



Joint Meeting of the MNAA and MPC Finance Committee

February 11, 2026

Call to Order

February 11, 2026

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, February 9, 2026, 9:00 am

Approval of Minutes

Joint Meeting of the MNAA & MPC Finance Committee

December 10, 2025

Chair's Report

Andrew Byrd

Finance Committee Chair

Items for Approval

February 11, 2026

- The Boring Company License Terms

Item for Approval

Douglas E. Kreulen, A.A.E.
President and CEO

Key License Terms:

- **License Term:** 40 years with two 5-year options effective upon license execution
- **License Fee:** \$300,000, which escalates annually; \$150,000 fixed license fee commences with construction of above-ground improvements, excluding egress shafts & hatches, prorated in year 1; \$150,000 performance license fee payable by \$0.25 cent per ride fee, with catch-up payment each year beginning after year 2, if per ride fee is not sufficient
- **Operating Fee:** \$5.00 pick-up and \$5.00 drop-off; Subject to adjustment
- **Project Reimbursement:** \$600,000; Payment of \$50,000 at execution, \$50,000 on earlier of commencement of operations or certificate of occupancy, and \$500,000 by \$0.25 cent fee.
- **TBC Responsibilities:**
 - Obtaining all necessary permits, including environmental, and compliance with MNAA's AIR process
 - Design and construction must not negatively impact current or proposed future development of the airport
 - All construction, operational, and maintenance costs, taxes (or payments-in-lieu of taxes) and utilities
 - Complete property condition & pavement condition assessments every 5 years
 - Only vehicles owned and operated by TBC permitted to operate on premises.

The Boring Company License Terms

Project Description: TBC construction of:

- Underground tunnels
- Entry and exit portals
- Roadway connections
- Passenger loop station
- Horizontal egress tunnels and hatches
- Potential connection to a future Terminal II

Property Description:

- 434,261 sq ft subsurface space
- 499,048 sq ft surface space
- Reference Exhibits A – E

Impact:

- License Fee Collected over 50-years (3% escalation): ~ \$34 million
- Operating Fee Collected over 50-years (3% growth): ~ \$309 million (conservatively estimated at current \$5 pick up, \$5 drop off)

Benefits to MNAA:

- Zero capital investment by the Airport Authority
- Construction, Operations & Maintenance costs of tunnel system to be paid by TBC
- Reduces the number of vehicles traveling on airport authority roadway - possibly by millions of vehicles per year
- Provides travelers with another transportation option to/from downtown Nashville (or other locations if system expanded to full potential)
- Supports MNAA growth to 40M passengers at Terminal I, and secures future expansion to Terminal II and growth to 70M passengers
- Reimburses MNAA for \$600,000 in expenses, i.e., legal, engineering, administrative
- Allows MNAA to generate the additional revenue needed to secure current & future MNAA debt further securing our financial strength

The Boring Company License Terms

Staff Recommendation:

- Finance Committee recommend to the Board of Commissioners that it:
 - Accept the terms negotiated between MNAA and The Boring Company (TBC) via Letter of Intent; and
 - Authorize the Chair and President and CEO to execute a license agreement with TBC

Information Items

February 11, 2026

- Quarterly Retirement/OPEB/Treasury Investment Reports
- TN State Reports (2026 Bond Issuance)

Information Items

Kristy Bork, CPA, A.A.E.
VP, Finance

Retirement Plan

- **FY26-Q2 Market Value: \$91.0M (+\$0.3M)**
- Gross Return
 - FY26 Q2: 1.95%
Net of fees 1.90%; Composite benchmark 2.05%
 - FY26 YTD: 6.13%
Net of fees 6.02%; Composite benchmark 6.98%

