CIP. Total FY26 Capital Improvement Plan ("CIP") is \$1.1B, Total 5-Year CIP is \$2.3B. Major projects for FY26 (~94%): CONRAC/Public Parking Garage - \$877.5M; Surface Parking Lot - \$95M; Taxiway T4/T5 Reconstruction/Repairs - \$30M.

Ms. Basrai presented a summary of the FY26 JWN O&M Budget, with Total Operating Revenue of \$3.9M, an increase of \$918K; Total Operating Expense of \$2.5M, an increase of \$219K; Non-Operating Revenue of \$334K, an increase of \$156K; and Net Income before depreciation, capital grants, and Transfers to/from MNAA of \$1.7M.

Ms. Basrai presented a summary of the JWN CIP, with Total FY26 CIP of \$3.3M and Total 5-year CIP of \$19M. Major projects for FY26 (82%): Apron Rehab South Area \$2.1M; EMAS Rehab \$300K; PAPI (Precision Approach Path Indicator) Replacement \$500K.

Vice Chair Granbery asked in 2028 what the \$6.7M is for. Ms. Basrai replied it is for the West Side Road and utilities. MNAA has not vetted it yet. Vice Chair Granbery stated but you do have the designs.

Ms. Basrai stated the FY26 MPC O&M Budget has Total Operating Revenue of \$4.96M, a decrease of \$382K, and Total Operating Expense of \$1.84M, a decrease of \$9K. Non-operating income is \$521K, a decrease of \$5K. Non-Operating Expense is \$382K, decrease of \$206K. Net Income before depreciation is \$3.27M, a decrease of \$162K.

Ms. Basrai presented a summary of the FY26 MPC Special Projects Budget: FY26 CIP is \$800K; Total 5-year CIP is \$4.1M. The only project for FY26 is for the International Plaza Building ("IPB") for \$800K of tenant improvements, for VA and FAA, and will pay us back. This will be funded by their cash balance – which is \$13M.

Ms. Basrai requested the MNAA Board of Commissioners & MPC Board of Directors to:

Operating: approve the proposed FY26 BNA, JWN & MPC operating budgets, and authorize the Chair and President & CEO to execute: MNAA Resolutions No. 2025-04 and 2025-06; and MPC Resolution No. 2025-01.

Capital: approve the FY26-FY30 BNA and JWN Capital Improvement and MPC Special Projects Plans, and approve the FY26 BNA and JWN Capital Improvement and MPC Special Project Budgets, and authorize MNAA to accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the President & CEO, or designee, as the authorized representative of the Authority, and authorize the Chair and President & CEO to execute: MNAA Resolutions No. 2025-05 and 2025-07 and MPC Resolution No. 2025-02.

Secretary Byrd stated the Finance Committee voted 3 to 0 to recommend approval on April 9, 2025. Secretary Byrd made a motion and Vice Chair Granbery 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

The motion passed with a vote of 6 to 0.

Commissioner Glover asked if there were any Federal funding cuts. President Kreulen replied that so far, we have not received any federal cuts on the AIP Budgets. There is some discussion on whether they end up doing something with the FAA. There is a 5-year period of Covid money that is expiring and MNAA has spent all of ours, the date was June 30, 2025 and MNAA is not at risk of losing money. Commissioner Glover asked if we have a back up plan in case cuts come down and affect us. Ms. Basrai replied the largest we have received are the Federal relief funds that have been used, some of the Federal funds we have we are using on airfield projects so if we do not get those Federal grants, the airlines would pick up that share.

Chair Sullivan asked if MNAA has looked at the impact of the escalating costs of materials. Ms. Basrai replied those are not in this budget yet, we may start seeing it as they are going through

projects, but at this moment, we do not have any increases. President Kreulen replied one of the things the Finance team did was build in inflation, a good cushion of 3-4%. If Nashville growth slows down or the tariffs slow us down, then obviously we do not need to build the next terminal. When we start Terminal II is the real question.

Vice Chair Granbery stated MNAA has always been very intentional with the contingencies, and may blend or carry over. He stated he would like the record to show that MNAA staff has done a wonderful job on the budgets. Obviously, he and Commissioner Joslin are partial to JWN, but several years ago it was destroyed by the tornado and now it is showing almost \$4M profit. Secretary Byrd agreed, stating it is a remarkable story.

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 6 to 0. Chair Sullivan adjourned the meeting at 1:35 p.m.

Andrew Byrd, Board Secretary

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Progressive Design-Build CGMP 3 of 4 for Central Ramp Expansion (Fill Placement & Drainage Infrastructure)
Project No. 2501

I. Recommendation

Staff requests the Board of Commissioners to:

- 1) accept the proposed Amendment 2 for Component Guaranteed Maximum Price #3 (CGMP3) for fill placement and drainage infrastructure related to the Progressive Design-Build contract at Nashville International Airport, and
- 2) authorize the Chair and President and CEO to execute the proposed amendment with Kiewit for the not-to-exceed amount of \$135,000,000.

II. Analysis

A. Background

Since 2017, BNA Vision and the BNA New Horizon Program have provided infrastructure and expansion to support the ever-increasing passenger volume growth at BNA, which continues to outpace previous projections. Remain Overnight (RON) aircraft parking, used for evening aircraft arrivals that are not scheduled to depart until the following day, is a critical component of an airline's daily operations, especially at a large hub airport. Currently, BNA offers eleven (11) RON parking positions on the terminal ramp, while the daily demand is at least eighteen (18) parking positions. BNA also relies on the ramp space used for RON aircraft parking positions for deicing during the winter months and is experiencing a shortage of space. While BNA currently offers seven (7) deicing positions, four (4) of these will be displaced by Concourse A Reconstruction in 2027. Three (3) deicing positions will remain, while demand is expected to increase to ten (10).

MNAA identified the land depression east of the existing terminal apron between Taxiways T4, L, B, and T2 and the existing Central Ramp (also known as the "guitar pick") as the preferred location for a ramp expansion to provide needed RON aircraft parking positions and deicing areas. The selected location offers an opportunity for a phased approach for potential future expansion. Central Ramp Expansion - Phase 1 shall consist of seven (7) aircraft parking positions for RON and deicing.

The Progressive Design-Build contract establishes a Guaranteed Maximum Price (GMP) at a date in the future based on 100% design drawings. For schedule purposes, and to fast-track the project, "component" GMPs (CGMPs) are utilized to provide for early start of critical path items. CGMP1

included design, preconstruction phase services, construction phase services and percent fee for the entire project. CGMP2 included enabling efforts and processing of fill material. CGMP3 includes fill placement and drainage infrastructure. Future CGMP4 will consist of the remaining pavement, lighting, and pavement markings.

B. Impact/Findings

MNAA SMWBE Goal:	7.65% MBE and 5.51% WBE
Kiewit SMWBE Participation:	7.65% MBE and 5.51% WBE
Contract Start Date:	August 2024
Duration of Contract:	1,130 Calendar Days
Contract Completion Date:	September 30, 2027
Component Guaranteed Maximum Price 1	\$ 28,821,386
Component Guaranteed Maximum Price 2	\$ 20,600,000
Component Guaranteed Maximum Price 3	\$135,000,000 NTE
Component Guaranteed Maximum Price 4	<u>\$TBD</u>
Est. Guaranteed Maximum Price:	\$229,000,000 NTE
Funding Source:	100% MNAA

C. Strategic Priorities

- Plan for the future

D. Options/Alternatives

Do Nothing: The “Do Nothing” option will result in BNA’s inability to provide RON and deicing aircraft parking positions in the terminal area, ultimately resulting in departure delays and restricted capacity for airport operations.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Construction Manager at Risk (CMAR) CGMP 2 of 4 for Concourse A Reconstruction
(General Requirements)
Project No. 2406

I. Recommendation

Staff requests the Board of Commissioners:

- 1) accept the proposed Amendment 1 for Component Guaranteed Maximum Price #2 (CGMP2) for enabling activities related to the Concourse A Reconstruction for the Progressive Design-Build contract at Nashville International Airport, and
- 2) authorize the Chair and President and CEO to execute the proposed amendment with Hensel Phelps for the not-to-exceed amount of \$110,206,783.

II. Analysis

A. Background

The BNA New Horizon Program provides terminal expansion, landside improvements and systems improvements for Nashville International Airport. The major program elements addressed include terminal gate expansion with an extension of Concourse D and a rebuild and expansion of Concourse A, and a major overhaul to the baggage handling system to increase both performance and capacity.

The Concourse A Reconstruction project will include the demolition and rebuilding of a new, 16-gate Concourse A and related infrastructure, a landside extension of the North Ticketing and North Baggage Claim; with an airside apron expansion for dual Aircraft Design Group (ADG) III taxilanes, fixed and new passenger boarding bridges. This project will also include selective demolition and upgrades necessary in the existing Concourses C and B to allow for the enabling relocation of the tenants and airlines. The expansion of the North Terminal Wing includes an expansion of baggage claim and ticketing. Furthermore, the project scope includes an extension of the existing utility tunnel, a new CUP and cooling tower facility, landside surface parking and an airside triturator. Interior finishes in the new Concourse A will be built similar to those in the newest BNA Vision Program projects with modifications.

