

Agenda of the Joint Meeting of the MNAA and MPC Finance Committee



Date/Time: Wednesday, April 8, 2026, at 9:40 a.m.
Place: Nashville International Airport – Tennessee Board Room
Finance Committee Members: Andrew Byrd, Committee Chair
Dr. Glenda Glover, Committee Vice Chair
Glenn Farner

I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is April 6, 2026 at 9:00 a.m.

III. APPROVAL OF MINUTES

February 11, 2026 Minutes of the Joint Meeting of the MNAA and MPC Finance Committee

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. Second Amendment to Jet Right Lease Agreement
2. FY27 O&M Budget – BNA, MNAA Resolution 2026-02
3. FY27 Capital Budget – BNA, MNAA Resolution 2026-03
4. FY27 O&M Budget – JWN, MNAA Resolution 2026-04
5. FY27 Capital Budget – JWN, MNAA Resolution 2026-05
6. FY27 O&M Budget – MPC, MPC Resolution 2026-01
7. FY27 Capital Budget – MPC, MPC Resolution 2026-02

VI. INFORMATION ITEMS

1. Procurement Procedures Update 3 of 3
2. North Mezzanine 3rd Party Lounge Solicitation Update

VII. ADJOURN

Minutes of the Joint Meeting of the MNAA and MPC Finance Committee



Date: February 11, 2026

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:45 a.m.

Committee Members Present:

Andrew Byrd, Committee Chair; Glenda Glover, Committee Vice Chair; Glenn Farner

Committee Members Absent:

None

Other Board Members Present:

Nancy Sullivan, Jimmy Granbery, Bobby Joslin, and Joycelyn Stevenson

MNAA Staff & Guests Present:

Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Zach Blair, Kristy Bork, John Cooper, Kristen Deuben, Adam Floyd, Eric Johnson, Roman Keselman, Lisa Leyva, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Josh Powell, Robert Ramsey, Puneet VEDI, and Charlotte Weatherington
Lauren Lowe (PFM)

I. CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance Committee to order at 9:45 a.m. pursuant to Public Notice posted on the BNA website at flynashville.com.

II. PUBLIC COMMENT

Chair Byrd stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Byrd asked for a motion to approve the December 10, 2025, Minutes of the Joint Meeting of the MNAA & MPC Finance Committee. Commissioner Farner made a motion, and Vice Chair Glover seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Farner – Yes

The motion passed with a vote of 3 to 0.

IV. CHAIR'S REPORT

Chair Byrd stated there was no Chair's report, and this will be a big day. He is looking forward to considering The Boring Company Letter of Intent.

V. ITEMS FOR APPROVAL

1. The Boring Company License Terms

President Kreulen stated The Boring Company ("TBC") License Terms have been in planning for the last several months and over the last few weeks it has been nonstop to reach an agreement or to move on. He is happy to say that we have reached an agreement that TBC is happy to sign and he is bringing it to the Board for approval.

President Kreulen stated the project description consists of TBC construction of underground tunnels, entry and exit portals, roadway connections, passenger loop station, horizontal egress tunnels and hatches and potential connection to a future Terminal II. There are a set of exhibits in the Committee package that we tweaked to remove critical utilities. The terms of the agreement are 40 years with two 5-year options effective upon license execution. The license fee is \$300,000, which escalates annually at 3% per year. The operating fee is \$5.00 pick-up and \$5.00 drop-off and is subject to adjustment. TBC has agreed to the project reimbursement of \$600,000. TBC has responsibilities for obtaining all necessary permits, including environmental and compliance with MNAA's Airport Improvement Request (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; and complete property condition & pavement condition assessments every 5 years; and only vehicles owned and operated by TBC are permitted to operate on premises.

President Kreulen stated the impact of the License Fee collected over 50 years with 3% escalation will be approximately \$34 million. The Operating Fee collected over 50 years with 3% growth is approximately \$309 million, and that is conservatively estimated at current \$5.00 pick-up and drop-off rates. President Kreulen stated the benefits to MNAA are 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. At the end of this last calendar year, we had over 4.1 million Ubers and Lyfts, even if half went to TBC, that would be 1.5 million vehicles we would not have to deal with on the roads. It provides travelers with another transportation option to/from downtown Nashville (or other locations if system expanded to full potential). It supports MNAA growth to 40M passengers at Terminal I, and secures future expansion to Terminal II and growth to 70M passengers. It reimburses MNAA for \$600,000 in expenses, i.e., legal, engineering, and administrative. It allows MNAA to generate the additional revenue needed to secure current & future MNAA debt further securing our financial strength.

President Kreulen stated the good news is the 10-year performance sheet that the Finance team used to borrow the \$4.5B that we have done today, does not include this revenue. The rating agencies have stated we are doing a good job with A+ ratings, and this is new money that we did not budget to borrow or issue the bonds against. This is to generate new revenue sources.

President Kreulen recommended the 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.

Vice Chair Glover asked what the exposure for BNA is if the project stalls or if it is overrun or if they withdraw mid construction; the second question is what the exposure is if there is an accident. President Kreulen replied regarding the exposure, the MNAA staff has been through "what if drills" probably 50 or 100 times up to this point and the exposure of this project being successful for the most part is to TBC. TBC has proven they can do this in Las Vegas and will provide a bigger system in Nashville if all things work out. If they can build it and get to the Airport then we will see these types of benefits shown on this slide. If they decide five months from now

they do not want to do this and they stop somewhere under Murfreesboro Road and do not come to the airport, we have no exposure. We have a very limited footprint where they would come out of the ground and connect on the new roadway to the loading and unloading. Let us assume that TBC makes it all the way to the Airport and then decide the day after the first Tesla drives through, they close. MNAA builds the roads to 40 MAP and so we are not going to lose initially; we have 12M of growth by that time to be able to handle that on the roadways, but we have used a certain amount of space for where those two tunnels exit the ground. MNAA can repurpose the space, and put a hotel, or gas station, just dig out the first part of that tunnel and we are not at any loss. Where the tunnels are expected to exist the underground and come above surface is not in our future roadways and is adjacent to where we hope Southwest will be building a new air freight facility and if we did not have some business operations for that piece of land, it could easily be a parking lot for the new air freight facility. We are pretty agile here at BNA and we can turn it around and repurpose that property.

Vice Chair Glover stated the numbers look good, but since we do not have benchmarks for ridership, what happens if numbers are lower than projected. President Kreulen replied we have made financial calculations of what we think the through put this tunnel can hit initially and max capacity. If the riders do not come, there is no risk to us; there will be a risk to TBC because they built it and they need to recover their capital investments. In the end if TBC decides not to pursue this at some point then we would only have to repurpose that surface area and we can seal the egress hatches.

President Kreulen stated for the second part of your question, we tried to schedule a trip to Las Vegas, but the Commissioner's schedules did not work out. TBC has a standing invitation for us to go out and tour the tunnel. Vice Chair Glover asked if someone would come here to address the Board. President Kreulen replied at some point if we had to, but this is more a business deal. For the Commissioners and staff members that have seen the tunnel, they understand TBC has the capability and it is operational. If the comfort factor about what is going to come from benefits of a trip, we will pay for it and schedule. As for the accident side, TBC drills more than is required out of Las Vegas. They have a very good relationship out there. Chief Swann with the Nashville Fire Department and a Leadership Nashville classmate has been to Las Vegas more than once. TBC provides the training, equipment and resources for the fire department to be able to access,

exercise and practice for anything untold happens. If it does, which has not happened at this point, they feel 100% ready to go in Las Vegas and Chief Swann also feels that Nashville would be able to handle it.

Vice Chair Glover asked what the long-term goal is, who owns it and who maintains it. President Kreulen replied they own it, and they are responsible for maintaining it. We have an agreement with TBC that we will let them come out of those two tunnels and drive down to load and unload passengers. Their long-term business plan is a 50-year lease. The way the term was drafted is at the end of that 40-year term, around 2066, the first five-year option can be exercised, or they can negotiate another agreement. Chair Byrd stated it is an option in their favor; it is not an option in our favor if they want to extend by sending us a letter. President Kreulen stated yes, they can exercise their option and there are rights of termination and if we want to terminate, we could take on that as well. Chair Byrd asked if we could renegotiate at any time. President Kreulen replied yes.

Chair Byrd stated at one time, we discussed a 20-year term, with two five-year extensions and now it is a 40-year term with two five-year extensions. President Kreulen replied yes, there have been multiple versions of this, and we previously negotiated on a 30 with two five-year extensions. Chair Byrd stated TBC in its current state to be here in 50 years will be a miracle. President Kreulen stated the same point could be made about the Hilton BNA. We leased 75 years with Chartwell Hospitality to build the Hilton BNA, and they would keep it up and running to our satisfaction.

Chair Byrd asked what happens if they do default, and if they will have a security deposit or a line of credit. President Kreulen replied they have a requirement to provide us with either a deposit or a letter of credit based on the license fee. They do have some security. Ms. Carrie Logan, VP Authority Counsel, replied Year 1 it would be \$300K and will escalate annually. Chair Byrd asked if it is the license fee. President Kreulen replied yes, the license fee over that time would be secured each year escalating 3%. The real profit and benefit to us, besides not having the construction and the O&M maintenance cost, is the ridership. Chair Byrd asked if we expect them to sign. President Kreulen replied yes, he would not be sitting here in front of you today without communicating multiple times with Mr. Davis, Mr. David Buss, their legal counsel and our legal

counsel, and we are prepared to execute this document and negotiate this agreement for the final document. Chair Byrd asked if it would be reasonable to ask them to sign first. President Kreulen replied he does not think it will be a problem for them. We have to take this document and finalize. Chair Byrd stated it is like the amendment the Board approved and we are still waiting for someone at that company to sign. President Kreulen replied when we get to the final document we would like the Board to sign first and then we will execute it after that.

