Agenda of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees

Date/Time:	Wednesday, April 9, 2025, at 9:00 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 7, 2025 at 9:00 a.m.

III. APPROVAL OF MINUTES

March 12, 2025 Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. FY25 CIP Budget Amendment, BNA, MNAA Resolution 2025-02
2. FY25 O&M Budget Amendment, BNA, MNAA Resolution 2025-03
3. FY26 O&M Budget, BNA, MNAA Resolution 2025-04
4. FY26 Capital Budget, BNA, MNAA Resolution 2025-05
5. FY26 O&M Budget, JWN, MNAA Resolution 2025-06
6. FY26 Capital Budget, JWN, MNAA Resolution 2025-07
7. FY26 O&M Budget, MPC, MPC Resolution 2025-01
8. FY26 Capital Budget, MPC, MPC Resolution 2025-02

VI. INFORMATION ITEMS

1. None.

VII. ADJOURN

Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees

BNA Nashville International Airport

Date: March 12, 2025 Time: 9:52 a.m.	Location: Metropolitan Nashville Airport Authority Tennessee Boardroom
Committee Members Present:	Andrew Byrd, Committee Chair; Glenda Glover, Committee Vice Chair
Committee Members Absent:	Glenn Farner
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, John Cooper, Kristen Deuben, Chief Findlen, Adam Floyd, Eric Johnson, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Josh Powell, and Robert Ramsey Lauren Lowe, PFM; Cory Czyzewski, Bank of America

1) CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development ("Finance") Committees to order at 9:52 a.m. pursuant to Public Notice dated March 7, 2025.

2) PUBLIC COMMENT

Chair Byrd stated there were no public comment requests received.

3) APPROVAL OF MINUTES

Chair Byrd asked for a motion to approve the February 12, 2025 Minutes of the Joint Meeting of the MNAA & MPC Finance Committees. Vice Chair Glover made a motion and Chair Byrd seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

4) CHAIR'S REPORT

Chair Byrd had no Chair's report.

5) ITEMS FOR APPROVAL

1. Rental Car Service Site Lease (Avis/Budget/Payless, Sixt)

President Kreulen introduced Mr. Adam Floyd, SVP, Chief Operating Officer, to brief the Committee on the Rental Car Site Lease (Avis/Budget/Payless, Sixt). Mr. Floyd stated on July 17, 2024, the Board accepted the realignment and new lease terms for the rental car service sites and authorized the Chair and President and CEO to execute lease agreements for each site within these terms. The realignment of the property is determined based on the market share of each rental car business and future airport growth. The new rates were based on Fair Market Value (FMV) appraisal conducted by Airport Business Solutions (ABS) in March 2024.

Mr. Floyd stated that due to changes in MNAA airport operational needs, the additional Avis/Budget service site location identified in July 2024 for MNAA parking will no longer be used for that purpose and re-leasing the property back to the Rental Car Agencies under the updated contract terms is the best use of the property until the site is needed for Terminal II construction. He provided a graphic showing the locations. Mr. Floyd stated the updated Fair Market Value appraisal will increase revenue by $485K.

Mr. Floyd recommended the Finance Committee recommend to the Board of Commissioners that it authorize the Chair and President and CEO to execute lease agreements between MNAA and Avis/Budget/Payless for Tract 1 and Sixt for Tract 2 of the Rental Car Service Site.

Commissioner Glover asked if they were going to move out and if we will lease it back to them.

Mr. Floyd responded Sixt currently does not have a rental car service site, so we will lease them tract 2 and Avis, Budget and Payless will lease tract 1. Commissioner Glover asked if Sixt is at BNA. Mr. Floyd responded Sixt currently operates at BNA but does not have a maintenance service site.

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

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

2. Long-Term Financing Underwriter Pool

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer, to brief the Committee on the Long-Term Financing Underwriter Pool. Ms. Basrai stated MNAA uses long-term debt as the main funding source for the capital program. Underwriters work with the Financing Team on the issuance of bonds: Developing and presenting information to or for the Authority, rating agencies, investors, and any other relevant parties; Implementing the marketing plan approved by the Authority financing team; Selling the bonds according to expectations developed during pre-pricing meetings; Coordinating the work of the underwriting team, including the co-managers; Preparing a bond purchase agreement and other required documentation; Providing market information daily in the two weeks prior to the bond sale date; and Preparing a closing memo and closing the bonds on time.

Ms. Basrai stated On December 18, 2024, PFM (Financial Advisors) sent a Request For Qualifications ("RFQ") for Bond Underwriting Services to twenty-eight (28) investment banks. The RFQ process was intended to select a Pool of Underwriters that demonstrates strong airport experience along with local, regional, and diversified experience. The Pool will consist of firms deemed the most (and best) qualified to serve as a Senior Managing Underwriter and/or as a Co-Manager for a period of five years (2025-2030). The RFQ requested the following information: Information on the firm; Airport underwriting experience; Personnel and resources; Debt structuring considerations; and Municipal market and airport/airline considerations.

Commissioner Glover asked if the RFQ is still open. Ms. Basrai replied no, it is closed. In January we closed the RFQ and received twenty-four (24) Statement of Qualifications. MNAA received 14 National/Regional Firms as well Minority as Non-Minority/Disabled Veteran firms and 10 Minority/Disabled Veteran Firms. Ms. Basrai presented a chart with 14 firms highlighted in yellow and stated they met the minimum requirements to be considered for the Senior Managing Underwriter Pool. In order to be considered as part of the Senior Managing Underwriter Pool you must have served as a Senior Managing Underwriter of at least one series of airport bonds and at least $200M in the past 3 years. The Statement of Qualifications were reviewed and compared against each other to determine the most (and best) qualified with airport experience, team assigned to MNAA, thoroughness of response to debt structure and airport/airline risk considerations, other relevant regional and other diversified experience, and firsthand experience. Based on these reviews, the following Pool of 10 firms is recommended: 6 Senior Managing Underwriters: BofA Securities, Jeffries, JP Morgan Securities; Loop Capital Markets, Samuel A Ramirez & Co. Siebert Williams Shank and 4 Co-Managing Underwriters: National/Regional (non-minority) FHN Financial Capital Markets and Morgan Stanley and Minority/Disabled Veteran: Academy Securities and Cabrera Capital Markets.

Ms. Basrai stated for each bond issuance, a team of Underwriters (Underwriting Syndicate) will be selected from the Pool. Selection will be made through an RFP in which only the Pool will participate. CFO and other members of the Financing Team will review the RFP responses and select (with concurrence from the President & CEO) the Underwriting Syndicate for that issuance. The Underwriting Syndicate for similar transactions typically consists of 1-2 Senior Managing Underwriters and 3-5 Co-Managers. Firms in the Senior Managing Pool may serve as a Co-Manager; however, firms in the Co-Manager Pool cannot serve as a Senior Managing Underwriter. Any changes to the Underwriter Pool will be presented to the Board. For example, if one of the firms decides to get out of municipal bond issuances, we may want to replace them or if another firm changes all of their employees that were going to work with MNAA, we may say they do not have the experience, and we want to replace them.

Ms. Basrai requests the Finance Committee recommend to the Board of Commissioners: Approve the Long-Term Financing Underwriter Pool for the Authority for five years (2025-2030) and

authorize the Chief Financial Officer and the Financing Team, with concurrence from the President and CEO, to select the Underwriter Syndicate from the Pool for each bond issuance.

Commissioner Granbery asked how this compares to the previous pool. Ms. Basrai replied we have some of the same ones, especially in the Senior Managing side and definitely had a shift in the last couple of years, where there are with some of the underwriter firms that were in our pool before, and they decided not to do municipal bonds anymore, so we removed them. Commissioner Glover stated she is surprised Morgan Stanley was not co manager. Ms. Basrai stated their RFQ was not good enough and a lot of underwriters went all over the place, so when you looked at the qualifications of a firm as a whole, that team has not done a lot of airport bonds. Commissioner Glover stated based on what they submitted to us they may have different people nationwide. Ms. Basrai replied that is correct, it is what they provided to us, who they said would be on the team. Chair Byrd asked if FHN is First Horizon. Ms. Basrai replied yes, and they did a great job for us.

Chair Byrd asked if there is any reason the Board would not approve the underwriting syndicate. Ms. Basrai replied, we did not do that in our last one because it allowed us to move quickly. What you will see is how we evaluated the firms in the first place to put in the pool, it is very similar but actually the underwriter syndicate for the group, you will see the whole team so you will know who we picked and all the team members that we have in our financing pool. Chair Byrd asked if you get any sort of pricing. Ms. Basrai replied no, that happens when we do a bond issuance. As you do a bond issuance in the RFP we ask for pricing, because that could change over whatever happens in 6 months or a year. Chair Byrd asked how much debt Ms. Basrai through we would issue this year. Ms. Basrai replied right now it is about $1.3B.

Chair Byrd asked Ms. Basrai if she felt comfortable having the pool available to select from and bring the underwriting to the Board for approval. Ms. Basrai replied, she is asking to allow MNAA staff to pick the underwriter syndicate without coming back because the Board approves the pool, and then MNAA will go through the process of selecting through an RFP. We will bring to the Board the entire team so you know informationally wise who the team will be. President Kreulen stated this pool worked really well over the last 7 years but now this new pool gives us flexibility

to issue the next set of bonds. Chair Byrd asked who dropped out of the national Senior Managing Underwriters. Ms. Basrai responded Citi dropped, they were not selling any municipal bonds.

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

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

6) INFORMATION ITEMS

1. Capital Financial Strategy

A. Financial Strength

Ms. Basrai stated that from the Board Retreat last October 2024, MNAA had looked at our financial capacity through New Horizon I. We had the $3.3B in total project cost, program cost to date $1.8B, and remaining to be funded $1.6B, and we are looking at $124M in other funding, which is cash and grants. Our plan in October was going for $778M in bonds in fourth quarter of 2025 and $667M in bonds in fourth quarter of 2027. Ms. Basrai stated that the financial results using the strategic forecast is adding 590,000 enplanements per year with a declining rate of growth of 4.8% down to 3.3% in 2035. With all of these metrics shown, they are all way above the targets that were set and we are very financially strong through New Horizon I.

B. CEO New Horizon II Requirements

Ms. Basrai stated on January 15, 2025 we added New Horizon II. Ms. Basrai presented the new red chart that the Board of Commissioners approved on January 15, 2025 where we added another $1.4B for Terminal Access Roadway Improvements, Parking Garage, Surface Parking and a new CONRAC. The total programs are Vision I, Vision II, New Horizon I and New Horzion II. For a total major program capital of $4.5B.

C. Financial Strength

Ms. Basrai stated the Preliminary Program Funding Considerations, the Board approved Customer Facility Charge ("CFC") increased to $10 on February 1, 2025, to improve the overall affordability of the CONRAC project. MNAA will use accumulated CFC cash at the beginning of the project to reduce future CFC bonds needed. Once debt issued, apply CFC collections to CONRAC debt service payments. CONRAC financing options (Stand-Alone, GARB, combination) are being considered. May require additional CFC rate increases in the future. All other New Horizon II Projects are assumed to be funded with bonds and the funding strategy being evaluated to support long-term capital needs after New Horizon II.

Ms. Basrai presented an updated chart that includes all of the four major programs at $4.68B. It is different than the full chart because we have other CIP projects of $219M that are not part of the major development. We funded the $1.8M to date and there is $2.9B still to be funded. Some of the $720.5 is grant and cash funding but most of that is the CONRAC stand-alone bonds. It is not included in our 2025 and 2027 bond issuance because we do not know yet when we are going back for our CONRAC bonds because we are going to have cash for a while.