The CMAR contract establishes a Guaranteed Maximum Price (GMP) at a date in the future based on 100% design drawings. For schedule purposes, and to fast-track the project, "component" GMP's, (CGMP's), are utilized to provide for early start of critical path items. It is expected the

project will require up to 3 CGMP's prior to reaching the final GMP. These CGMP's are composed as follows: CGMP1 – Pre-Construction Services and CM Construction Phase Staffing; CGMP2 – general requirements, enabling construction/relocations, building renovations, site utilities, demolition, building foundations, turnkey concrete, jet fueling, structural steel and passenger boarding bridges; CGMP3 – civil, structure, core and shell, furnishings/finishes, MEP, interior buildout, baggage handling, IT and vertical transportation. CGMP4 – central core expansion.

On September 18, 2024, the Board approved the selection of Hensel Phelps Construction Company (Hensel Phelps) as the Construction Manager at Risk and CGMP #1 for Pre-Construction/CM Services for the Concourse A Reconstruction Project. Currently, the airport staff is asking the Board to approve CGMP #2 for enabling and early construction scopes of the work in conjunction with the project schedule; in the amount not-to-exceed \$110,206,783. The Component Guaranteed Maximum Price ("CGMP") #2 is to authorize funding to begin subcontracting work to support enabling and schedule sensitive construction activities. Work associated with this CGMP includes: enabling construction/relocations, building renovations, site utilities, demolition, building foundations, turnkey concrete, jet fueling, structural steel and passenger boarding bridges. The CGMP #2 scope also includes General Requirements and General Conditions. The Board is requested to authorize Hensel Phelps, via an amendment to their contract, to begin entering into subcontract agreements to deliver the project. In doing so, Hensel Phelps will negotiate final scopes of work and final bid prices for each individual package of work and bring that information to the Metropolitan Nashville Airport Authority (MNA) staff for review and approval. The MNA maintains final approval on all subcontracts for this project.

B. Impact/Findings

MNA SMWBE Participation Level:	14.36% MBE, 4.33% WBE & 4.00% SBE
	(Target)
Hensel Phelps SMWBE Participation Level:	14.36% MBE, 4.33% WBE & 4.00% SBE
	(Target)
Anticipated Contract Start Date:	October 2024
Duration of Contract:	1371 Calendar Days
Contract Completion Date:	July 2028
Component Guaranteed Maximum Price 1	\$ 32,861,879
Component Guaranteed Maximum Price 2	\$110,206,783
Component Guaranteed Maximum Price 3	\$TBD
Component Guaranteed Maximum Price 4	<u>\$TBD</u>
Est. Component Guaranteed Maximum Price	\$657,000,000 NTE
Funding Source:	100% Bonds

C. Strategic Priorities

- Plan for the Future

D. Options/Alternatives

Do Nothing: The “Do Nothing” option will result in the inability to complete New Horizon or meet passenger growth projections.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Task Order for Design of Taxiway Fillet Widening (Taxiway Design Group 6 (TDG6))
Project No. 2557

I. Recommendation

Staff requests the Board of Commissioners:

- 1) authorize the Chair and President and CEO to amend the Engineering On-Call Contract by increasing the not-to-exceed amount for Year 2 from \$5,000,000 to \$7,500,000, and;
- 2) accept the Task Order proposal by Garver for the design of the TDG6 Improvements at BNA, and;
- 3) authorize execution of the proposed Task Order through the Engineering On-Call Contract with Garver for \$650,820.

II. Analysis

A. Background

In the past ten years, the Nashville International Airport has continued to grow in both number of operations and larger size aircraft utilizing the airport. The largest aircraft in use today is classified in the Taxiway Design Group 6 (TDG6), based on the dimensions of the aircraft's wheelbase and distance from nose to gear. As presented to the Board in March 2025, the geometry of the current taxiway system at BNA does not account for aircraft in this taxiway design group. In order to allow TDG6 aircraft to operate on the airfield in a safe manner, a TDG6 route must be developed by widening taxiway pavement, shoulders, and safety area at five (5) taxiway fillets throughout the airfield. For this work to be constructed, design plans and specifications are needed to prepare an Issued for Bid (IFB) package, to be advertised and opened at a future date.

On August 16, 2023, the Airport Board approved the Engineering On-Call Contract to Garver for three (3) years (one-year term with two one-year renewals) with a Not to Exceed limit of \$5,000,000 per year. Specific design tasks were to be issued against this On-Call Contract via Task Orders. The current Year 2 dates run between August 17, 2024 and August 17, 2025.

As of April 28, 2025, the encumbered costs against Year 2 of the Garver On-Call Contract are \$4,841,662. Staff are expecting additional projects in the amount of \$2,500,000, including TDG6, Taxiway T4 Reconstruction, Taxiway T5/Lima Reconstruction, Airside Roadway Repairs, and additional miscellaneous airfield projects. Based on these figures, the planned use of the Engineering On-Call

Contract in Year 2 will be over \$5,000,000. It is recommended that enough additional not-to-exceed (NTE) value be added to Year 2 for unplanned projects or maintenance needs. Therefore, it is requested that the Board increase the Engineering On-Call NTE limit for Year 2 from \$5,000,000 to \$7,500,000.

On March 13, 2025, Garver submitted a Scope of Work and Fee Proposal in the amount of \$650,820. Services included in this Scope of Work were design, bidding services, and construction support services for the project. This fee proposal has been reviewed by Engineering staff and Project Controls staff and it has been agreed that it is fair compensation for the Scope of Work proposed. Once approved, a Task Order will be issued to Garver so that design work may be completed. This project is included in the amended FY25 Capital Improvements Budget, approved by the Board on April 16, 2025.

The SMWBE participation level established for the Engineering On-Call Contract was 10% MBE and/or WBE. Garver remains committed to reaching or exceeding the SMWBE participation goal each year for the duration of the Engineering On-Call.

B. Impact/Findings

MNAA SMWBE Goal (On-Call Contract):	10% MBE and/or WBE
Anticipated Task Order Start Date:	May 2025
Duration of Task Order:	300 Calendar Days (includes Construction Administration Services)
Contract Completion Date:	April 2026
Overall On-Call Contract Cost (amended):	NTE \$7,500,000 per year
Task Order Cost:	\$650,820
Funding Source:	100% MNAA (PFC's)

C. Strategic Priorities

- Invest in BNA
- Plan for the Future

D. Options/Alternatives

Do Nothing: The “Do Nothing” option will result in inability for ADG5/TDG6 aircraft to safely utilize our airfield. Additionally, failing to increase the Not to Exceed limit of the On-Call Contract will significantly delay the beginning of design, forcing the completion of the TDG6 Improvements project to be completed past the required deadline of April 1, 2026.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Task Order for Rehabilitate T/W T4 @ T/W Lima AND T/W T4 @ South Terminal Apron – Airside Pavement Repair On-Call Contract

I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the Task Order proposal by Hi-Way Paving, Inc. for the construction of the emergency repairs of T/W T4 between T/W Lima and R/W 13/31 and T/W T4 at the entrance of the Southern Terminal Apron at BNA, and;
- 2) authorize execution of the proposed Task Order through the Airside Pavement Repairs On-Call Contract with Hi-Way Paving for an amount not to exceed \$2,500,000.

II. Analysis

A. Background

On April 22, 2025, MNAA Operations closed the section of Taxiway Tango 4 between Taxiway Lima and Runway 13/31 due to the unsafe condition of the distressed concrete. These conditions included failed/cracked concrete slabs and elevation differences greater than an inch between some panels. This section of taxiway is one of the most used on the airfield and serves as part of the primary path between the terminal apron and R/W 2C/20C.

On April 29, 2025, MNAA Operations brought to the attention of Engineering that a multi-panel section of concrete pavement on the south terminal apron along T/W Tango 4 was also severely distressed and in need of immediate repair. As one of the busiest spots on the terminal apron, it can be expected that these distresses will continue to worsen unless immediate action is taken to repair/replace the damaged concrete.

On November 20, 2024, the Airport Board approved the Airfield Pavement Repairs On-Call Contract with Hi-Way Paving, Inc. Using this On-Call Contract, Hi-Way Paving, Inc. will replace approximately 2,000 SY of concrete taxiway/apron pavement with FAA specified P-501 concrete. All removed pavement sections will be replaced with concrete of appropriate FAA design for the aircraft utilizing the airfield, including a cement-treated subgrade, and will include adding the appropriate markings to comply with FAA and BNA standards. All costs associated with this Task Order will be determined per the Schedule of Values submitted by Hi-Way Paving in their successful proposal.

