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

Date/Time:	Wednesday, July 8, 2026, at 9:00 a.m.
Place:	Nashville International Airport – Tennessee Board Room
Finance Committee Members**:**	Tony Giarratana, Committee Chair Stuart McWhorter, Committee Vice Chair John Cheadle, Member Dennis Cavin, Member

I. CALL TO ORDER

II. PUBLIC COMMENTS

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

III. APPROVAL OF MINUTES

June 10, 2026 Minutes of the Joint Meeting of the MNAA and MPC Finance Committee

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. FAA Lease Agreement (Gassaway Building)
2. VA Lease Agreement (International Plaza Building)
3. Contract for Procurement Assessment

VI. INFORMATION ITEMS

1. None.

VII. ADJOURN

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

BNA Nashville International Airport®

Date: June 10, 2026	Location: Metropolitan Nashville Airport Authority Tennessee Boardroom
Time: 9:49 a.m.	
Committee Members Present:	Andrew Byrd, Committee Chair; Glenda Glover, Committee Vice Chair, Marcus Shute, Jr.
Committee Members Absent:	
Other Board Members Present:	Nancy Sullivan, Joycelyn Stevenson, Steve Swartz
MNAA Staff & Guests Present:	Doug Kreulen, Cindy Barnett, Josh Powell, Trish Saxman, Marge Basrai, Zach Blair, Adam Bouchard, John Cooper, Kristen Deuben, Adam Floyd, Traci Holton, Eric Johnson, Chief Kreppein, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Robert Ramsey, Erin Thomas, Puneet Vedi; and Charlotte Weatherington Joe Hall – Hall Strategies, Meagan Frazier - Husch Blackwell Strategies

I. CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance Committee to order at 9:49 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 May 13, 2026, Minutes of the Joint Meeting of the MNAA & MPC Finance Committee. Vice Chair Glover made a motion, and Commissioner Shute seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Shute – Yes

The motion passed with a vote of 3 to 0.

IV. CHAIR'S REPORT

Chair Byrd had no Chair's report.

V. ITEMS FOR APPROVAL

1. FY27 Commercial Insurance Policies Renewal

President Kreulen introduced Kristen Deuben, VP, Deputy Chief Financial Officer to brief the Commissioners on the FY27 Commercial Insurance Policies Renewal. Ms. Deuben stated the current insurance policies are on a 7/1/26 – 7/1/27 cycle. All policies will be renewed effective July 1, 2026. Marsh, our insurance broker, negotiated with incumbent carriers on select lines of coverage following up on extensive marketing in previous years. The FY27 Total Estimated Policy Premiums is $5,849,016 NTE which is Projected Annual Premium Increase of $293,645 (+5.3%).

Ms. Deuben stated the main reason for the changes is we are expecting a Property Insurance decrease to $3.79M (-1.4%). Total insured value of assets decreased from $3.2B to $3.1B due to the reduction for the demolition of Concourse A, offset by the increase in the replacement values on current assets. Automobile increased to $157K (10.0%). Line of coverage remains difficult due to number of claims and insurable value of vehicles nationwide. Management Liability increased to $394K (8.7%). The premium on the public entity policy increased 11% based on open claims. The Pollution Legal Liability increased to $107K (+100%). This is the first year of a three-year policy (to be paid in FY27) which is estimated to remain the same as the previous three-year policy (all paid in FY24).

Ms. Deuben requests that the Finance Committee recommend to the Board of Commissioners approve the FY27 commercial insurance policies renewal at a NTE amount of $5,849,016, and authorize the President and CEO to execute the FY27 policies through Marsh.

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

Vice Chair Glover stated the property insurance decreased and asked if the automobile increase by 10% because of the increased gas prices. Ms. Deuben replied this is nationwide, it is a difficult market, more claims and the price of vehicles rose. Vice Chair Glover asked for more explanation on the pollution legal liability. Ms. Deuben replied that is a 3-year policy that we have had in place, the last time it was paid in FY24. It appears to be an increase, because last year was $0. President Kreulen replied when we paid pollution liability in FY23, it was $97,837, covered us for 3 years. That amount has now increased to $107K. Vice Chair Glover asked if the 5% increase over prior year or prior 3 years. Ms. Deuben replied prior year. Vice Chair Glover asked if the reason for that is the condition of the economy, and claims increased. Ms. Deuben replied there are several policies. These were the biggest differences.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes
Vice Chair Glover – Yes
Commissioner Shute – Yes

The motion passed with a vote of 3 to 0.

