



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

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June 18, 2025



# Call to Order

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June 18, 2025

# Public Comment

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

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

No Requests for Public Comment Received by Monday, June 16, 2025, at 1:00 pm

# Approval of Minutes

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

May 21, 2025

# Chair's Report

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Nancy B. Sullivan, P.E.

Board Chair



# Welcome, Stephanie Coleman

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President & CEO

Nashville Area Chamber of Commerce

# President's Report

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Douglas E. Kreulen, A.A.E.

President and CEO



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Metropolitan Nashville Airport Authority  
Tennessee**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

# GFOA Certificate of Achievement for Excellence in Financial Reporting

- April 9, 2025
- Awarded by the Government Finance Officers Association (GFOA) for the FYE June 30, 2024, Annual Comprehensive Financial Report (ACFR)
- 24<sup>th</sup> consecutive year MNAA earned award
- Highest form of recognition in governmental accounting and financial reporting





**Stacey Nickens**  
VP, Corporate Communications  
& Marketing



**Erin Thomas**  
Manager, Communications

# MNAA Accepts Prestigious Stevie Award

- June 10, 2025
- Accepted Stevie Award in NYC
- Public Relations (Government) Bronze Award for FY24 Annual Report Video
  - *The Story of Nashville International Airport: People, Growth and Future*

# Happy 88<sup>th</sup> Birthday, BNA



June 12, 2025





**Stacey Nickens**

VP, Corporate Communications & Marketing  
Leadership Tennessee  
Class of 2026



**Franklin Carver**

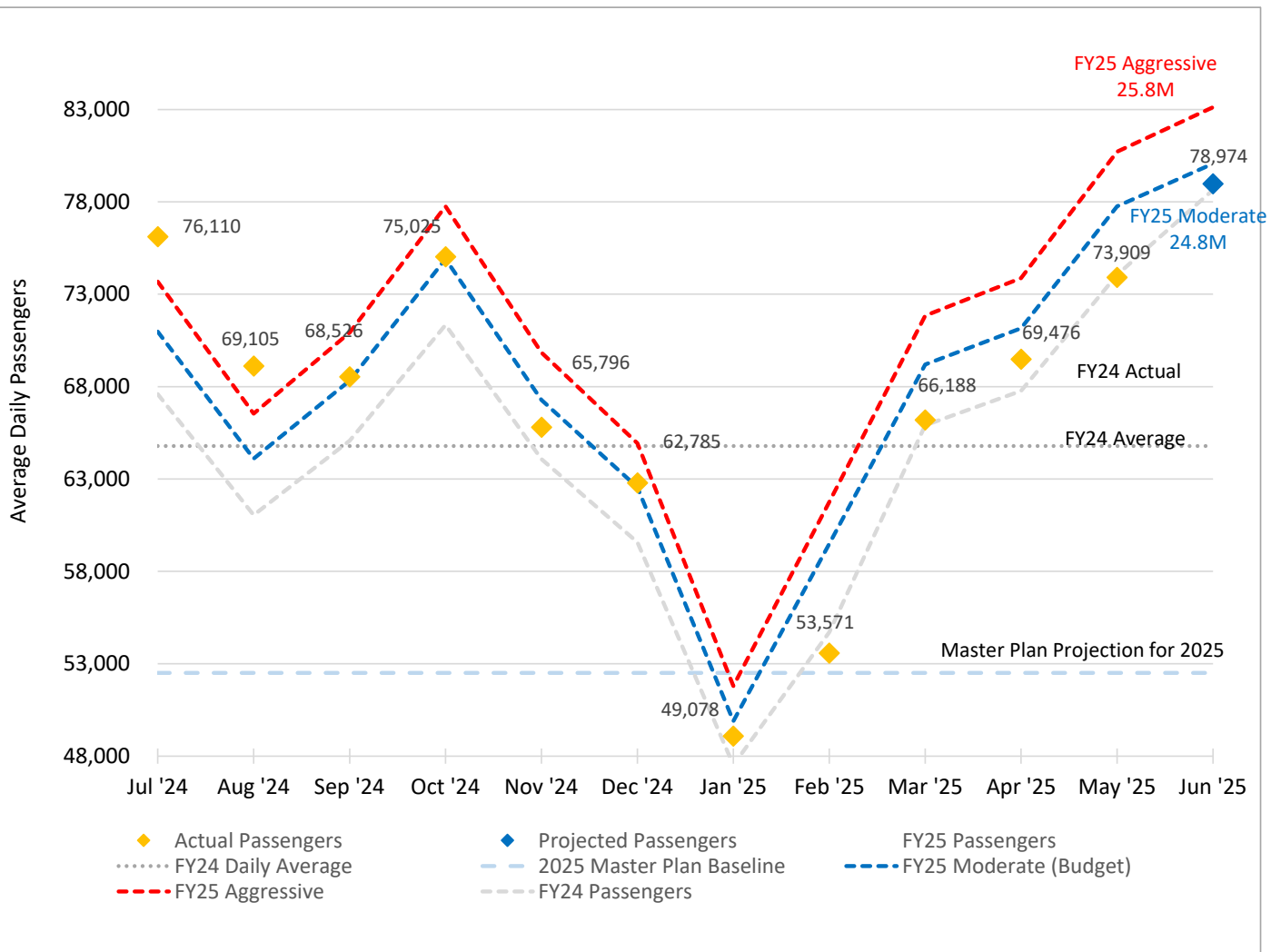
Director, Community Affairs  
L'Evate  
Class of 2026



# MNAA Leaders Selected for Leadership Programs

- Class of 2026

# FY25 BNA Passengers



\* June projections based on TSA data through June 16, 2025

- FY25 Forecast: 5%, 7%, 9%
  - Target 24.8
  - Projected 24.6 – 24.7M
- June 2025 Projected\*
  - 2.4M total passengers
  - 79K daily passengers
- FYTD May Actual (+4.2%)
  - 22.25M total passengers
  - 66K daily passengers

## Operations

- Approvals
  - 1) CGMP 1 Progressive Design-Build Contract for Parking/CONRAC/TARI
  - 2) CGMP 4 of 4 for Progressive Design Build Contract for Central Ramp
  - 3) Construction Contract for Dedicated Valet/Hotel Lane
  - 4) Amendment 1 to Concourse A Design Contract – Central Core Design & Construction Services
- Information
  - 1) BNA Master Plan Update – Aviation Forecast
  - 2) BNA & JWN Development Updates

## Finance

- Approvals
  - 1) AIClear (“CLEAR”) Concession Agreement
  - 2) FAA Lease Terms at the International Plaza Building – *tentative*
  - 3) VA Lease Terms at the International Plaza Building – *tentative*
- Information
  - 1) Concourse A / Future BNA Concessions Program Update (recommendation)

## Management

- TBD

# Committee 30-day Outlook

- July 9 & 16, 2025
  - Committee: Senator Mark Pody will present two resolutions
    - SJR0471 – BNA & JWN employees
    - SJR0472 – CEO Recognition
- July 1, 2025
  - Concourse D Extension Reception

## Operations

- Approvals
  - 1) TARI Ph 3.2 TVA Tower Relocation Agreement - *tentative*
  - 2) Construction Contract for Part 139 RSA/TSA Improvements, Ph 2 T/W Alpha North
  - 3) Construction Contract for Rehabilitation of T/W S/S6/S7/T4/T5 Intersection
- Information
  - 1) BNA & JWN Development Updates

## Finance

- Approvals – None
- Information
  - 1) Quarterly Retirement/OPEB/Treasury Investment Reports
  - 2) BNA Concessions Program Quarterly Update and Sales Report
  - 3) Concourse A / Future BNA Concessions Program Update (terms/timeline)
  - 4) Procurement Policy Annual Review

## Management

- Approval
  - 1) FY26 CEO Performance KPIs
- Information
  - 1) FY25 CEO Compensation Benchmarking
  - 2) FY26 Strategic Goals

# Committee 60-day Outlook

- August 6 & 13, 2025
  - Note: Updated date
- Commissioner Stevenson will not be available for Committee/Board

