



Joint Meeting of the MNAA and MPC Finance Committee

October 8, 2025

BNA®

Call to Order

October 8, 2025

Public Comment

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

MNAA Policy ID: 33-007, Public Comment Policy, effective September 8, 2025

No Public Comment Requests Received by Monday, October 6, 2025, 9:00 am

Approval of Minutes

Joint Meeting of the MNAA & MPC Finance Committee

September 10, 2025

Chair's Report

Andrew Byrd

Finance Committee Chair

Items for Approval

October 8, 2025

- Purchase of Body-Worn and In-Car Cameras

Item for Approval

Alan Keene, C.M.

Captain, Department of Public Safety

Purchase of Body-Worn and In-Car Cameras

Project Description: Currently, DPS has both dash cameras (in each patrol car) and Body-Worn Cameras (BWC) issued to each officer. The current technology in use is nearing the end of life and as a result it is time to replace/upgrade this equipment.

Contractor: Motorola Solutions / WatchGuard

Total Contract Cost:	Year 1	\$287,576
	Year 2	\$119,137
	Year 3	\$119,137
	Year 4	\$119,137
	Year 5	\$119,137
	Total	\$764,124



Schedule: Implement January 2026

Funding Sources:



- 38% Seizure Funded (year 1)
- 62% I.T. O&M Budgeted (Years 2-5)

Staff Recommendation: Finance Committee recommend to the Board of Commissioners that it:

- 1) Accept the proposal to implement the Motorola Solutions Body-Worn Camera option to update/replace existing BWCs and video equipment, and
- 2) Authorize amendment to the FY26 BNA Capital Improvement Plan (CIP) for Year 1 costs of \$287,576, and
- 3) Authorize the President & CEO to execute the purchase for \$765,000 NTE.

- 11th Amendment to Fraport Lease & Concession Agreement

Item for Approval

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

11th Amendment to Fraport Lease and Concession Agreement

Background:

- MNAA has a Lease and Concession Agreement (Agreement) with Fraport Nashville, LLC to develop and operate a concessions program, including food and beverage, services and retail and vending offerings in the main terminal.
- The agreement has a term of ten years expiring January 31, 2029, with two 5-year options to extend the agreement beyond 2029, should the Authority choose to do so.
- The 11th amendment, if approved, authorizes Fraport to develop and manage the new concession locations on Concourse A and grants Fraport the first 5-year extension on the entire program extending the contract expiration date to January 31, 2034.

11th Amendment to Fraport Lease and Concession Agreement

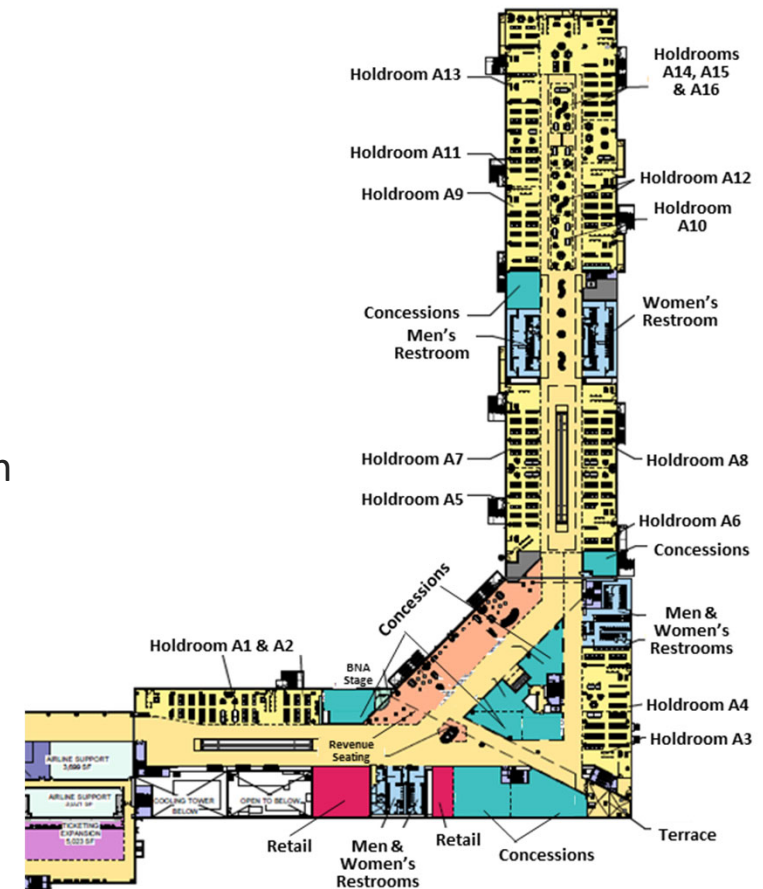
Key Terms:

- 1) Exercises the first 5-year option to renew extending the agreement to January 31, 2034, without a capital investment
- 2) Gives Fraport development rights to the 8 concessions locations in the new Concourse A that are scheduled to open on July 11, 2028
- 3) Increases the revenue split to MNAA from 70% rent to 85% rent from January 1, 2029, through the remainder of the term on the entire program
- 4) Removes 15% limitation on ownership
- 5) Changes the amount of area the Authority can reduce the concessions locations from 50% to 20% before contractor has a termination right
- 7) Provides two Authority voting members on the committee to select concepts/subleases.
- 8) Provides Fraport the option to replace the Letter of Credit with a Surety Bond as of April 1, 2029
- 9) Grants 5-day cure period should Fraport fail to punctually pay Rent or other payments due, or fail to comply with insurance requirements
- 10) Amends Exhibit G (locations, concepts, performance dates, contract penalties)

11th Amendment to Fraport Lease and Concession Agreement

Staff Recommendation:

- Staff requests the Finance Committee recommend to the Board of Commissioners that it:
 - Approve amending the term that requires additional capital investment to exercise the first 5-year option; and
 - Approve the terms negotiated for the first 5-year option; and
 - Authorize the Chair and President & CEO to execute the Eleventh Amendment to the Lease and Concession Agreement with Fraport, consistent with these terms, extending the Term of the Agreement through January 31, 2034.



- 1st Amendment to Lease Agreement between MNAA & Metro Government for Luton Center
- 1st Amendment for Construction Term Extension and Leasehold Adjustment for HCA
- 1st Amendment for Construction Term Extension and Leasehold Adjustment for SFA

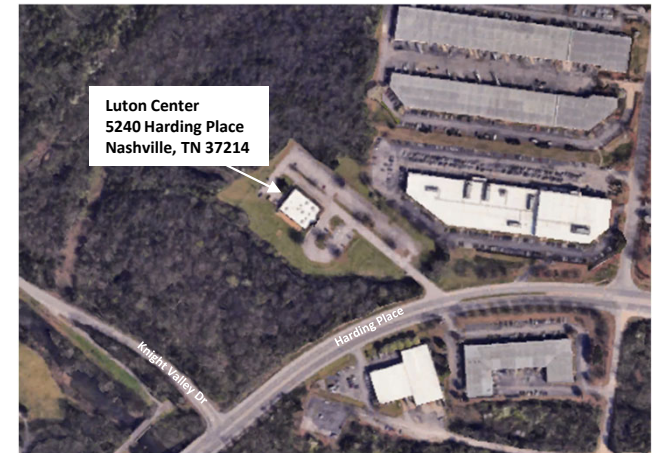
Items for Approval

Roman Keselman, MBA, C.M.
AVP, Real Estate

1st Amendment to Lease Agreement between MNAA & Metro Government for Luton Center

Background:

- On November 6, 2019, a lease was approved between MNAA and Metro Government by Ordinance BI2019-9 for 5240 Harding Place, Nashville, TN (Luton Center)
 - 2.76 acres
 - 11,100 sq ft building
 - Term: 5 years with two 1-year renewal options
- The Lessee exercised the first renewal option
- Lessee informed MNAA they will exercise their second renewal option
 - November 1, 2025 – October 31, 2026
 - \$13,578.16/month (\$162,937.92 annual)
- Lessee requested three more 1-year renewal options, and informed MNAA they are starting a search for a new facility



1st Amendment to Lease Agreement between MNAA & Metro Government for Luton Center

Impact/Findings:

- The initial lease was for 5 years, with two 1-year renewal options (7 years). The 1st Amendment provides three additional 1-year renewal options (10 years total), extending the term up to October 31, 2029
- The rental rate will have a Fair Market Value adjustment in Year 8 (Renewal Year 1), and will be escalated 3% in Years 9 and 10 (Renewal Years 2 and 3), as per the terms of the lease
 - Year 8: November 1, 2026 – October 31, 2027
 - Year 9: November 1, 2027 – October 31, 2028
 - Year 10: November 1, 2028 – October 31, 2029
 - Year 8 – 10 total if all 3 renewals exercised: Estimated \$503,586.08

Staff Recommendation

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) accept the 1st Amendment to the lease agreement between the Lessee and the Authority, granting Lessee three additional lease renewal options, and
- 2) authorize the Chair and President and CEO to execute the 1st Amendment.

