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

BNA Nashville International Airport

Date: August 12, 2026	Location: Metropolitan Nashville Airport Authority Tennessee Boardroom
Time: 9:27 a.m.	
Committee Members Present:	Tony Giarratana, Committee Chair; Stuart McWhorter, Committee Vice Chair, John Cheadle, Jr., Dennis Cavin
Committee Members Absent:	None
Other Board Members Present:	Jimmy Granbery, Bobby Joslin
MNAA Staff & Guests Present:	Doug Kreulen, Cindy Barnett, Josh Powell, Trish Saxman, Marge Basrai, Zach Blair, Kristy Bork, John Cooper, Kristen Deuben, Adam Floyd, Ryan Hall, Traci Holton, Eric Johnson, Capt. Keene, Roman Keselman, Lisa Leyva, Carrie Logan, Syed Mehdi, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Robert Ramsey, Chris Saunders, Puneet Vedi, and Charlotte Weatherington Michelle Gallo, Berta Fernandez, and Cody Meyer (Landrum Brown)

I. CALL TO ORDER

Chair Giarratana called the Joint Meeting of the MNAA and MPC Finance Committee to order at 9:27 a.m. pursuant to Public Notice posted on the BNA website at flynashville.com.

II. PUBLIC COMMENT

Chair Giarratana stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Giarratana asked for a motion to approve the July 8, 2026, Minutes of the Joint Meeting of the MNAA & MPC Finance Committee. Vice Chair McWhorter made a motion, and Commissioner Cavin seconded the motion.

Chair Giarratana asked Ms. Saxman for a roll call:

Chair Giarratana – Yes

Vice Chair McWhorter – Yes

Commissioner Cheadle – Yes

Commissioner Cavin – Yes

The motion passed with a vote of 4 to 0.

IV. CHAIR'S REPORT

Chair Giarratana had no Chair's report.

V. ITEMS FOR APPROVAL

1. MPC Lease Agreement with Woods Personnel, Suites 101, 800 and 825

President Kreulen introduced Roman Keselman, AVP, Real Estate to brief the Directors on the MPC Lease Agreements for Suites 101, 800 and 825. Mr. Keselman stated he has three Lease Agreements to present all at the International Plaza Building. The first lease for Suite 101 with Woods Personnel has 1,637 square feet and commenced August 1, 2026. The term is for 5 years, with 2 two-year renewal options. Rent commences upon receipt of Temporary Use and Occupancy Permit. Year 1 Rent is $37,650.96, less three (3) months first year rent abatement and rent escalates 3% every year. The broker commission is $7,619.26 and Tenant Improvement allowance is $85,000 to be used in both Suite 101 and 800. MPC can terminate the lease at any time with a twelve (12) month notice.

Mr. Keselman stated the second lease is for Suite 800 and Woods Personnel has been a Tenant since 2006. Lease terms are similar. This lease has 5,250 square feet, year 1 Rent is $120,750.00, less two (2) months first year rent abatement and rent escalates 3% every year. The broker commission is $12,419.06 and Tenant Improvement allowance is for $85,000 for both Suites 101 and 800. MPC can terminate the lease at any time with a twelve (12) month notice

Mr. Keselman stated the third lease is for Suite 825 with Metro Government and has 3,913 square feet. Similarly the lease term commences upon receipt of Temporary Use and Occupancy Permit. Year 1 Rent is $89,990.00, less two (2) months first year rent abatement and rent escalates 3% every year. The Tenant Improvement allowance is for approximately $25,000, final cost still

coming in, paid with the MPC O&M budget. MPC can terminate the lease at any time with a twelve (12) month notice.

Mr. Keselman requests that the Finance Committee recommend to the Board of Directors that it accept the following lease agreements between Woods Personnel and the MPC for Suite 100; Woods Personnel and the MPC for Suite 800; Metro and the MPC for Suite 825; and authorize the Chair and President & CEO to execute the Lease Agreements.

Director Joslin asked Mr. Keselman which Real Estate firm is involved? Mr. Keselman replied, MPC is not using a Broker. The Broker represents the Tenants. He will get that information. President Kreulen replied we do have some brokers that help us with other leases, but not this lease.

Chair Giarratana asked for a motion to approve as presented. Director Cavin made a motion, and Vice Chair McWhorter seconded the motion.

Chair Giarratana asked Ms. Saxman for a roll call:

Chair Giarratana – Yes

Vice Chair McWhorter – Yes

Director Cheadle – Yes

Director Cavin – Yes

The motion passed with a vote of 4 to 0.