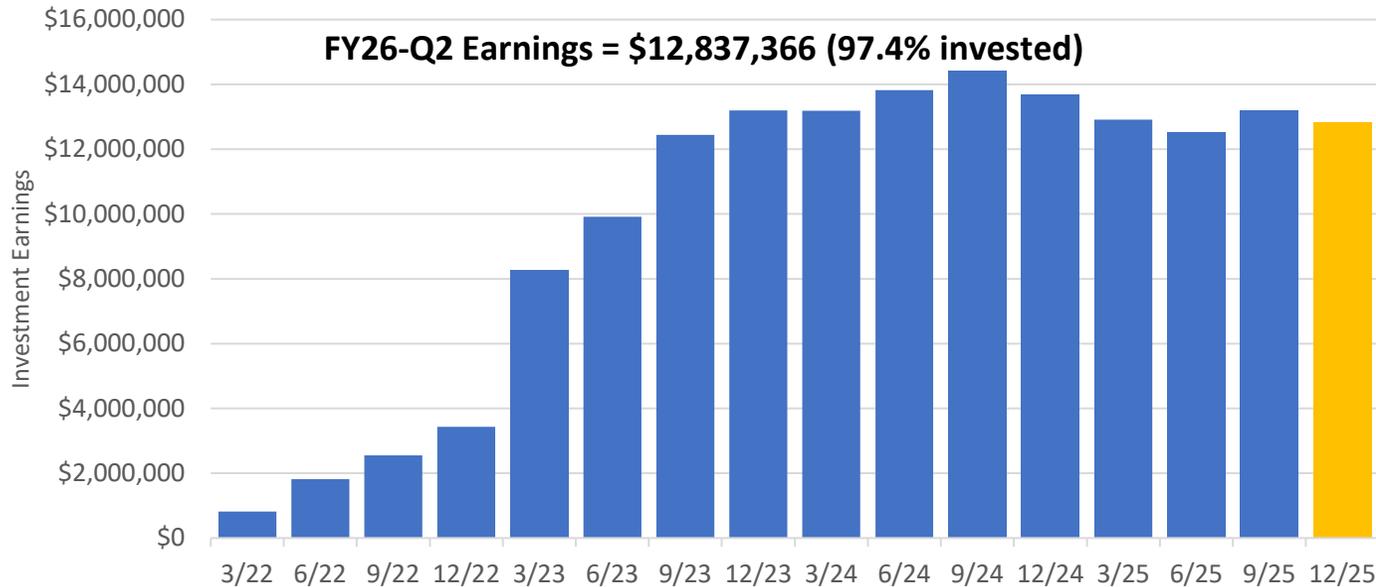
OPEB

- **FY26-Q2 Market Value \$48.6M (+\$0.7M)**
- Gross Return
 - FY26 Q2: 1.94%
Net of fees 1.89%; Composite benchmark 2.05%
 - FY26 YTD: 6.12%
Net of fees 6.01%; Composite benchmark 6.98%

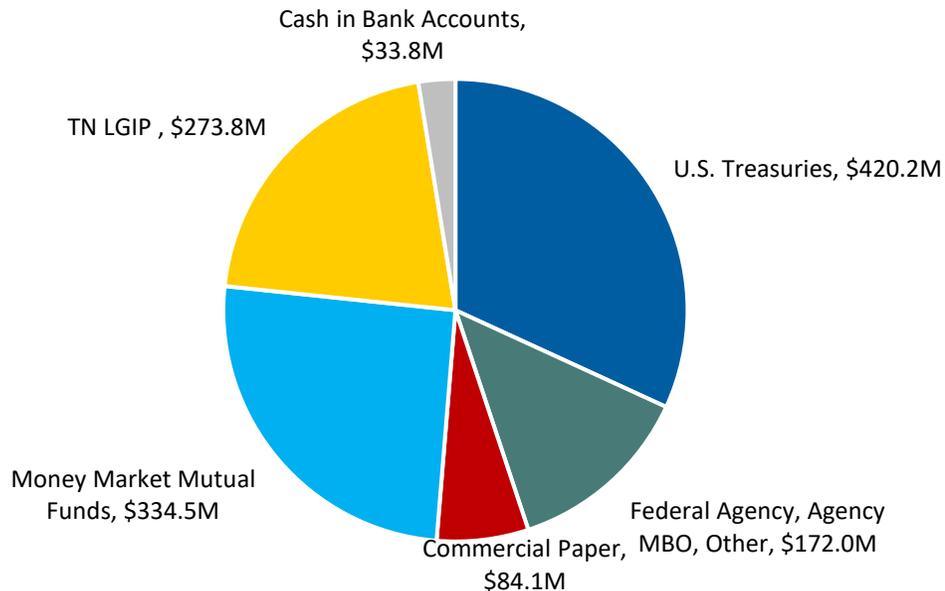
Quarterly Retirement/ OPEB Investment Report