Ms. Basrai stated now that we added New Horzion II in our forecast the numbers have gone up. For Series 2025 Bonds we are at $1.3B and for Series 2027 Bonds are at $835M.

Ms. Basrai stated our financial model is a living breathing document that continues to evolve. Ms. Basrai stated the enplaned passenger projections – five scenarios. Scenario 1: Strategic (590,000 enplanements added per year) – decreasing rate of growth; 10-year forecast: 4.8%, 4.6%, 4.4%, 4.2%, 4%, 3.8%, 3.7%, 3.6%, 3.5%, 3.3%. Scenarios 2-5: Annual growth rates – 3%, 7%, 10%, 15%. Assumptions: Model includes all capital funding through New Horizon II ($4.7B). Passenger Facility Charges (PFC) applied to debt service are limited to annual collections. Interest rate assumed at 5.5% for 2025/2027 Bonds; 6.5% for CFC Stand-Alone Bonds. Current Airline Use & Lease Agreement (AULA) Terms used through FY33. Expiration of AULA FY33 (includes the 2-year option). FY34-FY35: Rate-setting methodology allowed under Rates by Ordinance which is what you could legally charge your airlines if you do not have rates in place.

Ms. Basrai stated the results show Scenario 1, which is our strategic forecast, with 590,000 enplanements added each year. The Passenger Airline Coast per Enplaned Passenger ("CPE") is something that the airlines look closely at. From 2026 $12.11 up to 2035 at $17.66, that is very reasonable if we are going to have $4B in bonds. Our debt service coverage is net revenues. And how many times can your net revenues generate value to that service. For our senior bonds, our legal requirements to generate net revenues to pay debt service 1.25X our internal target is 1.5X. For our senior subordinates combined the legal requirement is 1.1X and our internal target is 1.25X. The numbers are all above target and we still look very strong. The highlighted 1.6 in yellow is the lowest amount in our model, you add debt until that number goes to 1.6 and that gives you an idea of how much more debt capacity you could incur. Right now, with this scenario we only have about $105M - $131M of Authority project debt capacity.

Chair Byrd stated that is how much more debt capacity we have. Ms. Basrai replied for the debt that we would have to pay ourselves. We try to be conservative in the model numbers that we have. We do not want to have something change slightly and throw our model off. Chair Byrd asked what would constitute Authority projects. Ms. Basrai replied those are projects that MNAA has to pay for ourselves, i.e., another parking garage or more roadways. We are going to use some PFCs on the roadways. Most airfield projects for safety projects they want us to keep repairs going on the runways and following what the FAA wants us to do.

Chair Byrd asked about the runway extension over Murfreesboro Road, and what type of project it will be. Ms. Basrai replied technically it would be an airfield project, and noted that it is not in our forecast. For it to be considered an airfield project, it would have to go through the Majority In Interest (MII) approval process. Chair Byrd asked about the Terminal II expansion. Ms. Basrai replied right now they have no MII approval, so they do not get to approve or disapprove Terminal II projects. Simplistically right now it is 50/50. Chair Byrd stated it will be an MNAA cost. Ms. Basrai replied yes, we will need to look at our airline agreement and by the time we get there, we will be closer to the expiration of our airline agreement.

President Kreulen stated MNAA is in good financial shape for all the major projects. Terminal II is a homework assignment we will take on after that. The airlines are all for runways, but all the major carriers that are here will not want to pay for a longer runway because they are not doing

the international routes it will support. The state wants us to go to Asia, so we may look for state help to pay for it. This is a challenge and for Terminal II, we do not know which airlines will move to the new terminal. We are rock solid through Horizon II. After 2028 we have a lot to do for Terminal II, it will take 10 years to get a ribbon cutting and we have a lot of work to do before that point.

Commissioner Sullivan asked if we run scenarios assuming we do not have growth. Ms. Basrai replied we will do more of that as we get closer to a bond issuance and we have airport consultants that run those types of models. We have lots of reserve funds to be able to continue to pay for things if we lose enplanements for a short period of time. During the pandemic the federal government gave us relief money and we had liquidity to pay all of our bills for 2 – 3 years. President Kreulen referenced our Official Statement (OS) when we go to the bond market, which will have scenarios and how we will deal with it.

Ms. Basrai stated the NAE Cash Balance is where all of our excess revenue are once we pay everything. It is also very strong and is projected to go up to $878M by 2035. Our plan as we continue evolving this financing plan is to use some of it to fund some of the capital.

D. Future Funding Considerations

Ms. Basrai stated the following items will be monitored for the impact on the affordability of the capital program and/or timing of the bond issuances: Non-airline revenue, Continue to re-evaluate the need to increase various non-airline revenue streams; Parking and TNC Rates, CFC Rates, FMV on new leases, Other (new revenue streams); O&M Expenses, Continue to monitor and identify options to control increasing O&M expenses; Use of Cash, Discretionary: Cash above 650 DCOH is available for capital projects ($176M - $350M over 10 years for Scenario 1); PFCs, Model applies current collections to debt service. $185M of previously collected PFCs are also available to be used to fund PFC eligible projects; CFCs, Plan of finance depends on CFC collections. Need to monitor collections and impact on financing assumptions.

Chair Byrd asked what is PFC. Ms. Basrai replied Passenger Facility Charge. Commissioner Granbery asked when was the last time PFCs were increased. Ms. Basrai replied a lot of people are lobbying the government to get a PFC increase. Commissioner Granbery stated you showed

us how far behind we were based on CPI. President Kreulen stated back then it was $8.50, and we showed if you kept going it would be $11. Commissioner Granbery stated it should be local level with CONRAC. President Kreulen stated the airlines do not want it, they would rather charge $25 for a bag. Chair Byrd asked what is CFC? Ms. Basrai replied that it is the Customer Facility Charge.

Ms. Basrai stated other capital funding and timing considerations. Federal/State Grants, Continue to maximize funding opportunities; Enplanement trends, Additional debt capacity tied in with enplanement forecasts; Project timing, including monthly spending; Increasing/Decreasing of either can affect bond issuance timing; Interest rates, both for debt and investments; Increasing/Decreasing rates affect affordability; Potential elimination of tax-exemption on municipal bonds; Unable to issue tax-exempt bonds; results in higher debt interest rates; Global economic conditions; Impact of tariffs on cost of materials; inflation in U.S.; Foreign policy decisions that could impact international travelers to visit the US.

Ms. Basra stated the Debt Service Coverage (DSC) and Days Cash On Hand. We looked at these and the recommendation is to not change Senior Lien DSC target is 1.50x; Legal requirement DSC is 1.25x; Combined Senior and Subordinate Lien DSC target is 1.25x; Legal requirement DSC is 1.10X. Recommendation: No changes. Forecasted DSC levels exceed the targets through New Horizon II; Will be evaluated again as Terminal II funding plan is developed. DCOH target range is 550-650 days, which is a factor in MNAA's current credit ratings; Recommendation: No changes. Cash above 650 days will be included in funding strategies for New Horizon I, II, and beyond. Will be monitored and reassessed based on industry standards and the financial conditions of MNAA.

President Kreulen stated it will change eventually. Ms. Basrai replied yes, and that is where we will have to assess how much lower we will need to go, and what that effect on our credit ratings will be and how much more expenses that will entail. Chair Byrd asked what the recourse of our lenders is if for some reason we default on one of these projects. Ms. Basrai asked Lauren Lowe with PFM if she could help answer. Ms. Lowe stated the first one on debt service coverage, that is actually a hard fact. If you look at those numbers towards the end of that, the 1.25 and 1.10, those are covenants to bond holders. If you were to fail to meet them, you would have to disclose it and lay out a remedy of action. We also may see multiple steps occur with rating agency

changes, like downgrade. Also likely require some external party come in with an airport consultant and an accounting expert to lay out remedy of actions to proceed to get to those levels of 1.25 and 1.10. The 550-650 are not legal requirements to the bond holders but we have put it in writing and it is a policy. So, if you were to deviate or fall below that, the audience then quickly becomes the rating agencies first and sees why you deviated from your policy what is the action plan to increase it. If there is not a good explanation and an action plan laid out, you could see rating agency changes. Investors do not have the same level of claim on a liability as they do on the first two. Chair Byrd stated so the recourse is rating agency changes. Ms. Lowe replied correct, you will not be able to continue to borrow, if you cannot meet these coverage levels.

E. CEO/CFO Closing Thoughts

Ms. Basrai stated in closing, Programs through New Horizon II is financially feasible. Terminal II is the next bigger challenge. The next update will be at the October 2025 Board Retreat. President Kreulen stated we have had an initial meeting to develop a team to figure out development of Terminal II. The next meeting is March 6, 2025, and try to lay out a plan for the next 6 months we can discuss at Board Retreat in October.

Chair Byrd said good job Ms. Basrai.

2. <u>MNAA Employee Compensation Study Update</u>

President Kreulen stated prior compensation studies were completed in 1) FY19 by ADK Consulting and Executive Search, with results implemented January 5, 2019; and 2) FY22 by Mercer, with results implemented July 2, 2022. Segal completed the FY25 Compensation in October 2024, and President Kreulen summarized the activities. Competitive compensation analysis was completed for 80 non-step positions by matching roles to several survey sources, including Airport Peers, Detroit (DTW), Phoenix (PHX), Raleigh-Durham (RDU), San Diego (SAN) and Tampa (TPA); Local Organizations were Bridgestone America, Metro Nashville Government, Nashville Electric Service (NES); and Published Data Sources, Airports Council International (ACI), Economic Research Institute (ERI) and Payfactors. The CEO and executive staff reviewed the recommendations provided by Segal & approved: FY26 salary scales; Each position's grade

assignment; and each employee's position within their grade assignment. A 3% Cost of Living Adjustment (COLA) was prorated to October 2024 & time at MNAA.

President Kreulen stated each of MNAA's 167 job titles were reviewed and properly graded within the salary scales. The survey recommended that 141 employees be lowered, based on the market being lower, but those employees will keep their current grade. There are 239 employees with no change to grade. 63 employees will move to a higher grade. The Department of Public Safety and Operations step positions are analyzed to local step scales on an annual basis (4 positions, 100 employees). No changes to the scales the step-scales were warranted for FY26. The impact of the grade assignments, placement within grade and COLA resulted in a $1.9M increase to salaries (excluding benefits). Salary adjustments are $1,173,617 (3%); the COLA is $708,819 (1.8%); and the total adjustment is $1,882,436 (4.8%). MNAA total current salaries are $39,174,617, and the proposed salaries effective FY26 are $41,057,053.

This will be reviewed with the leadership team at the March 13-14, 2025 Staff Retreat. We will be communicating to employees at the March 20, 2025 All Team Meeting. The changes will be effective June 28, 2025.

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.

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Andrew W. Byrd, Board Secretary

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-02
FY25 BNA Amended Capital Improvements Budget and FY25-29 BNA Amended Capital Improvement Plan

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I. Recommendation

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

1) approve the proposed amended FY25-FY29 BNA Capital Improvements Plan; and

2) approve the proposed amended FY25 BNA Capital Improvements Budget; and

3) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-02.

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 and 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 for approval at least 60 days prior to the beginning of the Authority's fiscal year. Requests for additional appropriations shall be submitted to the Board for approval.

On April 17, 2024, the Board of Commissioners approved the FY25-FY29 BNA Capital Improvements Plan and the FY25 BNA Capital Improvements Budget. Since that time, there have been items identified on the FY25 BNA Capital Improvements Budget that require adjustment. The proposed amended BNA Capital Improvements Budget for FY25 is $1,493,884,000 reflecting a net increase of $225,900,000 in project costs.