# Items for Approval

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June 18, 2025

- New Horizon NES Invoices (Concourse A & TARI), Operations

## Item for Approval

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



# New Horizon NES Invoices (Concourse A & TARI)

**Project Description:** Relocate transmission lines and transformers impacted by Concourse A Reconstruction, Terminal Access Roadway Improvements (TARI) Ph 3.1 & 3.2, Lot B expansion and the new Parking & Rental Car Complex

**Contractor:** Nashville Electric Service (NES)

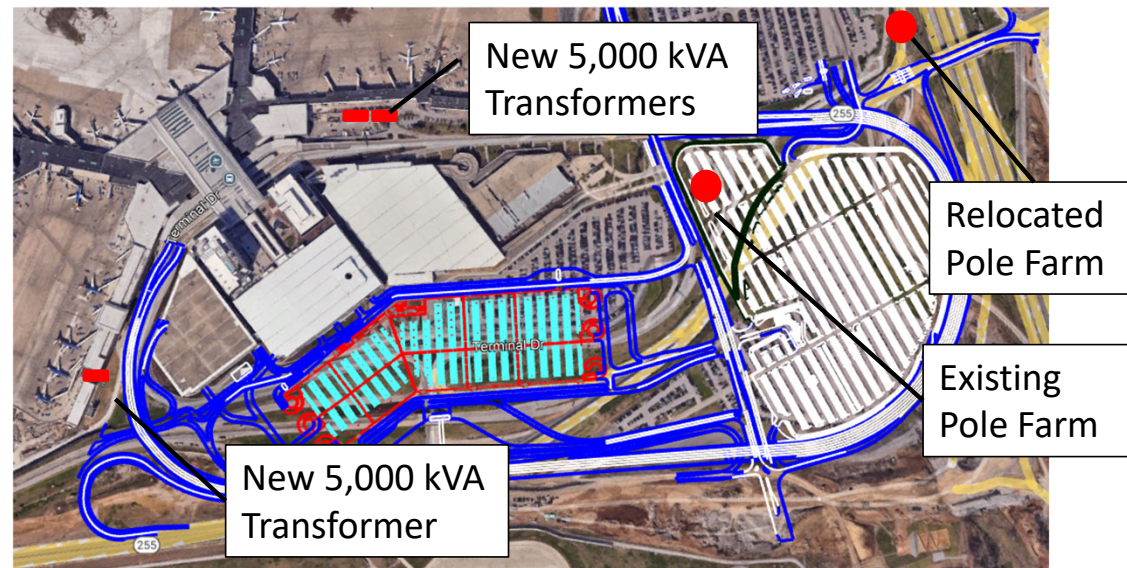
**Invoice Costs:**

Concourse A Reconstruction:	\$ 1,600,000 NTE
TARI Ph 3.1 & 3.2	\$10,000,000 NTE
Total	\$11,600,000 NTE

**Schedule:** June 2025 – Summer 2026

**Funding Sources:** Project Budgets:

- New Horizon I Concourse A Reconstruction (\$855M)
- New Horizon II TARI (\$300M)



**Committee Review:** Operations Committee voted 3 to 0 to recommend approval on June 11, 2025.

**Staff Recommendation:** Board of Commissioners authorize the Chair and President and CEO to pay multiple NES invoices impacted by the New Horizon I and II programs for \$11,600,000 NTE.

- Concourse A Builder's Risk Insurance, Operations

## Item for Approval

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Kristen Deuben, CPA, C.M.  
VP, Finance, Deputy CFO

# Concourse A Builder's Risk Insurance

- **Owner Controlled Builder's Risk Insurance**: Protects owners and contractors in the event of direct physical loss or damage to a project
- **Advantages**
  - Owner controls reputational risk
  - Owner is principle insured and controls terms and conditions
- **Total Contract Cost**: **\$4,100,000 Builder's Risk**  
((\$855M total project cost; 0.48% contract value)
- **Contract Term**: Length of project
- **Funding Source**: Project budget
- **Committee Review**: Operations Committee voted 3 to 0 to recommend approval on June 11, 2025.
- **Staff Recommendation**: Staff recommends the Board of Commissioners:
  - 1) approve the Builder's Risk policy for the Reconstruction of Concourse A at \$4,100,000 NTE, and;
  - 2) authorize the President and CEO to execute Builder's Risk policy through Marsh.



- 1<sup>st</sup> Amendment to JWN North Development Leases, Finance
  - DN, LLC (parcel 1)
  - Jet Access (parcels 6 & 7)
  - JetRight (parcels 8 & 9)
  
- NOTE: These 3 items will be consolidated to one vote for approval.

## Items for Approval

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Roman Keselman, MBA  
AVP, Real Estate

# First Amendment to Lease Agreement: DN LLC – Parcel 1

## Background:

- On August 16, 2023, the Board approved the lease terms between MNAA and DN LLC.
- On October 1, 2023, the lease was executed, which included 0.84 acres of unimproved land at JWN on North Parcel 1.
- The lease required DN LLC to complete improvements within 18 months, concluding on April 1, 2025.
- Due to DN LLC terminating their relationship with their design/build firm six months into the process and starting over, construction commenced in February of 2025 and is still ongoing.

## Impact/Findings:

- The Amendment, effective June 18, 2025, extends the construction term by 12 months to allow the Tenant to continue building the improvements which will vest with MNAA on April 1, 2025.
- Apart from fuel flowage fees, this amendment will not impact revenue to MNAA.
  - During the initial 18-month Construction term (October 2023 – March 2025) revenue was \$148,327.20
  - Year one of the lease term (April 2025 – March 2026) revenue will be \$101,851.34
  - The rate will increase 3% each year except in years 10 and 20 of the initial term, upon which rent will be increased based on an appraisal.

# First Amendment to Lease Agreement: DN LLC – Parcel 1

## Amendment Terms:

- Tenant will be granted 12 months to complete all proposed construction.
  - The 12-month extension includes contractual milestones:
    - Five months to complete site work
    - Two months to complete framing
    - Five months to complete interior work
- The 12-month extension has corresponding contract penalties of \$150 per day until the contractual milestone is complete.
- The 12-month extension does not extend the lease term.
- If the hangar is not complete after the 12-month extension, the executed lease includes the following:
  - Invest \$2.5M by the construction deadline or pay the difference between \$2.5M and the amount spent, not to exceed 25% soft costs, and
  - Complete the improvements unless otherwise approved in writing by the Authority.

# First Amendment to Lease Agreement: Jet Access – Parcels 6 & 7

## Background:

- On March 15, 2023, the Board approved the lease terms between MNAA and Jet Access.
- On June 15, 2023, the lease was executed, which included 1.68 acres of unimproved land at JWN on North Parcels 6 & 7.
- The lease required Jet Access to complete improvements within 18 months, concluding on December 15, 2024.
- Due to a lengthy general contractor selection process, several iterations of hangar designs, and an extended FAA 7460 review, Jet Access has been unable to commence construction.

## Impact/Findings:

- This Amendment, effective June 18, 2025, allows Jet Access to continue going through permitting for 60 days and extends the construction term by 12 months to build the improvements, which will vest with MNAA on December 15, 2054.
- Apart from fuel flowage fee, this amendment will not impact revenue to MNAA.
  - Year one (June 2023 – June 2024) revenue was \$201,432.00
  - Year two (June 2024 – June 2025) revenue will be \$207,291.84
  - The rate will increase 3% each year except in years 10 and 20 of the initial term, upon which rent will be increased based on an appraisal.

# First Amendment to Lease Agreement: Jet Access – Parcels 6 & 7

## Amendment Terms:

- As of June 18, 2025, Tenant will have 60 days to obtain all necessary permits from the Metropolitan Government of Nashville and Davidson County.
- At the earlier of the 61<sup>st</sup> day or the date Tenant obtains all necessary permits, Tenant will be granted 12 months to complete all proposed construction.
  - The 12-month extension includes contractual milestones.
    - Five months to complete site work.
    - Two months to complete framing.
    - Five months to complete interior work.
- The 60-day and 12-month extensions have corresponding contract penalties in the amount of \$150 per day until the contractual milestone is complete.
- The 60-day or 12-month extensions do not extend the lease term.
- If the hangar is not complete after the 60-day and 12-month extensions, the executed lease includes the following;
  - Invest \$6M by the Construction Deadline, or pay the difference between \$6M and the amount spent, not to exceed 25% soft costs, and
  - Complete the improvements unless otherwise approved in writing by the Authority.