The SMWBE participation level established on the Airfield Pavement Repairs On-Call Contract for each contract year is 11.36% MBE and/or WBE. Hi-Way Paving is committed to meeting or exceeding the goal utilizing the following companies, as per their On-Call Contract proposal:

Archangel Protective Services, Inc., OnTrac Security LLC, E3 Construction Company, Inc., Gibco Construction, LLC, SB Johnson Construction, LLC, Kimberly, Inc, and Pozzolan Contracting & Supply Co.

The specific SMWBE subcontractors will be identified via a submitted SMWBE Participation Form at the conclusion of the project.

B. Impact/Findings

MNAA SMWBE Goal (On-Call Contract):	11.36% MBE and/or WBE
Anticipated Task Order Start Date:	May 2025
Duration of Task Order:	21 Calendar Days
Contract Completion Date:	June 2025
Overall On-Call Contract Cost:	NTE \$10,00,000 per year (current commitments for Year 1 = \$6,550,269)
Task Order Cost:	NTE \$2,500,000
Funding Source:	100% MNAA

C. Strategic Priorities

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

D. Options/Alternatives

Do Nothing: The “Do Nothing” option will result in the continued closure of T/W T4 between T/W Lima and R/W 13/31. The closure of this taxiway will continue to disrupt airfield operations, especially aircraft moving between the terminal apron and R/W 2C/20C and R/W 13/31. The “Do Nothing” option will also allow the damaged concrete pavement on the south terminal apron to continue to deteriorate, to the point where this section will have to be closed until repairs are completed.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA) and John C. Tune Airport (JWN)

Subject: Contract for Vehicle & Equipment Fuel Services for BNA and JWN

I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the proposal submitted by Kimbro Oil Company, for the Vehicle and Equipment Fuel Services Contract for BNA and JWN; and
- 2) Authorize the Chair and President and CEO to execute the Contract for Vehicle and Fuel Services with Kimbro Oil Company for \$1,750,000.

II. Analysis

A. Background

The Maintenance Department Vehicle & Equipment Fuel Services Contract for BNA and JWN is needed to ensure that all the current and future fleet vehicles and various types of fuel powered equipment have an unlimited / uninterrupted supply of Non-Ethanol and Diesel Fuel on hand twenty-four (24) hours a day, 365 days a year. The selected Vendor shall furnish all supervision, labor, tools, materials, machinery, equipment, permits, and incidentals necessary for the satisfactory execution and completion of the work to be performed at both the Nashville International and John C. Tune airports.

The former Maintenance Department Contract for Vehicle & Equipment Fuel Services expires on May 31, 2025, with the final year of the Contract totaling approximately \$330,000.00.

On January 31, 2025, a Request for Proposals (RFP) for the Vehicle and Equipment Fuel Services Contract was published.

On February 7, 2025, a pre-proposal meeting was held and no potential bidders attended. The timeline for awarding the Contract was as follows:

- February 26, 2025, the final addendum was issued
- March 17, 2025, final bids received in B2G (one proposal received)
- March 27, 2025, Selection committee evaluated the sole proposal received on the following criteria:
 - Experience and qualifications of the Proposer = 30 points

- Customer Services = 30 Points
- Cost of proposed services = 20 Points
- Familiarity with the Aviation Industry = 10 Points
- SMWBE Participation = 10 points

- June 1, 2025, Contract commencement

Based on the proposal received, Kimbro Oil Company, the incumbent, was selected and recommended to provide Fuel services to MNAA and JWN.

B. Impact/Findings

MNAA SMWBE Goal: Race & Gender Neutral (Small Business)

Duration of Contract: Five (5) years

Contract Completion Date: May 31, 2030

Annual Cost Estimate: \$350,000.00

Contract Cost:

	Total
Year 1	\$350,000
Year 2	\$350,000
Year 3	\$350,000
Year 4	\$350,000
Year 5	\$350,000
Total	\$1,750,000

Funding Source: Operations and Maintenance (O&M)

C. Strategic Priorities

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

D. Options/Alternatives

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

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Contract for Oil Water Separator Cleaning

I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the proposal submitted by Hull's Environmental, Inc., for the Oil Water Separator Cleaning Contract; and
- 2) Authorize the Chair and President and CEO to execute the Contract for Oil Water Separator Cleaning with Hull's Environmental, Inc. up to \$1,045,200.

II. Analysis

A. Background

The Environmental Department's Oil Water Separator Cleaning Contract is needed to ensure BNA complies with the National Pollution Discharge Elimination System Permit. Proper cleaning and maintenance of the Oil Water Separators (OWS) ensures oils and greases are removed from stormwater before entering waterways on property. Oil and grease must be hauled and disposed of by a properly licensed company.

The Oil Water Separators to be cleaned under the Contract are as follows:

Location	Volume Capacity (Gallons)
Ramp T4	15,000
Ramp – T2	15,000
Ramp – A concourse	15,000
Ramp – D concourse	15,000
ARFF Building	2,000
Main Terminal	2,000
ABM	2,000
Mobile Equipment	2,000
CSF	2,000
Westside Maintenance	500

The previous Contract for Oil Water Separator Cleaning expired on October 18, 2024. Since the previous contract was executed, costs to haul and dispose of hazardous and non-hazardous materials have significantly increased. The prior contractor did not submit a proposal.

On January 13, 2025, a Request for Proposal (RFP) for the BNA Oil Water Separator Cleaning Contract was published.

On January 24, 2025, a pre-proposal meeting was held. The timeline for awarding the Contract was:

- February 2, 2025 the final addendum issued to vendors
- February 12, 2025 final proposals received in B2G
- February 26, 2025 selection committee reviewed proposals and scored packages
- February 26, 2025, Intent to Award to Procurement Administrator after evaluation criteria was scored based on the following scoring criteria:
 - o Qualifications/Experience = 45%
 - o Cost of proposed services = 15%
 - o Management and Operations Plan = 30%
 - o SMWBE Participation = 10%
- June 1, 2025, Contract commencement

Based on the three (3) proposals received, Hull's Environmental Inc. was selected and recommended to provide Oil Water Separator Cleaning for BNA.

Hull's Environmental	236.00
Clean Harbors	163.78
TPM	140.34

B. Impact/Findings

MNAA SMWBE Goal:	Race and gender neutral - 0%
Duration of Contract:	One year, plus 3 one-year options
Contract Completion Date:	May 31, 2029 (with options)
Annual Cost Estimate:	\$261,300
Contract Cost:	
Year 1	\$261,300
Year 2 (Optional)	\$261,300
Year 3 (Optional)	\$261,300
Year 4 (Optional)	\$261,300
Total (w/options)	\$1,045,200
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 put BNA at risk of violating the National Pollutant Discharge Elimination System (NPDES) permit. The permit requires BNA to implement tools and practices, such as oil water separators, to minimize impacts to the streams.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Purchase of Aircraft Rescue and Fire Fighting (ARFF) Vehicle

I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the proposal by Rosenbauer for the purchase of a new Airport Rescue and Fire Fighting (ARFF) vehicle; and
- 2) Authorize the Chair and President & CEO to execute the purchase of the ARFF vehicle with Rosenbauer for \$1,266,348.

II. Analysis

A. Background

The Department of Public Safety (DPS) ARFF is designated as a Safety Index D under CFR Title 14, Chapter I, Subchapter G, Part 139, Subpart D, Section 139.315, and currently operates five (5) vehicles for aircraft rescue and firefighting.

Foxtrot 1: 2024 Rosenbauer (3,500 gallon) 1,975 miles / 324 hours
Foxtrot 2: 2020 Rosenbauer extendable turret (3,000 gallon) 5,149 miles / 1,127 hours
Foxtrot 3: 2021 Rosenbauer (3,000 gallon) 4,487 miles / 966 hours
Foxtrot 4: 2013 Rosenbauer Airwolf Rapid Response (300 gallon) 13,288 miles / 2,711 hours
Foxtrot 7: 2001 Oshkosh (3,000 gallon) 19,754 miles / 3,159 hours

This purchase will be a Rosenbauer Panther ARFF vehicle, and will carry 3,170 gallons of water, 420 gallons of foam and 500 pounds of dry chemical. The truck will be equipped with hands-free radio operations, a tablet loaded with aircraft information and charts, ladders, medical supplies and all the equipment necessary to fight exterior and interior aircraft fires. This truck will also be equipped with heavy rescue equipment, wreckage stabilization equipment, and non-sparking tools for use in fuel related incidents. It is a current industry leading vehicle and will improve all aspects of responding to aircraft emergencies.

This truck will replace the 2001 Oshkosh, 3,000-gallon truck, Foxtrot 7, which is currently still in use at DPS. Foxtrot 7 has high maintenance costs and is slower to the scene of an emergency and harder to operate than the Rosenbauer trucks. Disposition will be evaluated, and it may either be held as an additional future resource or sold.

MNAA is utilizing a national purchasing agreement to ensure a mechanism is in place for procurement.