The changes to the FY25 BNA Capital Improvements Budget by project are as follows:

Project	Original Amount Approved	Grants	Authority	Airline	Other	Bond
Original Approved FY25 CIP	**1,267,984,000**	**$ 71,917,562**	**$ 25,750,200**	**$ 14,554,800**	**$ 10,485,000**	**$ 1,145,276,438**
Changes to FY25 CIP:						
Westside Development Study ①	**(500,000)**	-	(500,000)	-	-	-
Snow Equipment Building ①	**(10,500,000)**	-	-	-	-	(10,500,000)
Gasaway Parking Lot Rehab ①	**(1,000,000)**	-	(1,000,000)	-	-	-
TARI Phase II & Phase III ②	**133,500,000**	(37,447,562)	-	-	-	170,947,562
Deicing Storage Modifications ③	**-**	-	-	2,000,000	-	(2,000,000)
Airport Master Plan ③	**-**	5,250,000	(2,625,000)	(2,625,000)	-	-
Rehabilitate Taxiway S/S6/S7/T4 ③	**-**	2,282,132	-	(2,282,132)	-	-
Central Ramp Expansion ④	**88,100,000**	-	-	-	-	88,100,000
Administration Building Reconfiguration ⑤	**1,300,000**	-	(600,000)	-	-	1,900,000
Gasaway roof replacement ⑥	**1,000,000**	-	1,000,000	-	-	-
ADG 5/TGD6 (RW 2L/20R) ⑦	**14,000,000**	10,500,000			3,500,000	
Amended FY25 CIP	**$ 1,493,884,000**	**$ 52,502,132**	**$ 22,025,200**	**$ 11,647,668**	**$ 13,985,000**	**$ 1,393,724,000**

B. Summary of Changes

Below is a description of the project and funding changes noted above:

① The following CIP projects are cancelled due to the development of Terminal II (net impact is a decrease in the CIP of $12M): Westside Development Study ($500k), Snow Equipment Building ($10.5M), and Gassaway Parking Lot Rehab ($1M).

② An additional $133.5M is being added to TARI Phase II & Phase III projects to match what the Board of Commissioners approved as part of New Horizon II budget in January 2025 ($300M). In addition to the added project costs, the following changes to funding are being made: a decrease of $37.5M in federal grant funding (to be allocated to other projects), and a $171M increase of bond funds.

③ The following funding changes are being requested, with no impact on project costs:

a. The Deicing Storage Modifications funding of $2M will be moved to the Airline Investment Fund from bond funds. (Funding subject to Signatory Airline Majority-in-Interest Review)

b. Airport Master Plan: $5.25M of the total cost of $7M will now be funded with federal grants, reducing Authority and Airline funds by $2.6M each.

c. Rehabilitate Taxiway S/S6/S7/T4: The Authority has been awarded an additional $2.3M of FAA grant funds to be used on this project, which decreases Airline funds by that amount.

④ $88.1M was added to the Central Ramp Expansion project to agree to the updated budget of $242,350,000 in New Horizon II briefed to the Board of Commissioners in March 2025. The additional project costs will be bond funded, with annual debt service paid by the Airlines. (Funding subject to Signatory Airline Majority-in-Interest Review)

⑤ The Administration Building Reconfiguration project is being increased by $1.3M. Also, moving the total project costs of $1.9M to bond funding and decreasing Authority funds by $600k (excess bond proceeds will be used).

⑥ Gassaway Building Roof Replacement: $1M in Authority funds is being moved up from FY27 to FY25 to address current maintenance concerns.

⑦ A $14M project was added for the Taxiway Design Group 6, initial capability project, aimed at ensuring the taxiway system can handle the current operational demands. $10.5M will be funded by federal grants, with the remaining $3.5M funded by Passenger Facility Charges.

Based on these changes, the amended BNA Capital Improvements Plan for FY25-FY29 is summarized below:

BNA Summary:	**2025**	**2026**	**2027**	**2028**	**2029**	**TOTAL**
Terminal & Landside	$ 1,153,240,000	$ 191,220,000	$ 56,520,000	$ 395,420,000	$ 500,000	$ 1,796,900,000
Vehicles & Equipment	4,399,000	4,482,938	2,139,650	2,164,750	1,645,000	14,831,338
Airside Improvements	335,730,000	55,450,000	85,100,000	68,000,000	18,000,000	562,280,000
AULA - Airport Reliever Contribution	515,000	530,450	546,364	562,754	579,637	2,734,205
Total	**$ 1,493,884,000**	**$ 251,683,388**	**$ 144,306,014**	**$ 466,147,504**	**$ 20,724,637**	**$ 2,376,745,543**

Funding Allocations:	**2025**	**2026**	**2027**	**2028**	**2029**	**TOTAL**
MNAA Authority	$ 21,505,200	$ 50,443,951	$ 5,726,294	$ 2,729,814	$ 2,491,047	$ 82,896,306
MNAA Amortization Fund	520,000	1,000,000	1,000,000	600,000	-	3,120,000
MNAA Airline Fund	11,647,668	8,574,437	5,225,070	6,222,940	3,233,590	34,903,705
Federal (Entitlement)	5,952,132	3,930,500	4,470,500	4,795,000	-	19,148,132
Federal (Discretionary)	-	10,125,000	10,529,500	17,705,000	-	38,359,500
Federal (BIL)	46,550,000	7,319,500	10,559,376	-	-	64,428,876
Bond Funded	1,393,724,000	152,125,000	106,240,624	433,500,000	15,000,000	2,100,589,624
Passenger Facility Charges	3,500,000	-	-	-	-	3,500,000
Customer Facility Charges	10,000,000	18,000,000	-	-	-	28,000,000
Other	485,000	165,000	554,650	594,750	-	1,799,400
Total	**$ 1,493,884,000**	**$ 251,683,388**	**$ 144,306,014**	**$ 466,147,504**	**$ 20,724,637**	**$ 2,376,745,543**

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY25, and their anticipated funding sources are shown in the attached Capital Improvements Plan. The projects and costs shown above for FY26-FY29 represent a planning tool and are only estimates at this time.

C. Strategic Priorities

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

D. Options/Alternatives

Revise the amended FY25 Capital Improvements Budget by adding or omitting projects from the proposed capital budget.

Attachment: FY2025-2029 BNA Amended Capital Improvements Plan

BNA Capital Improvements Plan
Fiscal Year 2025 Proposed Mid-Year Adjustment
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2025 Projects											
Concourse A Expansion	798,500,000										798,500,000
TARI Phase II & Phase III	300,000,000			30,800,000							269,200,000
2nd Terminal (Environmental, Programming and Preliminary Design)	15,000,000					15,000,000					
ADG 5/TGD6 (RW 2L/20R)	14,000,000			10,500,000						3,500,000	
Deicing Storage Modifications (Design)	2,000,000							2,000,000			
Airport Master Plan	7,000,000			5,250,000		875,000		875,000			
Part 139 RSA/TSA Improvements Phase 2 - TXWY Lima East & Alpha North	15,000,000										15,000,000
Concourse B and C Upgrades - Phase 2 Holdrooms + Holdroom Seating	16,700,000										16,700,000
Cargo Apron Slab Replacement (Phase 9 of 22)	1,500,000							1,500,000			
Rehabilitate Taxiway S/S6/S7/T4 Intersection (Design + Construction)	9,000,000	5,952,132						3,047,868			
Terminal Apron Lighting Upgrade - B & C Concourses	520,000						520,000				
JWN Match	515,000					515,000					
Airfield Pavement Rehabilitation & Striping - 2R/20L & Associated Taxiways	1,500,000							1,500,000			
CCTV Replacement	400,000					400,000					
Airside Tree Obstruction Removal	250,000							250,000			
DPS Range Improvements	200,000									200,000	
Airside New Wildlife Fencing (FY25-FY28)	20,000,000										20,000,000
ACC Modernization	300,000					300,000					
Gassaway - Update Common Areas	170,000					170,000					
Gassaway - HVAC Upgrades (1st Floor)	150,000					150,000					
Gassaway Roof Replacement	1,000,000					1,000,000					
SCADA Upgrade & TOC Water Pumps	130,000							130,000			
CONRAC Expansion (Year 1 - Planning & Procurement)	10,000,000								10,000,000		
Central Ramp Expansion	242,350,000										242,350,000
Misc. Building Demolitions (Enterprise/Aerial Survey Building)	1,000,000					1,000,000					
Terminal Ramp Reconstruction (FY25-FY27)	30,000,000										30,000,000
BNA Strategic Material Stockpile Study	400,000					400,000					
Administration Building Reconfiguration	1,900,000										1,900,000
Vehicles											
2013 Ford Explorer K-9 MEQ 6543 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer K-9 MEQ 6544 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6578 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6589 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6595 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2013 Ford Explorer MEQ 6596 / Replace with Chevy Tahoe	95,000					81,510		13,490			
2017 Chevy Tahoe MEQ 6587 / Replace with Chevy Tahoe	95,000					81,510		13,490			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
MEQ6314 1995 GMC C7H064 TOP KICK DUMP TRUCK (WITH SALT SPREADER)	250,000					214,500		35,500			
Airfield De-Icer (MEQ 6255)	900,000							900,000			
MEQ6527 (Grounds) 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
MX, 2012 KUBOTA RTV 1100	45,000					38,610		6,390			
Maintenance 3/4 Ton Service Body Truck (MEQ 6489)	85,000					72,930		12,070			
Maintenance Box Truck (MEQ 6519)	75,000					64,350		10,650			
2010 FORD WAGON E-350 XL SUPER DUTY (MEQ 6501)	65,000					55,770		9,230			
Maintenance 3/4 Ton Service Body Truck (MEQ 6520)	85,000					72,930		12,070			
MX, replacing 2013 F-150, CREW CAB, 4WD (MEQ 6532)	85,000					72,930		12,070			
MX, replacing 2008 CHEVY SILVERADO 1500, REG CAB, 2WD (MEQ 6494)	65,000					55,770		9,230			
Runway Rubber/Marking Removal Truck	1,100,000							1,100,000			
Environmental Mini-Excavator	185,000					158,730		26,270			
Maintenance Kubota Tractor	180,000					154,440		25,560			
Operations Full Size SUV (Ford Expedition XL) for airside not replacing	75,000							75,000			
Operations Full Size Truck (F150) for landside not replacing	65,000					65,000					
Operations Full Size SUV (Ford Expedition) ADMs not replacing	70,000					60,060		9,940			
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
Ford Maverick (New - Not Replacement) - Engineering	37,000										37,000
	1,493,884,000	5,952,132	-	46,550,000	-	21,505,200	520,000	11,647,668	10,000,000	3,985,000	1,393,724,000

