Minutes of the Meeting of the MNAA Board of Commissioners and MPC Board of Directors

BNA Nashville International Airport

Date:	April 16, 2025	Location:	Metropolitan Nashville Airport Authority Tennessee Boardroom
Time:	1:00 p.m.		
Board Members Present:		Nancy Sullivan, Chair; Jimmy Granbery, Vice Chair; Andrew Byrd, Secretary; Bobby Joslin; Joycelyn Stevenson; and Glenda Glover	
Board Members Absent:		Glenn Farner	
MNAA Staff & Guests Present:		Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Daniel B. Brown, John Cooper, Kristen Deuben, Chief Findlen, Adam Floyd, Traci Holton, Eric Johnson, Carrie Logan, Rachel Moore, Brandi Porter, Josh Powell, and Robert Ramsey	

I. CALL TO ORDER

In accordance with the 3rd Amended and Restated Bylaws of the MNAA Board of Commissioners, Section 2.4, Chair Sullivan called the MNAA Board of Commissioners and MPC Board of Directors Meeting to order at 1:00 p.m., pursuant to Public Notice dated April 11, 2025.

II. PUBLIC COMMENTS

Chair Sullivan stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Sullivan called for a motion to approve the Minutes of the March 19, 2025 Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors. A motion to approve was made by Vice Chair Granbery and seconded by Commissioner Joslin.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

IV. CHAIR'S REPORT

Chair Sullivan congratulated Secretary Byrd and wished him a very Happy Birthday!! Secretary Byrd stated it is great to be alive and living in Tennessee. He thanked Chair Sullivan, the Board, and the MNAA Staff for recognizing his birthday.

Chair Sullivan thanked everyone for the successful international inaugural flight celebrations at BNA. The events were phenomenal, and she also thanked the Board members who were able to attend.

V. PRESIDENT'S REPORT

President Kreulen reported that the Nashville Post highlights professionals who have shaped Nashville since the turn of the millennium, and two of our Board members were recognized, Vice Chair Granbery in the Real Estate field, and Commissioner Stevenson in the Legal field.

President Kreulen stated March 25 through June 27, 2025, our arts program will have new art for the Spring/Summer Flying Solo Series. He presented photographs of several of the artists' work: James Allen (Time Travelers); William Arthur (The end is in the beginning); Sean Coffey (Untitled); Mark Flake (Fables); Dalia Garcia (The Duality of Colors – Reflection); and Blaine Steiner (Untitled). Vice Chair Granbery inquired if there was an update on artist Phil Ponder. President Kreulen replied MNAA sent the request to the Arts at the Airport (AaA) Board for consideration. He stated Mr. Ponder is on the AaA Board and will need to recuse himself if they make a decision on it.

President Kreulen stated the Airport Experience Conference was held on April 1, 2025 and BNA received several awards. He introduced Amy Billings who received the Best ACDBE Operator for Retail award. Large round of applause. Commissioner Granbery congratulated President Kreulen on the AXN Director of the Year, Large Airports Division award.

President Kreulen reported on April 8, 2025 BNA will officially reach its 100th nonstop destination with Southwest Airlines' new service connecting Nashville to Memphis, TN. By the end of April, BNA will offer 109 nonstop destinations and on August 5, 2025 BNA will reach 114 nonstop destinations with Southwest Airlines' inaugural flight to Louisville, KY.

President Kreulen stated BNA had two International inaugural flights back-to-back. On April 10, 2025, Icelandair arrived at BNA from Reykjavik, Iceland and on April 12, 2025 Aer Lingus arrived at BNA from Dublin, Ireland. He thanked the Board members who attended and stated Mayor O'Connell and several Commissioners were able to join as well. Responses to MNAA on both events have been over top with 68M impressions on social media and now at 240M. Icelandair contracted with Carrie Sharp at Channel 5, and she has been doing nightly stories on things to do when in Iceland.

President Kreulen stated on April 12, 2025 Ms. Stacey Nickens, VP, Communications & Marketing, attended the Nashville Cherry Blossom Festival and presented a check to the Mayor and Consul General of Japan. Ms. Masami Tyson, former MNAA Board of Commissioner, was also in attendance and she has been helping MNAA get nonstop service to Asia.

President Kreulen reported the BNA Passengers for January FY25 are projected to be at 25M by the end of the fiscal year. We are at plus 6% through the year so far and if we have a good May and June we will achieve that record.

President Kreulen presented the Committee 30-day Outlook for May, stating there are 10 items for approval planned in the Operations Committee and 2 items for approval in the Finance Committee. The Management Committee has one approval item and the Affirmative Action Program (AAP) Update. The last Management Committee meeting was held in November 2024. The Committee 60-Day Outlook for June plans for 3 items for approval in the Operations Committee. The Finance Committee will have 5 items for approval. There are 2 items planned for the Management Committee. President Kreulen stated MNAA staff is working on a Resolution to celebrate MNAA's 55th Anniversary on June 12, 2025.