MNAA's Purchasing Department approved the use of Sourcewell contract 113021-RSD which was awarded under a cooperative purchasing agreement utilizing a nationally competitive public solicitation process. A quote was requested from Rosenbauer to supply a new and unused, well-designed, self-contained and properly engineered diesel-powered ARFF vehicle.

Specifications include:

- The ARFF vehicle shall consist of a crew cab on a 6x6, custom chassis with single tires. It is to be all-wheel drive, single engine diesel powered, with an automatic transmission.
- The fire-fighting package shall include a water tank with a minimum capacity of 3,170 gallons (12,000 liters) and a liquid foam agent concentrate tank with a working capacity sufficient for two tank loads of water at the maximum tolerance specified in NFPA 412.
- The unit shall contain all component parts necessary for a water/foam proportioning system capable of expelling agent through a cab-controlled roof turret, a bumper turret or handlines(s).
- The system shall be operable from the cab and exterior of the vehicle.
- The ARFF vehicle shall be designed and constructed to facilitate operation by a single fire fighter if needed, when steering, operating the turret and pumping in the water/foam and dry chemical mode.
- The vehicle shall have all-wheel drive to permit the vehicle to perform both on and off road in all weather conditions.
- The unit shall comply with all requirements of FAA Advisory Circular #15-5220-10E and NFPA 414 standards in effect at the time of quote.

Rosenbauer Minnesota, LLC submitted a proposal in November 2024 as follows:

One (1) Rosenbauer Panther 6x6 \$1,266,348.00

This project is in the FY26 Capital Improvement Plan (CIP), which was approved by the Board on April 16, 2025.

B. Impact/Findings

MNAA SMWBE Goal:	Race and gender neutral
Anticipated Purchase Date:	July 01, 2025
Lead Time:	600 Days
Anticipated Receipt Date:	March 2027
Contract Cost:	\$1,266,348
Funding Source:	100% MNAA Airline Investment Fund

C. Strategic Priorities

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

D. Options/Alternatives

1. Do Nothing: Requires MNAA to continue to operate the aging 2001 Rosenbauer vehicle as a prime ARFF vehicle.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Nashville International Airport (BNA)

Subject: Purchase of MB5C Multi-Tasking Snow Removal Machine

I. Recommendation

Staff requests the Board of Commissioners:

- 1) Accept the proposal by MB Companies, Inc. for the purchase of one (1) new MB Company MB5C Multi-Tasking Snow Removal Machine; and
- 2) Authorize the Chair and President & CEO to execute the purchase of the MB5C Multi-Tasking Snow Removal Machine with MB Companies, Inc. for \$1,117,675.12.

II. Analysis

A. Background

The Maintenance Department is responsible for and facilitates the snow removal of all runways and taxiways at BNA. This MB5C will replace an aging 1998 Oshkosh H-2718 with Sweepster broom head (MEQ6363) that has exceeded its useful life expectancy. During FY 2022, we had seven (7) winter weather events, FY 2023 we had two (2) winter weather events, FY 2024 we had one (1) weather event that lasted seven (7) days, and FY 2025 we had two (2) winter weather events. During these events, we did not have the use of (MEQ6363) 1998 Oshkosh H-2718 with Sweepster broom due to parts availability and repair times. These downtimes made it extremely difficult to keep two (2) of the four (4) runways open at all times.

The airlines have recommended and approved using the MNAA Airline Investment Fund to cover 100% of the cost of one (1) Multi-Tasking Snow Removal Machine.

This purchase is for one (1) M-B Company MB5C Multi-Tasking Snow Removal Machine with Cradling Broom Cab Forward Heavy Duty 4X4 Chassis with front mount plow, 20-foot snow broom and rear-engine powered ultra-high-capacity blower with dual chutes. The equipment will be outfitted with radios and lights to be operated on the airfield. This unit is a current industry leading machine and will improve all aspects of responding to snow events to include Driver Assist System that allows oversite of our SRE equipment and aids each operator during snow operations.

Disposition of MEQ6363 will be sold upon delivery of this MB5C.

MNAA is utilizing a national purchasing agreement to ensure a mechanism is in place for procurement. MNAA's Purchasing Department approved the use of Sourcwell contract 111522 which was awarded under a cooperative purchasing agreement utilizing a nationally competitive public solicitation

process. A quote was requested from MB Companies, Inc. to supply a new and unused, well-designed, self-contained and properly engineered diesel-powered Multi-Tasking Snow Removal machine.

Specifications include:

- Cab Forward Heavy Duty 4X4 Chassis with Four-wheel steering with 27,000-pound rear drive/steer axle
- 496 HP, electronic turbocharged diesel engine
- 500 RPM 20-foot broom head
- 400 mph blower

MB Companies, Inc. submitted proposals in April 2025 as follows:

One (1) MB5C Multi-Tasking Snow Removal Machine	\$1,117,675.12
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This project is in the FY26 Capital Improvement Plan (CIP), which was approved by the Board on April 16, 2025.

B. Impact/Findings

MNAA SMWBE Goal:	Race and gender neutral
Anticipated Purchase Date:	July 01, 2025
Lead Time:	500 Days
Anticipated Receipt Date:	November 2026
Contract Cost:	\$1,117,675.12
Funding Source:	100% MNAA Airline Investment Fund

C. Strategic Priorities

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

D. Options/Alternatives

1. Do Nothing: Requires MNAA to continue to operate the aging 1998 Oshkosh Snow Sweeper as a prime Snow Removal Equipment machine.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

STAFF ANALYSIS

Board of Commissioners

Date: May 21, 2025

Facility: Metropolitan Nashville Airport Authority (MNAA)

Subject: MNAA Resolution 2025-08
Revision of the Investment Policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefits Plan (Policy 41-011)

I. Recommendation

Staff requests that the Board of Commissioners:

- 1) approve the revision of MNAA Policy 41-011, Investment Policy for the Retirement Plan for Employees of the MNAA, and the MNAA Other Post-Employment Benefits Plan ("the Policy"); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-08

II. Analysis

A. Background

On February 5, 2025, the Authority's Retirement Committee ("the Committee") met with MNAA's Investment Advisor, Principal Asset Management ("Principal"), and the Actuary, USI Consulting Group ("USI"), to discuss risk reduction, asset allocation, and the discount rate used in the Retirement and OPEB plans. USI provided the current allocations and discount rates for both plans:

Retirement Plan:	OPEB:
50% Equity/50% Fixed Income	60% Equity/40% Fixed Income
5.5% Return	6% Return

USI and Principal discussed future asset return expectations with the Committee and indicated that future return expectations have increased over recent years. The long-term rate of return (discount rate) for equity allocations ranging from 50-65% are now as follows:

Equity Allocation	Discount Rate/ Long-Term Rate of Return
65%	6.28%
60%	6.21%
50%	6.07%

Based on this information, USI and Principal asked the Committee to consider increasing the return expectation for the Retirement Plan, in addition to a portfolio asset allocation change for OPEB. After detailed discussions, the following changes were approved by the Committee (vote of 5-0) on February 5, 2025, for the Retirement and OPEB Plans:

1. Increase the Retirement Plan's discount rate from 5.5% to 6.0%, to match the new long-term rate of return on a 50/50 asset allocation (50% Equities/50% Fixed Income).
 - The discount rate is the interest rate used to value the liabilities of the Retirement Plan. Because MNAA follows an established funding policy and the plan assets are expected to cover benefit payments for the duration of the plan, governmental accounting standards allow the plan to use the long term expected rate of return on the asset portfolio as the discount rate. The Committee approved the recommendation to increase the discount rate from 5.5% to 6.0% to correlate with the long-term rate of return based on a 50/50 allocation of assets. An increase in the discount rate decreases the liability, but the actual funded amount depends on market performance. USI estimated on December 31, 2024, that the Retirement Plan would have been overfunded by \$0.4M (100% funded status) at the current 5.5% discount rate, versus overfunded by \$3.6M (104% funded status) at a 6% discount rate.
2. Change the OPEB Plan's portfolio asset allocation from a 60/40 (60% Equities/40% Fixed Income) to a 50/50 asset allocation (50% Equities/50% Fixed Income). The OPEB Plan's discount rate is already at a 6% discount rate which matches the long-term rate of return on a 50/50 asset allocation, therefore no changes are recommended to the discount rate.
 - The OPEB Plan was over 100% funded on an actuarial basis as of June 30, 2024 (\$17.7M, 169%). As a well-funded plan with a closed group of employees, it was prudent for the Committee to consider a more conservative asset allocation to help offset market volatility. Just as was done with the Retirement Plan when it became fully funded, the move to a more conservative asset allocation was planned to be done in two stages. In 2021 the Board approved the first allocation change to move from a 65/35 allocation to a 60/40 allocation. Principal has recommended that with higher interest rates, and a rising long-term expected rate of return over the past three years for similar equity allocations, the timing is right to make the second planned shift to the 50/50 allocation.
 - The discount rate is the interest rate used to value the liabilities of the OPEB plan. Because MNAA follows an established funding policy and the plan assets are expected to cover benefit payments for the duration of the plan, governmental accounting standards allow the plan to use the long term expected rate of return on the asset portfolio as the discount rate. In 2021 the Committee approved a change to increase the OPEB discount rate from 5.0% to 6.0% to correlate with the long-term rate of return based on a 60/40 allocation of assets. The current rate of return for a 50/50 allocation of assets, as noted above, is at 6%. Therefore, no change is being proposed in the rate of return used for the OPEB Plan. USI estimated at December 31, 2024, the OPEB Plan would have been overfunded by \$18.7M (173% funded status) at a 6% discount rate.