# First Amendment to Lease Agreement: JetRight – Parcels 8 & 9

## Background:

- On March 15, 2023, the Board approved the lease terms between MNAA and JetRight Properties LLC.
- On June 15, 2023, the lease was executed, which included 1.68 acres of unimproved land at JWN on North Parcels 8 and 9.
- The lease required JetRight to complete improvements within 18 months, concluding on December 15, 2024.
- Multiple designs iterations were required to resolve line-of-sight issues identified in the 7460 process, which prevented JetRight to commence construction.

## Impact/Findings:

- Upon completion of the 7460 process, this Amendment allows JetRight 90 days to continue designing the hangar to meet FAA guidance, 60 days to submit their designs to MNAA, and 12 months to build the improvements, which will vest with MNAA on December 15, 2054.
- Apart from fuel flowage fees, this amendment will not impact revenue to MNAA.
  - Year one (June 2023 – June 2024) revenue was \$219,744.00
  - Year two (June 2024 – June 2025) revenue will be \$226,336.32
  - The rate will increase 3% each year except in years 10 and 20 of the initial term, upon which rent will be increased based on an appraisal.

# First Amendment to Lease Agreement: JetRight – Parcels 8 & 9

## Amendment Terms:

- Once 7460 determination is received from the FAA, Tenant will have 90 days to submit plans to MNAA and receive approval through the AIR process.
- At the earlier of the 91<sup>st</sup> day or the date AIR approval is received, Tenant will be granted 60 days to obtain all necessary Metropolitan Government of Nashville and Davidson County permits.
- At the earlier of the 61<sup>st</sup> day or the date Tenant obtains all necessary permits, Tenant will be granted 12 months to complete construction.
  - The 12-month extension includes contractual milestones.
    - Five months to complete site work
    - Two months to complete framing
    - Five months to complete interior work
- The 90-day, 60-day and 12-month extensions have corresponding contract penalties in the amount of \$150 per day until the contractual milestone is complete.
- The 90-day, 60-day or 12-month extensions do not extend the lease term.
- If the hangar is not complete after the 90-day, 60-day and 12-month extensions, the executed lease includes the following:
  - Invest \$5M by the Construction Deadline, or pay the difference between \$5M and the amount spent, not to exceed 25% soft costs, and
  - Complete the improvements unless otherwise approved in writing by the Authority.

### **Committee Review:**

The Finance Committee voted 2 to 0 to recommend approval of the 3 lease amendments on June 11, 2025.

### **Staff Recommendation:**

Staff requests the Board of Commissioners to:

- accept the First Amendment to the lease agreement between MNAA and DN LLC, extending the construction term, and
- accept the First Amendment to the lease agreement between MNAA and Aero Management Group LLC D/B/A Jet Access, extending the permitting and construction term, and
- accept the First Amendment to the lease agreement between MNAA and JetRight Properties LLC, extending the design, permitting and construction term, and
- Authorize Chair and President and CEO to execute the First Amendments.

# Staff Recommendation

- Air Service Incentive Policy, Finance

## Item for Approval

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Josh Powell, A.A.E.  
AVP, Airline and Government  
Relations

## Background:

- The Air Service Incentive Policy (ASIP) helps BNA remain competitive with other US airports trying to attract additional non-stop international and domestic service.
- The ASIP is in accordance with:
  - FAA Policy Regarding Air Carrier Incentive Program,
  - FAA Air Carrier Incentive Program Guidebook
  - FAA Policy and Procedures Concerning the Use of Airport Revenue (64 Fed. Reg 7696, 49 USC SS 7107(b), and 47133 Revenue Use Policy)
  - FAA Policy Regarding Airport Rates & Charges.
- The ASIP was last approved by the Board on February 21, 2024, effective through December 31, 2025.
- This policy is reviewed annually, and updates are recommended to strengthen our incentives to “New Scheduled Service to Other Americas Markets”
- **Note:** all proposed marketing incentives and landing fee and facility abatements, outside of the Domestic Market Agreements, require Board of Commissioner approval to execute any Letter of Agreement (LOA).

# Air Service Incentive Policy (ASIP)

- Types of Incentives:
  - Landing Fees
  - Facility Fees
  - Marketing Funds and Initiatives
- Tiers:
  - Domestic
  - Other Americas
  - Trans-Oceanic (includes Hawaii)
- Balance of Fund as of 3/31/2025
  - \$10.09 Million

# Air Service Incentive Policy (ASIP)

## New Scheduled Year-round Service

- No Change to Domestic or Trans-Oceanic Markets
- Changes to Other Americas Markets
  - Landing Fee Abatement: Year 1 – No change; Year 2 – from 50% to 75%
  - Facility Fee Abatement: Year 1 – from 0% to 100%; Year 2 – from 0% to 75%
  - Marketing Incentive: Year 1 – from \$150K to \$250K; Year 2 – from \$100K to \$250K

Type of Service	Landing Fees		Facility Fees		Marketing Incentive		Marketing Initiatives
	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	
<b>Domestic Markets</b>	None	None	None	None	Up to \$25,000	None	Press release Website splash page – up to 4 week run Air Service Billboard – up to 4 week run
<b>Other Americas Markets</b>	100% abatement	75% abatement	100% abatement	75% abatement	Up to \$250,000	Up to \$250,000	Press release Website splash page - up to 4 week run Air Service Billboard - up to 6 week run Gate Event for inaugural flight
<b>Trans-Oceanic Markets (Includes Hawaii)</b>	100% abatement	100% abatement	100% abatement	100% abatement	Up to \$500,000	Up to \$500,000	Press release Website splash page - up to 6 week run Air Service Billboard - up to 8 week run Gate Event for inaugural flight

# Air Service Incentive Policy (ASIP)

## New Scheduled Seasonal Service

- No Change to Trans-Oceanic Markets
- Changes to Other Americas Markets
  - Landing Fee Abatement: No change
  - Facility Fee Abatement: Year 1 – from 0% to 75%; Years 2 & 3 – from 0% to 50%
  - Marketing Incentive: Year 1 – from \$75K to \$150K; Years 2 & 3 – from \$15K/year to \$50K/year

Type of Service	Landing Fees		Facility Fees		Marketing Incentive		Marketing Initiatives
	Year 1	Years 2 & 3	Year 1	Years 2 & 3	Year 1	Years 2 & 3	
<b>Other Americas Markets</b>	75% abatement	50% abatement	75% abatement	50% abatement	Up to \$150,000	Up to \$50,000 / year	Press release Website splash page - up to 4 week run Air Service Billboard - up to 6 week run Gate Event for inaugural flight
<b>Trans-Oceanic Markets (Includes Hawaii)</b>	100% abatement	100% abatement	100% abatement	100% abatement	Up to \$400,000	Up to \$300,000 / year	Press release Website splash page - up to 6 week run Air Service Billboard - up to 8 week run Gate Event for inaugural flight

**Committee Review:**

The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

**Staff Recommendation:**

Staff requests the Board of Commissioners to:

- 1) approve the Air Service Incentive Policy (ASIP), effective for new service announced June 18, 2025 – December 31, 2026; and
- 2) authorize the President and CEO to execute the policy.