Chair Byrd stated he noticed that we have moved from a consent that if they want to transfer the document to another company, a non-affiliate, that we have a right to consent, but our consent cannot be unreasonably withheld and not in our sole discretion. He asked President Kreulen what he thought of that. President Kreulen stated it is better than what they wanted, to unload to whoever they want. Chair Byrd asked if that is what he wants. President Kreulen stated yes, for your company you would ask for the same thing. Over time the negotiations came down to say that if it stays within that ownership group of companies they can stay there, but if they want to transfer to Subway or Burger King, then we have a problem with that. We want to be able to review who they want to transfer to, and it says we are not unreasonable, but it still requires our consent. Chair Byrd stated we should start with some standards that you can only transfer to people with financial strength and actively in this business. President Kreulen replied yes, he did confer with Board Counsel, MNAA CFO, Landrum & Brown and Bank of America and they are a private company, so we do not see public documents out there, but we are making sure that they are able to do as they say.

Chair Byrd stated as we look at the indemnity agreement, bad stuff happens, stuff you never anticipate, so we indemnify them for everything except negligence and misconduct. So, we might look to tighten those standards up to say gross negligence and intentional misconduct. So, there is insurance that is provided for all this other stuff and negligence can sometimes be an easy standard to get to and he thinks gross negligence would be attractive. President Kreulen stated Board Counsel and MNAA attorneys review the contract terms we do, and we will put it back out to outside counsel and show this is the template for negligence and coverage, and determine if this the right language and if we are doing the right thing. Chair Byrd stated we basically are indemnified by them and if there is an accident for everything except for negligence and misconduct. He is thoughtful about a room full of attorneys and people can come in and claim

negligence and he does not want to open ourselves up to have meetings where we are sitting around saying how it did not work. President Kreulen replied he understands and it is like anything else that goes on here today, our custodial, airlines and anyone who operates out here has to indemnify the airport, but if something were to happen they will sue the airport. They will also sue TBC, but they will also sue the airport.

Commissioner Farner asked if they are paying same as other vendors. President Kreulen replied yes, this presentation that he is making on TBC is similar to the presentation he made to the Board in 2019 for then unknown firms, Uber and Lyft, that wanted to come to the airport. We negotiated with them to access airport property, and they agreed to pay fees. They are not doing exclusive space like TBC and did not invest what TBC is investing, but we are treating them identically in terms of no favoritism, not treating them any different. Commissioner Farner asked what responsibilities we are taking on intentionally and unintentionally, and if we say they are covering construction and maintenance cost what that means. They are digging a tunnel, and they will pay for it and will maintain it at whatever standard they need to do. What if they hit a utility or if something happens in that tunnel, or during the construction of that tunnel, then they are responsible for it. But when it touches our infrastructure do we allow them to construct it, or does our MNAA team construct it. What if they want to use substandard material, something we will be responsible for if it is not to our standard. President Kreulen replied that Airport Improvement Request is our book, our Bible, our encyclopedia. If you want to operate on the Airport Authority you have to meet these standards of construction. When that tunnel comes out of the ground, that structure that holds the two tubes so the vehicles can enter and exit, will have to meet our standards. We do that to everybody. Hensel Phelps is building Concourse A to our standards. Hypothetically based on today's briefing, to your comment about their construction, operation and maintenance, what he briefed earlier for 4,020 minutes of snow and ice, those runways are our tunnels and if we do not keep those runways clear of snow and ice and dry for airplanes to come in and out of there, TBC is liable for that same level of service, that we provide above the ground, below the ground. People will go nuts if every other light is out and if there are hazards it is not in their best interest and he believes they will act just like professionals just like we do.

Commissioner Farner asked if they or their sub-contractors will do the construction. President Kreulen replied yes, they will build to their satisfaction and when it comes out the ground MNAA staff will make sure it meets our standards. The terminal where they are loading and unloading is already built; they may paint or add an office but will do it to our standards. Commissioner Farner asked what that will look like, will MNAA staff sign off on it, will it come back before the Board, what is there is a disagreement. He wants to understand it before it is approved. President Kreulen stated Fraport helped us build 100 concessions and for every one of them they presented a design of the restaurant, and we went back with we do not like that design, maybe had cheap fans, or needs better lighting, and said it does not work. TBC will give us an AIR, and we will engineer it to make sure it meets our standards. Commissioner Farner asked if he could make sure that when those details are finalized that our attorney reviews, our intention here is to ultimately indemnify them because their obligation to their shareholders may not be the same as our obligations. President Kreulen replied yes, 100% and assuming that this gets approved by the Committee and next week at the Board meeting, one of his responsibilities as the President and CEO is to keep the Commissioners updated. We will share drawings and pictures and keep the Commissioners apprised as it goes along. Commissioner Farner stated he thinks we will learn very quickly whether through these negotiations or through actual construction what kind of relationship we will have when it comes up. President Kreulen stated TBC were no nicer or more hostile than anyone else that we negotiated big deals with. They conducted themselves as professionals and he believes that Chartwell Hospitality can build a hotel as much as TBC can build a tunnel and Hensel Phelps can build Concourse A.

Commissioner Farner asked who owns the property 30 – 40 feet deep under the airport property. President Kreulen replied the state has granted them rights of way underneath state roads and to his knowledge what is below the state roads is considered part of that easement. Commissioner Farner asked same at the airport. President Kreulen replied when they are under our property, that license fee was designed to compensate us to dig down there as well as the surface property. Chair Byrd added that they only have a license, they do not own it, the ownership of this property is ours. Commissioner Farner asked if they choose to walk away from it, do we own the structure. President Kreulen replied we have to figure that out legally, but it will be ours most likely. What are we going to do at that point, will we try to find someone else, the argument is they have the IP to know how to run it, and the vehicles, it would be a hard lift for us. Commissioner Farner

stated he just doesn't want us to have to decide in 5 years who owns it. President Kreulen replied it will be our property. Commissioner Farner stated they will walk away from the license. President Kreulen replied if they walk away from it, we can easily repurpose where it comes out the ground and build whatever we want. And then they are already going 60 feet below the runway extension so the big question is if we want to build Buc-ee's the engineering question is will we impact the tunnels and if it is we fill we concrete and move on. He does not see where TBC will restrict any ability for us in the future if they walk away from it.

Commissioner Farner asked if they transfer from TBC to an affiliate company, but if TBC sold it and the best interest to their shareholders without regard where would we have veto or the ability to say no. President Kreulen replied our consent will not be unreasonably withheld. If we have reason and we do not want that transfer to go forward we will have to defend that reason. If we come off of that, the transfer does not take place, you can bet a dollar we will be litigating that. Commissioner Farner stated it is interpretation of reasonable and unreasonable. Chair Byrd stated he thinks we are better off typing up the reasonable standards because there is a lot of grey areas between absolute right to transfer and having to reasonable consent to any transfers. He really does not want to get in a lawsuit and have some Judge staring at him asking were you reasonable or not so he would like to have it reasonably tightened up. These guys were not financially solvent, not in the business, why are you transferring to them so we do not have to prove our reasonableness, it is our standards and we have standards that have to be met in order for TBC to be able to transfer to a third party because we would not want it to be transferred to some entity that is not able to perform.

Commissioner Farner stated the indemnification in the case that there is something for which we probably could sit here and talk about it forever and never come back up with what actually the reason would be. Chair Byrd stated yes, like last week his fish tank froze, he planned to get rid of the fish, but never dreamed his fish tank would freeze. Commissioner Farner stated the point he is trying to make is as long as it is a private company that is privately funded and operating without a reasonable risk to the airport and public and provides a benefit for which people can rely on, then he thinks it is great. President Kreulen replied this is a business deal and we deal with indemnification on every contract and we deal with negligence and reasonableness, and we could write the most concrete hard contract ever and they would never sign it, and we would never sign

something if they gave it to us like that. He would stand on the airport's 56-year history of the Airport Authority negotiating a lot of big deals, especially over the last several years, and we treated whoever we were dealing with professionally. Sometimes it does not work out, and we argue a little bit in lawsuits, and in the end we agree to be professionals. He stated we can hypothetical ourselves out of not crossing the creek, but it is the same way when taking air travel that we are betting that this 500 mile an hour tube will get where I need to go.

Chair Byrd stated what we really are talking here is consent to transfer and they are expressing their desire to have those standards be fairly well established. President Kreulen replied yes, he agrees with him that we want to be reasonable and that there should be standards out there and we are trying to work to that point. Chair Byrd stated we have to get the best we can get.

Commissioner Granbery stated the conversation is great and he thinks we will rely on MNAA staff to put together a fantastic document that protects the Airport Authority like they have done for the last 56 years. This is a minor issue, but we talked about a security deposit, and he thinks that until they are up and running we should have some sort of escrow money to repurpose what they damage on our property back to where it was when they started if they never operate for business. And maybe one year after they are up and running and then we give them the money back. Chair Byrd stated they have insurance to cover that. Commissioner Granbery stated it is not really insurance, whatever they do, they put back the way it was. Like was mentioned, we have done this with all these big contractors. Construction contracts are probably one of the toughest to negotiate because there are thousands of what ifs in a construction project. He had an unfortunate incident where worker got killed and God rest his soul it is the first time in 46 years of his career and first time in 130 years in his company. It happens and is very unfortunate and you have contracts but still cannot prevent people from suing you. But that is why you have contracts, insurance and all these things in place. At the end of the day there is a little more scrutiny than ever before on this new concept. MNAA has had plenty of tenants who are first time in business, and they put security deposits and the Airport wants them to succeed. We saw in the ice storm a lot of what Nashville has are independent operators and they put their life savings in their business and we as a landlord absolutely want them to succeed. And we as citizens and people want them to succeed because we do not want anyone to lose their life savings because of unforeseen circumstances, but a lot of times they cannot afford business interruption

insurance but are things the big companies can afford. The MNAA staff have done a wonderful job scrutinizing this and he appreciates all the hard work.

Commissioner Farner stated he wants this to be a positive. He wants it to be the least amount of risk and most of all we asked all the questions and gave it the scrutiny that is expected. Commissioner Granbery stated he wants to go see it in Las Vegas

Chair Byrd stated he believes the Commissioners have raised some issues that are basically of concern to the Board that can be flushed out in the development of a contract, because at this point we are passing a Letter of Intent and he thinks there are areas that need to continue to be flushed out as we approach the final contract. Commissioner Granbery stated well said.

President Kreulen recommended the 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.

Chair Byrd asked for a motion to approve as presented. Commissioner Farner made a motion, and Chair Byrd seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – No

Commissioner Farner – Yes

The motion passed with a vote of 2 to 1.

President Kreulen concluded the presentation of the approval items.