2. First Amendment to Valet Services Management Contract

President Kreulen introduced Adam Bouchard, VP, Operations and Facilities to brief the Commissioners on the First Amendment to Valet Services Management Contract. Mr. Bouchard stated that this First Amendment to Valet Services Management Contract will add one additional year to the term and amend the Management Fee. The Board approved the original agreement in 2022 with Laz and it expires at the end of this month, June 30, 2026. A Request for Proposals ("RFP") was solicited in February with the intent to bring the new agreement to the Board last month; however due to complications stemming from the solicitation issued earlier this year, a new solicitation must be prepared and issued which we intend to issue by this Fall. This Amendment is necessary to ensure we have operational continuity until the new solicitation is completed and brought to the Board in early 2027. Mr. Bouchard stated the proposed amendment includes a management fee escalation of 3% year over year, and the term of the amendment is 1 year with no renewal options. The contract cost is $576,800. Reimbursable expenses under this agreement were included in the FY27 O&M Budget and approved by the Board back in April.

Mr. Bouchard requests that the Finance Committee recommend to the Board of Commissioners that it approve and accept the proposed amendment with LAZ Parking Georgia, LLC, and authorize the Chair and President & CEO to execute the proposed Contract amendment.

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

Vice Chair Glover asked if there will be a new contract next year since there are no renewals. Mr. Bouchard replied yes that we will be preparing a new solicitation that will go out this Fall and our intent will be to bring a new agreement to the Board in the first part of 2027. Vice Chair Glover asked if it will be a 1 year contract. Mr. Bouchard replied no, the next agreement will likely be a multi-year agreement, we have not finalized the specific terms, but typically for these type of agreements that are in the 3-5 years term.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

Commissioner Shute – Yes

The motion passed with a vote of 3 to 0.

3. <u>Second Amendment to Public Parking Facilities Agreement</u>

Mr. Bouchard stated the Amendment to Public Parking Facilities Agreement is to amend existing Public Parking Facilities agreement to add one additional year to the term, amending the scope to include custodial services within the parking facilities, and amend the Management Fee. The Board originally awarded this agreement in 2021 for 3 years with 2 renewals and will expire June 30, 2026. Due to the same complications mentioned in the previous item stemming from the RFP issued in February, a solicitation is being prepared and will be issued this Fall. This Amendment is necessary to ensure we have operational continuity until the new solicitation is completed and brought to the Board in early 2027. The proposed amendment will add additional custodial scope to the original agreement and there is a management fee increase as a result of this added scope. The term of the amendment is 1 year, with no renewal options, with LAZ Parking Georgia, LLC, and the total management fee is $513,939. Reimbursable expenses under this agreement were included in the FY27 O&M Budget and approved by the Board back in April.

Mr. Bouchard requests that the Finance Committee recommend to the Board of Commissioners that it approve and accept the proposed amendment with LAZ Parking Georgia, LLC, and authorize the Chair and President & CEO to execute the proposed Contract amendment.

Chair Byrd asked for a motion to approve as presented. Commissioner Shute 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 Shute – Yes

The motion passed with a vote of 3 to 0.

President Kreulen concluded the presentation of the approval items.

VI. INFORMATION ITEMS

None.

President Kreulen concluded the presentation.

1) ADJOURN

There being no further business brought before the Finance Committee, Chair Byrd adjourned the meeting at 10:01 a.m.

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Board Secretary

STAFF ANALYSIS
Finance Committee

Date: July 8, 2026

Facility: Nashville International Airport (BNA) – Gassaway Building ("Gassaway")

Subject: Lease Agreement by and between the United States of America, acting by and through the Federal Aviation Administration ("FAA"), and the Metropolitan Nashville Airport Authority ("Authority").