# Air Service Incentive Policy (ASIP)

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- Third Amendment to Paradies Lease & Concession Agreement, Finance

## Item for Approval

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Lisa Leyva  
VP, Concessions

# Third Amendment to Paradies Lease and Concession Agreement

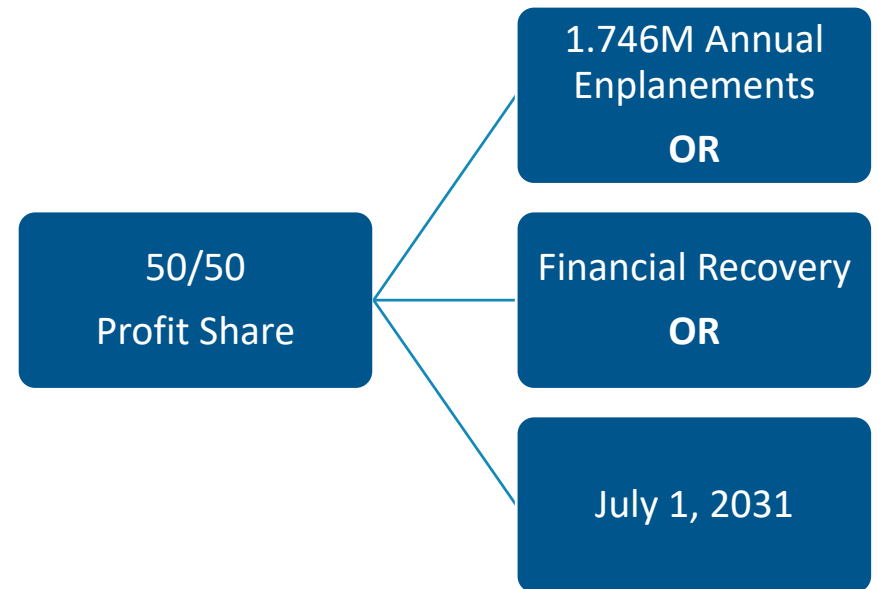
## Background:

- MNAA has a Lease and Concession Agreement (Agreement) with Paradies Lagardère @ Nashville, LLC (Paradies) to develop and operate a concessions program, including food, beverage, services, retail and vending offerings at the Satellite Concourse.
- The agreement was approved by the Board on August 17, 2022. The term of the agreement commenced on October 18, 2023, and will expire on October 18, 2033.
- Paradies based their RFP proposal on 1.65M enplanements, or 70% of stated capacity (2.35M), however enplanements have not reached anticipated levels.
- MNAA and Paradies entered into a First Amendment, effective September 18, 2024, in which the Minimum Annual Guarantee (MAG) was reduced from \$2.4M to \$1.775M for calendar year 2024 and \$2.067M for 2025.
- MNAA and Paradies entered into a Second Amendment, effective December 18, 2024, in which “Street Price” and “Street Pricing” were replaced with “Acceptable Concession Price” and “Acceptable Concession Pricing” and allowed for the price of a good or service to be no more than 110% of the regular price of the good or service charged at an off Airport comparable location.
- 4 Satellite concessions locations were approved to close temporarily on March 21, 2025 to right size the program based on the decline of enplaned passengers.

# Third Amendment to Paradies Lease and Concession Agreement

## Proposed Amendment:

- The Third Amendment will provide further relief to Paradies and its ACDBE partners, as follows:
  - Delete Minimum Annual Guarantee (MAG);
  - Redefine “Percentage Rent” to mean 7% of gross receipts from all sales commencing as of the Effective Date of the Third Amendment until certain **triggers** are met. At which time Paradies and MNAA will enter into a **50/50 Profit Share** agreement;
  - Define **Financial Recovery** as the date at which Paradies recuperates its Initial Capital Improvements **\$12.5M**;
  - Extend the Lease Term up to 10 years which shall commence at the **earlier** of July 1, 2031, or when **Profit Share** has been attained; Year 6 of extension MNAA will receive **60% of gross profits**.



# Third Amendment to Paradies Lease and Concession Agreement

## Proposed Amendment Justification:

- MNAA receives:
  - Reopening of closed concessions will be the sooner of: **Profit Share** is achieved, **July 1, 2031**, OR at the discretion of MNAA
  - Extended Lease Term “Reinvestment Improvements” up to **\$3.78M** after **Profit Share** is achieved; prior midterm investment requirement was **\$934,950**; and
  - Payment of outstanding Contract Penalties **\$970,000** to be paid in monthly installments over a 5-year period

## Committee Review:

- The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

## Staff Recommendation:

- Staff requests the Board of Commissioners to:
  - accept the Third Amendment to the Agreement; and
  - authorize the Chair and President & CEO to execute the Third Amendment.

- Purchase of Equipment (Infrastructure) & Maintenance Services Agreement for Parking and Revenue Control System (PARCS) Upgrade, Finance

## Item for Approval

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Adam Bouchard, C.M., FRAeS  
VP, Operations

# Purchase of PARCS Equipment (Infrastructure) & Maintenance Service Agreement

## Background:

- MNAA generates more than \$100M annually from parking across all the Airport's parking products. A Parking Access and Revenue Control System (PARCS) is mission critical to our parking operation, as it includes ticketing devices, gate arms, revenue management systems and tools, license plate readers, etc.
- The current PARCS with Scheidt & Bachmann was implemented in 2017 and is not capable of leveraging more recent technological advancements such as Advanced License Plate Recognition (LPR), Scan to Pay with QR codes, faster ticket processing, and data analytical tools.
- After an extensive review of the existing PARCS system and numerous alternate PARCS providers, it is recommended by MNAA staff and our PARCS consultant, CK Consulting, that MNAA upgrade our current PARCS system with Scheidt & Bachmann.
- The PARCS Upgrade was approved in the FY24 BNA Capital Improvement Plan (CIP) on April 19, 2023.

# Purchase of PARCS Equipment (Infrastructure) & Maintenance Service Agreement

**Project Description:** Purchase Agreement with Scheidt & Bachmann (S&B) to upgrade the Parking Access Revenue Control System (PARCS), which includes equipment, hardware, and software; Maintenance Services and Extended Vehicle Recognition Software License Agreements with S&B, which includes all software and licensing fees.

**Contractor:** Scheidt & Bachmann

**Schedule:** Equipment Purchase Date: July 2025  
Maintenance Services Agreement Start Date: 2 years after conclusion of warranty period for hardware and 1 year after hardware acceptance for software  
Maintenance Services Agreement Duration: 5 years, with 2, one-year renewal options

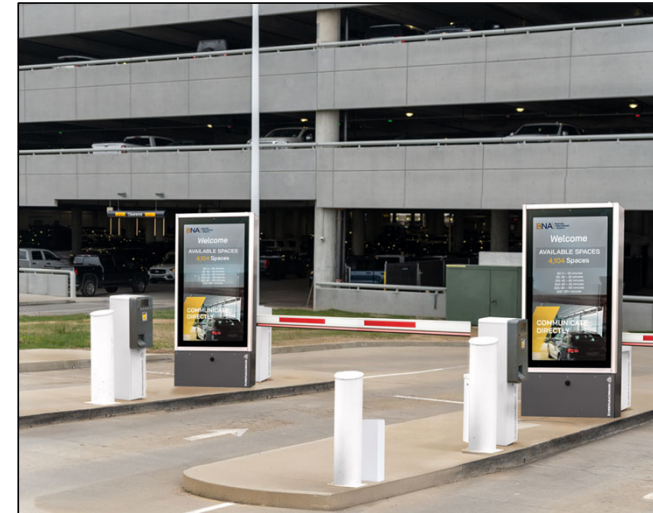
<b>Contract Cost:</b> Equipment Purchase	\$ 3,600,000
Maintenance Service Agreement	<u>\$ 5,500,000</u>
Total Cost NTE:	\$ 9,100,000

**Funding Source:** MNAA CIP and O&M

**Committee Review:** The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

**Staff Recommendation:** Staff requests the Board of Commissioners to:

- 1) approve the purchase agreement and maintenance services agreement with Scheidt & Bachmann, and
- 2) authorize the Chair and President and CEO to execute the proposed contract amount of \$9,100,000.



Future Rendering of Garage 1 Entrance Plaza.

- Purchase of Network Equipment for Parking and Revenue Control System (PARCS) Upgrade, Finance
- Contract for Renewal of Microsoft Licensing, Finance

## Items for Approval

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Steven Woods  
VP, Information Technology



# Purchase of Network Equipment for PARCS Upgrade

**Project Description:** The networking equipment that facilitates secure, real-time communication between the PARCS system components was installed in 2017 and has reached or soon will reach end-of-service-life which means the manufacturer no longer sells nor provides maintenance for these items. This contract includes the purchase of forty-four (44) new network switches (including peripherals) to replace end-of-service-life equipment for the purpose of supporting the PARCS upgrade.