BNA Capital Improvements Plan
Fiscal Year 2025 Proposed Mid-Year Adjustment
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2026 Projects											
New Air Freight Bldg./Multi-purpose Bldg.	125,000,000										125,000,000
Rwy 2L/20R Extension (Design - Year 1)	15,000,000	3,930,500		7,319,500							3,750,000
2nd Terminal (Years 2+3)	40,000,000					40,000,000					
Part 139 RSA/TSA Improvements Phase 3 - Bravo North	20,000,000										20,000,000
Replace Stormwater Pipe (Phase 7 of 9)	2,000,000							2,000,000			
Cargo Apron Slab Replacement (Phase 10 of 22)	1,500,000							1,500,000			
Switch Replacement	520,000					520,000					
PBX Upgrade of CS1000	180,000					180,000					
Data Center Primary & Firewall	800,000					800,000					
IT Infrastructure Deployment	1,500,000					1,500,000					
Cell DAS & Wi-Fi Refresh	750,000					750,000					
Deicing Storage Modifications Phase 1	13,500,000		10,125,000								3,375,000
JWN Match	530,450					530,450					
Airfield Pavement Rehabilitation - 2L/20R & Associated Taxiways	1,500,000							1,500,000			
Taxiway Alpha Seal Coat	1,000,000							1,000,000			
CONRAC Expansion (Year 2 - EA & Design)	18,000,000								18,000,000		
Terminal Apron Lighting Upgrade (Concourse D)	600,000						600,000				
Gassaway Parking Lot Rehab (Phase 2 of 2)	1,000,000					1,000,000					
Pendar X10 - Hazmat & EOD Identification Tool (DPS)	70,000									70,000	
Gassaway - Sewer (Assessment may be needed)	150,000					150,000					
Landside Pavement Rehabilitation - Knapp Blvd (Phase 1 of 3)	1,000,000					1,000,000					
Hydrologic Assessment of Ramp	350,000						350,000				
FIDS / IDS to Amadeus	900,000					900,000					
RIDS	100,000					50,000	50,000				
Amadeus ACUS	250,000					250,000					
ERP Evaluation	200,000					200,000					
HRIS system (Ultipro Replacement)	200,000					200,000					
PCI Study - Airside	600,000							600,000			
Vehicles											
Airfield Paint Striping Vehicle	475,000							475,000			
Multi-Function Sweeper Replacing Sweeper	1,100,000							1,100,000			
Seven (7) DPS vehicles @ $95k	665,000					570,570		94,430			
DPS - EOD Emergency Response Vehicle	412,938					354,301		58,637			
Skid Steer (ENV) (Cat 289)	110,000					94,380		15,620			
Staff Summary - DPS Chevy Tahoe (Not Replacement)	95,000									95,000	
Skid Steer with Attachments (MEQ 6493)	95,000					81,510		13,490			
MEQ6468 (Grounds) 2006 KUBOTA RTV 900	45,000					38,610		6,390			
MEQ6429 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6430 2001 CHEVY C7H042 W/SALT SPREADER & PLOW	250,000					214,500		35,500			
MEQ6315 (Grounds) 1995 GMC C7H064 TOP KICK DUMP TRUCK (NEW DEAL SPREADER)	250,000					214,500		35,500			
MEQ6516 (ADMIN) 2012 FORD EXPLORER	65,000					55,770		9,230			
MEQ6536 (ELTR) 2012 F150	65,000					55,770		9,230			
MEQ6538 (ELEC) F-550 BUCKET TRUCK	180,000					154,440		25,560			
MEQ6542 (AFEL) 2014 CHEVY 3500 WITH CENTER CRANE	95,000					81,510		13,490			
MEQ6550 (BLDGS) 2015 FORD F250	85,000					72,930		12,070			
MEQ6559 (OPS) FORD FLEX AWD	65,000					55,770		9,230			
MEQ6561 (GRDS) 2015 CHEVY 3500 CREW CAB, 4WD	95,000					81,510		13,490			
MEQ6562 (HVAC) 2016 FORD F250, 2WD, SERVICE BODY/LADDER	85,000					72,930		12,070			
TOTAL FY 2026 Projects	251,683,388	3,930,500	10,125,000	7,319,500	-	50,443,951	1,000,000	8,574,437	18,000,000	165,000	152,125,000

BNA Capital Improvements Plan
Fiscal Year 2025 Proposed Mid-Year Adjustment
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2027 Projects											
Projects											
Runway 2L Extension Enabling Project: New PMO	11,800,000										11,800,000
Runway 2L Extension Enabling Project: New ARFF Annex (Design + Construction)	20,000,000	4,470,500	10,529,500								5,000,000
Rwy 2L/20R Extension (Design - Year 2)	15,000,000			10,559,376							4,440,624
CONRAC Expansion (Year 3 - Site Prep)	40,000,000										40,000,000
Convert Concourse C gates to Max 10	3,500,000					2,500,000	1,000,000				
Deicing Storage Modifications Phase 2	25,000,000										25,000,000
Replace Stormwater Pipe (Phase 8 of 9)	2,000,000							2,000,000			
Cargo Apron Slab Replacement (Phase 11 of 22)	1,500,000							1,500,000			
6-inch Diesel Water Pump	100,000					100,000					
JWN Match	546,364					546,364					
Airfield Pavement Rehabilitation - 2C/20C & Associated Taxiways	1,500,000							1,500,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 2 of 3)	820,000					820,000					
T1/T2 Relocation, TSA Upgrade, and Rehabilitation	20,000,000										20,000,000
PCI Study - Landside	400,000					400,000					
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					570,570		94,430			
DPS - Command Vehicle	554,650									554,650	
MEQ6479 (Grounds) 2007 AVS POSI-TRAC RC-100 SKID STEER	125,000					107,250		17,750			
MEQ6306 (ENV) 1993 GMC TOP KICK WITH FLAT BED	115,000					98,670		16,330			
MEQ6322 (Grounds) 1994 JOHN DEERE 6300 TRACTOR	150,000					128,700		21,300			
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220		12,780			
MEQ6564 (GRDS) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220		12,780			
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,220		12,780			
MEQ6567 (MOEQ) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,220		12,780			
MEQ6570 (D&E) 2016 CHEVY EQUINOX, AWD, 4DR	40,000					34,320		5,680			
MEQ6586 (OPS) 2017 FORD FLEX, AWD	40,000					34,320		5,680			
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000					77,220		12,780			
TOTAL FY 2027 Projects	144,306,014	4,470,500	10,529,500	10,559,376	-	5,726,294	1,000,000	5,225,070	-	554,650	106,240,624

BNA Capital Improvements Plan
Fiscal Year 2025 Proposed Mid-Year Adjustment
Nashville International Airport

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, PFCs Seizure Funds, etc.)	Bonds/Credit Facility
FY 2028 Projects											
Projects											
Rwy 2L/20R Extension (Construction Phase 1) [Site Prep/Utilities]	30,000,000	4,795,000	17,705,000								7,500,000
Cargo Apron Slab Replacement (Phase 12 of 22)	1,500,000							1,500,000			
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000							3,000,000			
CONRAC Expansion (Year 4/5 - Construction)	334,000,000										334,000,000
2nd Terminal (Sitework & Design)	60,000,000										60,000,000
Terminal Apron Lighting Replacement (IAF)	600,000						600,000				
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	820,000					820,000					
Terminal Ramp Reconstruction (FY28-FY29 - $10M per year)	20,000,000										20,000,000
JWN Match	562,754					562,754					
Annual Airfield Pavement Striping Rehabilitation	1,500,000							1,500,000			
Taxiway Hotel South, TSA Improvements	12,000,000										12,000,000
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					570,570		94,430			
EOD Robot	594,750									594,750	
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000					171,600		28,400			
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000					38,610		6,390			
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000					38,610		6,390			
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000					64,350		10,650			
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000					38,610		6,390			
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220		12,780			
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,220		12,780			
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000					81,510		13,490			
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000					55,770		9,230			
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000					77,220		12,780			
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000					55,770		9,230			
TOTAL FY 2028 Projects	466,147,504	4,795,000	17,705,000	-	-	2,729,814	600,000	6,222,940	-	594,750	433,500,000
FY2029 Projects											
Projects											
JWN Match	579,637					579,637					
Annual Airfield Pavement Striping Rehabilitation	1,500,000							1,500,000			
Cargo Apron Slab Replacement (Phase 13 of 22)	1,500,000							1,500,000			
Taxiway Alpha/Kilo Reconstruction (Asphalt to Concrete)	15,000,000										15,000,000
Landside Pavement Rehabilitation	500,000					500,000					
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					570,570		94,430			
MEQ6569 (GRDS) 2015 TORO GROUNDSMASTER 4110D MOWER	130,000					111,540		18,460			
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000					171,600		28,400			
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000					38,610		6,390			
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000					60,060		9,940			
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000					81,510		13,490			
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000					77,220		12,780			
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,060		9,940			
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000					60,060		9,940			
ACC Full Size SUV (Ford Explorer / Expedition) not replacing	70,000					60,060		9,940			
TOTAL FY 2029 Projects	20,724,637	-	-	-	-	2,491,047	-	3,233,590	-	-	15,000,000
Total 5 Year CIP	2,376,745,543	19,148,132	38,359,500	64,428,876	-	82,896,306	3,120,000	34,903,705	28,000,000	5,299,400	2,100,589,624

MNAA RESOLUTION NO. 2025-02

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AMENDING MNAA RESOLUTION 2024-05, APPROVING THE AMENDED CAPITAL IMPROVEMENTS PLAN FOR FISCAL YEARS 2025 TO 2029, AND APPROVING THE AMENDED CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEAR 2025.

WHEREAS, the President has submitted, for Board approval, an Amended Capital Improvements Plan for Nashville International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, 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 amends MNAA Resolution No. 2024-05 by approving the FY25 - FY29 Amended Capital Improvements Plan and the FY25 Amended Capital Improvements Budget as presented, which has been made a part hereof as if copied verbatim herein as the Capital Improvements Budget for the Nashville International Airport for fiscal year 2025.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-03
FY25 BNA Amended Operating Budget

I. Recommendation

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

1) approve the proposed amended operating budget for Nashville International Airport (BNA) for fiscal year 2025 (FY25); and

2) authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-03.

II. Analysis

A. Background

Pursuant to the 3rd and 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. Requests for additional appropriations shall be submitted to the Board for approval.

On April 17, 2024, the Board of Commissioners approved the FY25 BNA Operating Budget. Based on actual revenue and expenses to date Finance is requesting the following changes to the FY25 Budget:

- Decrease budgeted landing fee revenue and non-signatory revenue to account for the cancellation of certain capital projects.
- Decrease other signatory fees to account for the estimated year-end true-up refund.
- Reclassify operating revenue to non-operating grant revenue to account for concessions revenue that is expected to be reimbursed by federal relief funds.

No changes are being requested to operating expenses and forecasted enplanements.