VI. INFORMATION ITEMS

1. Quarterly Retirement/OPEB/Treasury Investment Reports

President Kreulen introduced Kristy Bork, VP, Finance, to brief the Commissioners on the Quarterly Retirement, Other Post Employment Benefits (OPEB) and Treasury Investment Reports. Ms. Bork presented the 2nd Quarter of FY26 update for the quarter ended December 31, 2025. The Retirement Plan market value was \$91M, which is an increase of \$0.3M over the prior quarter with gross returns of 1.95%. The OPEB market value was \$48.6M, which is an increase of \$0.7M over the prior quarter with gross returns of 1.94%.

Ms. Bork stated the MNAA Quarterly Treasury Investment Report for the 2nd Quarter ending December 31, 2025, had total available funds of \$1.318B with 97.4% of those funds invested. We had \$33.8M in DDA accounts, so outperformed our internal goal to keep cash in bank accounts as low as possible. The 2nd quarter 2026 earnings were \$12.8M. The earnings were less than 1Q 2026, due to a slight decrease in interest rates during the quarter. We continue to monitor our DDA accounts and ensure we have deposits in higher yield accounts to take advantage of increased interest rates in MM funds, treasuries and other fixed asset investments.

2. TN State Reports (2026 Bond Issuance)

Ms. Bork provided an update on the 2026 Bond Issuance – we closed on the \$1.27 Billion of bonds February 4, 2026. The Committee packet contains four “State Reports on Debt Obligations” that were filed February 4, 2026, and the state statute requires us to share these reports with the Board for informational purposes only.

President Kreulen noted that the one pager provided in the Committee packet has the results of the most recent economic impact study. He will send a PDF of it as well. He would like to point out that 5 years ago we were generating just under \$10B a year of economic impact and now we are at \$13.8B. Five years ago, BNA had 70K people working out here and now we are at 80K people. The Airport Authority generates approximately \$2.1B in taxes every year, \$1.3B goes to the Federal government, \$631M to the state government, and \$339M to Nashville. JWN and BNA combined are right at \$14B. He is very proud of what we do, and you will see this in the news recently and this has helped us generate a return on investment where the state continues to

provide us with some capital funds. He thanked Ms. Bork and Ms. Lisa Lankford, EVP, Chief Strategy Officer, for all their hard work on the numbers.

Commissioner Joslin left at 10:41 a.m.

3. Quarterly BNA Concessions Program Update and Sales Report

President Kreulen introduced Lisa Leyva, VP, Concessions, to brief the Committee on the BNA Concessions Program. Ms. Leyva stated the 2025 calendar year-end concession sales are up 8.9% over 2024. We had total sales of \$216M for the year with an approximate total revenue to the Authority of \$34.1M. Revenue is also up about 5.9% year over year. Ms. Leyva stated 2025 calendar year-end concession transactions are up 7% over 2024. That is great news for us because that tells us that not only our enplanements and our sales are up, but also the transactions are up and not only the cost of goods that are going up but people are actually buying.

Ms. Leyva stated the 2025 top performing unit for food and beverage is Ole Red; news and gift is Evolve by Hudson; coffee is Starbucks; and specialty retail is Whiskey Trail Head. It is really interesting to point out that those top 3 overall performing units are the same as in 2024, they continue to do a great job for the program. Some key takeaways for 2025 are total sales up 8.9% with food and beverage sales up 11.7% and retail sales up 4.1%. Food and beverage do make up 65.6% of total sales. Paradies sales did decrease 4.88%. We saw that in the 1st quarter of 2025 and once we did right size the program as we talked a lot about and closed those units, they did start to see an overall increase, but that decrease was in that first quarter.

Vice Chair Glover asked how the Satellite Concourse did overall in comparison, and if they seemed to improve. Ms. Leyva replied yes, they did improve once we closed those 4 units and ended the year at \$7.8M, and sales per enplanement were \$7.75, which was only a change of 4.88%, so they did decrease only 4.88%. We saw a substantial decrease the year before, which is why we came to the Board to amend it.

Ms. Leyva stated in the 2025 rental car sales unfortunately we did see a decrease. O&D deplanements were flat (+0.3%) and we ended the year at \$227M in sales, which is approximately \$27.4M revenue to the Authority. We are seeing that transactions have decreased. Transactions decreased 35K or 3.69% below 2024. This seems to be a trend overall in the rental car industry.

It sort of stabilized and now we are seeing some of the transactions decrease. The transaction days are flat year over year, people are still renting a car for 4 days which is consistently what we see, but people are choosing other forms of transportation. We will continue to keep an eye on this.

Vice Chair Glover asked if Uber and Lyft are up. Ms. Leyva replied yes, we are seeing a correlation between the two. President Kreulen stated we talked a lot about this internally and one of the biggest challenges is that if people need a car to go somewhere they will rent one, but if they are just going to the hotel they will use Uber or Lyft.

Ms. Leyva stated for the 2025 advertising sales we ended the year at \$7.3M, which was up 53% over 2024. People continue to love advertising at the airport and that had an approximate \$3M of revenue to the airport. Overall, we are seeing about \$64.45M in revenue to the Authority in 2025.

Ms. Leyva stated for the Concourse A Concessions Program, Fraport will release the RFP for Concourse A locations on March 2, 2026, and we will return to the Board with recommendations for approval on September 16, 2026.

Chair Byrd stated he would like to take a moment to thank Ms. Basrai, EVP, CFO, for all her hard work on getting the bonds closed. Round of applause.

4. Procurement Procedure Update 2 of 3

President Kreulen introduced Kristen Deuben, VP, Deputy Chief Financial Officer, to brief the Committee on the Procurement Procedures. Ms. Deuben stated this is the second of three Procurement Procedure updates and to date we have identified 18 of those procedures which we have completed and are in final review, and we have 8 more to go, which will be completed by mid-March. We are still in the process of evaluating our resource requirements and departmental structure. The staff will provide the Finance Committee the 3rd update in March. President Kreulen stated this is critical to MNAA to have documented procedures that we are following. Chair Byrd asked if this where we will further define Small Business Program. President Kreulen replied yes, for

the related Procurement rules, and we will discuss that more in the Management Committee meeting.

President Kreulen concluded the presentation.

1) ADJOURN

There being no further business brought before the Finance Committee, Chair Byrd adjourned the meeting at 10:49 a.m.

Andrew W. Byrd, Board Secretary

STAFF ANALYSIS

Finance Committee

Date: April 8, 2026
Facility: John C. Tune Airport
Subject: Second Amendment to Lease Agreement - JetRight Properties LLC
North Development Parcels #8 & #9 Construction Extension

I. Recommendation

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

- 1) accept the Second Amendment to the lease agreement between MNAA and JetRight Properties LLC to extend the construction term, and
- 2) authorize the Chair and President and CEO to execute the Second Amendment.

II. Analysis

A. Background

On March 15, 2023, the Board approved the terms negotiated between MNAA and JetRight Properties LLC (the "Tenant"). On June 15, 2023 (the "Effective Date"), MNAA and JetRight Properties LLC executed a lease agreement for 1.68 acres of unimproved land at JWN North Parcels #8 and #9. The terms of the lease required the Tenant to complete improvements within 18 months, concluding on December 15, 2024. On June 18, 2025, the Board approved the First Amendment to the lease agreement, extending JetRight Properties LLC's construction term by 12 months, contingent on several milestones. Due to an extended FAA 7460 process, Tenant needing to remobilize his architecture and engineering teams, and a 24-week lead time on steel deliveries, the Tenant will be unable to complete construction within the timeframe of the First Amendment to the lease.

B. Amendment Terms

1. From the date tenant received a positive 7460 determination (November 20, 2025), they will have 180 days to submit plans and specifications to MNAA and receive approval through the AIR process.
2. At the earlier of the 181st day or the date the AIR approval has been received, Tenant will be granted 90 days to obtain all necessary Metropolitan Nashville permits.
3. At the earlier of the 91st day or the date Tenant obtains all necessary Metropolitan Nashville permits, Tenant will be granted 12 months to complete all proposed construction.

- a. The 12-month extension includes contractual milestones and corresponding contract penalties if milestones are not met.
 - i. Five months to complete site work.
 - ii. Two months to complete framing.
 - iii. Five months to complete interior work.
 - b. If the 180-day design and AIR period, the 90-day permitting period or milestones i or ii are missed, there will be contract penalties in the amount of \$150 per day until AIR approval is granted, the permit is obtained or the contractual milestone is complete.
 - c. If milestone iii is missed, MNAA, in its sole discretion, will exercise the remedies entitled to it in the executed lease, as amended.
4. If the hangar is not complete after the 180-day, 90-day and 12-month extensions, the executed lease includes the following;
 - a. Invest \$5M by the Construction Deadline, or pay the difference between \$5M and the amount spent, not to exceed 25% soft costs, and
 - b. Complete the improvements unless otherwise approved in writing by the authority.
 5. The 180-day, 90-day and 12-month extensions for construction do not extend the lease term.
 - a. Initial Term: 30 years + 18-months
 - b. Renewal Option: 5 years
 - c. Total Potential Term: 36.5 years

C. Impact/Findings

The Second Amendment will allow the Tenant to receive approval through the AIR process, Metro permitting and to commence building the improvements. The improvements will vest with MNAA in 28 years and 8 months (December 15, 2054).

Apart from fuel flowage fee, this amendment will not impact revenue to MNAA. Year one (June 23 – June 2024) revenue was \$219,744.00, year two (June 2024 - June 2025) was \$226,336.32 and year three (June 2025 – June 2026) will be \$232,928.64. The rate will increase each year by 3% except for in years 10 and 20 of the initial term, upon which rent will be increased based on an appraisal.

D. Strategic Priorities

- Invest in JWN
- Plan for the Future

E. Options/Alternatives

The Finance Committee could decline to recommend approval of the proposed Second Amendment, enforce the terms of the 1st Amendment and when any of the milestones or the Construction Deadline are missed, the Authority can pursue contract penalties and/or its \$5 million remedy (less amount spent, not to exceed 25% soft costs), provide Tenant with a default notice with a 30-day cure period as provided in the executed lease, and, if not cured, terminate the lease and issue a Notice of Availability (NOA) for parcels #8 & #9.