**Contractor:** Trace3

**Schedule:** Anticipated Start June 23, 2025; Anticipated Completion June 22, 2026

**Contract Cost:**

Description	Quantity	Per Unit Cost	Extended Cost
Lane Switches	36	\$ 8,389.49	\$ 302,021.64
Distribution Switches	6	\$ 15,161.72	\$ 90,970.32
Core Switches	2	\$ 20,845.34	\$ 41,690.68
10Gig Fiber Connectors	32	\$ 1,942.37	\$ 62,155.84
1Gig Fiber Connectors	144	\$ 495.82	\$ 71,398.08
<b>Total Cost</b>			<b>\$ 568,236.56</b>

**Funding Source:** MNAA CIP

**Committee Review:** The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

**Staff Recommendation:** Staff requests the Board of Commissioners to:

- 1) accept the proposed contract to purchase the network equipment for the PARCS upgrade, and
- 2) authorize the Chair and President and CEO to execute the contract with Trace3 for a total value of \$568,236.56.

# Contract for Renewal of Microsoft Licensing

**Project Description:** Renewal of Microsoft Enterprise Agreement (EA) to license essential software and cloud services used across the organization. The Microsoft EA consolidates licensing under a single contract, offering cost savings through volume discounts, simplified licensing management, and predictable annual pricing.

**Contractor:** Insight Public Sector

**Term:** 3-year term, June 1, 2025 – May 31, 2028 (Microsoft has granted a 30-day grace period)

<b>Contract Cost:</b>	Year 1:	\$ 543,978.50
	Year 2:	\$ 543,978.50
	Year 3:	\$ 543,978.50
	Total Contract:	\$1,631,935.50

*NOTE: Factors influencing the increase in cost of this renewal are an increase in user licenses, two price increases by Microsoft over the last three years, and an increase in Windows Server licenses to support additional applications/services.*

**Funding Source:** MNAA O&M

**Committee Review:** The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

**Staff Recommendation:** Staff requests the Board of Commissioners to:

- 1) accept the renewal of the Microsoft Enterprise Agreement, and
- 2) authorize the Chair and President and CEO to execute the proposed contract with Insight for the total contract value of \$1,631,935.50.

- FY26 Commercial Insurance Policies Renewal, Finance

## Item for Approval

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Kristen Deuben, CPA, C.M.  
VP, Finance, Deputy CFO

**Background:**

- Current insurance policies are on a 7/1/24 – 7/1/25 cycle
- All policies will be renewed effective July 1, 2025
- Marsh negotiated with the incumbent carriers on select lines of coverage as they performed extensive marketing in the previous years

**Impact/Findings:**

- FY26 Renewal Not to Exceed (NTE) Value:
  - FY25 Total Policy Premiums Executed \$ 5,489,050
  - Projected Annual Premium Increase \$ 270,021 (+4.9%)
  - FY26 Total Proposed Policy Premiums \$ 5,759,071 NTE**
- FY26 proposed policy premiums are within the FY26 budgeted insurance amounts for BNA, JWN, and MPC

# FY26 Commercial Insurance Policies Renewal

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# FY26 Commercial Insurance Policies Renewal

## Key Reasons for 4.9% increase over FY25:

- **Property Insurance increased to \$3.9M (+1.0%)**
  - Total insured value of assets increased from \$3.0B to \$3.1B due to increase in replacement values on current assets; as well as the addition of the Concourse D Extension, which is offset by the demolition of Concourse A.
- **Aviation General Liability increase to \$270K (+6.3%)**
  - Projected 5% enplanement increase
  - Projected 11% revenue growth
- **Worker's Compensation increased to \$295K (+17.8%)**
  - Projected wages increased from \$50M to \$52M
  - Experience modification factor increased from 0.77 to 0.83 due to an increase in number and severity of claims
- **Cyber Liability/Network Security increased to \$207K (+36.6%)**
  - Increase in coverage from \$10M to \$15M

Committee Review: The Finance Committee voted 2 to 0 to recommend approval on June 11, 2025.

Staff Recommendation: Staff requests the Board of Commissioners to:

- 1) approve the FY26 commercial insurance policies renewal at a NTE amount of \$5,759,071, and
- 2) authorize the President and CEO to execute the FY26 policies through Marsh.





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

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Meeting Adjourned

# Staff Reports

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June 18, 2025

Provided for Information Only

# Operations Report

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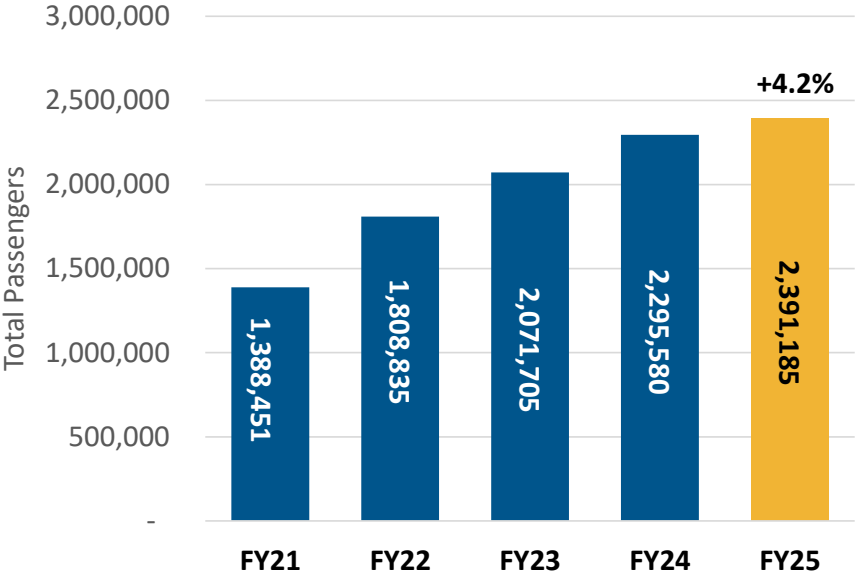
Adam Floyd, C.M.