The financial rate model projections (original versus amended budget) are shown on page 2:

Nashville International Airport
Revenue and Expenses (Rate Model Based)
For the year ending June 30, 2025

	FY25 - Original	FY25 - Amended
Operating Revenues:		
Signatory Airlines	$ 124,574,985	$ 115,543,085
Parking	113,600,000	113,600,000
Concessions	75,762,636	68,107,636
Space Rental	17,216,749	17,216,749
Other	10,501,013	10,201,013
Total Operating Revenues	**341,655,383**	**324,668,483**
Operating Expenses:		
Salaries and Benefits	72,954,464	72,954,464
Contractual Services	94,259,211	94,259,211
Materials and Supplies	9,422,842	9,422,842
Utilities	8,507,889	8,507,889
Other	10,560,224	10,560,224
Total Operating Expenses	**195,704,630**	**195,704,630**
Other Rate Model Exp/Rev:		
Total Debt Service - Bonds	101,495,916	101,495,916
Less: Debt paid by Cap Int	(5,818,153)	(5,818,153)
Less: Debt paid by PFCs	(32,529,365)	(32,529,365)
Less: Debt paid by Federal Relief Grants	(6,554,722)	(6,554,722)
Operating Revenue reimbursed by Federal Relief Funds	-	(7,655,000)
Short Term Credit Facility Interest Expense	5,469,942	5,469,942
Operations & Maintenance Fund	8,364,208	8,364,208
Renewal & Replacement Fund	1,250,000	1,250,000
Airline Facility Fund	19,924,125	11,647,668
Authority/Amortization Facility Fund	25,750,200	22,025,200
NAE (Airline Incentive) Fund	2,000,000	2,000,000
Additional Pension/OPEB Contribution	-	-
Interest Income Transferred to Revenue Fund	(24,164,600)	(24,164,600)
Less: Budgeted Exp Excluded from Rate Model	(2,454,190)	(2,454,190)
Other Non Budgeted Rev Included in Rate Model	(3,257,327)	(3,257,327)
Total Net Other Expenses	**89,476,034**	**69,819,577**
Net Income (Deposit to NAE)	**$ 56,474,719**	**$ 59,144,276**

Based on the proposed changes, the GAAP (Generally Accepted Accounting Principles) based amended budget for FY25 was prepared. The summary is shown below:

BNA Summary ($000)	APPROVED BUDGET 2025	AMENDED BUDGET 2025	
Non-Airline Revenue	217,080	209,125	②
Signatory Airline Revenue	124,575	115,543	①
Total Operating Revenue	341,655	324,668	
Operating Expense	(195,705)	(195,705)	
Net Non-Operating Income	4,938	12,593	③
Income before Depreciation & Grants	150,888	141,556	

① Signatory Airline Revenue decreased by $9M:

- Landing Fees decreased $7.3M:
    a) In May 2024, MNAA cancelled the Virtual Ramp Control Tower project ($5.4M), which was after the FY25 budget was approved by the Board. The Signatory landing fee included in the budget was $3.75, however, with the removal of this project, the landing fee was reduced to $3.38. The Airlines were informed of the change in the landing fee and have been paying the $3.38 since the beginning of the year. The decrease of $5.1M to the budgeted Landing Fee Revenue is to accurately reflect the landing fee being charged.
    b) Additional decrease of $2.2M was made due to the changes in funding for 3 projects approved in the FY25 BNA CIP Amendment (Deicing Storage Modifications, Airport Master Plan, Rehabilitate TW S/S6/S7/T4), offset by decrease in projected landed weights.
- Other Signatory fees decreased by $1.7M due to the projected airline year-end true-up (expected to be a refund), thereby lowering the total revenue expected:
    - Terminal rental rates, baggage fees and Terminal Ramp fees are projected to decrease $800k, $600k, and $300k respectively, related to less operating expenses allocated to the terminal cost center.

② Non-Airline Revenue decreased by $8M:

- Concessions revenue decreased $7.7M due to the anticipated receipt of federal relief funds (ARPA Concessions Grant) for concessions. This results in a reclassification of revenue: a decrease to Concessions Revenue and an increase in Other Non-Operating Revenue.
- Other revenue (non-signatory revenue) decreased $300k due to the cancellation of the Virtual Ramp Control Tower project as described above. The non-signatory landing fee in the budget was $4.68, but was reduced to $4.23 after the project was cancelled. The decrease of $300k to the budgeted non-signatory revenue is to accurately reflect the landing fee being charged.

③ Net Non-Operating Income increased $7.7M due to the anticipated receipt of federal relief funds (ARPA Concessions Grant) for concessions. This results in a reclassification of revenue: a decrease to Concessions Revenue and an increase in Other Non-Operating Revenue.

Strategic Priorities

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

B. Options/Alternatives

Revise the FY25 Operating Budget by adding or reducing revenue and expense items.

MNAA RESOLUTION NO. 2025-03

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE METROPOLITAN NASHVILLE AIRPORT AUTHORITY AMENDING MNAA RESOLUTION 2024-04 AND APPROVING THE AMENDED OPERATING BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT COVERING THE FISCAL YEAR BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025.

WHEREAS, the President has submitted, for Board approval, an Amended Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2024, and ending June 30, 2025, 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 amends MNAA Resolution No. 2024-04 by approving the Amended 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 2025.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-04
FY26 BNA Operating Budget

I. Recommendation

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

1) approve the proposed operating budget for Nashville International Airport (BNA) for fiscal year 2026 (FY26); and

2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-04.

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 2024, the MNAA CEO gave the CFO and Finance staff financial goals/requirements for developing the FY26 budget:

- Departments should budget conservatively based on needs
- Maintain the 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

Finance had also been tracking revenue forecasts for FY25 and has seen a softening in revenue generation, especially in parking revenue. We believe this will continue into FY26, which results in a minimal increase to budgeted non-airline revenue for FY26. In addition, Southwest Airlines sent a letter to the CEO in January 2025 requesting that MNAA review O&M expenses and help keep cost increases to a reasonable level, especially given the increase in debt service for the new facilities (which is supported by the Airlines). These two items became a driving force during the development of the FY26 budget. By working with all Airport departments to reduce excess estimates in the budget, Finance was able to keep the FY26 O&M expense growth to only $3.1M or a minimal 1.6%.

MNAA uses three enplanement forecasts to monitor growth at BNA: "Moderate Forecast", "Strategic Forecast", and an "Aggressive Forecast". In April 2024, the Board of Commissioners approved the FY25 Operating Budget based on 12,376,000 enplanements which was the "Moderate Forecast" at that time. For FY26, the new "Moderate/Strategic/Aggressive Forecasts" were based on an approximate 5%/7%/10% growth from the FY25 forecasted enplanements.

The enplanement forecasts for FY25 and the forecasts for FY26 are shown in the table below:

	FY25	FY26
Moderate Forecast	12,376,000	12,966,000
Strategic Forecast	12,611,000	13,242,000
Aggressive Forecast	12,847,000	13,614,000

MNAA management determined that the "Moderate Forecast", which estimates enplanements at approximately 12,966,000, would be the basis for the FY26 Operating Budget. The "Moderate Forecast" was then compared to the Financial Feasibility Model to determine the financial goals for which the FY26 budget would be based upon. The application of the enplanement assumptions was incorporated into the new FY26 financial rate model projections shown below:

Nashville International Airport
Revenue and Expenses (Rate Model Based)
For the year ending June 30, 2026

	FY26 12.97M Enplanements
Operating Revenues:	
Signatory Airlines	$ 134,298,546
Parking	113,742,813
Concessions	79,375,714
Space Rental	18,766,307
Other	12,436,835
Total Operating Revenues	**358,620,215**
Operating Expenses:	
Salaries and Benefits	73,570,572
Contractual Services	93,398,049
Materials and Supplies	9,794,544
Utilities	10,450,182
Other	11,553,060
Total Operating Expenses	**198,766,407**
Other Rate Model Exp/Rev:	
Total Debt Service - Bonds	208,490,743
Less: Debt paid by Cap Int	(86,790,098)
Less: Debt paid by PFCs	(34,689,479)
Short Term Credit Facility Interest Expense	8,567,062
Operations & Maintenance Fund	4,696,594
Renewal & Replacement Fund	1,250,000
Airline Facility Fund	15,612,325
Authority/Amortization Facility Fund	24,583,125
NAE (Airline Incentive) Fund	2,000,000
Additional Pension/OPEB Contribution	-
Interest Income Transferred to Revenue Fund	(19,000,000)
Less: Budgeted Exp Excluded from Rate Model	(2,682,591)
Other Non Budgeted Rev Included in Rate Model	(4,243,297)
Total Net Other Expenses	**117,794,384**
Net Income (Deposit to NAE)	**$ 42,059,424**

Using this forecast, the GAAP (Generally Accepted Accounting Principles) based O&M budget for FY26 was prepared. The summary is shown below:

BNA Summary ($000)	AMENDED BUDGET 2025	BUDGET 2026	
Non-Airline Revenue	209,125	224,322	①
Signatory Airline Revenue	115,543	134,298	②
Total Operating Revenue	324,668	358,620	
Operating Expense	(195,705)	(198,766)	③
Net Non-Operating Income/Loss	12,593	(27,126)	④
Income before Depreciation & Grants	141,556	132,728	

① Budgeted Non-Airline Revenue increased by $15.2M. Largest variances:

- Parking Revenue increased $100k. Finance anticipates that the Parking Revenue for FY25 will end up below budget, therefore, leaving Parking Revenue relatively flat for FY26.
- Concessions Revenue increased $11.3M:
  - Food and Retail Concessions increased $8M. $7.7M is due to the reversal of the one-time reclass made from Concessions Revenue to Non-Operating Revenue in the FY25 BNA Amended Budget for the ARPA Concessions Grant. The remaining $300k is due to increased passengers.
  - Rental Car Concessions increased $2.1M due to increased passengers.
  - Advertising Concessions increased $500k, primarily driven by the new advertising contract.
  - TNC Revenue increased $400k due to projected increased utilization of TNCs based on increased passengers.
  - Ground Transportation (Limos, Taxis, Hotel Shuttles, TURO) increased $300k due to higher expected passengers.
- Space Rent and Other Operating Revenue increased in total by $3.8M due to higher non-signatory airline per use fees based on the Airline Use & Lease Agreement ("AULA") rates and charges calculations, increased rental car service site rental rates, and increase to reimbursable services (utility expense passthroughs).

② Budgeted Signatory Airline Revenue increased by $18.7M. The AULA provides a methodology for charging the airlines rates and charges based on operating expenses, debt service requirements, and capital requirements. Based on the increases in these areas for FY26, the AULA Rate Model calculated the following increases:

- Terminal rent increased $8.8M due to an increase in the main terminal rate from $186.82 to $213.93 per square foot and an increase in the satellite terminal rate from $182.15 to $208.58 per square foot, mainly driven by an increase in debt service

requirements that is expected by the airlines (completion of Concourse D). There were also increases in both rentable and leased space due to the anticipated opening of Concourse D Extension and the closing of Concourse A shortly after.

- Baggage fees, which increased $3M, are charged to cover maintenance costs and debt service of the baggage handling system. The majority of the increase is due to increases in the terminal rental rates allocated to the baggage area.
- Landing fees increased $4.5M due to a rate increase from $3.38 to $3.50 with a small increase in forecasted landed weights. Increase in rate due to slight increase in debt service and capital projects charged directly to the Airline Investment Fund.
- Terminal Ramp Fees, Signatory Per Use Fees, and Passenger Loading Bridge Fees increased $1.4M in total due to increases in O&M expenses and debt service.

II. Airline Revenue Sharing Credit (which decreases revenue owed) decreased $900k due to the AULA contractual decrease of the percent share of terminal concessions and revenue share per EPAX.

③ Operating expense increased $3.1M. Largest variances:

- Total salaries/benefits increased $616k: 1) the addition of a potential 10-15 new positions for FY26 (of which 5 are conversions of contract positions to MNAA staff), and 2) the implementation of a cost-of-living adjustment and the results of the compensation study. These are offset by a decrease in salaries due to the creation of a vacancy allowance of approximately 6-7%.
- Contractual services decreased $860k. Largest variances:
  - Shuttle bus services decreased $1.7M primarily due to revised assumptions regarding the impact of the TARI construction and less shuttle usage needed at the Satellite Concourse.
  - Elevator and Escalator Maintenance increased $400k due to a new contract that provides more covered services and reduced service interruptions during peak passenger times.
  - Landscaping Services increased $300k due to new contract.
- Materials and supplies increased $370k. Largest variances:
  - Snow and Ice Removal supplies have increased $250k to address the financial impact of rising costs of recent snow events.
  - Passenger Boarding Bridges and Baggage Handling System supply costs have increased $100k due to expected supply increases needed to maintain the aging infrastructure of these systems.
- Utilities increased $1.9M:
  - To ensure better utility estimates, Finance performed additional usage analysis to forecast changes in the utilities. Electricity increased $800k, primarily in the terminal, due to a 6.5% increase in usage and a 3.3% increase in rates. Natural Gas increased $250k due to increases in usage and a 7% rate increase, and Water and Sewer increased $750k due to increases in usage and a 2.6% rate increase.
- Other Operating Expenses increased $1M. Largest variances:

- Airport Promotions and Memberships increased $700k primarily due to increases in approved airline incentives (Icelandair and Aer Lingus).
- Insurance increased $300k due to expected increases in rates.