2. Letter of Intent for 7 acres

Mr. Keselman stated the first Letter of Intent is for 7 acres and the site consists of 2 undeveloped parcels totaling 7.14 acres, approximately 812' of frontage along Murfreesboro Pike, and adjacent to Town Park Estates & RPZ for the 4th parallel runway. The purchase price is $2,000,000, MNAA will execute a Purchase Agreement within 60 days of LOI approval. Then MNAA has 180 days to perform due diligence and close. Due diligence includes title search, survey, and Phase I Environmental. MNAA will open an escrow account within 5 business days of execution of Purchase Agreement and deposit $40,000 of earnest money. Mr. Keselman presented a diagram showing the neighborhood MNAA owns and also the RPZ area. President Kreulen stated this is for the fourth runway and it is critical to us to ensure that no one can block us in the future. Commissioner Joslin asked if that is

the runway safety area. President Kreulen replied that is the runway protection zone in case an aircraft has an issue taking off or landing, that is where it could end up. The runway safety area is specifically 500 feet either side and 1,000 feet on each end. Mr. Keselman stated the funding is CIP project # 2603 Land Acquisition and the current account balance $11,666,667.

Mr. Keselman requests that the Finance Committee recommend to the Board of Commissioners that it: 1) Approve non-binding LOI terms, 2) Authorize AVP Real Estate to execute the non-binding LOI; 3) Authorize the Chair and President & CEO to execute a purchase agreement based on the non-binding LOI terms; and 4) Authorize the Chair and President & CEO to execute closing documentation to acquire the 7 acres.

Chair Giarratana stated these land acquisitions are super important. Commissioner Joslin asked if those 7 acres are used for offsite parking now. Mr. Keselman replied no, there is some parking adjacent to it, but this specific piece of land is undeveloped.

Chair Giarratana asked for a motion to approve as presented. Vice Chair McWhorter made a motion, and Commissioner Cheadle seconded the motion.

Chair Giarratana asked Ms. Saxman for a roll call:

Chair Giarratana – Yes
Vice Chair McWhorter – Yes
Commissioner Cheadle – Yes
Commissioner Cavin – Yes

The motion passed with a vote of 4 to 0.

3. Letter of Intent for 25 acres

Mr. Keselman stated this Letter of Intent is for a Parcel consisting of 25.88 acres of undeveloped land, adjacent to MNAA property. The ALP identified land for the 4th parallel runway. The purchase price $5,920,000. Once MNAA executes the LOI, we will then execute a Purchase Agreement within 60 days. Then MNAA has 180 days to perform due diligence and close. Open escrow account within 5 business days of Purchase Agreement. Deposit $59,200 as earnest money. Mr. Keselman presented a diagram showing the area needed for future airport development, in this case the fourth parallel

runway and also another diagram of an area that MNAA already owns. This is a natural extension of real estate currently owned. Mr. Keselman stated the funding is CIP project # 2603 Land Acquisition and the current account balance $11,666,667, less previous parcel.

Mr. Keselman requests that the Finance Committee recommend to the Board of Commissioners that it: 1) Approve non-binding LOI terms, 2) Authorize AVP Real Estate to execute the non-binding LOI; 3) Authorize the Chair and President & CEO to execute a purchase agreement based on the non-binding LOI terms; and 4) Authorize the Chair and President & CEO to execute closing documentation to acquire the 25 acres.

Commissioner Granbery asked how the CIP 2603 fund continues to build? President Kreulen replied MNAA tries to put $10M a year in the CIP and if it is not spent, then it stays there. He stated multiple years ago, MNAA wanted to extend the runway and the Board approved $15M in three $5M buckets. Five million to look at design, $5M to start environmental research, and $5M to start purchasing land. That was the first attempt, but due to not having permission to get the environmental research yet, we created another account. If we do not need FAA approval, we go out and purchase land. Commissioner Cavin asked why not purchase land all the way to the boundary? President Kreulen replied we would like to own the land towards the runway inside Harding Place extension and the outside could be public or private businesses.

Chair Giarratana asked for a motion to approve as presented. Vice Chair McWhorter made a motion, and Commissioner Cavin seconded the motion.

Chair Giarratana asked Ms. Saxman for a roll call:

Chair Giarratana – Yes
Vice Chair McWhorter – Yes
Commissioner Cheadle – Yes
Commissioner Cavin – Yes

The motion passed with a vote of 4 to 0.