SVP, Chief Operating Officer

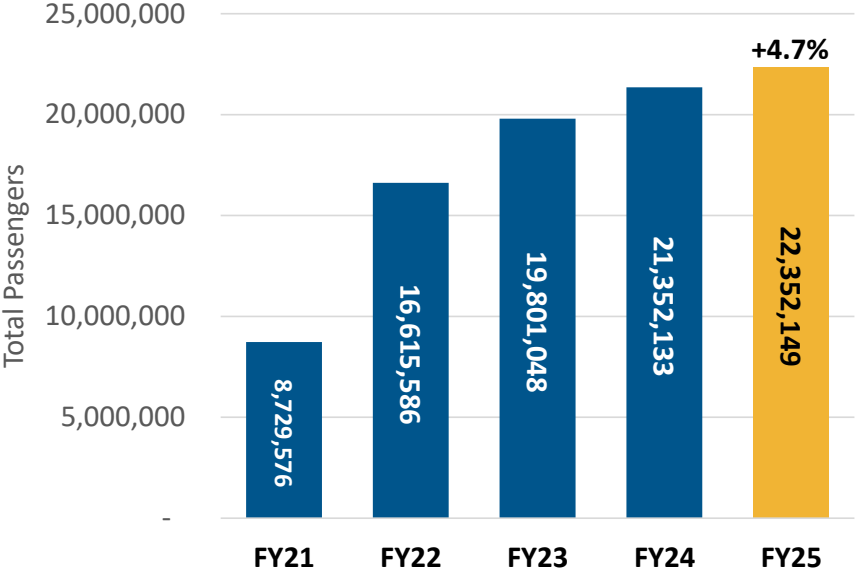


# BNA Total Passengers

### May

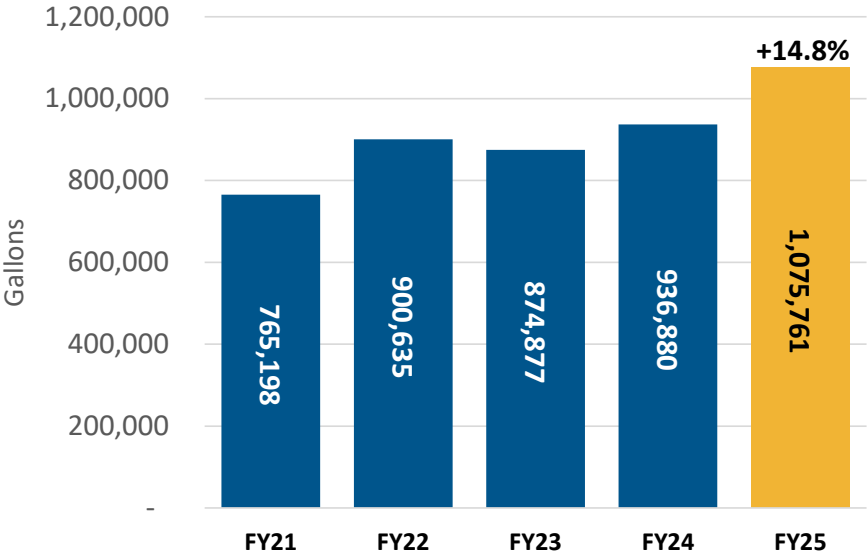


### May FYTD

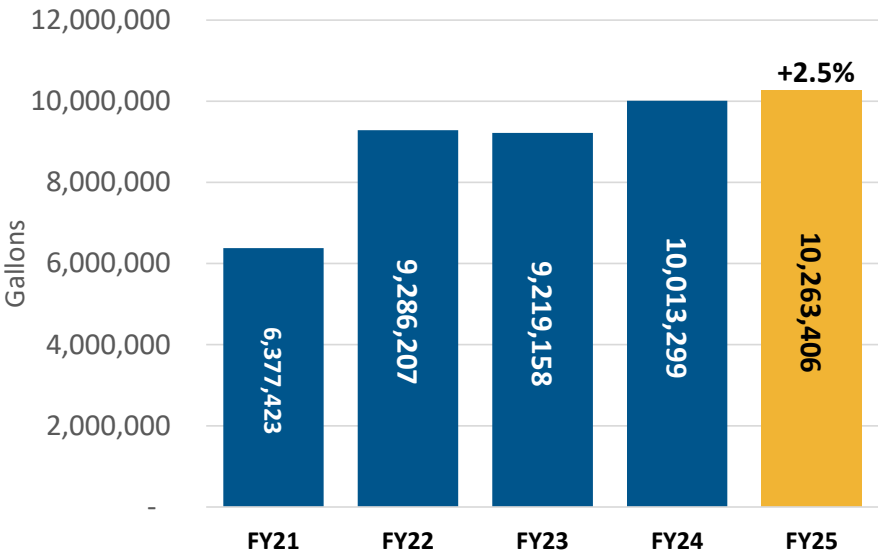


# BNA Fuel Sales (General Aviation)

### May

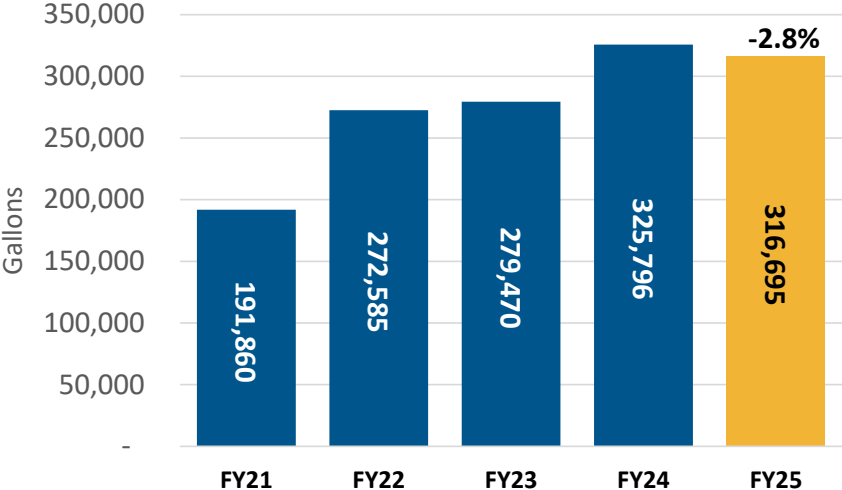


### May FYTD

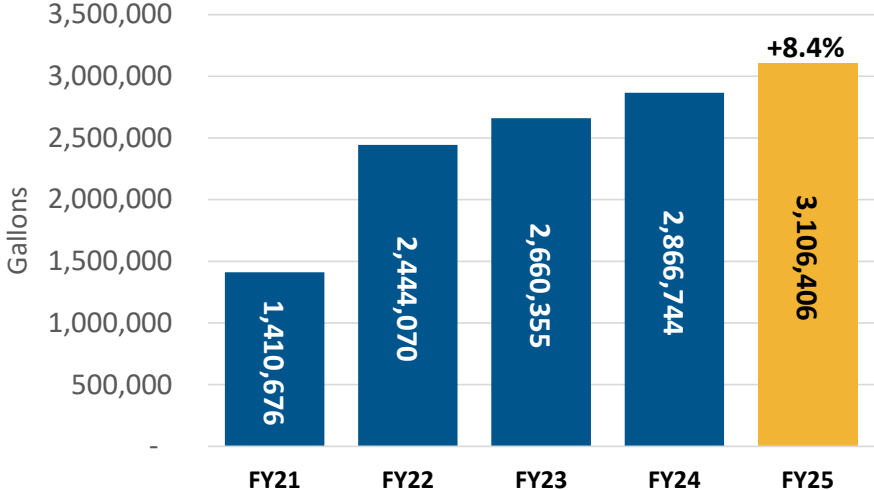


# JWN Fuel Sales

### May



### May FYTD



# Development Report

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

EVP, Chief Development Officer

# Vision 1.0 Program Budget Update: June 2025

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
<b>VISION PROJECTS</b>	\$ 1,215,553,716	\$ 1,215,553,716	\$ -	\$121,290,987 / \$0
Parking and Transportation Center	\$ 112,565,500	\$ 112,565,500	\$ -	\$5,100,000 / \$0
Concourse D & Terminal Wings	\$ 287,637,753	\$ 287,637,753	\$ -	\$33,964,557 / \$0
Garage C & Airport Administration Building	\$ 180,995,368	\$ 180,995,368	\$ -	\$20,341,202 / \$0
Garage B	\$ 88,418,300	\$ 88,418,300	\$ -	\$2,700,000 / \$0
Terminal Lobby & IAF	\$ 480,436,795	\$ 480,436,795		\$54,865,228 / \$0
Terminal Access Roadway Improvements Ph 1	\$ 65,500,000	\$ 65,500,000	\$ -	\$4,320,000 / \$0
<b>VISION ENABLING PROJECTS</b>	\$ 62,390,352	\$ 62,390,352	\$ -	\$1,408,000 / \$826,644
ART	\$ 5,112,550	\$ 5,112,550	\$ -	
<b>PROGRAM CONTINGENCY</b>	\$ 21,951,382	\$ 21,951,382	\$ -	
<b>Total</b>	\$ 1,305,008,001	\$ 1,305,008,000	\$ -	\$122,698,987 / \$826,644

**Total Contingency Remaining = \$21.95M program + \$827K project ~ \$22.8M**

# Vision 2.0 Program Budget Update: June 2025

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
<b>VISION 2.0 PROJECTS</b>	\$ 229,500,000	\$ 205,275,175	\$ 24,224,825	\$12,392,941 / \$1,440,000
Satellite Concourse	\$ 134,500,000	\$ 128,355,288	\$ 6,144,713	\$8,952,941 / \$0
Runway 2L/20R Extension EA/Preliminary Design/Property Acquisition	\$ 15,000,000	\$ 15,000,000	\$ -	\$0 / \$0
Concourse A Site Prep / Fill / EA	\$ 49,000,000	\$ 30,919,888	\$ 18,080,112	\$2,000,000 / \$0
Concourse A Ramp Paving	\$ 31,000,000	\$ 31,000,000	\$ -	\$1,440,000 / \$1,440,000
<b>PROGRAM CONTINGENCY</b>	\$ -	\$ 24,224,825	\$ (24,224,825)	
<b>Total</b>	\$ 229,500,000	\$ 229,500,000	\$ -	\$12,392,941 / \$1,440,000