④ Net Non-Operating Income/Loss decreased $39.7M. Largest variances are:

- Non-Operating Revenue increased $12.9M:
  - Customer Facility Charges increased $21.7M due to the CFC rate increase from $4.50 to $10.00 on February 1, 2025.
  - Passenger Facility Charges increased $4.6M due to the projected increase in passengers.
  - Interest income increased $800k due to higher projected rates compared to the FY25 estimated rates.
  - Other Non-Operating Revenue decreased $14.2M due to the exhaustion of all federal relief funds in FY25.
- Non-Operating Expenses increased $52.6M:
  - Interest Expense increased $50M due the estimated new bond issuance in December 2025.
  - Bond Issuance Costs increased $3M. When the FY25 budget was prepared, there was a possibility that MNAA would need to do a bond issuance in June 2025 for ~ $600M. Due to actual spending being slower than forecasted, that bond issuance has been pushed to December 2025. The new bond issuance is estimated to be ~ $1.3B, which accounts for the increase in these costs.

A. Strategic Priorities

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

B. Options/Alternatives

Revise the FY26 operating budget by adding or reducing revenue and expense items.

MNAA RESOLUTION NO. 2025-04

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 BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026.

WHEREAS, the President has submitted, for Board approval, the Operating Budget for Nashville International Airport, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, 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 2026.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: Nashville International Airport (BNA)

Subject: MNAA Resolution 2025-05
FY26 BNA Capital Improvements Budget and FY26-30 BNA Capital Improvements Plan

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I. Recommendation

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

1) approve the proposed FY26-30 BNA Capital Improvements Plan; and

2) approve the proposed FY26 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. 2025-05.

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 FY26-30 is summarized below:

BNA Summary:	**2026**	**2027**	**2028**	**2029**	**2030**	**TOTAL**
Terminal & Landside	$ 994,860,000	$ 60,030,000	$ 88,875,000	$ 2,300,000	$ 759,580,000	$ 1,905,645,000
Vehicles & Equipment	5,955,000	5,390,000	2,474,750	1,645,000	1,415,000	16,879,750
Airside Improvements	72,015,000	107,720,000	100,050,000	64,550,000	54,050,000	398,385,000
AULA - Airport Reliever	530,450	546,360	562,750	579,630	597,020	2,816,210
Total	**$ 1,073,360,450**	**$ 173,686,360**	**$ 191,962,500**	**$ 69,074,630**	**$ 815,642,020**	**$ 2,323,725,960**

Funding Allocations:	2026	2027	2028	2029	2030	TOTAL
MNAA Authority	$ 23,128,125	$ 20,226,220	$ 13,702,670	$ 13,542,685	$ 15,642,505	$ 86,242,205
MNAA Amortization Fund	1,455,000	4,250,000	1,350,000	750,000	750,000	8,555,000
MNAA Airline Fund	15,612,325	10,360,140	15,315,080	4,781,945	4,249,515	50,319,005
Federal (Entitlement)	6,000,000	6,180,000	6,365,000	6,556,000	6,753,000	31,854,000
Federal (Discretionary)	-	-	-	-	-	-
Federal (BIL)	20,000,000	-	-	-	-	20,000,000
Bond Funded	835,234,428	131,820,000	154,635,000	43,444,000	788,247,000	1,953,380,428
Customer Facility Charges	171,265,572	-	-	-	-	171,265,572
Other	665,000	850,000	594,750	-	-	2,109,750
Total	**$ 1,073,360,450**	**$ 173,686,360**	**$ 191,962,500**	**$ 69,074,630**	**$ 815,642,020**	**$ 2,323,725,960**

The FY26 Capital Improvements Budget includes the following major projects: 1) CONRAC/Public Parking Garage - $877.5M; 2) Surface Parking - $95M; and 3) Taxiway T4 Reconstruction/T5 & Lima Repairs - $30M.

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY26, and their anticipated funding sources, are shown in the attached Capital Improvements Plan. The projects, costs, and anticipated funding sources for FY27-30 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 FY26 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

Attachment: FY2026-2030 BNA Capital Improvements Plan

BNA Capital Improvements Plan
Fiscal Years 2026 - 2030

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2026 Projects											
CONRAC/Public Parking Garage - New Horizon II	877,500,000								171,265,572		706,234,428
Surface Parking - New Horizon II	95,000,000										95,000,000
Taxiway T4 Reconstruction and Taxiway T5 and Lima Repairs	30,000,000	6,000,000		5,000,000							19,000,000
Part 139 RSA/TSA Improvements Phase 3 - Hotel South & Two Right	20,000,000			15,000,000							5,000,000
Land acquisition	10,000,000					10,000,000					
Terminal Building - Mezzanine Building for Admin Offices	10,000,000										10,000,000
CAD/RMS Replacement Dispatch System	5,000,000					5,000,000					
Taxiway T5 Reconstruction and Lima Reconstruction (Design Only)	2,000,000							2,000,000			
Replace Stormwater Pipe (Phase 7 of 9)	2,000,000							2,000,000			
Annual Airfield Pavement Maintenance (Joint Replacement & T/W Alpha South Crack Repair & Seal Coating)	1,900,000							1,900,000			
North Cargo Apron Reconstruction, Phase 8 of 9	1,500,000							1,500,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 1 of 3)	1,500,000							1,500,000			
IT Infrastructure Deployment - IT Refresh	1,500,000					1,500,000					
Terminal Sidewalk / Uniform color and consistent grip meant for high traffic volume	1,200,000						1,200,000				
Terminal Roadways - Bridges Expansion Joints Levels 2 and 3 North and South	800,000					800,000					
Cell DAS & Wi-Fi Refresh	750,000					750,000					
AOC Phone and Radio Integration to Touchscreen System	700,000					700,000					
Donelson Tunnel (T/W Romeo/Juliet Bridges) & Murfreesboro Tunnel Repairs	700,000							700,000			
Taxiway Juliet at ARFF Access - Pavement Rehabilitation	700,000							700,000			
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
JWN Match - AULA	530,450					530,450					
Landside Pavement Rehabilitation - Lot C	500,000					500,000					
Vehicle Mounted Ruggedized Laptops, Mounts, Installation	375,000					375,000					
Hydrologic Assessment of Ramp	350,000							350,000			
Environmental Management Software	300,000					300,000					
Data Center Primary and Firewall - IT	275,000					275,000					
FIDS Refresh (new Brightsign hardware) phase 1	255,000						255,000				
DPS/ARFF Building Enhancements for Additional Staff	250,000					250,000					
ARFF Driving Simulator	250,000							250,000			
Part 139 IET Training Modules/AAAE Video Refresh (Ops Videos)	250,000							250,000			
Windows 10 to 11 (210 workstations, includes EOC)	225,000					225,000					
Ramp Tower Facilities Improvements (Restrooms and Remaining Refurbished Spaces)	200,000							200,000			
AOA Gate Electronic Lock and Key Replacement	115,000							115,000			
Charter Hallway Fire Risers	100,000					100,000					
Pendar X10 - Hazmat & EOD Identification Tool (DPS)	75,000					75,000					
Veeam Microsoft Environment Backup	55,000					55,000					
Vehicles											
ARFF Truck (Rosenbauer)	1,250,000							1,250,000			
Multi-Function Sweeper Replacing Sweeper - MEQ 6363	1,200,000							1,200,000			
Seven (7) DPS vehicles @ $95k	665,000									665,000	
3000 Gallon MB Deicer - MEQ 6277	700,000							700,000			
MEQ6429 2001 CHEVY C7H042 W/SALT SPREADER & PLOW (Not Airfield)	250,000					214,750		35,250			
MEQ6430 2001 CHEVY C7H042 W/SALT SPREADER & PLOW (Airfield)	250,000					214,750		35,250			
MEQ6315 (Grounds) 1995 GMC C7H064 TOP KICK DUMP TRUCK (NEW DEAL SPREADER for Airfield)	250,000					214,750		35,250			
MEQ6538 (ELEC) F-550 Bucket Trucks	180,000					154,620		25,380			
Skid Steer (ENV) (Cat 289)	130,000					111,670		18,330			
Skid Steer with Attachments (MEQ 6493)	130,000					111,670		18,330			
Operations ADM Vehicle (Expedition) - Replaces MEQ 6559 with an ops command vehicle	105,000					90,195		14,805			
Mulching Head for Mini-Excavator	95,000					81,605		13,395			
F150 for Environmental	95,000					81,605		13,395			
MEQ6542 (AFEL) 2014 CHEVY 3500 WITH CENTER CRANE - Airfield	95,000							95,000			
MEQ6561 (GRDS) 2015 CHEVY 3500 CREW CAB, 4WD - Airfield	95,000							95,000			
MEQ6550 (BLDGS) 2015 FORD F250	85,000					73,015		11,985			
MEQ6562 (HVAC) 2016 FORD F250, 2WD, SERVICE BODY/LADDER	85,000					73,015		11,985			
MEQ6516 (ADMIN) 2012 FORD EXPLORER	65,000					65,000					
MEQ6536 (ELTR) 2012 F150	65,000					55,835		9,165			
Operations Landside Pick-Up Truck (F150) - Replaces 6604	60,000					60,000					
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6468 (Grounds) 2006 KUBOTA RTV 900	45,000					38,655		6,345			
TOTAL FY 2026 Projects	1,073,360,450	6,000,000	-	20,000,000	-	23,128,125	1,455,000	15,612,325	171,265,572	665,000	835,234,428

BNA Capital Improvements Plan
Fiscal Years 2026 - 2030

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2027 Projects											
IOC/VRC/EOC/Data Center	50,000,000										50,000,000
Taxiway Tango 5 and Lima Reconstruction	35,000,000										35,000,000
Cargo Apron Slab Replacement (Phase 9 of 9)	16,500,000							1,500,000			15,000,000
Rwy 2L/20R Extension (Design - Year 1)	15,000,000										15,000,000
R/W 2C/20C & T/W Sierra & T/W T4 Rehabilitation	11,000,000	6,180,000									4,820,000
Part 139 RSA/TSA Improvements Phase 4	10,000,000										10,000,000
Land acquisition	10,000,000					10,000,000					
Convert Concourse C gates to Max 10	3,500,000						3,500,000				
Replace Stormwater Pipe (Phase 8 of 9)	2,000,000							2,000,000			
IDMS System for Badging Office	2,000,000					2,000,000					
T/W Bravo North and T/W T2 Reconstruction - Design Only	2,000,000										2,000,000
Annual Airfield Pavement Maintenance	1,500,000							1,500,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 2 of 3)	1,500,000							1,500,000			
Airfield Pavement Rehabilitation with joint replacement- 2C/20C & Associated Taxiways	1,000,000							1,000,000			
2027 Airfield PCI Study (including perimeter roads)	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 1 of 3)	1,000,000					1,000,000					
Body Worn Camera / Fleet-wide In Car Camera Replacement	750,000					750,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
Curbside Trench Drain Replacement (Phase 2)	750,000					750,000					
Parking Garage Structural Evaluation/Rehabilitation - Garage Joint Replacement (20%)	700,000					700,000					
2L / 20R RWY lights	570,000							570,000			
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
JWN Match - AULA	546,360					546,360					
BNA Strategic Material Stockpile Management	400,000					400,000					
PBX Upgrade of CS1000 - IT	180,000					180,000					
6-inch Diesel Water Pump	100,000							100,000			
Vehicles											
Multi-Function Sweeper Replacing Sweeper / MB5C	1,200,000					1,030,800		169,200			
DPS - Command Vehicle	850,000									850,000	
Seven (7) DPS vehicles @ $95k	665,000					571,235		93,765			
DPS - EOD Emergency Response Vehicle	500,000					429,500		70,500			
Patterson TL3 Trash Truck	300,000					257,700		42,300			
Volvo Dump Truck / Replacement	275,000					236,225		38,775			
Volvo Dump Truck / Replacement	275,000					236,225		38,775			
Caterpillar Loader (Replacement)	250,000					214,750		35,250			
MEQ6322 (Grounds) 1994 JOHN DEERE 6300 TRACTOR	150,000					128,850		21,150			
MEQ6479 (Grounds) 2007 AVS POSI-TRAC RC-100 SKID STEER	125,000					107,375		17,625			
MEQ6306 (ENV) 1993 GMC TOP KICK WITH FLAT BED	115,000					98,785		16,215			
F-250	95,000					81,605		13,395			
MEQ6563 (HVAC) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,310		12,690			
MEQ6564 (GRDS) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,310		12,690			
MEQ6566 (BLME) 2015 CHEVY SILVERADO 2500HD, 4WD, CREW CAB	90,000					77,310		12,690			
MEQ6567 (MOEQ) 2016 CHEVY SILVERADO 2500HD, 4WD, SERVICE	90,000					77,310		12,690			
MEQ6575 (CSF) 2016 CHEVY 2500HD, CREW CAB, 4WD	90,000					77,310		12,690			
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6570 (D&E) 2016 CHEVY EQUINOX, AWD, 4DR	40,000					34,360		5,640			
MEQ6586 (OPS) 2017 FORD FLEX, AWD	40,000					34,360		5,640			
TOTAL FY 2027 Projects	173,686,360	6,180,000	-	-	-	20,226,220	4,250,000	10,360,140	-	850,000	131,820,000