VI. INFORMATION ITEMS

1. Customer Facility Charge ("CFC") Increase

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer to brief the Commissioners on the Customer Facility Charge. Ms. Basrai stated she will give a little background on CFCs at BNA. This is what we use to fund our CONRAC. The Authority is authorized to impose rates and charges by its enabling statute, T.C.A. § 42-4-101, et seq. as long as it is not inconsistent with the rights of the holders of its bonds. In November 2007, the Board approved MNAA Resolution 2007-21 to authorize the imposition of a CFC on the customers of on-airport car rental companies in the amount of $4.00 per transaction day effective January 1, 2008. CFCs are to be used to pay or reimburse the Authority for the costs associated with the planning, design, construction, financing, and operation of the Consolidated Rental Car Facility ("CONRAC Facility"). Car rental companies collect the CFCs from customers and remit to MNAA monthly.

Ms. Basrai stated in November 2009, the Board approved to increase the amount of CFC from $4.00 per transaction day to $4.50 per transaction dayto enhance the financial viability and provide additional funding for the financing of the CONRAC Facility. In January 2010, MNAA issued $66.3M in Special Facility Revenue Bonds Series 2010. CFC proceeds were pledged for the payment of and as collateral for the Series 2010 Bonds. In May 2018, MNAA issued $27.4M in Direct Placement CONRAC Refunding Series 2018 Bonds to SunTrust (Truist) Bank. CFC proceeds are pledged for the payment of and as collateral for the Series 2018 Refunding Bonds. As of July 31, 2026, the outstanding amount on the bonds were $7.55M, which mature on July 1, 2028.

Ms. Basrai stated that in October 2024 MNAA was in the planning stages of a new Parking and Rental Car Complex. Preliminary CONRAC cost was $564M - $663M. Landrum & Brown estimated project funding available of $188.7M - $219.2M at $4.50 CFC. CFC rates at other airports for 2024 indicated $9.00 - $10.00 CFC was reasonable. Using a $10.00 CFC, Landrum & Brown estimated project funding available of $397.2M - $463.3M. Ms. Basrai informed the Board in October 2024 that MNAA would most likely need to increase the rate above $10.00 in the future. Approving at $10.00 would allow MNAA to start collecting additional cash now. In November 2024, the Board approved MNAA Resolution 2024-08 to increase the amount of CFC from $4.50 per transaction day to $10.00 per transaction day. She stated she did tell the Board at that time, that she would most likely come back because $10 was not going to fund the CONRAC.

Ms. Basrai stated at the current time, the CONRAC budget has been set at $564M in the New Horizon II program. Landrum & Brown ("L&B") conducted an updated CONRAC Affordability Analysis at $10.00 CFC and updated the assumptions to see the affordability analysis. The O&D Passenger Growth Scenario is 1% - 5% range and the project funding available of $431M to $490M. The funding availability range is more than we projected two years ago when she came to the Board, but it is still under the budget for the new CONRAC Facility of $564M. An increase in the CFC rate is necessary to enhance financial viability of the new CONRAC Facility. Ms. Basrai stated at this moment it does give a little bit of time to keep working on the negotiations.

Ms. Basrai presented a chart of the CFC Rates at select airports provided by BofA Securities and stated there are lot on here, and even more not on it. The rates effective for 2026, highest rate is $12 at San Diego and Sacramento and the lowest is $5.00 at Raleigh Durham. BNA is at the $10 rate. Ms. Basrai stated a couple items to note is that California recently changed maximum allowable statutory rate to $12. LAX plans to increase to $10, then $11, then to $12. Several other California airports are working on increasing rate to $12. Reno is approved to increase rate $1 every third year, up to a cap of $16.75. They will be the highest through the years.

Ms. Basrai stated L&B ran a new affordability analysis using a $12 CFC rate effective 1/1/2027 and all other assumptions remained the same. Project funding increased to $501.4M-$572.2M and our project budget falls in this range. She stated $12 CFC rate is her recommendation and this still gives time as we are in the middle of negotiations to make our affordability better. Refinement in key assumptions as bond issuance timing comes closer, 1-2 years out. For conservative purposes, she would like to make sure that whatever we are doing, we can afford.

Ms. Basrai stated she will give a quick update on where we are with negotiations and next steps. In January 2026, negotiations with rental car companies began. February to July 2026, discussion held during this time on budget of project; costs allocations between CONRAC, Garage, and roadways; and detailed design elements of the CONRAC. Shared with rental cars L&B's analysis of funding availability at $10 and $12 CFC. MNAA and Rental Car companies discussed potential cost reduction areas in the project to keep CFC rate at $10 – no acceptable major reductions identified. In August 2026, L&B provided the RACs details of the financial model and the assumptions made. Both RACs

and MNAA agreed to share additional information to help support the increase in the rate. In September 2026, we plan to bring this to the Board to ask for approval of CFC increase.