1st Amendment for Construction Term Extension & Leasehold Adjustment for HCA Management Services (HCA)

Background:

- On December 20, 2023, the Board approved the lease terms between MNAA and HCA.
- On January 15, 2024, the lease was executed, which included 111,792 sq. ft. of unimproved land at BNA Westside.
- The lease required HCA to complete improvements within 18 months, concluding on July 15, 2025.
- On August 1, 2024, the survey was updated and determined the actual square footage of the leased premises to be 111,551 sq ft.
- Due to issues pertaining to their design and permit submissions, HCA has only begun construction in September 2024 and therefore did not have improvements complete by July 15, 2025.

Impact/Findings:

- This Amendment will update the leasehold to 111,551 sq. ft, effective October 1, 2025, and will grant HCA 12 months to complete all proposed construction.
- This amendment will impact fuel flowage fees and rental income due to the hangar becoming operational later than expected and the rentable square footage decreasing by 241 square feet, respectively.
 - Initial 18-month construction period (January 2024 – July 2025) revenue was \$406,475
 - Year 1 of lease term (July 2025 – June 2026) revenue will be \$279,274
 - 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

1st Amendment for Construction Term Extension & Leasehold Adjustment for HCA Management Services (HCA)

Amendment Terms:

- As of the amendment execution date, Tenant will be granted 12 months to complete all proposed construction.
 - The 12-month extension includes contractual milestones.
 1. Five months to complete site work.
 2. Two months to complete hangar framing.
 3. Five months to complete hangar interior finishes and apron work.
- If milestones 1 or 2 are missed, there will be contract penalties of \$150/day until the contractual milestone is complete.
- If milestone 3 is missed, MNAA, in its sole discretion, will exercise remedies entitled to it in the executed lease, as amended.
- If the hangar is not complete after the 12-month extension, 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.
- The 12-month extension does not extend the lease term.
 - Initial Term: 30 years + 18 months
 - Renewal Option: 5 years
 - Total Potential Term: 36.5 years

Staff Recommendation

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) accept the 1st Amendment to the lease agreement between MNAA and HCA, adjusting the leasehold square footage and extending the Construction Term, and
- 2) authorize Chair and President and CEO to execute the 1st Amendment.



1st Amendment for Construction Term Extension & Leasehold Adjustment for HCA

1st Amendment for Construction Term Extension & Leasehold Adjustment for SF Aviation (SFA)

Background:

- On December 20, 2023, the Board approved the lease terms between MNAA and SFA.
- On January 15, 2024, the lease was executed, which included 129,0022 sq. ft. of unimproved land and an easement agreement for 14,092 sq. ft. at BNA Westside.
- The lease required SFA to complete improvements within 18 months, concluding on July 15, 2025.
- On August 1, 2024, the survey was updated and determined the actual square footage of the leased premises to be 128,590 sq ft. and the actual square footage of the easement to be 14,119 sq. ft.
- Due to issues pertaining to their design and permit submissions and difficulties relating to sitework and utilities, SFA has only begun construction in September 2024 and therefore did not have improvements complete by July 15, 2025.

Impact/Findings:

- This Amendment will update the leasehold to 128,590 sq. ft, and the easement to 14,119 sq. ft., effective October 1, 2025, and will grant SFA 12 months to complete all proposed construction.
- This amendment will impact fuel flowage fees and rental income due to the hangar becoming operational later than expected and the rentable square footage decreasing by 432 sq. ft. and increasing the easement square footage by 27 sq. ft., respectively.
 - Initial 18-month construction period (January 2024 – July 2025) revenue was \$479,799
 - Year 1 of lease term (July 2025 – June 2026) revenue will be \$329,370
 - 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

1st Amendment for Construction Term Extension & Leasehold Adjustment for SF Aviation (SFA)