Quarter ending December 31, 2025

Investment Earnings and % Invested



Investment Accounts



Quarterly Treasury Investment Report

Quarter ending December 31, 2025

- Total available funds: \$1.318B
- Funds invested: 97.4%
- Investment portfolio in compliance and meeting policy objectives
- 2Q26 combined yield: 3.48%
- Total cash & investment earnings
 - 2Q26: \$12,837,366
 - 2Q25: \$13,184,584
 - 2Q26 had \$46M more available funds than 1Q26
 - Fed lowered the target rate by 50bps during this quarter

- Included in your Finance Committee packet are four State Reports on Debt Obligations (CT-0253) that were filed on February 4, 2026:
 - 2026A Non-AMT Bonds (\$459.8M)
 - 2026B AMT Bonds (\$661.8M)
 - 2026C Non-AMT Refunding Bonds (\$65.9M)
 - 2026D AMT Refunding Bonds (\$79.9M)
- This is required to be shared with the Board per State statute (TCA 9-21-134)

TN State Reports

- 2026 Bond Issuance - \$1.27B

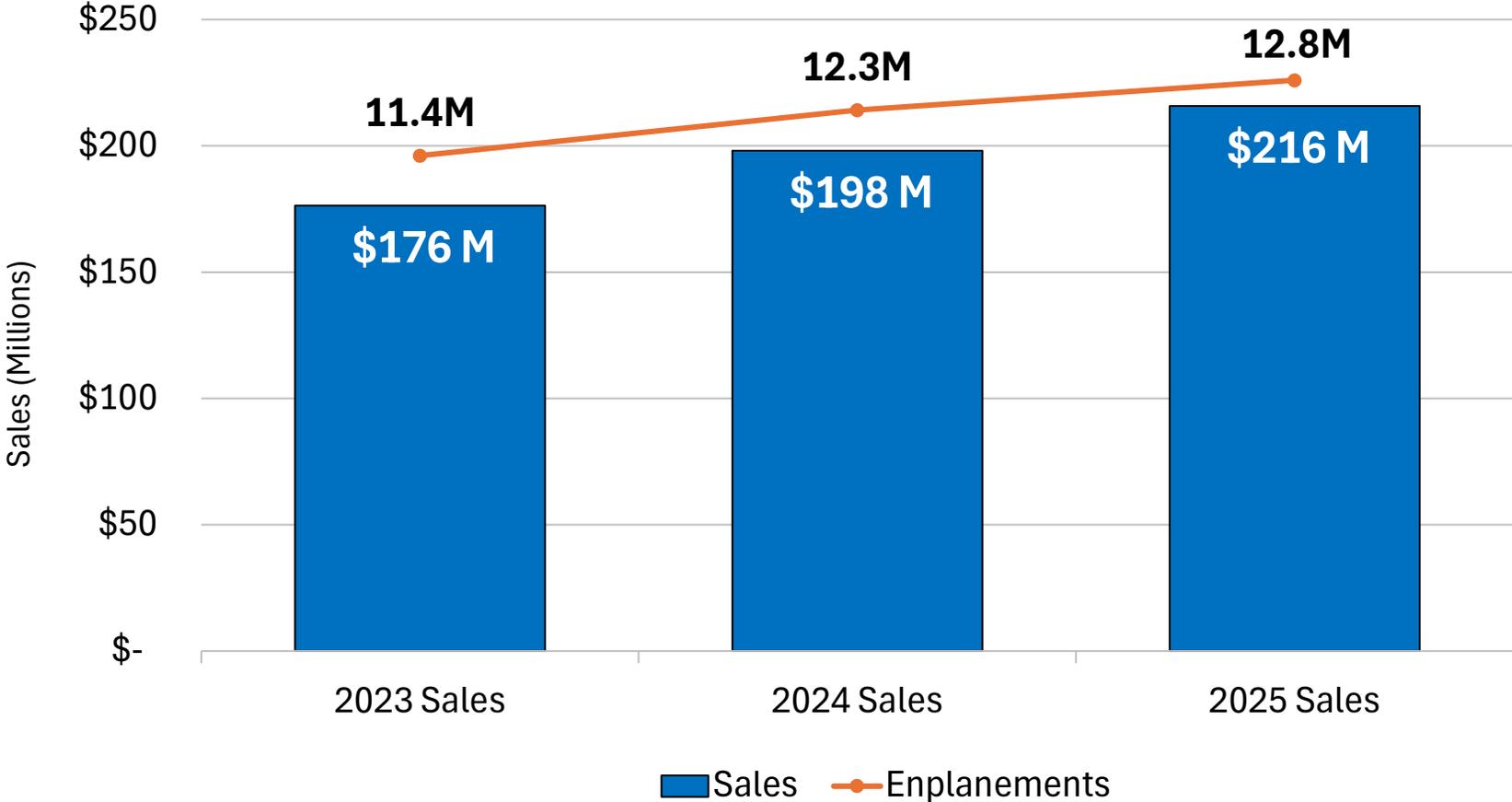
- BNA Concessions Program Update
 - 2025 Sales Report Concessions
 - Top Performing Units
 - 2025 Sales Report Rental Car
 - 2025 Sales Report Advertising
 - Concourse A Update