Based on these approvals, the allocations and discount rates for both plans going forward will be:

Retirement Plan:	OPEB:
50% Equity/50% Fixed Income	50% Equity/50% Fixed Income
6% Return	6% Return

B. Impact/Findings

Based on the approved changes from the Committee, there are proposed updates to the Policy that need to be made. The discount rates used for each plan are considered actuarial assumptions and are not included in the Policy. Board approval for the changes in the discount rates are not required but are included in the staff analysis for informational purposes.

The following are the proposed changes to the Policy requiring Board approval:

- Page 5, Part VII, Section E, Asset Allocation, is revised to update the table for the OPEB Plan discussed above (50/50 allocation). This table shows the Asset Allocation category and subcategory ranges for the OPEB Plan.

Asset Category	Minimum %	Neutral Target %	Maximum %	Composite Benchmark
Stock	0.00%	50.00%	60.00%	
Large Cap Value	0.00%	8.00%	10.40%	8.00% Russell 1000 Value Index
S&P 500 Funds	0.00%	10.50%	17.40%	10.50% S&P 500 Index
Large Cap Growth	0.00%	8.00%	10.40%	8.00% Russell 1000 Growth Index
Mid Cap	0.00%	7.00%	9.10%	7.00% S&P 400 Mid Cap Index
Small Cap	0.00%	4.00%	5.20%	4.00% Russell 2000 Index
International Equities	0.00%	12.50%	16.10%	12.50% MSCI ACWI ex-US Index
Fixed Income	0.00%	47.00%	57.00%	
Total Return Bonds	0.00%	47.00%	57.00%	47.00% BBgBarclays US Aggregate Bond Index
Cash Equivalents	0.00%	3.00%	100.00%	
Money Market	0.00%	3.00%	100.00%	3.00% 3-Month T-Bill

- Minor wording changes were also made to this policy:
 - Deletes a duplicate sentence on Page 1 – “The Retirement Committee of the MNAA administers the Plan on behalf of the MNAA.”
 - Changed “Director of Treasury” and “Treasury staff” to “Finance Designee” and “Finance staff”, respectively, throughout the document.
 - Updated the name of the MNAA Board Finance Committee to: “Finance, Diversity & Workforce Development Committee” on Page 6.

C. Strategic Priorities

- Invest in BNA/JWN
- Plan for the Future

D. Options/Alternatives

1. Do nothing and make no revision to existing Policy.
2. The Board can revise the Policy as it deems appropriate.

III. Committee Review

This item was presented to the Operations Committee on May 14, 2025. The Operations Committee voted 3 to 0 to recommend approval to the Board of Commissioners.

Policy ID: 41-011

Title: Investment Policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefits Plan

Effective Date: May 21, 2025

Purpose: The purpose of this policy and process is to set forth guidelines for the investment of the assets of the Retirement Plan for Employees of Metropolitan Nashville Airport Authority (the "Plan") and the Metropolitan Nashville Airport Authority Other Post-Employment Benefits ("OPEB") for the benefit of the participants and beneficiaries in accordance with the provisions of the Plan and OPEB.

Scope: This policy applies to the Finance Department and the MNAA Retirement Committee

Responsibility: The Chief Financial Officer is responsible for oversight.

Approvals:

Marge Basrai, EVP, CFO

Date

Legal Counsel

Date

Background:

The Metropolitan Nashville Airport Authority (MNAA) has maintained the Plan since 1989 to provide retirement benefits for participants and beneficiaries in accordance with the provisions of the Plan. The Retirement Committee of the MNAA administers the Plan on behalf of the MNAA and serves as the "Retirement Committee" under the Plan and as the "Investment Committee" under the 2009 Amended and Restated Trust Agreement (the Trust Agreement), by and between the MNAA and the Trustee under the Plan (the Trustee). By its adoption of this policy, the MNAA reaffirms the appointment of the Retirement Committee as the "Retirement Committee" under the Plan and as the "Investment Committee" under the Trust Agreement.

MNAA provides post-employment healthcare benefits under single-employer post-employment benefits to all employees who retire under either the Authority's public employee retirement system (PERS) or the Metropolitan Government's PERS. The eligibility for Other Post-Employment Benefits (OPEB) was closed to new entrants on January 1, 2009, for employees hired after that date.

On April 22, 2009, the Board of Commissioners approved MNAA Resolution 2009-07 establishing an investment trust for the purpose of funding the OPEB. Cash contributions will be made to the trust periodically to help offset the anticipated increased cash outflows in future years to cover retiree benefits. The assets held in the OPEB Trust will be under the same oversight from the Retirement Committee as the assets of the Plan and will be subject to the same investment and reporting criteria as set forth in this policy.

In addition to meeting the requirements of this Policy 41-011, investments in the OPEB Trust shall meet the requirements of TCA 8-50-1203 and the "Other Post-Employment Benefits (OPEB) Trust Investment Policy", Policy 3-904. Should Policy 41-011 be determined to conflict with Policy 3-904, Policy 3-904 shall control.

Policy:

- I. The Retirement Committee shall retain an investment advisor (the Advisor) to advise the Retirement Committee with respect to the investment of the Plan's and OPEB's assets and the selection of investment managers (individually, an Investment Manager) under the Trust Agreement and the Plan. The retention of the Advisor by the Retirement Committee must be accomplished by the execution of a written agreement by and between such Advisor and the MNAA pursuant to which such Advisor agrees to comply with this policy, as it may be amended from time to time, and other instructions and directives from the Retirement Committee and to perform the duties and obligations as set forth therein.
- II. The Advisor will be responsible for coordinating, on a quarterly or other periodic basis designated by the Retirement Committee, any rebalancing of the Plan's and OPEB's assets necessary to cause such asset allocation to be in accordance with the terms of this policy, monitoring investment performance, determining adherence to this policy by the Trustee and each Investment Manager, assisting in drafting statements of objectives and performance measurement standards, advising the Retirement Committee of pertinent information affecting the Plan's and OPEB's assets, and recommending changes to the investment strategy for the Plan's and OPEB's assets.
- III. In monitoring and rebalancing the Plan's and OPEB's assets as provided in this policy, the Advisor shall have the responsibility, on behalf of the Retirement Committee, to adjust the allocation of the Plan's and OPEB's assets on a quarterly basis among Investment Managers approved by the Retirement Committee so long as such allocation complies with the asset allocation guidelines set forth in this policy.
- IV. Based on its evaluation of investment objectives, assets under management, fees, regulatory compliance, expertise and performance analysis, the Advisor will recommend to the Retirement Committee that it retain the services of one or more Investment Managers to manage such portion(s) of the Plan's and OPEB's assets as the Retirement Committee shall designate. Each Investment Manager must have a minimum of \$500,000,000 of assets under management and a minimum of five years in business and must comply with the eligibility requirements of the Trust Agreement for appointment as an Investment Manager.
- V. Each Investment Manager must enter into a written agreement with the Investment Advisor, or a third party used by the Investment Advisor, that designates such Investment Manager as a fiduciary with respect to the Plan's and OPEB's assets under its management, specifies the duties and responsibilities of such Investment Manager and otherwise complies with the requirements of the Trust Agreement, and includes the following requirements in addition to other provisions deemed necessary or advisable by the Retirement Committee and/or the Advisor from time to time:

- A. Each Investment Manager shall promptly disclose to the Advisor and the Retirement Committee all commissions and other fees and expenses paid, and any consideration received from a party other than the Plan and OPEB, regarding the management of any of the Plan's and OPEB's Assets.
 - B. In placing transaction orders on behalf of the Plan and OPEB, each Investment Manager shall use its best efforts to obtain the best execution of orders. Each Investment Manager must adhere to its portfolio manager investment guidelines that such Investment Manager presented to the Retirement Committee and the Advisor at the time it was retained as an Investment Manager. The Retirement Committee must grant its prior written approval to any changes to an Investment Manager's portfolio manager investment guidelines after such Investment Manager commences the investment of any of the Plan's and OPEB's assets.
 - C. No Investment Manager may assign or delegate any of its duties to another party without the prior written consent of the Advisor and the Retirement Committee. An Investment Manager shall promptly notify the Advisor and Retirement Committee of any change in ownership or control of its organization or change in any key personnel or other personnel that are regularly involved in such Investment Manager's investment activities on behalf of the Plan and OPEB.
- VI. Each Investment Manager must provide to the Advisor a written acknowledgement that it is qualified to serve as an Investment Manager under the terms of the Trust Agreement, and must comply with this policy, as it may be amended from time to time, and all applicable laws, including, without limitation, federal and state securities laws. Upon request, the Advisor shall promptly provide such acknowledgement to the Retirement Committee. No Investment Manager shall make, or direct the making of, any investment of any of the Plan's and OPEB's assets that constitutes a prohibited transaction within the meaning of the Internal Revenue Code or that is not permitted by the terms of the Trust Agreement or the Plan or OPEB.
- VII. Processes
 - A. Modifications to Policy