**Total Contingency Remaining = \$24.2M program + \$1.4M project ~ \$25.6M**

# New Horizon I Program Budget Update: June 2025

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
New Horizon I Projects (Airside)	\$ 1,589,100,000	\$ 1,589,100,000	\$ -	\$140,350,615 / \$82,356,981
Baggage Handling System Improvements	\$ 243,000,000	\$ 243,000,000	\$ -	\$22,090,909 / \$4,417,525
Concourse D Extension	\$ 247,000,000	\$ 247,000,000	\$ -	\$26,138,432 / \$0
Concourse A Expansion	\$ 855,000,000	\$ 855,000,000	\$ -	\$77,939,456 / \$77,939,456
Central Ramp Expansion	\$ 244,100,000	\$ 244,100,000	\$ -	\$14,181,818 / \$0
ART	\$ 4,000,000	\$ 4,000,000	\$ -	
PROGRAM CONTINGENCY	\$ 26,900,000	\$ 26,900,000	\$ -	
<b>Total</b>	<b>\$ 1,620,000,000</b>	<b>\$ 1,620,000,000</b>	<b>\$ -</b>	<b>\$140,350,615 / \$82,356,981</b>

**Total Contingency Remaining = \$26.9M program + \$82.4M project ~ \$109.3M**

# New Horizon II Program Budget Update: June 2025

Project Name	Current Budget	Estimate at Completion (EAC)	Budget Variance	Project Contingency: Original/Balance
New Horizon II Projects (Landside)	\$ 1,269,000,000	\$ 1,269,000,000	\$ -	\$115,363,634 / \$115,363,634
Terminal Access Roadway Improvements (TARI)	\$300,000,000	\$ 300,000,000	\$ -	\$27,272,727 / \$27,272,727
Parking Garage (3,000 spaces)	\$310,000,000	\$ 310,000,000	\$ -	\$28,181,818 / \$28,181,818
Surface Parking (5,000 spaces)	\$95,000,000	\$ 95,000,000	\$ -	\$8,636,363 / \$8,636,363
CONRAC (4,700 spaces)	\$564,000,000	\$ 564,000,000	\$ -	\$51,272,726 / \$51,272,726
ART	\$3,500,000	\$ 3,500,000	\$ -	
PROGRAM CONTINGENCY	\$65,000,000	\$ 65,000,000	\$ -	
<b>Total</b>	<b>\$ 1,337,500,000</b>	<b>\$ 1,337,500,000</b>	<b>\$ -</b>	<b>\$115,363,634 / \$115,363,634</b>

**Total Contingency Remaining = \$65M program + \$115.4M project ~ \$180.4M**



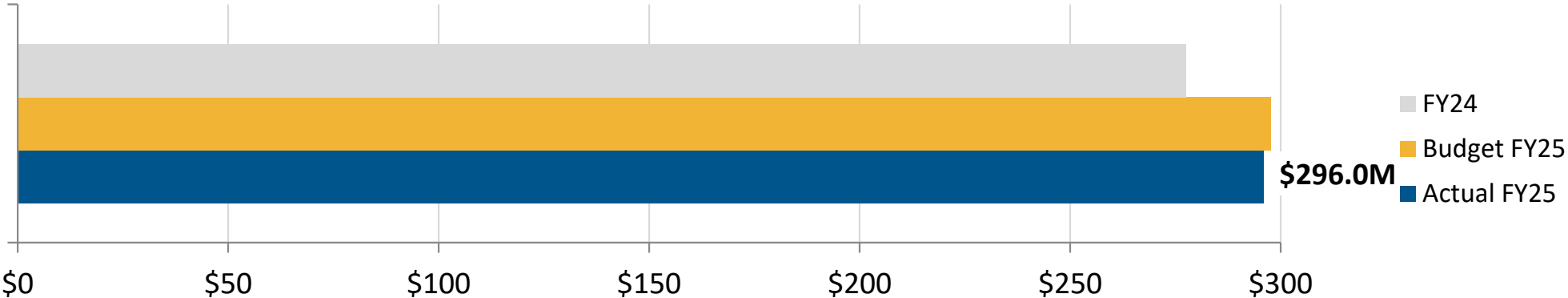
# Finance Report

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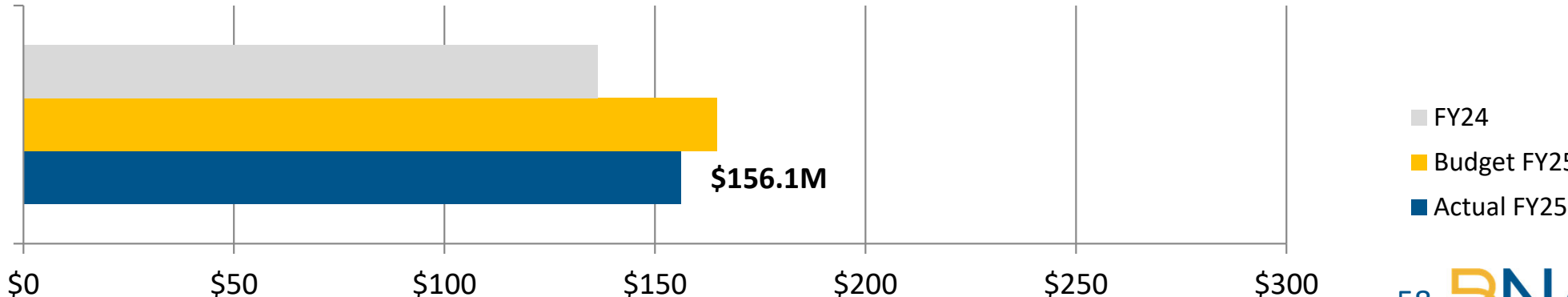
Marge Basrai, CPA, CGMA, CM  
EVP, Chief Financial Officer