Information Item

Lisa Leyva
VP, Concessions

2025 Year End Sales are up 8.96% over 2024 (Enplanements were up 4.61%)

January – December 2025 Concession Sales & Enplanements



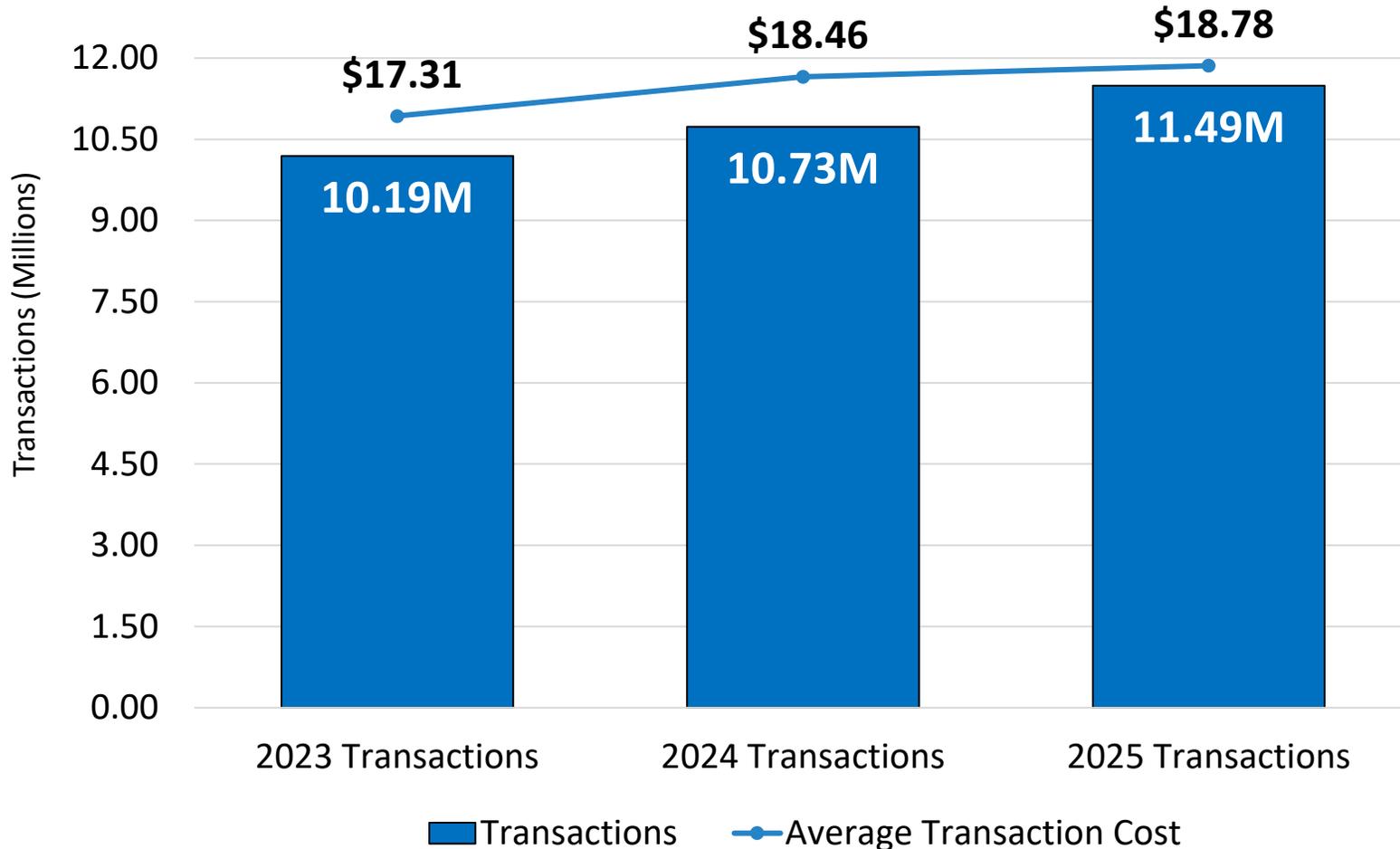
2025 Year End Concession Sales

- Fraport:
- Sales: \$207.9M
 - Sales/Enplanement: \$16.19
 - Yr / Yr Sales Change: 9.56%

- Paradies (Satellite Concourse):
- Sales: \$7.8M
 - Sales/Enplanement: \$7.75
 - Yr / Yr Sales Change: - 4.88%

2025 Year End Transactions are up 7% over 2024

January - December 2025 Concessions Transactions



2025 Year End Concession Transactions

Food & Beverage:

- Transactions: 7.45M
- Average Transaction Cost: \$19.02