The Retirement Committee may change this policy from time to time with Board of Commissioners' approval. All modifications to this policy shall be in writing and must be approved by the Board of Commissioners.
 - B. Basic Investment Premises

Because the Plan is a defined benefit pension plan, a long-term investment horizon is warranted. Moderate short-term fluctuations in the market value of the Plan's and OPEB's assets should not influence the investment structure under normal circumstances. The investment of the Plan's and OPEB's assets will focus primarily upon total growth of capital and secondarily upon preserving capital and protecting against negative results. Returns under the Plan and OPEB should be achieved without undue investment risk.
 - C. Review of Investment Returns

The Retirement Committee shall be provided the quarterly investment results of the Plan's and OPEB's assets for their review in accordance with Section G of this Policy.

The Advisor will regularly (i) review each Investment Manager's investment performance and monitor the Plan's and OPEB's assets to ensure that the Plan's and OPEB's assets are invested only in investments permitted under this policy, as amended from time to time, the Trust Agreement and the Plan are held under the Plan and OPEB, (ii) calculate total rates of return on market value, and (iii) make comparisons of rates with the appropriate market indices. Each Advisor shall report the results of its review to the Retirement Committee not less than quarterly. The Retirement Committee's review and discussion of the investment results will be documented in the Retirement Committee meeting minutes.

D. Investment Objectives

- i. The Plan's and OPEB's total return is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the suitable Composite Benchmark.
- ii. The Domestic Large Capitalization Value Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the Russell 1000 Value Index, before fees are deducted.
- iii. The Domestic Large Capitalization Core Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the S&P 500 Index, before fees are deducted.
- iv. The Domestic Large Capitalization Growth Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the Russell 1000 Growth Index, before fees are deducted.
- v. The Domestic Mid Capitalization Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the S&P MidCap 400 Index, before fees are deducted.
- vi. The Domestic Small Capitalization Investment portfolio is expected:

To achieve an annualized rate of return that meets or exceeds the rate of return produced by the Russell 2000 Index, before fees are deducted.
- vii. The Foreign Equity Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the MSCI ACWI ex-US Index, before fees are deducted.
- viii. The Fixed Income Investment portfolio is expected:
To achieve an annualized rate of return that meets or exceeds the rate of return produced by the BBg Barclays US Aggregate Bond Index, before fees are deducted.
- ix. The Cash Equivalents Investment portfolio is expected:

To achieve an annualized rate of return that meets or exceeds the rate of return produced by the 3-Month Treasury-Bill Index, before fees are deducted.

E. Asset Allocation

The Asset Allocation category and subcategory ranges and Composite Benchmark for the Plan is:

Asset Category	Minimum%	Neutral Target %	Maximum %	Composite Benchmark
Stock	0.00%	50.00%	60.00%	
Large Cap Value	0.00%	8.00%	10.40%	8.00% Russell 1000 Value Index
S&P 500 Funds	0.00%	10.50%	17.40%	10.50% S&P 500 Index
Large Cap Growth	0.00%	8.00%	10.40%	8.00% Russell 1000 Growth Index
Mid Cap	0.00%	7.00%	9.10%	7.00% S&P 400 Mid Cap Index
Small Cap	0.00%	4.00%	5.20%	4.00% Russell 2000 Index
International Equities	0.00%	12.50%	16.10%	12.50% MSCI ACWI ex-US Index
Fixed Income	0.00%	47.00%	57.00%	
Total Return Bonds	0.00%	47.00%	57.00%	47.00% BBgBarclays US Aggregate Bond Index
Cash Equivalents	0.00%	3.00%	100.00%	
Money Market	0.00%	3.00%	100.00%	3.00% 3-Month T-Bill

The Asset Allocation category and subcategory ranges and Composite Benchmark for the OPEB Plan is:

Asset Category	Minimum %	Neutral Target %	Maximum %	Composite Benchmark
Stock	0.00%	50.00%	60.00%	
Large Cap Value	0.00%	8.00%	10.40%	8.00% Russell 1000 Value Index
S&P 500 Funds	0.00%	10.50%	17.40%	10.50% S&P 500 Index
Large Cap Growth	0.00%	8.00%	10.40%	8.00% Russell 1000 Growth Index
Mid Cap	0.00%	7.00%	9.10%	7.00% S&P 400 Mid Cap Index
Small Cap	0.00%	4.00%	5.20%	4.00% Russell 2000 Index
International Equities	0.00%	12.50%	16.10%	12.50% MSCI ACWI ex-US Index
Fixed Income	0.00%	47.00%	57.00%	
Total Return Bonds	0.00%	47.00%	57.00%	47.00% BBgBarclays US Aggregate Bond Index
Cash Equivalents	0.00%	3.00%	100.00%	
Money Market	0.00%	3.00%	100.00%	3.00% 3-Month T-Bill

- i. The Advisor shall not exceed the Asset Category maximum % allocation for Stock, Fixed Income or Cash Equivalents. The Advisor should not exceed the maximum % allocation for any Subcategory at the time of the initial investment or when re-balancing. The Advisor is permitted to temporarily exceed the maximum % allocation as a result of investment earnings. However, the Advisor should review each Subcategory at the mid- point of each monthly period and re-balance funds to bring each Subcategory within the minimum and maximum allocation limits.

- ii. If the maximum allocation % is exceeded for any Asset Category or Subcategory, the Advisor shall provide an explanation of the circumstances causing the asset allocation to be out of compliance with the next report as required per Section G of this Policy.
- iii. Upon recommendation of the Advisor, the Retirement Committee shall review the appropriate asset allocation ranges and targets for the Plan's and OPEB's assets. Asset Allocation targets for the Plan's and OPEB's assets are established in the latest version of the asset allocation study. Not less than annually, the Advisor shall prepare and present to the Retirement Committee an asset allocation study that describes the goals, risk tolerances and acceptable investments for the Plan and OPEB. The Investment Advisor will notify management when market changes result in asset allocations exceeding approved ranges on a timely basis.
- iv. The Advisor will prepare an analysis that will be presented to the Retirement Committee, so that the Committee can make a determination on whether to rebalance the investment allocation. The Retirement Committee's discussions and decisions will be documented in the Retirement Committee meeting minutes.

F. Compliance

Neither the Retirement Committee, the Advisor, any designee of the Retirement Committee nor any Investment Manager shall undertake any actions with respect to the investment of the Plan's and OPEB's assets that do not comply with the provisions of the Plan and the Trust Agreement. Each Investment Manager and the Advisor must acknowledge, in writing, its receipt of and intent to comply with this policy. An annual compliance review of the Investment Advisor and Investment Managers will be performed by the CFO and/or Finance Designee each year to ensure all files are being maintained properly.

G. Reporting Requirements

i. Monthly Reporting

Within 15 days after the end of each month, the Advisor shall supply monthly account statements to the MNAA Finance Department.

ii. Quarterly Reporting

Within 45 days after the end of each calendar quarter, the Advisor shall provide to the CFO and/or designated Finance staff, a report reviewing the investment performance and investment strategy of the Plan.

Within 60 days after quarter end of the **MNAA**, designated Finance staff shall prepare and submit a report for review by the CFO that summarizes the investment results of assets held in the Plan and OPEB for such preceding quarter. Upon approval by the CFO, the report shall be submitted to the President and members of the Retirement Committee and the Finance, Diversity & Workforce Development Committee of the Board of Commissioners. The report may be submitted by any reasonable means, including email or other method of electronic delivery.

If the report cannot be completed within this 60-day period, Finance staff will advise the CFO who will communicate to the President the reasons for the delay.

iii. Annual Reporting

Annually, the Investment Advisor will provide the Retirement Committee a copy of its most recent ADV-Parts 1 and 2 and Statement on Standards for Attestation Engagements No. 16 (SSAE 16), if available. A review of these documents will be performed, and the results will be documented by the CFO and/or Finance Designee. A report will be made to the Retirement Committee of the findings of the review.

Annually, each Investment Manager shall provide a copy of its form ADV-Parts 1 and 2 and SSAE 16, to the Investment Advisor, if available. Upon request of the Retirement Committee, the Advisor shall provide copies of these documents. A review of these documents will be performed, and the results will be documented by the CFO and/or Finance Designee. A report will be made to the Retirement Committee of the findings of the review.