STAFF ANALYSIS

Finance Committee

Date: April 8, 2026
Facility: Nashville International Airport (BNA)
Subject: MNAA Resolution 2026-02
FY27 BNA Operating Budget

I. Recommendation

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

- 1) approve the proposed operating budget for the Nashville International Airport (BNA) for fiscal year 2027 (FY27); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2026-02.

A. Background

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

In December 2025, the CEO gave the CFO and Finance staff financial goals/requirements for developing the FY27 budget:

- Departments should budget conservatively based on needs, with minimal impact to operating expenses
- No added employee headcount
- Maintain Board required debt service coverage and days cash on hand metrics
- Maintain our credit ratings to ensure future bond issuances
- Minimize financial impact on our business partners

The next step in the budget kick-off was to determine the passenger forecast to use for preparing the FY27 budget. MNAA uses three enplanement forecasts to monitor growth at BNA: "Moderate Forecast", "Strategic Forecast", and an "Aggressive Forecast". In September 2025, the Board of Commissioners approved the FY26 Amended Operating Budget which reduced the passenger projection to 25,026,700 passengers (from 25,990,000), which was the "Moderate Forecast" at that time at a 1% growth.

In December 2025 to prepare for the FY27 budget, the team started with the new projection of FY26 passengers, which was 25,952,608. The new passenger "Moderate/Strategic/Aggressive Forecasts" for FY27 was based on 2%/4%/6% growth from FY26 projected year-end passengers:

<u>Forecast - Dec. 2025</u>	<u>FY27 Passengers</u>
Moderate Forecast - 2%	26,471,700
Strategic Forecast - 4%	26,990,800
Aggressive Forecast - 6%	27,509,800

It was determined that the “Moderate Forecast” of 26,471,700 passengers would be used for preparing the FY27 budget.

Since that time, passenger traffic has continued to grow and exceed projections. At the end of March 2026, the new FY26 passenger projection for year-end was 26,612,298, which is 7.3% higher than the prior year, and 140,598 above our FY27 passenger forecast. Using the updated projection, the new FY27 passenger projections are shown below (using an updated assumption of 4%/6%/8% growth):

<u>Forecast - March 2026</u>	<u>FY27 Passengers</u>
Moderate Forecast - 4%	27,676,800
Strategic Forecast - 6%	28,209,000
Aggressive Forecast - 8%	28,741,300

There is still uncertainty in the projected FY26 and FY27 forecast for passengers given the current economy, geopolitical issues, and effects of the government shutdown. In addition, the majority of the increase in FY26 has been in transfer passengers. Transfer passengers do not affect the majority of the non-airline revenue or expenses. Given this uncertainty, the CEO and CFO determined that the original passenger forecast for FY27 will remain at 26,471,700. Even with the unexpected passenger growth in FY26, departments have lived within their original expense budgets, and no amendments have been needed. Finance will come back to the Board in FY27 if growth surpasses the new forecast and additional expenses are required.

The application of the passenger forecast of 26.5M was incorporated into the FY27 financial rate model, as shown below:

Revenue and Expenses (Rate Model Based)
For the year ending June, 30 2027

	<u>FY27</u>
	26.5M
	<u>Passengers</u>
Operating Revenues:	
Airline Revenue	\$ 152,706,769
Space Rental	19,955,260
Parking	113,585,161
Concessions	28,451,373
Car Rental	25,150,000
GT (taxi, limo, TNC)	23,534,000
Other	13,017,716
Total Operating Revenues	376,400,279
Operating Expenses:	
Salaries and Benefits	70,659,452
Shuttle bus services	18,300,956
Parking management	16,326,553
Janitorial services	13,907,402
Professional and other contractual services	35,858,964
Repairs and maintenance services	10,936,094
Materials and Supplies	10,445,125
Utilities	12,295,002
Insurance	6,318,448
Other	5,852,869
Total Operating Expenses	200,900,865
Other Rate Model Exp/Rev:	
Total Debt Service - Bonds	168,558,850
Less: Debt paid by Cap Int & Other Funding	(43,309,188)
Less: Debt paid by PFCs	(34,103,432)
Short Term Credit Facility Interest Exp	6,385,130
Operations & Maintenance Fund	4,240,796
Renewal & Replacement Fund	1,250,000
Airline Facility Fund	18,152,570
Authority/Amortization Facility Fund	30,343,790
NAE (Airline Incentive) Fund	2,000,000
Interest Income Transferred to Revenue	(23,415,000)
Less: Budgeted Exp Excluded	(4,194,185)
Other Non Budgeted Rev Included	(5,857,576)
Total Net Other Expenses	120,051,755
Net Income (Deposit to NAE)	\$ 55,447,659

Using this rate model-based forecast, the GAAP (Generally Accepted Accounting Principles) based O&M budget for FY27 was prepared. Please note that the GAAP based O&M budget does not include estimates for several year-end accounting entries due to these amounts being unknown until year-end closing: 1) GASB 68 & 75 (Pension/OPEB adj.), 2) GASB 87 (Lease adj.), 3) GASB 96 (Subscription IT adj.), and certain other Cost Center 110 adjustments (i.e., reclass of CIP to expenses and capitalization of expenses to fixed assets).

The summary of the GAAP-based O&M budget is shown below:

BNA Summary (\$000)	AMENDED		VARIANCE \$	VARIANCE %	
	BUDGET 2026 *	BUDGET 2027			
Non-Airline Revenue	\$ 213,249	\$ 223,694	\$ 10,445	4.9%	①
Airline Revenue	141,871	152,707	10,836	7.6%	②
Total Operating Revenue	355,120	376,401	21,281	6.0%	
Operating Expense	(195,229)	(200,901)	(5,672)	2.9%	③
Net Non-Operating Rev/(Exp)	(30,826)	(27,293)	3,533	(11.5%)	④
Income before Depreciation & Grants	\$ 129,065	\$ 148,207	\$ 19,142	14.8%	

*Account reclassifications were made between non-airline revenue and airline revenue to improve financial reporting

① Budgeted non-airline revenue increased by \$10.4M. Largest variances:

- Space rental increased \$1.2M, due to contractual increases in various FBO, land and building rents.
- Total parking revenue increased \$3.1M due to: 1) higher forecasted passengers, 2) rate increase made in November 2025, and 3) removal of parking adjustments related to ending the BNA Cares program. Forecasted parking revenue would be higher than \$3.1M due to these factors, however, Lot A (which is a popular lot) will be closing in July 2026 for the CONRAC/Garage construction. The estimated parking lot mix changes dampens the increase in expected revenue.
- Concessions revenue increased \$2.1M due to: 1) \$1.3M increase in Advertising Concessions driven by the new advertising program, and 2) \$700k increase to Food and Retail Concessions due to the forecasted increase in passengers.
- Car rental concessions decreased \$1.9M due to fewer car rental contracts being forecasted. Rental car demand is softening industry wide.
- GT (taxi, limo, TNC) fees increased \$1.5M due to forecasted increase in passengers: 1) increase in TNC usage (\$1M), and 2) GT Concessions (\$500k).
- Other revenue increased \$4.5M due to: 1) increase of \$4.3M in parking decals and \$85k in badge fees primarily related to Southwest making BNA a crew base, and 2) reimbursable services increased \$70k due to expected increases in utility costs.

② Budgeted airline revenue increased by \$10.8M: The Board approved Airline Use and Lease Agreement (AULA) provides a methodology for charging the airlines rates and charges based on operating expenses, debt service requirements, and capital requirements. Based on the estimates in these areas for FY27, the AULA Rate Model calculated the rates and charges, with

the largest changes to airline revenue listed below:

- Terminal rent increased \$4.4M. O&M expenses related to the terminal increased by \$3M for airside shuttle and terminal utilities; however, debt service allocated to the terminal decreased \$10.6M due to actual debt service from the 2026 bond issuance being less than what was estimated in the previous year. There was also an increase in total rentable space. These three reasons resulted in a decrease in the per square footage rate for the main terminal from \$213.93 to \$199.02 and a decrease in the satellite terminal rate from \$208.58 to \$194.05 per square foot. However, revenue increased overall due to the Airlines renting more space (~ 39,000 sq ft) than the previous year.
- Baggage fees decreased \$1.7M due to decreases in the terminal rental rate, noted above, but is partially offset by an \$800k increase in maintenance contracts for the baggage handling system.
- Landing fees increased \$5.4M due to a landing fee increase from \$3.50 to \$3.60. The increase in the fee was a result of the following: 1) \$2.5M increase in airfield capital expenditures, 2) \$1.5M increase in debt service related to airfield projects, and 3) \$1.1M increase in O&M expenses (increases for the ramp control contract, herbicide treatments, and on-call tree removal services). The impact on the fee due to these increases in expenses was reduced by an increase in projected landed weights.
- Signatory Per Use fees increased \$1.3M due to additional MNAA controlled gate turns but offset by decreases in the Terminal Rental Rate and Terminal Ramp space.

II. Airline Revenue Share Credit decreased \$700k due to the contractual decrease of the percent share of terminal concessions and revenue share per enplanement.

③ Operating expense increased \$5.7M. Largest variances:

- Total salaries/benefits decreased overall by \$900K. Salaries/benefits increased for the implementation of a cost-of-living adjustment in FY27. This was offset by a reduction for the true-up of the compensation study set aside budget. At the start of FY26, the results of a compensation study was implemented, however, during the budget preparation for FY26, the study had not been complete. An estimate was added to the FY26 budget for the implementation. For FY27, the excess budget set aside was removed. NOTE – there were no reductions made to salaries or positions for FY27.
- Shuttle bus services increased \$1.2M due to contractual rate increases and an increase in airside driver hours.
- Janitorial services decreased \$3M. In FY26, a new company was selected to service the terminal (contract was previously split between two companies). The expected cost for FY27 is less than the cost of the previous contracts. In addition, janitorial services for the garages will now be covered by the parking management contract (budget transferred to that line item).
- Professional and other contractual services increased \$2.6M. Largest variances:
 - Information Technology software contracts increased \$1.7M; due to the acquisition of new software and contractual increases for software maintenance on existing programs.