BNA Capital Improvements Plan
Fiscal Years 2026 - 2030

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2028 Projects											
2nd Terminal (Sitework & Design)	60,000,000										60,000,000
T/W Bravo North and T/W T2 Reconstruction	50,000,000	6,365,000									43,635,000
New PMO Design and Construction	26,000,000										26,000,000
Rwy 2L/20R Extension (Design - Year 2)	15,000,000										15,000,000
Land acquisition	10,000,000					10,000,000					
Part 139 RSA/TSA Improvements Phase 5	10,000,000										10,000,000
Terminal Ramp Reconstruction (Concourse B/Tango 2)	7,500,000							7,500,000			
Replace Stormwater Pipe (Construct Phase 9 of 9)	3,000,000							3,000,000			
Airfield Perimeter Road Repairs/Resurfacing (Phase 3 of 3)	1,500,000							1,500,000			
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 13/31	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 2 of 3)	1,000,000					1,000,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
Terminal Apron Lighting Replacement (IAF)	600,000						600,000				
JWN Match - AULA	562,750					562,750					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
Parking Garage Joint Replacement (20%)	525,000					525,000					
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					571,235		93,765			
EOD Robot	594,750									594,750	
John Deere Tractor	250,000					214,750		35,250			
MEQ6555 (3RD SHFT) 2015 TENNANT SENTINEL SWEEPER	200,000					171,800		28,200			
MEQ6580 (MOEQ) 2016 CHEVY 3500HD, 2WD, SERVICE BODY/CRANE	95,000					81,605		13,395			
MEQ6572 (ELEC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,310		12,690			
MEQ6573 (HVAC) 2016 FORD F250 2WD, W/SERVICE BODY	90,000					77,310		12,690			
MEQ6588 (AFEL) 2017 CHEVY 2500HD, 4WD, DBL CAB, SERVICE BODY	90,000					77,310		12,690			
MEQ6565 (PURCH) 2015 NISSAN FORKLIFT	75,000					64,425		10,575			
MEQ6584 (GRDS) 2017 FORD F150, 4WD, REG CAB	65,000					55,835		9,165			
MEQ6604 (OPS) 2018 FORD F150, 4WD CREW CAB	65,000					55,835		9,165			
John Deere Rotary Cutter	60,000					51,540		8,460			
MEQ6539 (GRDS) 2013 KUBOTA RTV 1100	45,000					38,655		6,345			
MEQ6540 (ENV) 2013 KUBOTA RTV 1100	45,000					38,655		6,345			
MEQ6558 (ADMIN) 2015 FORD FLEX, AWD	45,000					38,655		6,345			
TOTAL FY 2028 Projects	191,962,500	6,365,000	-	-	-	13,702,670	1,350,000	15,315,080	-	594,750	154,635,000

BNA Capital Improvements Plan
Fiscal Years 2026 - 2030

Project Title	Total	Entitlement	Discretionary	BIL / NOFO	State	MNAA Authority Fund	Amortization Fund (AULA)	MNAA Airline Fund	CFC	Other (Baggage Fees, Seizure Funds, etc.)	Bonds/Credit Facility
FY 2029 Projects											
Rwy 2L/20R Extension (Construction Phase 1)	30,000,000	6,556,000									23,444,000
Terminal Apron Reconstruction (Area between concourses C and D)	20,000,000										20,000,000
Land acquisition	10,000,000					10,000,000					
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
T/W T4 (between T/W November and T/W S7) Rehabilitation - Mill and Overlay	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 2R/20L	1,000,000							1,000,000			
Landside Pavement Rehabilitation - Knapp Blvd (Phase 3 of 3)	1,000,000					1,000,000					
Terminal and Concourse Roof Life Extension	750,000						750,000				
JWN Match - AULA	579,630					579,630					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139	550,000							550,000			
Parking Garage Joint Replacement (20%)	550,000					550,000					
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					571,235		93,765			
MEQ6576 (3RD SHFT) 2016 TENNANT S30-G RIDER SWEEPER	200,000					171,800		28,200			
MEQ6569 (GRDS) 2015 TORO GROUNDSMASTER 4110D MOWER	130,000					111,670		18,330			
MEQ6599 (ELEC) 2018 FORD F350, 2WD, CREW CAB	95,000					81,605		13,395			
MEQ6600 (BLME) 2018 FORD F250, WD, SERVICE BODY	90,000					77,310		12,690			
MEQ6585 (D&E) 2017 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6598 (ELTR) 2018 FORD F150, 2WD, EXT CAB	70,000					60,130		9,870			
MEQ6602 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6603 (ELEC) 2018 FORD F150, 4WD, REG CAB	70,000					60,130		9,870			
MEQ6605 (D&E) 2018 FORD F150, 4WD, CREW CAB	70,000					60,130		9,870			
ACC Full Size SUV (Ford Explorer / Expedition) not replacing	70,000					60,130		9,870			
MEQ6571 (ADMIN) 2016 CHEV EQUINOX	45,000					38,655		6,345			
TOTAL FY 2029 Projects	69,074,630	6,556,000	-	-	-	13,542,685	750,000	4,781,945	-	-	43,444,000
FY2030 Projects											
Parking Garage E	630,000,000										630,000,000
New Air Freight Bldg./Multi-purpose Bldg./CRDC	125,000,000										125,000,000
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)	20,000,000										20,000,000
Land acquisition	10,000,000					10,000,000					
Replace/Refresh Park Assist Smart Parking (camera, sensors, servers, software) contract ends 4/1/26	2,000,000					2,000,000					
Annual Airfield Pavement Rehabilitation	1,500,000							1,500,000			
Annual Airfield Concrete Pavement Joint Replacement - R/W 2L/20R	1,000,000							1,000,000			
Airfield Pavement Condition Index Study	1,000,000							1,000,000			
Terminal and Concourse Roof Life Extension	750,000						750,000				
Landside Pavement Rehabilitation	750,000					750,000					
JWN Match - AULA	597,020					597,020					
Parking Garage Joint Replacement (20%)	580,000					580,000					
Airfield Pavement Painting and Rubber Removal Budget / FAA Part 139 **(Ramp painting of $350k in MTE. O&M Budget)**	550,000							550,000			
PCI Study - Landside	500,000					500,000					
Vehicles											
Seven (7) DPS vehicles @ $95k	665,000					571,235		93,765			
10 Maintenance vehicles @75k	750,000					644,250		105,750			
TOTAL FY 2030 Projects	815,642,020	6,753,000	-	-	-	15,642,505	750,000	4,249,515	-	-	788,247,000
Total 5 Year CIP	2,323,725,960	31,854,000	-	20,000,000	-	86,242,205	8,555,000	50,319,005	171,265,572	2,109,750	1,953,380,428

MNAA RESOLUTION NO. 2025-05

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 2026 TO 2030, THE CAPITAL IMPROVEMENTS BUDGET FOR NASHVILLE INTERNATIONAL AIRPORT FOR FISCAL YEAR 2026 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, 2025, and ending June 30, 2030, 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 FY26 – FY30 Capital Improvements Plan and FY26 Capital Improvements Budget for fiscal year July 1, 2025 through June 30, 2026 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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: John C. Tune Airport (JWN)

Subject: MNAA Resolution 2025-06
FY26 JWN Operating Budget

I. Recommendation

Staff requests that 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 2026 (FY26); and

2) authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-06.

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 FY26 is summarized below:

JWN Summary	BUDGET 2025	BUDGET 2026	
Operating Revenue	$ 3,011,000	$ 3,929,000	①
Operating Expense	(2,296,000)	(2,515,000)	②
Non-Operating Revenue	178,000	334,000	③
Income before Depreciation, Grants, and Transfers to/from MNAA	$ 893,000	$ 1,748,000	

① Budgeted operating revenue increased $918,000. Largest variances:

- Land rental and hangar rents increased $902,000, due to MNPD hangar rent added to budget in FY26 and increases in the individual hangar rent effective July 1, 2025.
- Space rental increased $6,000 due to contractual increases for FBO.

- Flowage Fees increased $10,000 due to an increase in aviation fuel sales.

② Budgeted operating expense increased $219,000. Largest variances:

- Payroll expenses increased $106,000 due to an increase in salaries of $58k and benefits, retirement and taxes increase $47k. This was due to the compensation study and COLA increases.
- Contractual services decreased $3,000 due to the reduction of landscaping services of $29k. Offsetting these are increases in:
  - Electrical Repair ($5k) for hangar maintenance
  - Elevator and Escalator maintenance ($5k) for the ATCT elevator inspection
  - Radio Maintenance ($5k) for ATCT equipment
  - Janitorial Services ($8k) to increase the frequency of cleaning in the admin building, ATCT and hangar restrooms
  - Miscellaneous vehicle maintenance ($3k) for preventative maintenance
- Materials & supplies increased $35,000 due to increases in Electrical Supplies ($10k) for airfield light replacement, Machinery and Equipment supplies ($20k) and Mobile Equipment supplies ($2k) for preventive maintenance for tractors. Additionally, Janitorial Supplies and Telephone & Radio Equipment increased a combined ($3k) to support the growth of the airport.
- Utilities increased $1,000 due to anticipated rate increases.
- Other Operating Expense increased $80,000 primarily driven by increases in Tune's share of allocable MNAA's administrative expenses ($70k) and insurance expense ($15k). These increases were offset by decreases of ($3k) in Airport Promotions and in Internal Business Meetings ($2k).

③ Budgeted non-operating income increased $156,000:

- Non-Operating Income increased $156,000. This is driven by increases in interest income ($169k) due to increases in cash balances and a decrease in grant revenue ($13k).

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY26 Operating Budget by adding or reducing revenue and expense items.

MNAA RESOLUTION NO. 2025-06

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 BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026.