President Kreulen concluded the President's update.

VI. ITEMS FOR APPROVAL

1. Construction Contract for Terminal Access Roadway Improvements (TARI) Ph. 3.1 (Operations)

President Kreulen introduced Traci Holton, VP, New Horizon, to brief the Commissioners on the Construction Contract for TARI Ph 3.1 to demolish existing Donelson Pike between I-40 and Terminal Drive as well as expand Economy Lot B. Ms. Holton presented a diagram showing a map of the location of the TARI, stating the red areas will be building a portion of the TARI, but does not include paving. Ms. Holton stated MNAA advertised an Invitation to Bid ("ITB") on January 27, 2025, and received 3 bids from Civil Constructors, LLC ("Civil"), Jones Bros. Contractors, LLC, and Eutaw. Civil was the low bidder with $74.3M. This is a 440-calendar day contract to begin in May 2025.

This was presented to the Operations Committee to recommend approval on April 9, 2025. Ms. Holton requested the Board of Commissioners authorize the Chair and President and CEO to execute the Construction Contract to Civil Construction in the amount of $74,303,637.

Vice Chair Granbery inquired why the signs still say 2027. Ms. Holton replied she had a meeting with TDOT about that project and the shift in detail, and has requested those signs to be removed.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 2025. Vice Chair Granbery asked for a motion to approve as presented. Vice Chair Granbery made a motion, and Secretary Byrd seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes
Vice Chair Granbery – Yes
Secretary Byrd – Yes
Commissioner Joslin – Yes
Commissioner Stevenson – Yes
Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

2. Contract for Compressed Natural Gas (CNG) (Operations)

President Kreulen introduced Daniel B. Brown, VP, Facility Management, to brief the Commissioners on the Contract for Compressed Natural Gas. Mr. Brown stated this project is to ensure the 24 employee and passenger shuttles operated by ABM are fueled 365 days a year. The contractor selected was Clean Energy. The start date of the contract is April 20, 2025, and it is a 3-year contract with three 1-year renewal options for a total of $1.9M. The SWMBE goal is 4.63%. It will be funded by Operations and Maintenance budget.

Mr. Brown requested the Board of Commissioners authorize the Chair and President and CEO to execute the Contract with Clean Energy for $1,918,000.

Vice Chair Granbery asked if gas is stored on site. Mr. Brown replied it is piped in.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion and Secretary Byrd seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes
Vice Chair Granbery – Yes
Secretary Byrd – Yes
Commissioner Joslin – Yes
Commissioner Stevenson – Yes
Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

3. Contract for Nashville Electric Services (NES) Power (Operations)

Mr. Brown stated the Contract for Nashville Electric Services (NES) Power establishes rates and chargers for power under the class "Large General Power Rate-Schedule" (GSB) and provides Standby Service. This is a 5-year contract that will start April 2025. The funding source is the Operations and Maintenance budget.

Mr. Brown requested the Board of Commissioners authorize the Chair and President and CEO to execute the 5-year service contract with NES.

Vice Chair Granbery stated the Operations Committee voted 2 to 0 to recommend approval on April 9, 2025. Chair Sullivan asked for a motion to approve as presented. Vice Chair Granbery made a motion and Commissioner Stevenson seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Vice Chair Granbery – Yes

Secretary Byrd – Yes

Commissioner Joslin – Yes

Commissioner Stevenson – Yes

Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

4. FY25 Amended BNA Budgets (Finance)

President Kreulen introduced Marge Basrai, EVP, Chief Financial Officer, to brief the Board on the FY25 BNA CIP Budget Amendment. Ms. Basrai stated she will present the two items as one approval. Ms. Basrai started with the amended FY25 BNA CIP Budget. The original budget for FY25 is $1.27B, and the amended budget is $1.494B, an overall increase of $225.9M. The key changes are as follows: Cancelled 3 projects until Terminal II planning is further along; Revised TARI and Central Ramp Budgets consistent with prior Board approvals; and Added Taxiway Design Group 6 project to address airfield needs. The key changes to the FY25 BNA O&M Budget are as follows: Reduced landing fees due to cancellation of Virtual Ramp Control Tower FY24 project; and Reduced concessions revenue due to reclassification of federal relief funds to non-operating revenue. Debt service coverage and Days Cash metrics exceed Board approved requirements.

Ms. Basrai stated the Amendment to the FY25 BNA Capital Improvements Budget and Amended Capital Improvement Plan the original budget was $1.27B; the amended budget is now $1.494B with an overall increase of $225.9M. FY27 went down $1M because we shifted $1M to FY25, and total CIP is now $2.38B.

Ms. Basrai presented a summary slide on the adjusted FY25 Amendment BNA O&M Budget: Total Operating Revenue $324.7M; Total Operating Expense $195.7M; Net Income before depreciation and capital grants $141.6M; Total Operating Revenue decreased $17M. Two main categories of Operating Revenue – Signatory Airline Revenue and Non-Airline Revenue.