I. Recommendation

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

1) accept the Lease Agreement between the FAA and the MNAA, granting the FAA a nine-year and four-month lease at the Gassaway Building.

2) authorize the Chair and President and CEO to execute the Lease Agreement.

II. Analysis

A. Background

The proposed Lease Agreement is for suite 137 at Gassaway. The Gassaway building is a two-story office building located at 612 Hangar Lane, Nashville, Tennessee 37217. Suite 137 is on the first floor and is comprised of 2,177 square feet. The MNAA and the FAA originally executed a lease for suite 137, commencing on October 1, 2005, and expiring on September 30, 2010. The MNAA and the FAA executed a second lease for suite 137, commencing on October 1, 2010, expiring on September 30, 2011, and allowing for four one-year renewal options expiring on September 30, 2015. The MNAA and the FAA executed a supplemental lease agreement to the second lease, which extended the one-year renewal options through September 30, 2018. The MNAA and the FAA executed a third lease for suite 317, commencing on October 1, 2018, and expiring on September 30, 2023. The third lease had a holdover provision which allowed the FAA to continue leasing the suite past the September 30, 2023 expiration date, at the rate paid during the lease term. The MNAA and the FAA have now negotiated the fourth Lease Agreement, which has a term of nine years and five months, commencing on May 1, 2026, and expiring on September 30, 2035. All of the FAA leases expire on September 30th to align with the Federal Government's fiscal year.

B. Lease Terms

1. The proposed lease agreement is for a term of nine years and four months
   a. Commences on May 1, 2026
   b. Terminates on September 30, 2035

c. There are no extension options
d. Both the MNAA and FAA can terminate the lease with a 365-day notice

2. The rent table is below

Effective Date	Approximate Rental Rate Per Rental Square Feet	Monthly Rent	Annual Rent
5/1/2026 - 9/30/2026	$ 25.00	$ 4,535.42	$ 22,677.10
10/1/2026 - 9/30/2030	$ 25.00	$ 4,535.42	$ 54,425.04
10/1/2030 - 9/30/2035	$ 29.00	$ 5,261.08	$ 63,132.96

a. The rent escalates 16% at four years and 5 months
b. The MNAA is not performing any Tenant Improvements

C. Impact/Findings

The previous FAA monthly rent, based on the third lease, was $3,556.53. The new monthly rental rate, based on the fourth Lease Agreement, starts at $4,535.42. That is a 27.5% ($978.89) increase in monthly rental income.

The proposed fourth Lease Agreement allows the MNAA to terminate the lease agreement at any time during the lease term with a 365-day notice.

The third lease did not contain any rent escalations, and the proposed fourth Lease Agreement escalates 16% ($725.66 additional per month) approximately halfway through the term.

D. Strategic Priorities

- Invest in BNA/JWN
- Plan for the Future

E. Options/Alternatives

The Finance Committee could decline to recommend approval of the Lease Agreement and 1) allow the FAA to continue leasing the suite on a month-to-month basis through the holdover clause in the third lease or 2) instruct staff to send the FAA a notice to vacate the suite and attempt to find a new tenant.

STAFF ANALYSIS
Finance Committee

Date: July 8, 2026

Facility: Nashville International Airport (BNA) – International Plaza Building ("IPB")

Subject: Lease Agreement by and between the United States of America, acting by and through the Department of Veterans Affairs ("VA"), and the MNAA Properties Corporation ("MPC").

I. Recommendation

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

1) accept the Lease Agreement between the VA and the MPC, granting VA a nine-year lease at the International Plaza Building.

2) authorize the Chair and President and CEO to execute the Lease Agreement.