- Yr / Yr Sales Change: 25%

Retail:

- Sales: 4.05M
- Average Transaction Cost : \$18.33
- Yr / Yr Sales Change: - 15.3%

Food & Beverage Top 3

- Ole Red
- Tootsies
- The Titans Press Box

Coffee Top 3

- Starbucks
- 8th & Roast (CT)
- 8th & Roast (D)

News & Gift Top 3

- Evolve by Hudson
- TN Trading Post
- West End News

Specialty Retail Top 3

- Whiskey Trail Head
- True to TN (C)
- The Opry Shop

2025 Top Performing Units

Top 3 Overall

1. Ole Red: \$871K/month
2. Evolve by Hudson: \$798K/month
3. Tootsies: \$553K/month

Paradies Top 3

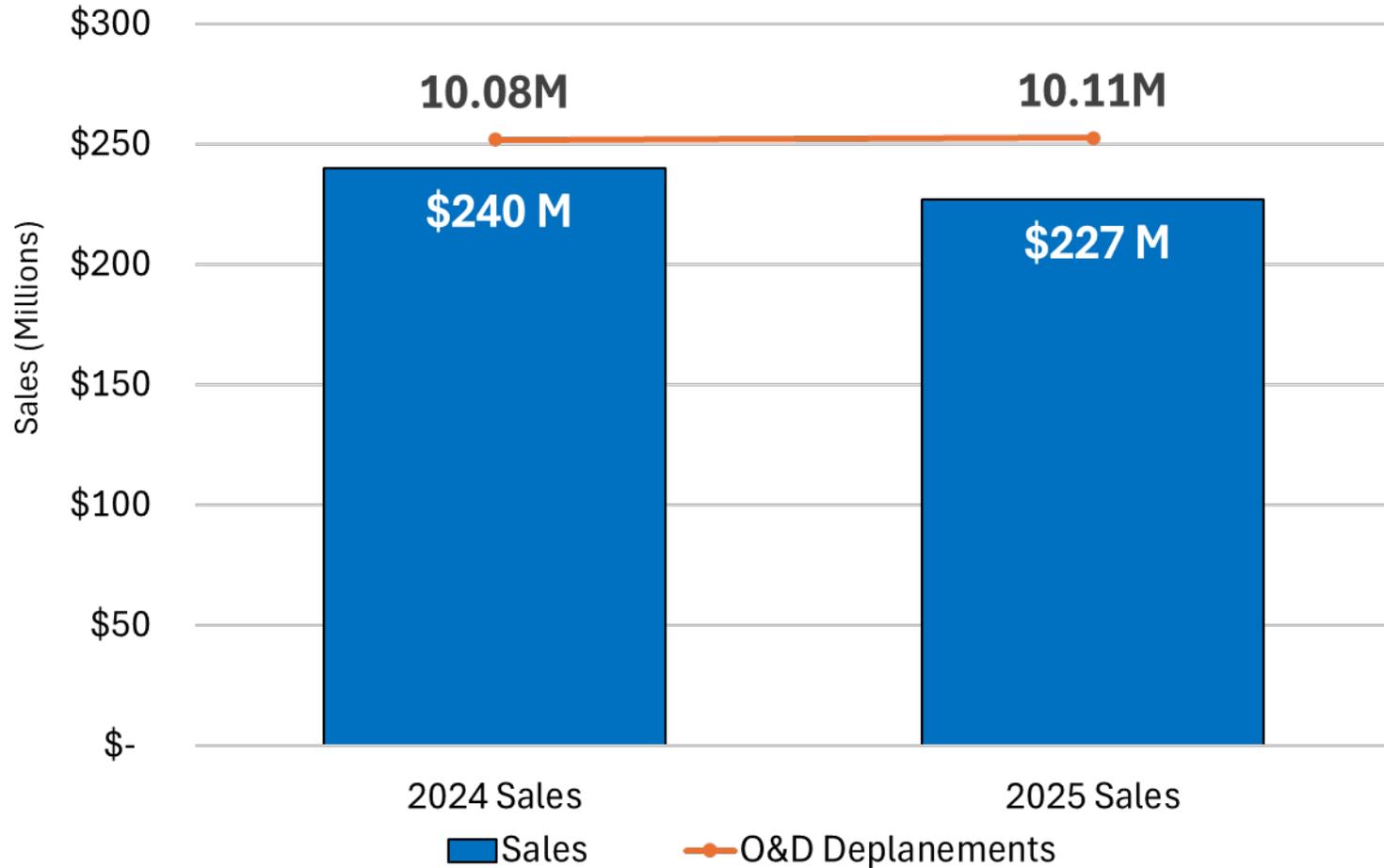
1. Fat Bottom Brewery: \$333K/month
2. Gulch Goods: \$322K/month
3. Bongo Java: \$158K/month