Commissioner Granbery asked Ms. Basrai how many CONRACs at airports are offsite and how many are onsite. Ms. Basrai stated, she does not know, but will get that information. Commissioner Granbery stated it is extremely inconvenient to have offsite. President Keulen replied yes, at New Orleans, same thing, you have to drive to get to rental cars. He stated in November 2024, we recommended $10, $12 or $14, and decided let's only go to $10. We forecasted for $460M and the rental cars complained that they did not want a surprise, so it was pulled from the agenda, but let them know that we were still going to brief the MNAA Board. It hits the sweet spot that Ms. Basrai needs to fund, it is their facility and they do not want to use their own capital for and that we are willing to facilitate the development, and they have no idea how to make it smaller or less expensive. If they want it, it will cost $12 CFC to pay for it. We agreed to delay because they wanted more time to talk with the executives of their company.

Commissioner McWhorter asked all of the airports listed did they fund the CONRACs with CFCs or do they have other sources of funding. Ms. Basrai replied the majority of the airports are funded with special security bonds using CFCs, a couple funded with regular bonds and used airport revenue as security. They will still collect CFCs, that the CFC is not part of the airport revenue and they need the CFCs to pay for it.

Chair Giarratana asked if the CFCs appear on customer rental car receipts and are there any pushbacks from rental cars or are they ecstatic to be on airport property. Ms. Basrai replied she imagines everyone is happy not having to bus because if you do not have to bus the operating costs, the CFCs would have to be higher because then they would have to fund all of those costs. For the convenience of everyone, to walk is easier. We did not get any pushback from any car rental agencies when we went to $10 CFCs, they agreed and wanted us to do that as soon as we could, so that they could start collecting the funds toward this. President Kreulen replied they are happy that we are willing to invest time and money and go from 2000 spaces to 4500 spaces and possibly to 7500 spaces. We are now giving them a long road map of success where they do not have to move. They did not want the O&M expenses to pay for shuttle buses and shuttle their passengers back and forth. President Kreulen stated BNA rents more cars than any other car rental sites in Davidson County.

Chair Giarratana asked if the $12 CFCs is capped. Ms. Basrai replied not for us. President Kreulen stated we will be limited to $12 CFCs until we come back if we have another need and it has to go up to $14 CFCs, we will come back.

Commissioner Joslin asked how much is in the account now. Ms. Basrai replied we now have $90M in the CFC. President Kreulen replied we are basically paying back what we are spending. Reno may have a smart plan to go up incrementally, if we had done that, we would have the money sitting in the bank now.

President Kreulen concluded the presentation of the approval items.

VII. INFORMATION ITEMS

1. BNA Concessions Program Update

President Kreulen introduced Lisa Leyva, VP, Concessions, to brief the Commissioners on the BNA Concessions Program Update. Ms. Leyva stated the Q2 2026 Concession Sales the sales are up 8.19% over 2025. Fraport sales are $61.4M and Paradies are at $2.1M. She noted that Paradies has seen a flight increase and sales per enplanement has gone up substantially and she anticipates to continue to see an increase because Southwest will take over 2 gates beginning October 1, 2026.

Ms. Leyva stated Q2 2026 Rental Car Sales are up 0.11% and O&D deplanements were down 2.06% over 2025. What we are seeing is that April through June is BNA's busiest time so most likely the increase was due to an increase of the actual cost of the rental car transactions themselves.

Ms. Leyva stated Q2 2026 Advertising Sales are doing well and are up 10% over Q2 2025. People love to advertise at BNA. She presented a photograph of a Nissan Pop-Up Display that was recently installed this weekend in the Terminal. They worked with Clear Channel and this pop-up will be in the Terminal from August 8 through October 31, 2026. Their investment is $349,650 advertising cost, of which approximately $209,790 is MNAA Revenue. A ribbon cutting and press event will be held on August 17, 2026. She plans to have more of these type of advertising and displays it will be a great revenue and the passengers love to see this.

2. Fraport Concourse A Concessions Award Update

President Kreulen introduced Lisa Leyva, VP, Concessions, to brief the Commissioners on the Fraport Concourse A Concessions Award Update. Ms. Leyva presented the Concourse A recommendation. She stated A.04 is reserved and did not receive any proposals for that space, so a decision was made to go ahead and reserve it for future development. They will see the passenger flow and how the other concessions are doing, and open when the passenger numbers justify it.

