

June 10, 2026

MEMORANDUM FOR RECORD

Subject: CEO Facts and Advice to the Board of Commissioners Reference  
Potential Litigation involving 2026 Public Act 978

The following information is provided to the Board of Commissioners to assist them in carrying out their responsibilities of establishing broad policies which govern the operation of the Authority (ref: Bylaws 2.1).

As the President & Chief Executive Officer for the Authority, I acknowledge that it is my responsibility to actively manage the business of the Authority which includes complying with policies established by the Board (ref: Bylaws 3.3.1 and American Association of Airport Executives Code of Ethics).

The AAAE Code of Ethics also requires me to provide the governmental body with facts and advice on matters of policy to assist them in their decision-making process. Below are facts and advice that I believe the Board should consider before deciding to enter litigation regarding 2026 Public Act 978.

1. The Metropolitan Nashville Airport Authority was created, per paragraph 1.1 of the Bylaws, to manage, operate, finance, and maintain the Nashville International Airport and John C. Tune Airport.
2. The Metropolitan Nashville Airport Authority was not created to dispute who appoints members to the Board of Commissioners.
3. If the Airport Authority files litigation against the State of Tennessee, it becomes embroiled in a partisan political activity that will divert our time and attention from our primary purpose of managing, operating, financing, and maintaining our airports.
4. If the Airport Authority files litigation against the State of Tennessee, it will also divert revenue from our primary purpose of managing, operating, financing, and maintaining our airports and it will ultimately increase the rates, fees, and charges imposed on the airlines (ref: Bylaws 4.4.1.7).

5. To my knowledge, the Board has not been informed of the following:
- a. the specific claims that would be filed against the State,
  - b. any legal research or analysis that would be necessary to determine the likelihood of success,
  - c. any analysis of the potential disadvantages, downsides, and risks to the Airport Authority and the Board members associated with pursuing litigation against the State, or
  - d. the scope, the potential duration, and cost of pursuing the litigation.

To summarize, the Board has not been provided with any analysis that would be required for it to make an informed decision of whether to sue the State of Tennessee.

6. In particular, the Airport Authority Board Counsel has not been asked by the Board to conduct the legal research necessary to determine the likelihood of success and, more importantly, Board Counsel has not made a recommendation to the Board of Commissioners to file litigation in this case.
7. The operating budget (ref: Bylaws 4.3.2) submitted to and approved by the Board of Commissioners did not include estimates of the funds necessary to support litigation against the State of Tennessee. Requests for additional appropriations shall be submitted to the Board for approval.

Therefore, before voting to direct the Metropolitan Nashville Airport Authority to file litigation against the State of Tennessee, the Commissioners should carefully consider these points and whether funding a political dispute between Metro and the State of Tennessee would be consistent with the Board's duties of care, obedience, prudence, and proper oversight of the Authority's mission to provide a safe, efficient, and economic operation of our airports.

The above comments are respectfully submitted to assist Commissioners in their decision-making process while also ensuring that as your President & CEO I maintain the highest standards of ethical and professional conduct.

Sincerely,



Douglas E. Kreulen, A.A.E.  
President & Chief Executive Officer