- Total sales up 8.9% over 2024
 - Food & Beverage sales up 11.7% over 2024
 - Retail Sales up 4.1% over 2024
- Food & Beverage and Retail percentage breakdown of total sales
 - F&B: 65.6%
 - Retail: 34.4%
- Paradises Sales decreased 4.88% while enplanements decreased 3.9% at the Satellite Concourse
 - Sales followed the enplanement trend each month
 - Went from 7 locations to 3 on March 22, 2025

Key Takeaways

**2025 Year End Sales are down 5.45% over 2024
(O&D Deplanements are up 0.3% over 2024)**

January - December Rental Car Sales & O&D Deplanements

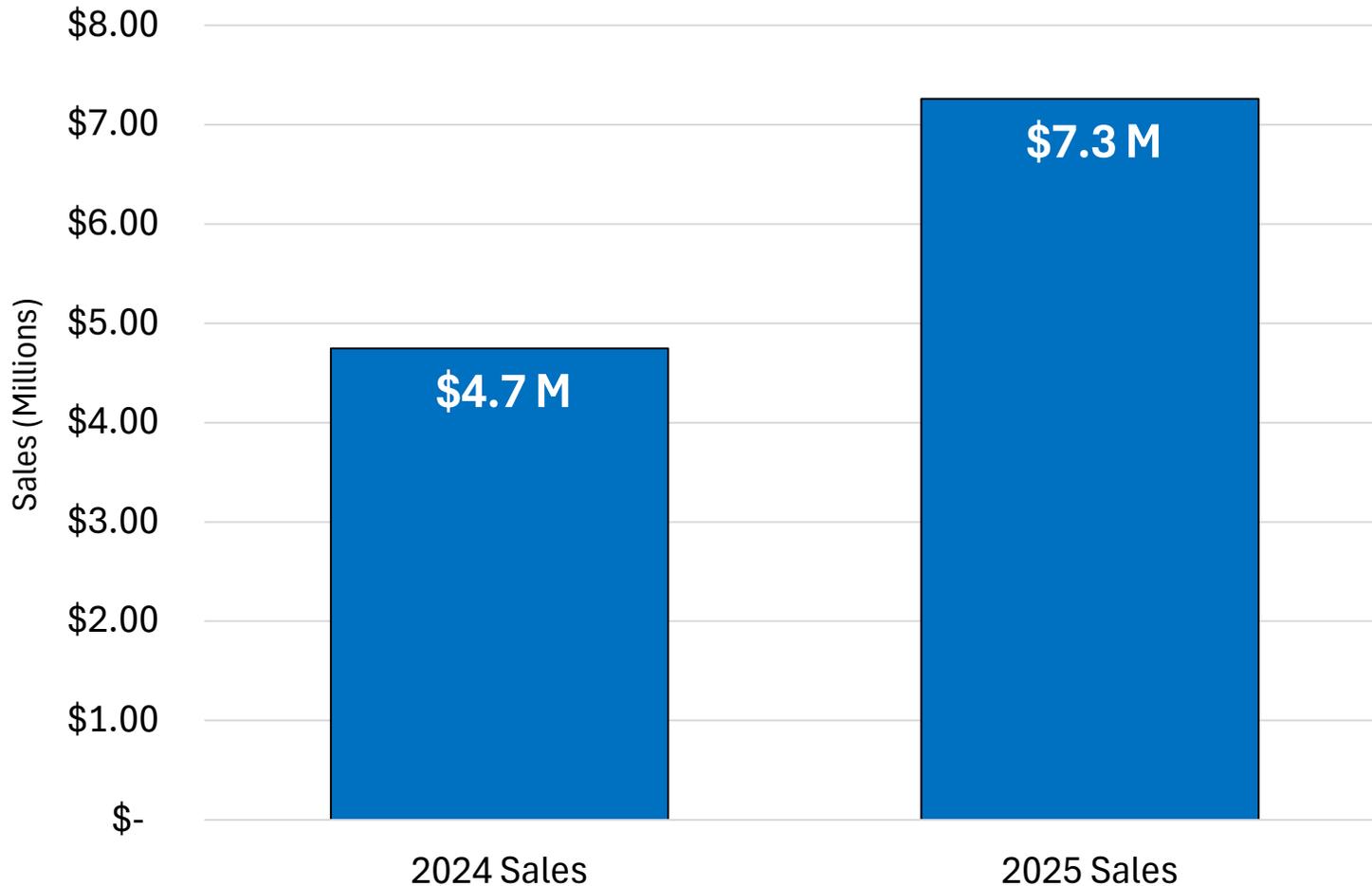


2025 Rental Car Sales

- Total 2025 Year End
 - Sales: \$226,885,982
 - Sales/O&D Deplanement: \$22.44
 - Transactions: 931,738
- Total 2024 Year End
 - Sales: \$239,951,672
 - Sales/O&D Deplanement: \$23.80
 - Transactions: 967,407
- Decrease:
 - Sales: \$13,065,690 or 5.45% under 2024
 - SPD: \$1.36 or 5.7% under
 - Transactions: 35,669 or 3.68% under

2025 Year End Sales are up 53% over 2024

January - December Advertising Sale



2025 Advertising Sales

- 2025 Total Sales
 - \$7,260,520
- 2024 CYTD Total Sales
 - \$4,746,374
- Increase
 - \$2,514,146 or 53% over 2024

Event	Date
RFP Workshop (in person)	February 26, 2026
RFP Workshop (online)	February 27, 2026
RFP Release	March 2, 2026
RFP Responses due	June 5, 2026
Final selection committee meeting	June 26, 2026