VIII. Appointment of Designee:

Pursuant to the terms of the Trust Agreement, the Retirement Committee hereby designates the CFO of **MNAA** as its designee for purposes of receiving any notifications, reports, disclosures or other communications required to be given to the Retirement Committee by the Advisor or any Investment Manager under the terms of this policy.

Records / Related Forms:

Monthly, Quarterly and Annual Reporting
Retirement Committee Meeting Minutes

References:

Resolution 2016-05, April 17, 2016
Resolution 2018-06, April 18, 2018
Resolution 2019-10, August 28, 2019
Resolution 2021-09, July 21, 2021
Resolution 2025-08, May 21, 2025
Retirement Plan for Employees of Metropolitan Nashville airport Authority
Restated Retirement Plan for Employees of Metropolitan Nashville Airport Authority Trust Agreement

Revision History:

Nov 19, 2014:	Revision history 2014 and prior available in Pension Committee archives
Aug 17, 2016:	Quarterly investment results of the Plan's and OPEB's assets provided to Pension Committee; Explanation added for exceeding maximum % allocations; Maximum % for Money Market category revised from 5.00% to 100%; Clarified reporting roles and responsibilities.
Mar 28, 2018:	Revised Policy ID from 3-903 to 41-011; Updated format; Revised name "Pension Committee" to "Retirement Committee" to be in alignment with the Retirement Plan for Employees of MNAA and the Trust Agreement; Updated tables in Part VII, Section E; Updated name in Part VII, Section D; Updated Part VII, Section to mid-month rebalancing
Aug 17, 2018:	Issue of Mar 28, 2018, revised policy- Date corrected based on Audit Finding
Aug 28, 2019:	Revised Policy; Updated tables in Part VII Section E
July 21, 2021:	Revised Policy; Updated tables in Part VII Section E; Changes "Assistant Treasurer" to "Director of Treasury" in Part VII, Sections F and G
May 21, 2025:	Revised Policy: Removed duplicate sentence on Page 1; Updated tables in Part VII, Section E; Changes "Director of Treasury" and "Treasury Staff" to "Finance Designee" and "Finance Staff", respectively, throughout document; Updated the name of the Finance Committee on Page 6.

MNAA RESOLUTION NO. 2025-08

REVISION OF THE MNAA INVESTMENT POLICY FOR RETIREMENT PLAN AND OTHER POST EMPLOYMENT BENEFITS (OPEB) INVESTMENT POLICY

WHEREAS the Board of Commissioners (the “Board”) of the Metropolitan Nashville Airport Authority adopted Policy 3-903 (updated to Policy 41-011), Investment Policy of the Retirement Plan and Other Post-Employment Benefits, last amended July 21, 2021;

WHEREAS, the Authority’s Retirement Committee recommended changes to the Investment Policy for the Retirement Plan and OPEB based on recommendations from MNAA’s Investment Advisor, Principal Asset Management, and the Actuary, USI Consulting Group;

WHEREAS, the Policy requires any modifications thereto be approved by the Board as the Chief Governing Body of the Metropolitan Nashville Airport Authority;

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 authorizes the amendment of Policy 41-011, Investment Policy of the Retirement Plan and Other Post-Employment Benefits by revising page 5, Part VII, Section E, Asset Allocation, to update the Asset Allocation category and subcategory ranges and Composite Benchmark for the OPEB Plan. The following table was added for the OPEB Plan:

Asset Category	Minimum %	Neutral Target %	Maximum %	Composite Benchmark
Stock	0.00%	50.00%	60.00%	
Large Cap Value	0.00%	8.00%	10.40%	8.00% Russell 1000 Value Index
S&P 500 Funds	0.00%	10.50%	17.40%	10.50% S&P 500 Index
Large Cap Growth	0.00%	8.00%	10.40%	8.00% Russell 1000 Growth Index
Mid Cap	0.00%	7.00%	9.10%	7.00% S&P 400 Mid Cap Index
Small Cap	0.00%	4.00%	5.20%	4.00% Russell 2000 Index
International Equities	0.00%	12.50%	16.10%	12.50% MSCI ACWI ex-US Index
Fixed Income	0.00%	47.00%	57.00%	
Total Return Bonds	0.00%	47.00%	57.00%	47.00% BBgBarclays US Aggregate Bond Index
Cash Equivalents	0.00%	3.00%	100.00%	
Money Market	0.00%	3.00%	100.00%	3.00% 3-Month T-Bill

Also authorizes the deletion of a duplicate sentence on Page 1 – “The Retirement Committee of the MNAA administers the Plan on behalf of the MNAA.”

MNAA RESOLUTION NO. 2025-08

Also authorizes the change of Directory of Treasury to Finance Designee and Treasury Staff to Finance Staff by revising page 6, Part VII, Section F and Section G (ii); and page 7, Part VII, Section G (iii).

Also authorizes the update of the name of the MNAA Board Finance Committee to “Finance, Diversity & Workforce Development Committee” on page 6, Part VII, Section G (ii).

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:

Legal Counsel

Andrew W. Byrd, Board Secretary

This 21st day of May 2025

A RESOLUTION

of the Board of Commissioners of the Metropolitan Nashville Airport Authority

RECOGNIZING and CELEBRATING the

55th ANNIVERSARY

Of the Establishment of the

Metropolitan Nashville Airport Authority (MNAA)

- Whereas,* the city of Nashville opened Berry Field on its current site on June 12, 1937 and since World War II continued the ownership and operation of what is now known as Nashville International Airport® until 1970, utilizing taxpayer funds to subsidize its operations and general obligation bonds to finance improvements; and
- Whereas,* over time, visionary civic and business leaders across the community, most notably led by John Childress Tune, came to recognize the critical importance of a modern airport to the economic prosperity of Nashville and Middle Tennessee, that the path to a great airport required a new governing structure and operating model that would allow the airport to operate as a business in pursuit of the common good and without relying on city finances; and
- Whereas,* 55 years ago, on June 5, 1970, the Metro Council, the legislative authority of the Metropolitan Government of Nashville-Davidson County, following upon the enabling legislation passed in the Tennessee General Assembly on February 3, 1970, authorized the creation of the Metropolitan Nashville Airport Authority (MNAA), via resolution 70-872, as a self-sufficient public corporation to replace the city's Department of Aviation; and
- Whereas,* the primary functions of the Airport Authority are to manage, operate, finance and maintain Nashville International Airport® (BNA®), John C. Tune Airport® (JWN®), and other properties under the control of the authority. The Airport Authority is a self-supporting, self-financing public agency that operates the airports without benefit of any local tax dollars and is managed as a private market-driven business with a public purpose; and
- Whereas,* from its inception the Airport Authority has been led by a Board of Commissioners, a volunteer group of community leaders, charged with establishing the broad

policies which govern the operation of the Authority, approving annual budgets and major expenditures, and choosing the airport's president and Chief Executive Officer; and

Whereas, thanks to the leadership of the 69 Board Commissioners and many airport staff who have served the airport and the greater community, BNA and JWN have seen enormous growth since the creation of the Airport Authority. BNA has grown to be a large hub airport, with annual operating revenue increasing from \$2.2M to over \$350 million and passengers increasing from 1.3 million to 25 million from 1970 to 2025. JWN, opened on July 20, 1986, has grown to be a national general aviation airport, with \$4 million annual operating revenue and over 100,000 annual operations; and

Whereas, to meet the needs of commercial service passengers, BNA transformed its 1987 terminal with the \$1.5B BNA Vision I and II programs, including two new concourses, two parking garages, a new Ground Transportation Center, Marketplace, Grand Lobby, Central Checkpoint, International Arrivals Facility and hotel.

Whereas, continuing to invest in facilities, BNA is underway with the next \$3B New Horizon I and II airside and landside expansion programs, including central ramp expansion, extended Concourse D, new Concourse A, baggage handling system expansion, and improvements, terminal access roadway improvements, new parking garage and rental car complex and expanded employee parking; and

Whereas, to meet the needs of general aviation passengers, JWN has added an air traffic control tower, rebuilt its southside after the devastating tornadoes on March 3, 2020, and is underway with expansion of northside corporate hangars and the addition of a second fixed base operator; and

Whereas, the overall economic impact from Nashville's airports soared to over \$12 billion in 2025, as planning for the future of the authority has begun including a 2nd terminal at BNA and further expansion at JWN; demonstrating that the creation of the Metropolitan Nashville Airport Authority will continue to support the continued growth and prosperity of the airports and the region it serves.

Now, therefore, be it resolved by the Board of Commissioners
of the Metropolitan Nashville Airport Authority as follows:

section 1. That we, the members of the Board of Commissioners, do hereby formally recognize and celebrate the 55-year anniversary of the establishment of the Metropolitan Nashville Airport Authority and further extend our appreciation and recognition to all who have contributed to the success of Nashville’s airports, from those with the foresight to advocate for and enact the original MNAA authorization, to the many hundreds of Commissioners and airport staff who have endeavored to serve their community, generate economic prosperity, and build what has grown to become one of the nation’s finest airport systems.