- Contract services increased \$2.0M due to contractual increases for the virtual ramp control tower, additional herbicide applications, BHS maintenance services, and the reclassification of expenses previously recorded in “other” expense line item (contracted advertising services).
 - Security services decreased \$1M due to decreases in contracted posts and hours that were eliminated following a review of the contract and current operational needs.
 - Repairs and maintenance services increased \$2.2M due:
 - Landscaping increased \$1.6M due to contractual increases and for additional tree removal using an on-call contract.
 - Runway/taxiway repairs increased \$200k for airline gate painting.
 - Road Signage and wayfinding increased \$200k to include parking, curbside, terminal and roadways (due to construction).
 - Elevator & Escalator increased \$200k due to contractual increases.
 - Materials and supplies increased \$800k. Largest variances:
 - Janitorial supplies increased \$200k due to anticipated increase in passengers.
 - Passenger boarding bridges (PBB) and baggage handling system (BHS) supply costs increased \$550k due to projected supplies needed to maintain these systems, along with the addition of Concourse D extension assets.
 - Utilities increased \$1.8M. Largest variances are:
 - Electricity increased \$500k, primarily in the terminal, due to a 3.5% increase in usage and a 4.0% increase in rates. Natural gas increased \$150k due to a 2% increase in usage and a 5% rate increase, and water and sewer increased \$1.0M due to the glycol treatment from the retention ponds being transferred to Metro Water, along with a 3.5% rate increase.
 - Trash removal increased \$150k due to contractual increases.
 - Other expense increased \$452k. Airport promotions, memberships, training, and subscriptions increased, but was offset by advertising contract staff being reclassified to “contract services” expense line item.
- ④ Net Non-Operating Expense decreased \$3.5M. Largest variances are:
- Non-Operating Revenue increased \$3.1M:
 - Interest income increased \$4.7M. There is an expectation of lower interest rates in FY27, however, BNA added \$965M of cash from bond proceeds of the 2026 bonds in February 2026. \$888M of the bond proceeds were for construction funds and capitalized interest that will be used to pay for projects and debt service in FY26, FY27 and FY28.
 - Passenger Facility Charges increased \$2.6M due to expected increase in passengers.
 - Customer Facility Charges decreased by \$4.2M due to fewer forecasted contract days.

- Non-Operating Expense decreased \$451k:
 - Bond issuance costs decreased \$6.0M due to no expected debt issuance in FY27.
 - Interest expense and other expense increased \$5.5M in total. The majority of this is related to the 2026 bond issuance. For FY26, Finance estimated six months of interest expense (\$48M) would be due for the 2026 bond issuance scheduled for December 2025. Interest expense on the new debt was assumed to be 6%. The 2026 bonds were issued in February 2026 at an interest rate of 4.52%. These savings, along with the savings from refunding the 2015AB bonds and reduction in expected use of the credit facility, resulted in interest expense only increasing \$5M over FY26.

A. Strategic Priorities

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

B. Options/Alternatives

Revise the FY27 operating budget by adding or reducing revenue and expense items.

MNAA RESOLUTION NO. 2026-02

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT COVERING THE FISCAL YEAR 2027, BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027.

WHEREAS, the President has submitted, for Board approval, the Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2026, and ending June 30, 2027, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

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

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the Nashville International Airport for fiscal year 2027.

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

RECOMMENDED:

ADOPTED:

Douglas E. Kreulen, President & CEO

Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

MNAA Legal Counsel

Andrew W. Byrd, Board Secretary

This 15th day of April 2026.

STAFF ANALYSIS

Finance Committee

Date: April 8, 2026
 Facility: Nashville International Airport (BNA)
 Subject: MNAA Resolution 2026-03
 FY27 BNA Capital Improvements Budget and FY27-31 BNA Capital Improvements Plan

I. Recommendation

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

- 1) approve the proposed FY27-31 BNA Capital Improvements Plan; and
- 2) approve the proposed FY27 BNA Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2026-03.

II. Analysis

A. Background

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

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

The proposed Capital Improvements Plan for FY27-31 is summarized below:

BNA Summary:	2027	2028	2029	2030	2031	TOTAL
Terminal & Landside	\$ 326,185,000	\$ 74,290,000	\$ 16,300,000	\$ 112,830,000	\$ 11,150,000	\$ 540,755,000
Vehicles & Equipment	3,140,000	2,674,750	1,575,000	2,715,000	2,715,000	12,819,750
Airside Improvements	145,755,000	117,800,000	279,150,000	222,300,000	216,800,000	981,805,000
AULA	546,360	562,750	579,630	597,020	614,930	2,900,690
Total	\$ 475,626,360	\$ 195,327,500	\$ 297,604,630	\$ 338,442,020	\$ 231,279,930	\$ 1,538,280,440

Funding Allocations:	2027	2028	2029	2030	2031	TOTAL
MNAALAuthority	\$ 27,080,820	\$ 28,436,986	\$ 18,224,680	\$ 26,135,430	\$ 12,973,340	\$ 112,851,256
MNAALAmortization Fund	3,750,000	5,000,000	-	-	-	8,750,000
MNAALAirline Fund	17,345,540	18,190,514	35,723,950	8,806,590	8,306,590	88,373,184
Federal	41,198,578	6,365,000	6,556,000	6,753,000	6,956,000	67,828,578
State	10,000,000	-	-	-	-	10,000,000
Bond Funded	376,251,422	137,335,000	237,100,000	296,747,000	203,044,000	1,250,477,422
Customer Facility Charges	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	\$ 475,626,360	\$ 195,327,500	\$ 297,604,630	\$ 338,442,020	\$ 231,279,930	\$ 1,538,280,440

The FY27 Capital Improvements Budget includes the following major projects: 1) MNAAL Campus - \$172M; 2) MNAAL Warehouse/CSF - \$105.3M; 3) ADG5/TDG 6 Improvements and Romeo Bridge Relocation - \$63M; 4) Taxiway Tango 5 and Lima Reconstruction - \$40.6M, and 5) RWY 2L/20R Extension Design - \$15M.

All projects are contingent upon the approval and availability of the various funding sources. The projects planned for FY27, and their anticipated funding sources, are shown in the attached Capital Improvements Plan. The projects, costs, and anticipated funding sources for FY28-31 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY27 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

Attachment: FY2027-2031 BNA Capital Improvements Plan

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	Other (Baggage Fees, Seizure Funds, PFC,	Bonds/Credit Facility/NAE Funding		
								Airline	MNAA	Shared
<u>FY 2027 Projects</u>										
<u>Bond/Credit Facility/NAE</u>										
MNAA Campus	172,000,000								172,000,000	
MNAA Warehouse/CSF	105,300,000								105,300,000	
TDG 6 Improvements - T/W Romeo Bridge Relocation	63,000,000	35,948,578						27,051,422		
Taxiway Tango 5 and Lima Reconstruction	40,600,000							40,600,000		
Rwy 2L/20R Extension (Design)	15,000,000		10,000,000					5,000,000		
PCA & 400 Hz (GPU) Replacement	13,900,000							13,900,000		
Deicing System Modifications	6,000,000							6,000,000		
Hand Dryers	4,400,000									4,400,000
North Terminal Wing Lot	2,000,000								2,000,000	
<u>Authority Funded</u>										
Land acquisition	10,000,000			10,000,000						
Access Control Replacement at BNA (Phase 1 of 2)	5,000,000			5,000,000						
Parking Lot C, Upper Lot, 2" Asphalt Mill and Overlay	3,000,000			3,000,000						
IDMS System for Badging Office	2,400,000			2,400,000						
IT Infrastructure Upgrades (replace switches, routers and firewalls)	1,000,000			1,000,000						
Curbside Trench Drain Replacement (Phase 2)	720,000			720,000						
PBX Upgrade of CS1000 - IT - Phone system upgrade	550,000			550,000						
JWN Match - AULA	546,360			546,360						
Annual Landside Pavement Maintenance Fund	500,000			500,000						
Parking Lot C, Lower Lot, Crack Repair/Seal Coat	490,000			490,000						
Park Assist IT System Modernization	425,000			425,000						
BNA Strategic Material Stockpile Management	400,000			400,000						
Lower Level Roadway Trench Drain Repairs	250,000			250,000						
Parking garage structural condition study and park assist selective repairs	100,000			100,000						
<u>Airline Funded</u>										
R/W 2C/20C & T/W Sierra & T/W T4 Rehabilitation	7,000,000	5,250,000				1,750,000				
T/W Bravo North T1 and T/W T2 Reconstruction - Design Only	2,000,000					2,000,000				
Annual Airfield Marking Fund - R/W 2C/20C, T/W Sierra, T/W T4. and T/W November	1,900,000					1,900,000				
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000					550,000				
T/W Uniform Rehabilitation	1,800,000					1,800,000				
Annual Cargo Apron Slab Replacement	1,775,000					1,775,000				
Airfield Perimeter Road Repairs/Resurfacing (Phase 2 of 3)	1,600,000					1,600,000				
Annual Airfield Pavement Maintenance	1,500,000					1,500,000				
ARFF Airfield Access Concrete Apron Reconstruction	1,500,000					1,500,000				
T/W L7 Asphalt Maintenance - Mill and Overlay	600,000					600,000				
West Airfield Electrical System Rehab Incl. New Regulator Line Up, Year 1	530,000					530,000				
2027 Airfield PCI Study	400,000					400,000				
<u>Amortization Funded</u>										
Potable Water Cabinet Replacement (C and B Concourse)	900,000				900,000					
BNA Fire Doors (Ramp Level/Off Concourse)	900,000				900,000					
TSA Checkpoint Enhancement	1,000,000					1,000,000				
Terminal Roadway Maintenance and Bridge Inspection	800,000					800,000				
Roof Study Concourse B & C (Phase 1 of 3)	150,000					150,000				