# BNA – Revenues and Expenses YTD May 2025

### Operating Revenues (\$ millions)

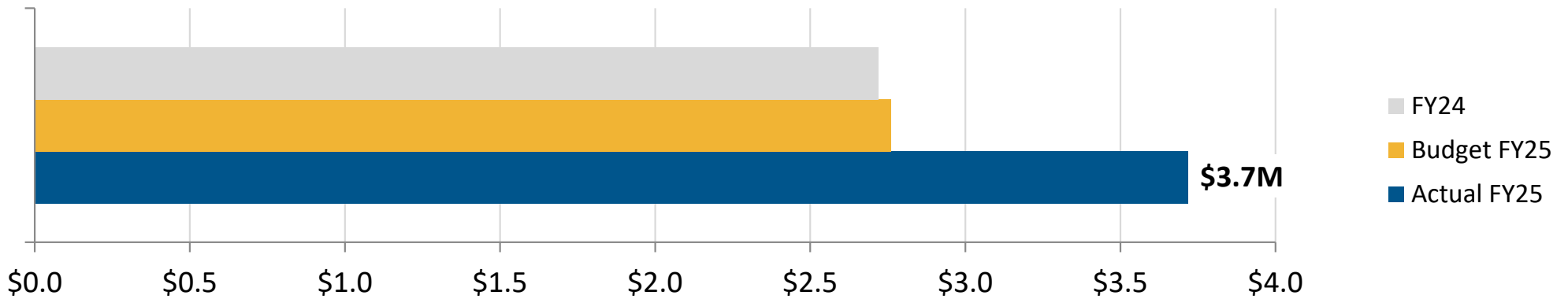


### Operating Expenses (\$ millions)

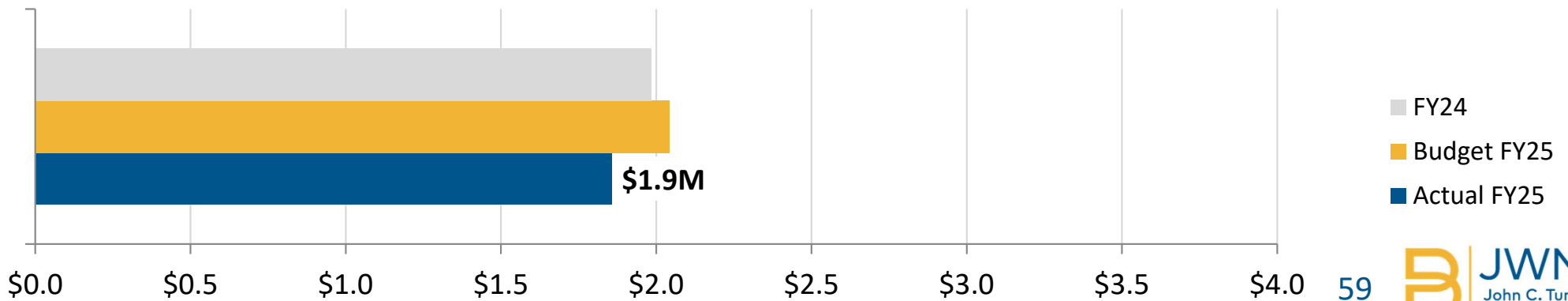


# JWN – Revenues and Expenses YTD May 2025

## Operating Revenues (\$ millions)

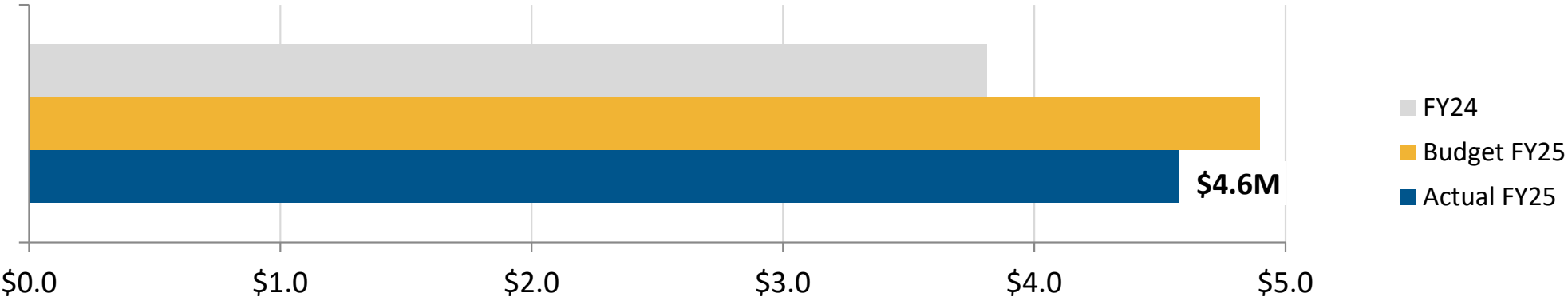


## Operating Expenses (\$ millions)

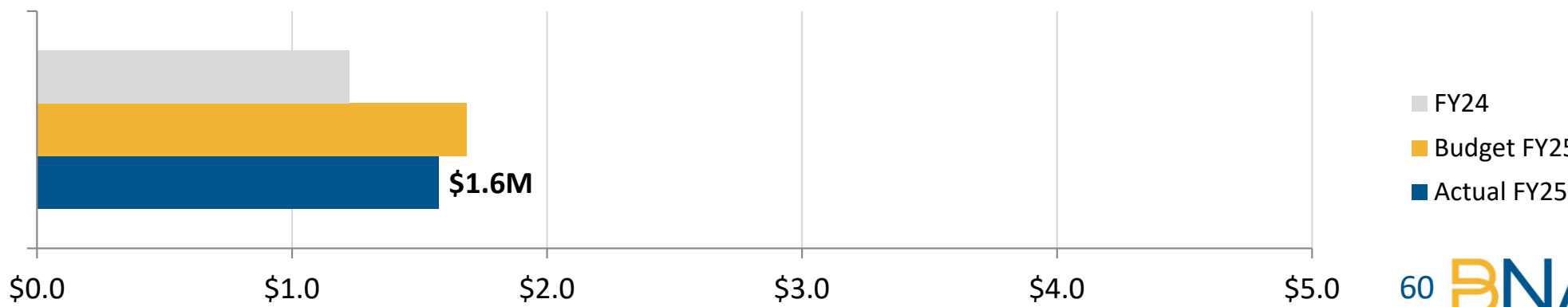


# MPC – Revenues and Expenses YTD May 2025

### Operating Revenues (\$ millions)



### Operating Expenses (\$ millions)



# Commercial Development Report

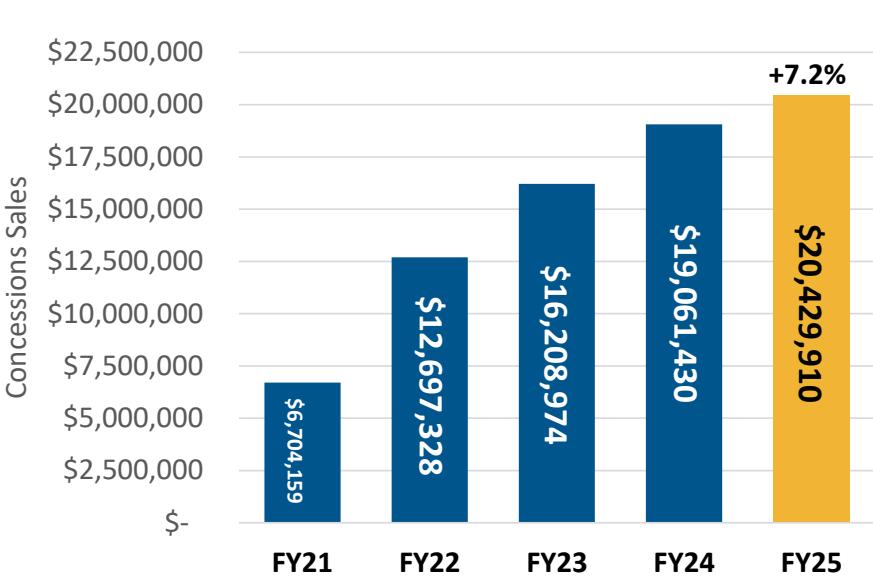
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Eric Johnson, CCIM, CM

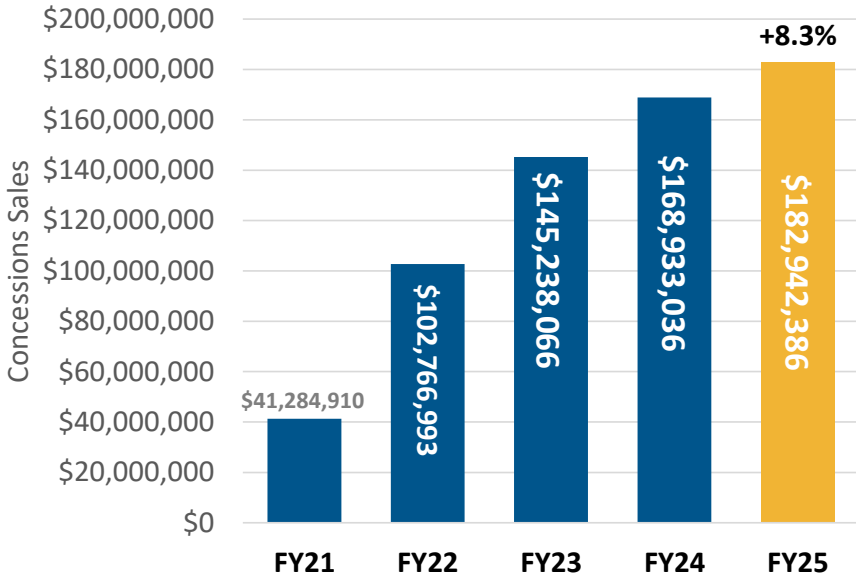
SVP, Chief Revenue Officer

# Concession Sales

May



May FYTD



Sales per Enplaned Passenger

May 2024: \$16.46

May 2025: \$16.88

\*Includes Fraport & Paradis