Amendment Terms:

- As of the amendment execution date, Tenant will be granted 12 months to complete all proposed construction.
 - The 12-month extension includes contractual milestones.
 1. Five months to complete site work.
 2. Two months to complete hangar framing.
 3. Five months to complete hangar interior finishes and apron work.
- If milestones 1 or 2 are missed, there will be contract penalties of \$150/day until the contractual milestone is complete.
- If milestone 3 is missed, MNAA, in its sole discretion, will exercise remedies entitled to it in the executed lease, as amended.
- If the hangar is not complete after the 12-month extension, the executed lease includes the following;
 - Invest \$9M by the Construction Deadline, or pay the difference between \$9M and the amount spent, not to exceed 25% soft costs, and
 - Complete the improvements unless otherwise approved in writing by the Authority.
- The 12-month extension does not extend the lease term.
 - Initial Term: 30 years + 18 months
 - Renewal Option: 5 years
 - Total Potential Term: 36.5 years

Staff Recommendation

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) accept the 1st Amendment to the lease agreement between MNAA and SFA, adjusting the leasehold square footage and extending the Construction Term, and
- 2) authorize Chair and President and CEO to execute the 1st Amendment.



1st Amendment for Construction Term Extension & Leasehold Adjustment for SFA

- Senior Airport Revenue Bonds, Series 2026
 - 2025-15 Initial Resolution
 - 2025-16 Twenty-Second Supplemental Resolution
 - 2025-17 Authorizing Resolution
 - 2025-18 Official Intent Resolution

Items for Approval

Marge Basrai, CPA, CGMA, C.M.
EVP, Chief Financial Officer

- Lauren Lowe, PFM
- Cory Czyzewski, BofA Securities, Inc.
- Cindy Barnett, Adams & Reese

Introductions

- Bond Financing Team members

Senior Airport Revenue Bonds, Series 2026

Background:

- MNAA has been drawing on the Note Purchase Agreement (NPA) with Bank of America, N.A. until the draws can be refinanced with long-term revenue bonds – expected early 2026.
- Bond Financing Team has been meeting to determine debt security and debt structure as well as prepare the feasibility report, rating agency presentations, and a Preliminary Official Statement.

Bond Team	
Municipal Advisor	PFM Financial Advisors LLC
Feasibility Consultant	Landrum & Brown
Senior Underwriter (U/W)	BofA Securities, Inc.
Co-Managing U/W	FHN Financial Capital Market; Jeffries; J.P. Morgan Securities; Loop Capital; Samuel A. Ramirez & Co.; Siebert, Williams, & Shank
Bond Counsel	Hawkins Delafield & Wood LLP
Disclosure Counsel	Kutak Rock LLP
Issuer's Counsel	Adams & Reese LLP
Underwriters' Counsel	Squire Patton Boggs LLP

Senior Airport Revenue Bonds, Series 2026

Security for Bonds:

- MNAA current outstanding bonds are secured by net airport revenues on two liens:
 - Senior Lien: coverage requirement of 1.25x debt service (\$770.5M)
 - Subordinate Lien: coverage requirement of 1.10x debt service (\$908.7M)
- 2026 bonds will be on the senior lien:
 - Subordinate lien is used to preserve bonding capacity on the senior lien in the future for a time of higher interest rates and wider credit spreads.
 - 2019 bonds issued on subordinate lien; 2022 bonds issued on senior lien
 - Currently still in elevated interest rate environment with wider credit spreads, so senior lien is preferred (subordinate lien creates a higher cost to the issuer)

Senior Airport Revenue Bonds, Series 2026

Debt Structure:

- Fixed rate bonds, at a level debt service structure, with a final maturity date of 2056 (30-year term)
- Due to market volatility (investor demand is more uncertain), MNAA needs to maintain flexibility on structure through the day of pricing. Alternate amortization structures being considered:
 - 1) Final maturity of up to 35 years
 - Result in lower annual debt service requirements since spread out longer
 - 2) Debt service that is not substantially level or declining
 - If demand for longer-dated maturities are strong, “wrap” Series 2026 bonds around outstanding debt service
 - 3) Deferring initial principal payment
 - If demand for early maturities are light, could defer initial principal payment on 2026 bonds

Senior Airport Revenue Bonds, Series 2026

Balloon Indebtedness:

- Tennessee Code Section 9-21-134 defines Balloon Indebtedness as debt with a final maturity date of 31 or more years or debt that does not have substantially level or declining debt payments
- If proposing to issue balloon indebtedness, local governments must request approval from the Comptroller of the Treasury
- The current planned debt structure for our 2026 Bonds is not considered Balloon Indebtedness; however, the alternate structures being modeled are
- Structure for the 2019 Bonds was considered balloon indebtedness as they were issued with a 35-year maturity and with a principal repayment structure that “wrapped” around current debt
- Structure for the 2022 Bonds was not considered balloon indebtedness
- On 9/12/25, MNAA and PFM submitted a Plan of Balloon Indebtedness to the Office of the Comptroller of the Treasury. On 9/22/25, MNAA received the approval letter.

Senior Airport Revenue Bonds, Series 2026

Plan of Refunding:

- The Bond team has identified the opportunity to refund the Authority's outstanding 2015AB Bonds (~ \$166M) if market conditions remain stable
- Aggregate Present Value Savings is \$6.7M-\$6.9M, or 4.06%-4.18% of Refunded Par Amount
- On 9/12/25, MNAA and PFM submitted a Plan of Refunding to the Office of the Comptroller of the Treasury. On 9/23/25, MNAA received the letter acknowledging receipt of the Plan.
- If it remains economical, the Bond team will include refinancing the 2015AB Bonds as part of the issuance of the 2026 Bonds
- The refunding is not part of the Balloon Indebtedness, as the average life of the debt will not be extended

Senior Airport Revenue Bonds, Series 2026

Total Authorization - \$2.17 billion

I. Debt Authorization – Not to Exceed:

- Authorize the issuance of not to exceed \$1.77 billion Series 2026 Bonds:

Project Fund Deposit and NPA Paydown	\$	1,000,000,000
Debt Service Reserve Deposit		120,000,000
Capitalized Interest		130,000,000
Cost of Issuance (COI)		6,000,000
Total Anticipated Bond Proceeds		1,256,000,000
Allowance for Potential Bond Upsizing		244,000,000
Total Bond Proceeds with Upsizing		1,500,000,000
Potential to use Bond Funds at JWN		100,000,000
Refinancing of 2015AB Bonds + COI		170,000,000
Not-to-Exceed Amount	\$	1,770,000,000

II. Note Purchase Agreement (NPA) Reauthorization:

- Authorize issuance of an additional \$400 million borrowing under the NPA with Bank of America

Senior Airport Revenue Bonds, Series 2026

There are four resolutions related to the authorization of the issuance of the Series 2026 Bonds:

- MNAA Resolution No. 2025-15, Initial Resolution pertaining to the issuance of long-term revenue bonds (\$1.77 billion) and additional issuance under the NPA (\$400 million) to finance a portion of the Authority's capital improvement program.
- MNAA Resolution No. 2025-16, Twenty-Second Supplemental Resolution, authorizes the issuance of not to exceed \$1.77 billion of senior airport revenue bonds, Series 2026, and setting forth the parameters for the issuance of such Series 2026 Bonds, and authorizing the execution and delivery of preliminary and final official statements and a bond purchase agreement between the Authority and the underwriters in connection with the sale.
- MNAA Resolution No. 2025-17, Authorizing Resolution, pertaining to the NPA to finance a portion of the Authority's capital improvement program up to \$400 million.
- MNAA Resolution No. 2025-18, Official Intent Resolution, pertaining to an issuance of senior airport revenue bonds to finance a portion of the cost of the Authority's capital improvement program (\$2.17 billion) and directing the Authority to publish a notice of public hearing to conduct such hearing in compliance with the United States Internal Revenue Code.

Staff Recommendation:

Staff requests the Finance Committee recommend to the Board of Commissioners that it approve the following resolutions:

- 1) MNAA Resolution No. 2025-15, Initial Resolution
- 2) MNAA Resolution No. 2025-16, Twenty-Second Supplemental Resolution
- 3) MNAA Resolution No. 2025-17, Authorizing Resolution
- 4) MNAA Resolution No. 2025-18, Official Intent Resolution

Senior Airport Revenue Bonds, Series 2026

Information Items

October 8, 2025 - None



Joint Meeting of the MNAA and MPC Finance Committee

Meeting Adjourned