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNA Authority Fund	Amortization Fund (AULA)	MNA Airline Fund	Bonds/Credit Facility/NAE Funding			
							Other (Baggage Fees, Seizure Funds, PFC,	Airline	MNA	Shared
<u>Equipment</u>										
Multi-Function Sweeper Replacing Sweeper / MB3	800,000			-		800,000				
MEQ6416 Loader Replacement	350,000			-		350,000				
Patterson TL3 Truck with Grapple Loader	325,000			277,550		47,450				
MEQ6262 Dump Truck / Replacement, 1989 Oshkosh plow truck	285,000			243,390		41,610				
MEQ6545 Dump Truck / Replacement, 2014 Volov plow truck	285,000			243,390		41,610				
MEQ6493 (Grounds) 2008 287 SKID STEER Replacement	185,000			157,990		27,010				
MEQ6322 (Grounds) 1994 TRACTOR Replacement	150,000			128,100		21,900				
New Rotary Cutter	40,000			34,160		5,840				
<u>Vehicles</u>										
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	105,000			89,670		15,330				
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000			76,860		13,140				
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000			76,860		13,140				
MEQ6632 (Operations) 2020 FORD F150	95,000			81,130		13,870				
MEQ6532 (Engineering) 2013 FORD F150	90,000			76,860		13,140				
MEQ6584 (Gounds) 2017 FORD F150, 4WD, SERVICE	80,000			68,320		11,680				
MEQ6585 (Engineering) 2017 FORD F150	80,000			68,320		11,680				
New addition F250 service body (HVAC)	90,000			76,860		13,140				
TOTAL FY 2027 Projects	475,626,360	41,198,578	10,000,000	27,080,820	3,750,000	17,345,540	-	92,551,422	279,300,000	4,400,000

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	Other (Baggage Fees, Seizure Funds, PFC,	Bonds/Credit Facility/NAE Funding		
								Airline	MNAA	Shared
<u>FY 2028 Projects</u>										
<u>Bond/Credit Facility/NAE</u>										
New GA Site Development (Design)	20,000,000								20,000,000	
T/W Bravo North and T/W T1, and T2 Reconstruction	50,000,000	6,365,000						43,635,000		
Rwy 2L/20R Extension (Design & Construction)	50,000,000							50,000,000		
RAC Site Development	23,700,000								23,700,000	
<u>Authority Funded</u>										
Convert Concourse C gates to Max 10	3,500,000			3,500,000	-					
Land acquisition	10,000,000			10,000,000						
Access Control Replacement at BNA (Phase 2 of 2)	7,500,000			7,500,000						
IT Infrastructure	1,000,000			1,000,000						
Landside Pavement Rehabilitation - Knapp Blvd	1,800,000			1,800,000						
Landside Pavement Condition Index (PCI) Study	320,000			320,000						
Parking Garage Structural Evaluation/Rehabilitation - Garage Joint Replacement (20%)	700,000			700,000						
JWN Match - AULA	562,750			562,750						
Parking Garage Joint Replacement (20%)	525,000			525,000						
BNA Branded Shop	245,000			245,000						
<u>Airline Funded</u>										
Terminal Apron Reconstruction	5,000,000					5,000,000				
Replace Stormwater Pipe FY28	2,000,000							2,000,000		
Annual Airfield Perimeter Road Repairs/Resurfacing	1,500,000							1,500,000		
Annual Airfield Pavement Maintenance	1,500,000							1,500,000		
Annual Airfield Concrete Pavement Joint Replacement -R/W 2R/20L, T/W H1, H2, H3, H4, & H5	3,600,000							3,600,000		
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139 (R/W 2R/20L and associated Taxiways)	1,200,000							1,200,000		
T/W T4 (between T/W November and T/W S7) Rehabilitation - Asphalt Mill and Overlay - DESIGN ONLY	1,000,000							1,000,000		
T/W L8 (R/W 13/31 South End Taxiways) Rehabilitation (Concrete)	1,600,000							1,600,000		
West Airfield Electrical Upgrade - New Regulators (4)	400,000							400,000		
<u>Amortization Funded</u>										
Concourse B & C Roof Repairs	5,000,000				5,000,000					
<u>Vehicles & Equipment</u>										
New EOD Robot	594,750			507,916		86,834				
New Tractor	250,000			213,500		36,500				
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000			170,800		29,200				
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000			64,050		10,950				
John Deere Rotary Cutter	60,000			51,240		8,760				
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000			38,430		6,570				
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000			38,430		6,570				
6in diesel water pump	200,000			170,800		29,200				
Seven (7) DPS vehicles @ \$95k	665,000			567,910		97,090				
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000			81,130		13,870				
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000			76,860		13,140				
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000			76,860	-	13,140				
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000			76,860		13,140				
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000			55,510		9,490				
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000			55,510		9,490				
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000			38,430		6,570				
TOTAL FY 2028 Projects	195,327,500	6,365,000	-	28,436,986	5,000,000	18,190,514	-	93,635,000	43,700,000	-

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNA Authority Fund	Amortization Fund (AULA)	MNA Airline Fund	Other (Baggage Fees, Seizure Funds, PFC,	Bonds/Credit Facility/NAE Funding		
								Airline	MNA	Shared
<u>FY 2029 Projects</u>										
<u>Bond/Credit Facility/NAE</u>										
New GA Site Development (Construction)	62,100,000									62,100,000
Rwy 2L/20R Extension (Construction)	175,000,000							175,000,000		
<u>Authority Funded</u>										
Land acquisition	10,000,000			10,000,000						
Terminal and Concourse Roof Life Extension (based on FY27 study)	3,000,000			3,000,000						
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	1,000,000			1,000,000						
IT Infrastructure	1,000,000			1,000,000						
Annual landside & roadway	750,000			750,000						
JWN Match - AULA	579,630			579,630						
Parking Garage Joint Replacement (20%) Parking repairs & Maintenance funds	550,000			550,000						
<u>Airline Funded</u>										
Terminal Apron Reconstruction (Area between concourses C and D)	20,000,000	6,556,000				13,444,000				
T/W T4 (between T/W November and T/W S7) Rehabilitation - Mill and Overlay	6,000,000					6,000,000				
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000					3,000,000				
Airfield Pavement Rehabilitation with joint replacement- 2C/20C & Associated Taxiways (R/W 13/31 East)	3,000,000					3,000,000				
Annual Airfield Concrete Pavement Joint Replacement - (R/W 2R/20L or 2C/20C)	2,600,000					2,600,000				
T/W T6 and T/W Kilo South Reconstruction - DESIGN ONLY	2,000,000					2,000,000				
T/W Lima West - Improvements to ADG5/TDG6 and Rehabilitation	2,000,000					2,000,000				
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139 - R/W 13/31 East	1,500,000					1,500,000				
Annual Airfield Pavement Maintenance	1,500,000					1,500,000				
West Airfield Electrical Upgrade - New Regulators (4)	450,000					450,000				
<u>Vehicles & Equipment</u>										
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000			170,800		29,200				
MEQ6569 (GRDS) 2015 TORO GROUNDSMASTER 4110D MOWER	130,000			111,020		18,980				
Seven (7) DPS vehicles @ \$95k	665,000			567,910		97,090				
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000			81,130		13,870				
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000			76,860		13,140				
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000			59,780		10,220				
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000			59,780		10,220				
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000			59,780		10,220				
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000			59,780		10,220				
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000			59,780		10,220				
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000			38,430		6,570				
TOTAL FY 2029 Projects	297,604,630	6,556,000	-	18,224,680	-	35,723,950	-	175,000,000	62,100,000	-

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNA Authority Fund	Amortization Fund (AULA)	MNA Airline Fund	Bonds/Credit Facility/NAE Funding			
							Other (Baggage Fees, Seizure Funds, PFC,	Airline	MNA	Shared
<u>FY2030 Projects</u>										
<u>Bond/Credit Facility/NAE</u>										
2nd Terminal (Sitework & Design)	88,500,000								88,500,000	
Rwy 2L/20R Extension (Construction)	180,000,000							180,000,000		
T/W T6 and T/W Kilo South Reconstruction	20,000,000	6,753,000						13,247,000		
Terminal Apron Reconstruction (Area between concourses C and SATCON)	15,000,000							15,000,000		
<u>Authority Funded</u>										
Land acquisition	10,000,000			10,000,000						
Replace/Refresh Park Assist Smart Parking (camera, sensors, servers, software)	2,000,000			2,000,000						
IT Infrastructure	1,000,000			1,000,000						
JWN Match - AULA	597,020			597,020						
Landside Pavement Rehabilitation (Landside & Roadway)	750,000			750,000						
Parking Garage Joint Replacement (20%)	580,000			580,000						
Terminal Big Screen Replacements	10,000,000			10,000,000						
<u>Airline Funded</u>										
Annual Airfield Pavement Rehabilitation	1,500,000					1,500,000				
Annual Airfield Concrete Pavement Joint Replacement - R/W 2L/20R	2,000,000					2,000,000				
Airfield Pavement Condition Index Study	600,000					600,000				
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	1,100,000					1,100,000				
West Airfield Electrical Upgrade - New Regulators (4)	500,000					500,000				
Project TBD pending 2027 Airfield PCI Study	1,000,000					1,000,000				
PCI Study - Airfield	600,000					600,000				
<u>Vehicles & Equipment</u>										
ARFF Truck (Replace Foxtrot 2)	1,300,000					1,300,000				
Seven (7) DPS vehicles @ \$95k	665,000				567,910	97,090				
10 Maintenance vehicles @75k	750,000				640,500	109,500				
TOTAL FY 2030 Projects	338,442,020	6,753,000	-	26,135,430	-	8,806,590	-	208,247,000	88,500,000	-

BNA Capital Improvements Plan
Fiscal Years 2027 - 2031

Project Title	Total	Federal	State	MNA Authority Fund	Amortization Fund (AULA)	MNA Airline Fund	Bonds/Credit Facility/NAE Funding			
							Other (Baggage Fees, Seizure Funds, PFC,	Airline	MNA	Shared
<u>FY2031 Projects</u>										
<u>Bond/Credit Facility/NAE</u>										
Rwy 2L/20R Extension (Construction)	180,000,000							180,000,000		
T/W Alpha South Reconstruction (Asphalt to Concrete)	20,000,000	6,956,000						13,044,000		
FY31 Terminal Apron Reconstruction	10,000,000							10,000,000		
<u>Authority Funded</u>										
Land acquisition	10,000,000			10,000,000						
JWN Match - AULA	614,930			614,930						
PCI Study - Landside	400,000			400,000						
Landside Pavement Rehabilitation (Landside & Roadway)	750,000			750,000						
<u>Airline Funded</u>										
Airfield Pavement Maintenance, FY31	1,500,000					1,500,000				
Project TBD pending 2027 Airfield PCI Study	1,000,000					1,000,000				
Airfield Concrete Pavement Joint Replacement - T/W Hotel (Year 5)	3,000,000					3,000,000				
Airfield Pavement Marking - R/W 2L/20R Marking Removal and Re-Marking	1,300,000					1,300,000				
<u>Vehicles & Equipment</u>										
ARFF Truck (Replace Foxtrot 3)	1,300,000					1,300,000				
Seven (7) DPS vehicles @ \$95k	665,000				567,910	97,090				
10 Maintenance vehicles @75k	750,000				640,500	109,500				
TOTAL FY 2031 Projects	231,279,930	6,956,000	-	12,973,340	-	8,306,590	-	203,044,000	-	-
Total 5 Year CIP	1,538,280,440	67,828,578	10,000,000	112,851,256	8,750,000	88,373,184	-	772,477,422	473,600,000	4,400,000

MNAA RESOLUTION NO. 2026-03

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEARS 2027 TO 2031, THE CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEAR 2027 AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for Nashville International Airport for five fiscal years beginning July 1, 2026, and ending June 30, 2031, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

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

Section 1. That the Board of Commissioners hereby approves the attached FY27 – FY31 Capital Improvements Plan and FY27 Capital Improvements Budget for fiscal year July 1, 2026 through June 30, 2027 for Nashville International Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the Nashville International Airport.