Ms. Leyva stated space A.01 is going to be Hawkers which is a fast casual ethnic with a bar and also includes Vino Fiesta location in Concourse C. HMS Host was the successful proposer, so that is going to be Hawkers, and also a sandwich shop Turkey & Wolf, which is also local. Space A.02 will be Nashville Remixed. We requested a travel essentials with bottle shop. Marshall Retail Group is the successful proposer. This space is really great, they broke out the different neighborhoods of Nashville and have teamed up with a lot of local folks. Space A.03 is Greatest Hits by Nashville Jam Session, and unfortunately no conforming proposals were received, but Fraport was able to negotiate with Wine Down Nashville for location and concept. Space A.05 is Chief's, which is also located on Broadway. It is an Eric Church location and was a request for a full service local restaurant and SSP America was the successful proposer a new operator at BNA. Space A.06 is going to be Dunkin After Dark, it is coffee and bar. Package paired with current Kijiji Coffee House location. M-2 was the successful proposer and is also a new operator at BNA and that B.04 space will be Coolship Coffee. Space A.07 is Freshens, it is a Grab & Go Healthy and Transfare was the successful proposer. Space A.08 is Burger Republic, a fast casual with bar. SSP America was the successful proper.

Ms. Leyva stated overall in total 25 conforming proposals were received for Concourse A, and 9 non-conforming proposals were submitted. She stated she will return next month with all the Fraport Sub Leases for approval by the Board. President Kreulen stated it is exciting because it is new and keeps the Nashville theme. Passengers can enjoy the restaurants downtown and also at the airport. Chair Giarratana asked if there were some spaces that we did not have rented. Ms. Leyva replied yes, A.04 and the proposers looked at the space around it and felt like there would be too much competition and that is why we pulled that space.

3. Quarterly Retirement/OPEB/Treasury Investment Reports

President Kreulen introduced Kristy Bork, VP, Finance, to brief the Commissioners on the Quarterly Retirement/OPEB/Treasury Investment Reports. Ms. Bork stated to give some background when we talk Quarterly Investment Reports and Retirement an OPEB, the Retirement Plan is available to employees hired prior to June 27, 2003 and the OPEB is available to employees hired June 1, 2009. She stated for the fourth quarter of FY2026, the Retirement Plan market value was $93.4M which is an increase of $5.2M over the prior quarter. As of 6/30/2026 the Retirement plan is funded at 110.5% on an Actuarial basis. The OPEB market value was $50.9M which is an increase of $3.2M over the prior quarter. And the OPEB Plan is 223.44% funded on a market value basis.

Ms. Bork stated historically we get the graphs on June 30th, and that is when we do our actuarial work. So for historical purposes our funding for the pension plan, we had no funding contributions from the Authority this year and as mentioned previously at 110.5%. The OPEB funding we include in here, but there was no employer contribution amount in FY26, $0.5M noted above is participant contributions.

Ms. Bork stated during the 4th quarter FY2026 MNAA had total available funds of $2.121B with 99.7% of those funds invested. The investment portfolio is in compliance and meeting our policy objectives. The 4th quarter 2026 earnings were $20.2M. The earnings were more than 3Q 2026, due to having the 2026 bond proceeds for a full three months compared to only two months of earnings in the 3rd quarter.

Commissioner Joslin asked how many people are left on the old Retirement Plan. Ms. Bork replied she will get that number. President Kreulen stated in 2014 and 2015 the Board took action because we were less than 60% funded, so we took a 6 year effort to get ourselves up to 100%. The good news is the economy has been up and our returns have been up and after 2020 we have only had to make lighter adjustments. The Retirement Plan is now 110% and OPEB 220%.

Ms. Bork stated in response to Commissioner Joslin's question, as of June 30, 2026, we had 274 active and inactive which have benefits available to them. President Kreulen stated we have a financial investment strategy and advisors. Ms. Basrai replied yes, we have investor advisors that manage the funds for us and we have a separate investment policy related specifically to the Retirement and

OPEB funds. Both funds are 50/50 allocation and we have Retirement Committee meetings every quarter to review what they do and review how the returns are going. If there is going to be an allocation change, we will come back to the Board for approval. Chair McWhorter asked the name of the advisors. Ms. Basrai replied Principal. President Kreulen stated Principal will come in and let us know when we can reduce our risks and if it is a good time in the market to change our allocation.

President Kreulen concluded the presentation.

1) ADJOURN

There being no further business brought before the Finance Committee, Chair Giarratana adjourned the meeting at 10:18 a.m.

Robert J. Joslin, Board Secretary