II. Analysis

A. Background

The proposed Lease Agreement is for suite 300 at the IPB, commonly known as the Gold Building. The IPB is a nine-story office building located at 2 International Plaza Dr., Nashville, TN 37214. Suite 300 is located on the third floor and is comprised of 9,007 square feet. The MPC and VA executed a ten-year lease agreement for suite 300, commencing on September 1, 2016, and expiring on August 31, 2026. Given the upcoming lease expiration, the MPC and VA have negotiated a new nine-year Lease Agreement. The maximum term the MPC offered was nine years given the Metropolitan Nashville Airport Authority's ("MNAA") desire to redevelop the IPB site after 2035.

B. Lease Terms

1. The proposed Lease Agreement is for a term of nine years
   a. Commences on September 1, 2026
   b. Terminates on August 31, 2035
   c. There are no extension options
   d. The first five years are firm
      i. Both the MPC and VA can terminate the lease with a 365-day notice
   e. The last four years are non-firm
      i. The MPC can terminate with a 365-day notice
      ii. The VA can terminate with a 90-day notice
2. The rent table is below

Lease Year	Term	Total Monthly	Total Annual	PSF
1	Firm	$27,028.51	$324,342.07	$36.01
2	Firm	$27,839.36	$334,072.33	$37.09
3	Firm	$28,674.54	$344,094.50	$38.20
4	Firm	$29,534.78	$354,417.34	$39.35
5	Firm	$30,420.82	$365,049.86	$40.53
6	Non-Firm	$31,333.45	$376,001.35	$41.75
7	Non-Firm	$32,273.45	$387,281.39	$43.00
8	Non-Firm	$33,241.65	$398,899.84	$44.29
9	Non-Firm	$34,238.90	$410,866.83	$45.62

a. The rent escalates 3% every year
b. The MPC is not performing any Tenant Improvements

C. Impact/Findings

The current monthly rental rate, based on the original lease, is $22,172.75. The new monthly rental rate on the proposed Lease Agreement starts at $27,028.51. That is a 22% ($4,855.76) increase in monthly rental income.

The proposed Lease Agreement allows the MPC to terminate the lease agreement at any time during the lease term with a 365-day notice, thus allowing MNAA to redevelop the site sooner than 2035.

The original lease only had one escalation of 12.8% at the five-year mark, and the proposed Lease Agreement escalates at 3% every lease year.

D. Strategic Priorities

- Invest in BNA/JWN
- Plan for the Future

E. Options/Alternatives

The Finance Committee could decline to recommend approval of the Lease Agreement, instruct staff to send the Lessee a notice to vacate the suite by lease expiration, allow the lease term to expire and attempt to find a new tenant.

STAFF ANALYSIS
Finance Committee

Date: July 8, 2026

Facility: Nashville International Airport (BNA)

Subject: Procurement Department Assessment

I. Recommendation

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

1) accept the proposal from North Highland Company, LLC ("North Highland") to perform a comprehensive assessment of the Authority's procurement function and deliver actionable recommendations, tools, and standardized documentation to improve efficiency, compliance, transparency, and overall performance for a large hub airport environment, and

2) authorize the Chair and President and CEO to execute the contract with North Highland for a not-to-exceed ("NTE") amount of $1,010,310.

II. Analysis

A. Background

One of MNAA's FY26 Goals & Objectives (#4.1) was to "correct deficiencies identified in compliance review of the Procurement Program, update policy and procedures, and obtain external validation of compliance". A review of the Procurement Policy was underway, however, on December 1, 2025, the President and CEO reorganized the procurement and purchasing activity at the Authority. On December 1st, the Chief Financial Officer ("CFO") assumed full responsibility for the Procurement Department, the Purchasing Card (P-Card) program, and the Corporate Credit Card program. The CFO tasked the Deputy Chief Financial Officer ("DCFO") to oversee, lead, manage, direct and supervise the Procurement Department; and tasked the VP of Finance to oversee, lead, manage, direct and supervise the P-Card and Corporate Credit Card programs. The goal of the reorganization is to improve the efficiency and effectiveness of MNAA's procurement and purchasing activity.