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

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

RECOMMENDED:

ADOPTED:

Douglas E. Kreulen, President & CEO

Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

MNAA Legal Counsel

Andrew W. Byrd, Board Secretary

This 15th day of April 2026.

STAFF ANALYSIS

Finance Committee

Date: April 8, 2026
 Facility: John C. Tune Airport (JWN)
 Subject: MNAA Resolution 2026-04
 FY27 JWN Operating Budget

I. Recommendation

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

- 1) approve the proposed operating budget for John C. Tune Airport (JWN) for fiscal year 2027 (FY27); and
- 2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2026-04.

II. Analysis

A. Background

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

The proposed Operating Budget for FY27 is summarized below:

JWN Summary	BUDGET 2026	BUDGET 2027	VARIANCE \$	VARIANCE %	
Operating Revenue	\$ 3,929,000	\$ 5,732,000	\$ 1,803,000	45.9%	①
Operating Expense	(2,515,000)	(2,790,000)	(275,000)	10.9%	②
Non-Operating Revenue	334,000	146,000	(188,000)	(56.3%)	③
Income before Depreciation, Grants, and Transfers to/from MNAA	\$ 1,748,000	\$ 3,088,000	\$ 1,340,000	76.7%	

① Budgeted operating revenue increased \$1.8M. Largest variances:

- Hangar and Land rents increased \$1.78M, due to increases in the individual hangar rent effective July 1, 2026, and the Atlantic Aviation lease signed in FY26, but not included in the budget until FY27.
- Flowage Fees increased \$20,000 due to an increase in aviation fuel sales.

② Budgeted operating expense increased \$275,000. Largest variances:

- Salaries/Benefit expenses increased \$123,000 due to an additional FTE (operations specialist) being approved, and a cost-of-living increase.
- Professional and Other Contract services increased \$22,000 mainly due to an increase in snow removal services to cover 3rd party snow removal, which has not been budgeted previously.
- Janitorial Services increased \$9,000 due to annual contractual increases and the addition of a deep cleaning service to the administration building.
- Repair and Maintenance Services increased \$50,000 due to increases to add annual contracts for scheduled/routine EMAS maintenance and sprinkler system certification.
- Other Operating Expense increased \$67,000 due to increases in Tune's share of allocable MNAA's administrative expenses.

③ Budgeted non-operating income decreased \$188,000:

- Non-Operating Income decreased \$188,000. This is driven by a decrease in forecasted interest income (\$187k) due to decreases in anticipated cash balances and lower interest rates, and a decrease in grant revenue (\$1k).

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY27 Operating Budget by adding or reducing revenue and expense items.

MNAA RESOLUTION NO. 2026-04

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE OPERATING BUDGET FOR JOHN C. TUNE AIRPORT COVERING THE FISCAL YEAR 2027, BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027.

WHEREAS, the President has submitted, for Board approval, the Operating Budget for John C. Tune Airport, covering fiscal year beginning July 1, 2026, and ending June 30, 2027, pursuant to Article IV, Section 4.3.2 of the Third Amended and Restated Bylaws of the Board of Commissioners.

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

Section 1. That the Board of Commissioners hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for the John C. Tune Airport for fiscal year 2027.

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

RECOMMENDED:

ADOPTED:

Douglas E. Kreulen, President & CEO

Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

MNAA Legal Counsel

Andrew W. Byrd, Board Secretary

This 15th day of April 2026.

STAFF ANALYSIS

Finance Committee

Date: April 8, 2026
Facility: John C. Tune Airport (JWN)
Subject: MNAA Resolution 2026-05
FY27 JWN Capital Improvements Budget and FY27-31 JWN Capital Improvements Plan

I. Recommendation

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

- 1) approve the proposed FY27-31 JWN Capital Improvements Plan; and
- 2) approve the proposed FY27 JWN Capital Improvements Budget; and
- 3) authorize MNAA to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of Authority; and
- 4) authorize the Chair and President & CEO to execute MNAA Resolution No. 2026-05.

II. Analysis

A. Background

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

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

The proposed Capital Improvements Plan for FY27-31 is summarized below:

JWN Summary:	2027	2028	2029	2030	2031	TOTAL
Terminal & Landside	\$ 150,000	\$ 7,900,000	\$ 20,000,000	\$ -	\$ -	\$ 28,050,000
Vehicles & Equipment	310,000	280,000	-	-	-	590,000
Airside Improvements	2,490,987	435,000	800,000	20,000,000	3,000,000	26,725,987
Total	\$ 2,950,987	\$ 8,615,000	\$ 20,800,000	\$ 20,000,000	\$ 3,000,000	\$ 55,365,987

Funding Allocations:	2027	2028	2029	2030	2031	TOTAL
JWN Funding	\$ 1,323,007	\$ 1,836,750	\$ 2,040,000	\$ 850,000	\$ 2,850,000	\$ 8,899,757
Federal Funds	1,262,040	150,000	150,000	150,000	150,000	1,862,040
State Funds	365,940	6,628,250	18,610,000	19,000,000	-	44,604,190
Total	\$ 2,950,987	\$ 8,615,000	\$ 20,800,000	\$ 20,000,000	\$ 3,000,000	\$ 55,365,987

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY27, and the anticipated funding sources, are shown in the attached Capital Improvements Plan.

Federal funds include entitlement and discretionary funds, as well as the Bipartisan Infrastructure Bill (BIL). JWN has been allocated BIL funds from the FAA of \$2,711,000 between FY2022 and FY2026. \$713,155 of remaining funds are programmed in JWNs FY27 CIP. State funds include the State Economic Community Development Fund. If any of the Federal or State funds are not available, Finance will identify other sources of funding, including bond funds, for capital projects.

The specific projects for each year are listed in the attached FY27-31 Capital Improvements Plan, with a total of \$2,950,987 currently programmed for the FY27 Capital Improvements Budget. The major projects for FY27 include: 1) Eastside Pavement Rehabilitation design and construction - \$1.2M, 2) ALP Update - \$556K, 3) Westside Drainage – Fence/Stream Crossing - \$420K, and 4) Obstruction Removal - \$200K. The projects and costs shown for FY28-31 are a planning tool and only estimates at this time. They will be updated annually and presented to the Board.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY27 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

Capital Improvement Plan - JWN

(Fiscal Years 2027-2031)

	Total Project Cost	State/Federal Funding				Local Funding	
		AIP Entitlement	AIP Entitlement Year	State or State ECD	BIL (AIG) Entitlement	BIL (AIG) Entitlement	BIL (ATP) Competitive
FY 2027 Projects							
<u>Projects</u>							
Eastside Pavement Rehabilitation - Design (Area 3)	100,000	90,000	FY24	5,000	-		5,000
Eastside Pavement Rehabilitation - Construction (Area 3)	1,058,000	458,885	FY25+FY26+FY27	226,615	308,155	FY25+FY26	64,345
ALP Update	555,987			134,325	405,000	FY26	16,662
ADSB Radar Scope Installed in ATCT	130,000						130,000
ATCT HVAC Upgrades	150,000						150,000
Westside Drainage - Fence/Stream Crossing	420,000						420,000
R/W 20 End Identifier Lighting (REIL) Replacement	27,000						27,000
Part 77 approach surfaces obstruction removal	200,000						200,000
<u>Vehicles</u>							
New 1/2 ton pickup truck	90,000						90,000
Replace JC CX-15 Bush Hog Mower	185,000						185,000
Six Seat Golf Cart	35,000						35,000
TOTAL FY 2027 Projects	2,950,987	548,885		365,940	713,155	-	1,323,007
FY 2028 Projects							
<u>Projects</u>							
Eastside Pavement Rehabilitation - Design and Construction (Area 4)	435,000	150,000	FY28	263,250			21,750
Westside Expansion - Roadway and Utilities	6,700,000			6,365,000			335,000
North Development Access Rd Paving	1,200,000						1,200,000
<u>Vehicles</u>							
Scissor Lift (MEQ 7406- 25' working height)	40,000						40,000
F-250 to replace MEQ6642	95,000						95,000
Autonomous Mowers - Move to FY28	50,000						50,000
Full Size SUV - Finance move to FY28	95,000						95,000
TOTAL FY 2028 Projects	8,615,000	150,000		6,628,250	-	-	1,836,750

	Total Project Cost	State/Federal Funding				Local Funding	
		AIP Entitlement	AIP Entitlement Year	State or State ECD	BIL (AIG) Entitlement	BIL (AIG) Entitlement	BIL (ATP) Competitive
FY 2029 Projects							
Projects							
Eastside Pavement Rehabilitation - Design and Construction (Area 2)	800,000	150,000	FY29	610,000			40,000
West Side Hangar Development	20,000,000			18,000,000			2,000,000
TOTAL FY 2029 Projects	20,800,000	150,000		18,610,000	-	-	2,040,000
FY 2030 Projects							
Projects							
Taxiway Bravo (South)	20,000,000	150,000	FY30	19,000,000			850,000
TOTAL FY 2030 Projects	20,000,000	150,000		19,000,000	-	-	850,000
FY 2031 Projects							
Projects							
Taxiway Alpha Rehabilitation	3,000,000	150,000	FY31				2,850,000
TOTAL FY 2031 Projects	3,000,000	150,000		-	-	-	2,850,000
Total 5 Year CIP	55,365,987	1,148,885		44,604,190	713,155	-	8,899,757

MNAA RESOLUTION NO. 2026-05

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY APPROVING THE CAPITAL IMPROVEMENTS PLAN FOR JOHN C. TUNE AIRPORT FOR FISCAL YEARS 2027 TO 2031, THE CAPITAL IMPROVEMENTS BUDGET FOR JOHN C. TUNE AIRPORT FOR FISCAL YEAR 2027, AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.