Sublease negotiations completion	August 7, 2026
MNAA Committee Meeting conceptual presentation	August 19, 2026
MNAA Board Meeting Approval	September 16, 2026

- 30/60/90% Design Review, Turnover and Construction will be completed September 2026 – July 2028
- Concourse A opens July 11, 2028

Concourse A Concessions Update

- Fraport to release RFP for Concourse A locations on March 2, 2026
- Responses Due June 5, 2026
- Board Recommendation for Approval September 16, 2026

- Procurement Procedures Update 2 of 3

Information Item

Kristen Deuben, CPA, C.M.
VP, Deputy Chief Financial Officer

Procurement Procedures Update 2 of 3

- **Background:**
 - Procurement organization structure updated December 1, 2025
 - Procurement Policy #35-001 issued (effective) December 8, 2025
 - Staff to update all Procurement Procedures with a 90-day completion goal
- **Status of Procedures:**
 - 26 procedures were initially identified:
 - 18 procedures have been completed and in review by Deputy CFO
 - 8 procedures are in process and on target to be completed by mid-March
 - Additional refinements may be necessary to the above procedures
- **Next Steps:**
 - Continue to evaluate resource requirements and departmental structure
 - Staff provide Finance Committee update in March



Joint Meeting of the MNAA and MPC Finance Committee

Meeting Adjourned