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*.

this 21st day of May, 2025

Adopted by:

NANCY B. SULLIVAN, P.E., CHAIR

JOYCELYN A. STEVENSON, ESQ.

JAMES “JIMMY” W. GRANBERY, VICE CHAIR

DR. GLENDA B. GLOVER

ANDREW W. BYRD, SECRETARY

GLENN E. FARNER, JR.

ROBERT “BOBBY” J. JOSLIN

Recommended By:

DOUGLAS E. KREULEN, PRESIDENT & CEO

Business Diversity Development, April FY'2025 Certification Report as of May FY'2025

Total Certified firms:	New Certified firms: 7/1/2024 - YTD	Totals	Firms Certified in April FY'25	Totals	New Applications Received: 7/1/2024 -YTD	Totals	New Interstate Apps Received: 7/1/2024-YTD	Totals	Renewals Received: 7/1/2024 -YTD	Totals	Denials, Delist & Withdrawals 7/1/2024 -YTD	Totals	Monthly OnSite's Completed 7/1/2024 -YTD
134 Firms	Construction:	10	Construction:	1	Construction:	17	Construction:	0	Construction:	72	Construction:	2	6
228 Firms	Professional Svcs:	36		3	Professional Svcs:	35	Professional Svcs:	22	Professional Svcs:	116	Professional Svcs:	3	17
	professional	34	professional	3	professional	30	professional	22	professional	105	professional	3	14
	security	0	security	0	security	2	security	0	security	4	security	0	1
	janitorial	1	janitorial	0	janitorial	3	janitorial	0	janitorial	6	janitorial	0	2
	landscaping	1	landscaping	1	landscaping	0	landscaping	0	landscaping	1	landscaping	0	0
146 Firms	Goods/Svcs:	20	Goods/Svcs:	3	Goods/Svcs:	4	Goods/Svcs:	13	Goods/Svcs:	69	Goods/Svcs:	3	1
	printing/signage	0	printing/signage	0	printing/signage	0	printing/signage	0	printing/signage	3	printing/signage	0	1
	supplier	2	supplier	0	supplier	1	supplier	1	supplier	7	supplier	0	0
	miscellaneous	0	miscellaneous	0	miscellaneous	0	miscellaneous	0	miscellaneous	0	miscellaneous	0	0
	concessions	18	concessions	3	concessions	3	concessions	12	concessions	59	concessions	3	0
508 Total		66 Total		6 Total		56 Total		35 Total		257 Total		8 Total	24 Total

Certification Inquiries (phone, email, meet & greets)

Monthly Inquires: 335

Total Inquires YTD: 639

Report Date: 5.8.2025

To: Board of Commissioners
Doug Kreulen, President & CEO

From: Business Diversity Development

Date: May 21, 2025

Subject: Federal and Small Business Participation for the month of April 2025

The format of this report has changed to reflect that of the MNAA Disparity Study. Specifically Purchased Services and Training are reflected in Professional Services and Supplies is reflected in Goods and Services. Construction remains categorized as Non Federal and Federal. A brief synopsis of expenditures is listed below.

	Aspirational Participation %	Percentage	MWBE Expenditures	Total Expenditures	YTD Percentage	YTD MWBE Expenditures	YTD Total Expenditures
Professional Services (Includes all contract services, legal expenses external printing, and marketing)	6.90%	5.74%	\$ 296,654	\$ 5,168,140	10.49%	\$ 6,012,185	\$ 57,302,903
Goods & Services (Includes all office supplies and office equipment and other goods)	5.90%	1.86%	\$ 26,003	\$ 1,398,418	38.23%	\$ 7,392,924	\$ 19,339,303
Construction Non-Federal CIP (All non-federal Construction and professional projects)	17.70%	0.44%	\$ 107,997	\$ 24,739,225	4.71%	\$ 10,285,872	\$ 218,405,214
Construction Federal CIP (All Federal Construction and professional projects)	14.10%	2.40%	\$ 45,164	\$ 1,880,911	24.20%	\$ 6,018,895	\$ 24,873,118

April 2025

Professional Services Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		0.27%	Male	\$ 11,328	0.22%	\$ 2,800	0.05%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
		5.47%	Female	\$ -	0.00%	\$ -	0.00%	\$ 282,526	5.47%	\$ -	0.00%	\$ -	0.00%
\$ 5,168,140	\$ 296,654	5.74%	Totals	\$ 11,328	0.22%	\$ 2,800	0.05%	\$ 282,526	5.47%	\$ -	0.00%	\$ -	0.00%

Goods and Services Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		0.00%	Male	\$ -	0.00%	\$ -	0.00%	\$ 12,995	0.93%	\$ -	0.00%	\$ -	0.00%
		1.86%	Female	\$ 11,000	0.79%	\$ -	0.00%	\$ 15,003	1.07%	\$ -	0.00%	\$ -	0.00%
\$ 1,398,418	\$ 26,003	1.86%	Totals	\$ 11,000	0.79%	\$ -	0.00%	\$ 27,997	2.00%	\$ -	0.00%	\$ -	0.00%

Construction Non Federal CIP Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		0.33%	Male	\$ 40,223	0.16%	\$ -	0.00%	\$ -	0.00%	\$ 42,138	0.17%	\$ -	0.00%
		0.10%	Female	\$ 20,000	0.08%	\$ -	0.00%	\$ 5,637	0.02%	\$ -	0.00%	\$ -	0.00%
\$ 24,739,225	\$ 107,997	0.44%	Totals	\$ 60,223	0.24%	\$ -	0.00%	\$ 5,637	0.02%	\$ 42,138	0.17%	\$ -	0.00%

Construction Federal CIP Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		1.42%	Male		0.00%		0.00%	\$ -	0.00%	\$ 26,721	0.00%	\$ -	0.00%
		0.98%	Female	\$ -	0.00%	\$ -	0.00%	\$ 18,443	0.00%	\$ -	0.00%	\$ -	0.00%
\$ 1,880,911	\$ 45,164	2.40%	Totals	\$ -	0.00%	\$ -	0.00%	\$ 18,443	0.00%	\$ 26,721	0.00%	\$ -	0.00%

Fiscal Year To Date Totals Through April

Professional Services Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		3.46%	Male	\$ 1,934,060	3.38%	\$ 41,351	0.07%	\$ 180,341	0.31%	\$ 5,738	0.01%	\$ -	0.00%
		7.03%	Female	\$ 15,993	0.03%	\$ -	0.00%	\$ 3,973,003	6.93%	\$ 42,040	0.07%	\$ -	0.00%
\$ 57,302,903	\$ 6,012,185	10.49%	Totals	\$ 1,950,054	3.40%	\$ 41,351	0.07%	\$ 4,153,344	7.25%	\$ 47,778	0.08%	\$ -	0.00%

Goods and Services Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		35.61%	Male	\$ 6,887,634	35.61%	\$ -	0.00%	\$ 794,950	4.11%	\$ -	0.00%	\$ -	0.00%
		2.61%	Female	\$ 278,543	1.44%	\$ -	0.00%	\$ 226,746	1.17%	\$ -	0.00%	\$ -	0.00%
\$ 19,339,303	\$ 7,392,924	38.23%	Totals	\$ 7,166,178	37.05%	\$ -	0.00%	\$ 1,021,696	5.28%	\$ -	0.00%	\$ -	0.00%

Construction Non Federal CIP Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		1.96%	Male	\$ 1,675,404	0.77%	\$ 1,916,754	0.88%	\$ 6,080,155	2.78%	\$ 682,444	0.31%	\$ -	0.00%
		2.75%	Female	\$ 1,267,360	0.58%	\$ 28,357	0.01%	\$ 4,715,554	2.16%	\$ -	0.00%	\$ -	0.00%
\$ 218,405,214	\$ 10,285,872	4.71%	Totals	\$ 2,942,763	1.35%	\$ 1,945,111	0.89%	\$ 10,795,708	4.94%	\$ 682,444	0.31%	\$ -	0.00%

Construction Federal CIP Expenditures

Total Expenditures	Small Business Expenditures	Total Participation Percentage	Participation	BLACK	%	HISPANIC	%	CAUCASIAN	%	ASIAN	%	NATIVE AMERICAN	%
		6.96%	Male	\$ 1,671,709	6.72%	\$ -	0.00%		0.00%	\$ 60,416	0.24%	\$ -	0.00%
		17.23%	Female	\$ 1,151,889	4.63%	\$ -	0.00%	\$ 3,134,880	12.60%	\$ -	0.00%	\$ -	0.00%
\$ 24,873,118	\$ 6,018,895	24.20%	Totals	\$ 2,823,599	11.35%	\$ -	0.00%	\$ 3,134,880	12.60%	\$ 60,416	0.24%	\$ -	0.00%