WHEREAS, the President has submitted, for Board approval, the attached Capital Improvements Plan for John C. Tune Airport for five fiscal years beginning July 1, 2026, and ending June 30, 2031, pursuant to Article IV, Section 4.3.3 of the Third Amended and Restated Bylaws of the Board of Commissioners.

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

Section 1. That the Board of Commissioners hereby approves the attached FY27 - FY31 Capital Improvements Plan and FY27 Capital Improvements Budget for fiscal year July 1, 2026 through June 30, 2027 for John C. Tune Airport, which have been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the John C. Tune Airport.

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

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

RECOMMENDED:

ADOPTED:

Douglas E. Kreulen, President & CEO

Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

MNAA Legal Counsel

Andrew W. Byrd, Board Secretary

This 15th day of April 2026.

STAFF ANALYSIS MPC Finance Committee

Date: April 8, 2026
 Facility: MNAA Properties Corporation (MPC)
 Subject: MPC Resolution 2026-01
 FY27 MPC Operating Budget

I. Recommendation

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

- 1) approve the proposed operating budget for MNAA Properties Corporation (MPC) for fiscal year 2027 (FY27); and
- 2) authorize the Chair and President & CEO to execute MPC Resolution No. 2026-01.

II. Analysis

A. Background

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

The proposed operating budget for FY27 is summarized below:

MPC Summary	BUDGET 2026	BUDGET 2027	VARIANCE \$	VARIANCE %	
Operating Revenue	\$ 4,963,000	\$ 4,496,000	\$ (467,000)	(9.4%)	①
Operating Expense	(1,836,000)	(2,126,000)	(290,000)	15.8%	②
Non-Operating Revenue	521,000	212,000	(309,000)	(59.3%)	③
Non-Operating Expense	(382,000)	(370,000)	12,000	(3.1%)	④
Income before Depreciation	\$ 3,266,000	\$ 2,212,000	\$ (1,054,000)	(32.3%)	

MPC Budget by Subsidiary/Parent	International Plaza	Multi-Purpose Building	Global Tire	MPC Parent	TOTAL MPC BUDGET 2027
Operating Revenue	\$ 2,715,000	\$ 1,724,000	\$ 57,000	\$ -	\$ 4,496,000
Operating Expense	(1,643,000)	(483,000)	-	-	(2,126,000)
Non-Operating Revenue	-	-	-	212,000	212,000
Non-Operating Expense	(146,000)	(72,000)	-	(152,000)	(370,000)
Income before Depreciation	\$ 926,000	\$ 1,169,000	\$ 57,000	\$ 60,000	\$ 2,212,000

① Budgeted operating revenue decreased by \$467,000, to account for revisions to prior-year revenue assumptions and expected FAA and VA leases not materializing for the full year due to Federal funding cuts.

② Budgeted operating expense increased by \$290,000. Largest variances:

- Increase in utilities of \$193,000 due to higher usage than expected for electricity, water, and natural gas during this past year. In addition, during FY26, it was discovered that MPC trash services were being included (and paid) on BNA's invoices. These expenses were reclassified to MPC during the year, however, there was not a corresponding budget in MPC. This increase in the FY27 budget now includes the trash charges.
- Increase in landscaping of \$50,000. During FY26, it was discovered that landscaping around the Multi-Purpose Building was included (and paid) on BNA's invoice. The increase in the FY27 budget now includes this charge. In addition, landscaping for a lot adjacent to the International Plaza Building (IPB) was added to the contract for FY27.
- Increases of \$17,000 for various repair and maintenance services (elevator/escalator maintenance, chiller maintenance, fire alarm monitoring, water treatment, etc.).
- Increase of \$21,000 of TI (tenant improvements) that may need to be done to entice new or extension of space leases at the IPB. Current occupancy is at 76%.

③ Budgeted non-operating revenue (interest income) decreased by \$309,000 related to projected lower interest rates and cash balance due to spending on the proposed FY27 CIP projects.

④ Budgeted Inter-Company expenses decreased by \$12,000 due to changes in the BNA management fee estimate. The management fee is calculated as a percent of revenues, and since the revenue budget was reduced, the estimated fee was also reduced.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY27 Operating Budget by increasing or decreasing revenue and expense items.

MPC RESOLUTION NO. 2026-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAА PROPERTIES CORPORATION APPROVING THE OPERATING BUDGET FOR MNAА PROPERTIES CORPORATION COVERING THE FISCAL YEAR 2027, BEGINNING JULY 1, 2026, AND ENDING JUNE 30, 2027.

WHEREAS, the President has submitted, for Board approval, the attached Operating Budget for MNAА Properties Corporation covering fiscal year beginning July 1, 2026, and ending June 30, 2027, pursuant to Article IV, Section 4.3.2 of the Amended and Restated Bylaws of the Board of Directors.

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

Section 1. That the Board of Directors hereby approves the Operating Budget as presented, which has been made a part hereof as if copied verbatim herein as the Operating Budget for MNAА Properties Corporation for fiscal year 2027.

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

RECOMMENDED:

ADOPTED:

Douglas E. Kreulen, President & CEO

Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

Legal Counsel

Andrew W. Byrd, Board Secretary

This 15th day of April 2026.

STAFF ANALYSIS MPC Finance Committee

Date: April 8, 2026
Facility: MNA Properties Corporation (MPC)
Subject: MPC Resolution 2026-02
FY27 MPC Special Projects Budget and FY27-31 MPC Special Projects Plan

I. Recommendation

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

- 1) approve the proposed FY27-31 MPC Special Projects Plan (FY27-31 MPC Capital Improvements Plan); and
- 2) approve the proposed FY27 MPC Special Projects Budget (FY27 MPC Capital Improvements Budget); and
- 3) authorize MPC to apply for and accept any grant(s) from the Federal Aviation Administration (FAA) for Federally funded projects and from the State of Tennessee for state funded projects, and to designate the President & CEO, or delegate, as the authorized representative of the corporation; and
- 4) authorize the Chair and President and CEO to execute MPC Resolution No. 2026-02.

II. Analysis

A. **Background**

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

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

The proposed Special Projects Plan for FY27-31 is summarized below:

MPC Summary:	2027	2028	2029	2030	2031	TOTAL
Total	\$ 3,330,000	\$ -	\$ -	\$ -	\$ -	\$ 3,330,000

MNAA has been studying the west side of BNA for future development, which may include the International Plaza Building (“IPB”), however, at this time there have been no specific future development identified. During FY26, given IPB’s profitability, demand, and being out of the path of growth, staff gained approval from the President and CEO to allow the IPB to remain open through 2035 (originally slated to be closed in 2030). This would allow Real Estate to sign/extend leases through 2035 and perform capital improvements to make the building functional for the next ten years (the building is occupied by tenants, and some projects are needed to ensure the building is safe and in general working order). Language will be incorporated into IPB leases that extend past 2030 to allow for early termination if future development is identified and determined necessary.

The initial draft of five-year special projects plan included projects for FY27, FY28, and FY29. In order to gain maximum value from the capital improvements necessary to keep IPB in good general working order, all projects were accelerated to FY27. Projects for FY27: stucco repairs \$100k, common area updates \$580k, window resealing \$850k, HVAC updates \$1M, and parking lot resurfacing \$800k.

All projects are contingent upon the identification and approval of a funding source. The projects programmed for FY27-31 are shown in the attached Special Projects Plan. Currently the only identified funding source for the projects on the FY27-31 Special Projects Plan is IPB’s operating cash account, which is \$20.6M as of March 20, 2026.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY27 MPC Special Projects Budget by adding/deleting projects from the proposed capital plan.

Attachment: FY2027 – 2031 MPC Special Projects Plan

MPC Capital Improvement Plan
Fiscal Years 2027 - 2031

Project #	Total Project Cost
FY 2027	
Future IPB Stucco Repairs	100,000
Future IPB Common Area updates	580,000
Future IPB Window resealing	850,000
Future IPB HVAC updates	1,000,000
Future IPB Parking Lot Resurfacing	800,000
FY 2027 Total	3,330,000
FY 2028	
FY 2028 Total	0
FY 2029	
FY 2029 Total	0
FY 2030	
FY 2030 Total	0
FY 2031	
FY 2031 Total	0
MPC TOTAL	\$ 3,330,000

MPC RESOLUTION NO. 2026-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAА PROPERTIES CORPORATION APPROVING THE SPECIAL PROJECTS PLAN FOR FISCAL YEARS 2027 TO 2031, THE SPECIAL PROJECTS BUDGET FOR MNAА PROPERTIES CORPORATION FOR FISCAL YEAR 2027, AND AUTHORIZING APPLICATION FOR AND ACCEPTANCE OF THE GRANT(S) FROM THE FEDERAL AVIATION ADMINISTRATION FOR FEDERALLY FUNDED PROJECTS AND FROM THE STATE OF TENNESSEE FOR STATE FUNDED PROJECTS.

WHEREAS, the President has submitted, for Board approval, the attached Special Projects Plan for MNAА Properties Corporation for five fiscal years beginning July 1, 2026, and ending June 30, 2031, pursuant to Article IV, Section 4.3.3 of the Amended and Restated Bylaws of the Board of Directors.

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

Section 1. That the Board of Directors hereby approves the attached FY27 - FY31 Special Projects Plan and FY27 Special Projects Budget for fiscal year July 1, 2026 through June 30, 2027 for the MNAА Properties Corporation, which have been made a part hereof as if copied verbatim herein as the Special Projects Budget for the MNAА Properties Corporation.

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

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

RECOMMENDED:

ADOPTED:

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 15th day of April 2026.