WHEREAS, the President has submitted, for Board approval, the Operating Budget for John C. Tune International Airport, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, 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 2026.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
Finance Committee

Date: April 9, 2025

Facility: John C. Tune Airport (JWN)

Subject: MNAA Resolution 2025-07
FY26 JWN Capital Improvements Budget and FY26-30 JWN Capital Improvements Plan

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I. Recommendation

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

1) approve the proposed FY26-30 JWN Capital Improvements Plan; and

2) approve the proposed FY26 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. 2025-07.

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 FY26-30 is summarized below:

JWN Summary:	2026	2027	2028	2029	2030	TOTAL
Terminal & Landside	$ 190,000	$ 1,200,000	$ 6,700,000	$ -	$ -	$ 8,090,000
Vehicles & Equipment	240,000	600,000	135,000	-	-	975,000
Airside Improvements	2,900,000	3,400,000	-	2,700,000	900,000	9,900,000
Total	$ 3,330,000	$ 5,200,000	$ 6,835,000	$ 2,700,000	$ 900,000	$ 18,965,000

Funding Allocations:	2026	2027	2028	2029	2030	TOTAL
JWN Funding	$ 1,704,010	$ 3,812,670	$ 805,000	$ 2,550,000	$ 750,000	$ 9,621,680
Federal Funds	$ 1,625,990	$ 1,387,330	$ 150,000	$ 150,000	$ 150,000	$ 3,463,320
State Funds	$ -	$ -	$ 5,880,000	$ -	$ -	$ 5,880,000
	$ 3,330,000	$ 5,200,000	$ 6,835,000	$ 2,700,000	$ 900,000	$ 18,965,000

All projects are contingent upon the approval and availability of the various funding sources. The projects programmed for FY26, 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 the following BIL funds from the FAA, FY23 ($292,000), FY24 ($294,000), and FY25 ($687,000), these funds are programmed in JWNs FY26 CIP. FY26 BIL allocations, which are programmed for JWN CIP in FY26 and FY27, are estimated at $687,000, based on JWN classification as a National Airport in the National Plan of Integrated Airport Systems (NPIAS). JWN also anticipates applying for BIL competitive funds for the RADAR system (programmed for FY27). 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 FY26-30 Capital Improvements Plan, with a total of $3,330,000 currently programmed for the FY26 Capital Improvements Budget. The projects and costs shown for FY27-30 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 FY26 Capital Improvements Budget by adding or removing projects from the proposed capital budget.

Attachment: FY2026-2030 JWN Capital Improvements Plan

JWN Capital Improvement Plan
Fiscal Years 2026 - 2030
John C Tune Airport

	Total Project Cost	AIP Entitlement	AIP Entitlement Year	State ECD	BIL (AIG) Entitlement	AIG Allocation Year	BIL (ATP) Competitive	JWN
FY 2026 Projects								
Apron Pavement Rehab (Phase 1 of 2; South Area)	2,100,000	39,990	*FY24*		1,136,000	*FY23+FY24+FY25*		924,010
EMAS Rehab	300,000							300,000
Security Camera Upgrade	60,000							60,000
Administration Building Enhancements	130,000							130,000
PAPI Light Replacement	500,000	14,445	*FY24*		435,555	*FY25+FY26*		50,000
Skid steer with attachments (Tractor Replacement	200,000							200,000
Mobile Fuel Trailer	40,000							40,000
FY 2026 TOTAL	3,330,000	54,435		-	1,571,555		-	1,704,010
FY 2027 Projects								
Apron Pavement Rehab (Phase 2 of 2; North Area)	1,900,000	548,885	*FY24+FY25+FY26+FY27*		388,445	*FY26*		962,670
RADAR system for JWN ATCT	500,000						450,000	50,000
South Side Apron Development	1,000,000							1,000,000
North Development Access Rd. Paving	1,200,000							1,200,000
New 72" Mower	145,000							145,000
New F-150	90,000							90,000
Replace JC CX-15 Bush Hog Mower	185,000							185,000
Six Seat Golf Cart	35,000							35,000
Autonomous Mowers	50,000							50,000
Full Size SUV	95,000							95,000
FY 2027 TOTAL	5,200,000	548,885		-	388,445		450,000	3,812,670
FY 2028 Projects								
West Side Access Road and Utilities	6,700,000	150,000	*FY28*	5,880,000				670,000
Scissor Lift (MEQ 7406- 25' working height)	40,000							40,000
F-250 to replace MEQ6642	95,000							95,000
FY 2028 TOTAL	6,835,000	150,000		5,880,000	-		-	805,000
FY 2029 Projects								
Runway Pavement Rehabiliation (Mill and Overlay)	2,700,000	150,000	*FY29*					2,550,000
FY 2029 TOTAL	2,700,000	150,000		-	-		-	2,550,000
FY 2030 Projects								
Taxiway Alpha Rehabilitation	900,000	150,000	*FY30*					750,000
FY 2030 TOTAL	900,000	150,000		-	-		-	750,000
JWN TOTAL	18,965,000	1,053,320		5,880,000	1,960,000		450,000	9,621,680

MNAA RESOLUTION NO. 2025-07

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 2026 TO 2030, THE CAPITAL IMPROVEMENTS BUDGET FOR JOHN C. TUNE AIRPORT FOR FISCAL 2026 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, 2025, and ending June 30, 2030, 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 FY26-FY30 Capital Improvements Plan and FY25 Capital Improvements Budget for fiscal year July 1, 2025 through June 30, 2026 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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
MPC Finance Committee

Date: April 9, 2025

Facility: MNAA Properties Corporation (MPC)

Subject: MPC Resolution 2025-01
FY26 MPC Operating Budget

I. Recommendation

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

1) approve the proposed operating budget for MNAA Properties Corporation (MPC) for fiscal year 2026 (FY26); and

2) authorize the Chair and President & CEO to execute MPC Resolution No. 2025-01.

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 FY26 is summarized below:

MPC Summary	BUDGET 2025	BUDGET 2026	
Operating Revenue	$ 5,345,000	$ 4,963,000	①
Operating Expense	(1,845,000)	(1,836,000)	②
Non-Operating Revenue	516,000	521,000	③
Non-Operating Expense	(588,000)	(382,000)	④
Income before Depreciation	$ 3,428,000	$ 3,266,000	

MPC Budget by Subsidiary/Parent	International Plaza	Multi-Purpose Building	Global Tire	MPC Parent	TOTAL MPC BUDGET 2026
Operating Revenue	$ 3,424,000	$ 1,484,000	$ 55,000	$ -	$ 4,963,000
Operating Expense	(1,513,000)	(323,000)	-	-	(1,836,000)
Non-Operating Revenue	-	-	-	521,000	521,000
Non-Operating Expense	(146,000)	(72,000)	-	(164,000)	(382,000)
Income before Depreciation	$ 1,765,000	$ 1,089,000	$ 55,000	$ 357,000	$ 3,266,000

① Budgeted operating revenue decreased by $382,000, to account for revisions to prior-year revenue assumptions.

② Budgeted operating expense decreased by $9,000 primarily driven by a reduction in utilities of $15,000. While Electricity and Water are expected to rise by $85,000, this increase is offset by a $100,000 decrease in anticipated usage for Natural Gas and Trash Removal. Additionally, the decrease in utilities will be offset by the contractual increase for elevator and escalator maintenance services of $6,000.

③ Budgeted non-operating revenue increased by $5,000 related to projected interest income increases.

④ Budgeted Inter-Company expenses decreased by $206,000 due to revisions to prior-year estimates.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY26 Operating Budget by increasing or decreasing revenue and expense items.

MPC RESOLUTION NO. 2025-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE OPERATING BUDGET FOR MPC HOLDINGS, LLC COVERING THE FISCAL YEAR 2026, BEGINNING JULY 1, 2025, AND ENDING JUNE 30, 2026.

WHEREAS, the President has submitted, for Board approval, the attached Operating Budget for MPC Holdings, LLC, Nashville, Tennessee, covering fiscal year beginning July 1, 2025, and ending June 30, 2026, 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 MNAA 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 MNAA Properties Corporation for fiscal year 2026.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.

STAFF ANALYSIS
MPC Finance Committee

Date: April 9, 2025

Facility: MNAA Properties Corporation (MPC)

Subject: MPC Resolution 2025-02
FY26 MPC Special Projects Budget and FY26-30 MPC Special Projects Plan

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I. Recommendation

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

1) approve the proposed FY26-30 MPC Special Projects Plan (FY26-30 MPC Capital Improvements Plan); and

2) approve the proposed FY26 MPC Special Projects Budget (FY26 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. 2025-02.

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 MNAA 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 FY26-30 is summarized below:

MPC Summary:	2026	2027	2028	2029	2030	TOTAL
Total	$ 800,000	$ 1,925,000	$ 605,000	$ 800,000	$ -	$ 4,130,000

MNAA is studying the west side of BNA for future development, which may include the International Plaza Building ("IPB"). While no decision has been made on the future of the IPB, the building is occupied by tenants and some projects are needed to ensure the building is safe and in general working order. In 2022, MNAA contracted with outside consultants to perform an appraisal/evaluation of the IPB to assess the value and the major CIP projects needed to keep the building in working condition. These projects were included in the FY24 and FY25 special projects budgets. The $800,000 project for FY26 is for tenant improvements for new leases.

All projects are contingent upon the identification and approval of a funding source. The projects programmed for FY26-30 are shown in the attached Special Projects Plan. Currently the only identified funding source for the projects on the FY26-30 Special Projects Plan is IPB's operating cash account, which is $13.4M as of March 14, 2025.

B. Strategic Priorities

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

C. Options/Alternatives

Revise the FY26 MPC Special Projects Budget by adding/deleting projects from the proposed capital plan.

Attachment: FY2026 – 2030 MPC Special Projects Plan

MPC Capital Improvement Plan
Fiscal Years 2026 - 2030

Project #		Total Project Cost
	FY 2026	
New	Tenant improvements for new leases	800,000
	FY 2026 Total	800,000
	FY 2027	
New	IPB Stucco Repairs	100,000
New	IPB Common Area updates	400,000
New	IPB Window resealing - 1/2 of windows	425,000
New	IPB HVAC updates	1,000,000
	FY 2027 Total	1,925,000
	FY 2028	
New	IPB Common area updates	180,000
New	IPB Window resealing - 1/2 of windows	425,000
	FY 2028 Total	605,000
	FY 2029	
New	Parking Lot Resurfacing	800,000
	FY 2029 Total	800,000
	FY 2030	
	FY 2030 Total	0
	MPC TOTAL	**$ 4,130,000**

MPC RESOLUTION NO. 2025-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF MNAA PROPERTIES CORPORATION IN ITS CAPACITY AS SOLE MEMBER OF MPC HOLDINGS, LLC APPROVING THE SPECIAL PROJECTS PLAN FOR FISCAL YEARS 2026 TO 2030, THE SPECIAL PROJECTS BUDGET FOR MNAA PROPERTIES CORPORATION FOR FISCAL YEAR 2026, 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 MNAA Properties Corporation for five fiscal years beginning July 1, 2025, and ending June 30, 2030, 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 MNAA PROPERTIES CORPORATION AS FOLLOWS:

Section 1. That the Board of Directors hereby approves the attached FY26-FY30 Special Projects Plan and FY26 Special Projects Budget for fiscal year July 1, 2025 through June 30, 2026 for the MNAA Properties Corporation, which have been made a part hereof as if copied verbatim herein as the Special Projects Budget for the MNAA 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 Authority.

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:

_____
Douglas E. Kreulen, President & CEO

ADOPTED:

_____
Nancy B. Sullivan, Board Chair

APPROVED AS TO FORM AND LEGALITY:

_____
MNAA Legal Counsel

ATTEST:

_____
Andrew W. Byrd, Board Secretary

This 9th day of April 2025.