On December 8, 2025, the DCFO published an updated Procurement Policy based on an independent review done April - May 2025 and has been working on creating twenty-six identified procedures to support the updated policy with a goal to be completed by June 30, 2026. The part of the goal to "obtain external validation of compliance" of the new program has not been completed. In addition, over the past six months of overseeing the procurement function and assessing the current state of processes in the department, the DCFO has identified the need to look at the entire Procurement Program and Department and do a comprehensive assessment. A detailed scope of services for this assessment as well as performing an external validation was created:

a. Procurement Operations Assessment
    I. Identify and document day-to-day procurement activities, workflows, and responsibilities
    II. Map current-state processes from requisition through contract closeout
    III. Identify bottlenecks, redundancies, and breakdowns in execution
b. Procurement Policy Review
    I. Conduct a full review of the existing Procurement Policy. Identify gaps, inconsistencies, and areas of risk.
    II. Provide recommended revisions aligned with best practices and regulatory requirements
c. Procurement Procedures Development
    I. Develop comprehensive, step-by-step procurement procedures, including guidance for all procurement methods (informal, formal, emergency, sole source, etc.). Ensure they are practical, enforceable, and scaleable.
d. Solicitation Process Efficiency Analysis
    I. Evaluate the full solicitation lifecycle and idenfity opportunities to reduce cycle time and improve quality
    II. Recommend process improvements and performance benchmarks
    III. Evaluate program tracking and program planning (managing multiple solicitations)
e. Solicitation Document Review
    I. Review current solicitation documents and identify any inconsistencies, unclear language, and risk exposure
    II. Provide standardized language and recommended improvements
f. Master Procurement Documents
    I. Develop standardized master templates for: RFPs, ITBs, RFQs, professional services agreements, goods and services contracts
    II. Ensure templates are modular, easy to use, and legally sound
g. Staff Tools and Checklists
    I. Develop clear, role-based checklists for procurement staff, project managers/end users, and contract administrators
    II. Include step-by-step guidance to manage solicitations, evaluations, and contracts effectively
h. Technology Assessment
    I. Evaluate current procurement systems and tools and identify technology gaps impacting efficiency and transparency
    II. Recommend systems or enhancements
i. Staffing and Organizational Assessment
    I. Assess current staffing levels, roles, and competencies
    II. Identify gaps in capacity, structure, and skill sets
    III. Provide recommended organizational structure aligned with a large hub airport model
    IV. Include role definitions and recommended staffing levels
j. Procurement and Contract Tracking System
    I. Provide recommendations for a centralized tracking system for all solicitations

On May 8, 2026, a Request for Proposal (“RFP”) was issued for this scope of services to not exceed 18 weeks. On May 27, 2026, six proposals were received: The proposals from Crowe LLP, DDM

Perseus LLC, Mauldin & Jenkins LLC, North Highland Company LLC, and Weaver & Tidwell LLP were deemed responsive; one proposal was deemed nonresponsive. On June 2, 2026, the selection committee reviewed and scored the remaining five proposals based on the criteria established in the RFP: 1) Experience and Qualifications of the Proposer, 2) Quality and Responsiveness of the Proposal, and 3) Cost Proposal.

Below is the summary of the total scores:

	Crowe	DDM Perseus	Mauldin & Jenkins	North Highland	Weaver & Tidwell
Score	170.83	115.42	155.00	239.81	144.14

North Highland received the highest overall score and was determined to provide the best value to the Authority:

- Airport procurement expertise – completed full procurement assessments and transformations for DFW and LAX. Also has done procurement work for other public entities.
- Strong understanding of requirements/deliverables. Detailed description of each step of their three phased process.
- Impressive project approach (15-week timeline instead of the 18 weeks requested in RFP)

Based on the selection committee scoring and Procurement rules for selection, it was determined that no interviews would be necessary.

B. Impact/Findings

Anticipated Contract Start Date:	July 20, 2026
Duration of Contract:	Six months from contract start date
Anticipated Contract Completion Date:	January 20, 2027
Contract Cost:	NTE $1,010,310
Funding Source:	BNA O&M

C. Strategic Priorities

- Invest in BNA and/or JWN

D. Options/Alternatives

Not award and continue to have MNAA DCFO complete full the assessment and provide recommendations for improvement, which could take 1-2 years given the current rate of assessment.