Ms. Basrai stated this was presented to the Finance Committee on April 9, 2025. Ms. Basrai requests the Board of Commissioners to: Capital: approve the amended FY25-FY29 BNA Capital Improvement Plan; and approve the amended FY25 BNA Capital Improvement Budget; and authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-02. Operating: approve the proposed amended FY25 BNA operating budget, and authorize the Chair and President & CEO to execute MNAA Resolution No. 2025-03.

Secretary Byrd stated the Finance Committee voted 3 to 0 to recommend approval on April 9, 2025. Secretary Byrd made a motion and Vice Chair Granbery seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes
Vice Chair Granbery – Yes
Secretary Byrd – Yes
Commissioner Joslin – Yes
Commissioner Stevenson – Yes
Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

5. FY26 Budget Approvals (Finance)

Ms. Basrai stated she will present all of the FY26 Budgets and have one approval for all 6. Ms. Basrai stated the BNA Operating budget is based on 26M passengers which is a 4% increase over the projected FY25 year-end. Budget Metrics exceed Board-approved requirements. Senior Debt Service coverage is 4.38; Senior/Subordinate Debt Service Coverage is 2.55; Signatory Landing Fee is $3.38; Cost per Enplanement (CPE) is $9.96, and Days Cash on Hand is 939 Days.

Ms. Basrai presented the summary slide on FY26 BNA O&M Budget: Total Operating Revenue $358.6M; Total Operating Expense $198.8M; Income before depreciation and capital grants $132.7M, 8.8M less than prior year's budget.

Ms. Basrai presented a summary of the FY26 BNA Capital Budget and the 5-year CIP. Total FY26 Capital Improvement Plan ("CIP") is $1.1B, Total 5-Year CIP is $2.3B. Major projects for FY26 (~94%): CONRAC/Public Parking Garage - $877.5M; Surface Parking Lot - $95M; Taxiway T4/T5 Reconstruction/Repairs - $30M.

Ms. Basrai presented a summary of the FY26 JWN O&M Budget, with Total Operating Revenue of $3.9M, an increase of $918K; Total Operating Expense of $2.5M, an increase of $219K; Non-Operating Revenue of $334K, an increase of $156K; and Net Income before depreciation, capital grants, and Transfers to/from MNAA of $1.7M.

Ms. Basrai presented a summary of the JWN CIP, with Total FY26 CIP of $3.3M and Total 5-year CIP of $19M. Major projects for FY26 (82%): Apron Rehab South Area $2.1M; EMAS Rehab $300K; PAPI (Precision Approach Path Indicator) Replacement $500K.

Vice Chair Granbery asked in 2028 what the $6.7M is for. Ms. Basrai replied it is for the West Side Road and utilities. MNAA has not vetted it yet. Vice Chair Granbery stated but you do have the designs.

Ms. Basrai stated the FY26 MPC O&M Budget has Total Operating Revenue of $4.96M, a decrease of $382K, and Total Operating Expense of $1.84M, a decrease of $9K. Non-operating income is $521K, a decrease of $5K. Non-Operating Expense is $382K, decrease of $206K. Net Income before depreciation is $3.27M, a decrease of $162K.

Ms. Basrai presented a summary of the FY26 MPC Special Projects Budget: FY26 CIP is $800K; Total 5-year CIP is $4.1M. The only project for FY26 is for the International Plaza Building ("IPB") for $800K of tenant improvements, for VA and FAA, and will pay us back. This will be funded by their cash balance – which is $13M.

Ms. Basrai requested the MNAA Board of Commissioners & MPC Board of Directors to:

Operating: approve the proposed FY26 BNA, JWN & MPC operating budgets, and authorize the Chair and President & CEO to execute: MNAA Resolutions No. 2025-04 and 2025-06; and MPC Resolution No. 2025-01.

Capital: approve the FY26-FY30 BNA and JWN Capital Improvement and MPC Special Projects Plans, and approve the FY26 BNA and JWN Capital Improvement and MPC Special Project Budgets, and authorize MNAA to accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the President & CEO, or designee, as the authorized representative of the Authority, and authorize the Chair and President & CEO to execute: MNAA Resolutions No. 2025-05 and 2025-07 and MPC Resolution No. 2025-02.

Secretary Byrd stated the Finance Committee voted 3 to 0 to recommend approval on April 9, 2025. Secretary Byrd made a motion and Vice Chair Granbery seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes
Vice Chair Granbery – Yes
Secretary Byrd – Yes
Commissioner Joslin – Yes
Commissioner Stevenson – Yes
Commissioner Glover – Yes

The motion passed with a vote of 6 to 0.

Commissioner Glover asked if there were any Federal funding cuts. President Kreulen replied that so far, we have not received any federal cuts on the AIP Budgets. There is some discussion on whether they end up doing something with the FAA. There is a 5-year period of Covid money that is expiring and MNAA has spent all of ours, the date was June 30, 2025 and MNAA is not at risk of losing money. Commissioner Glover asked if we have a back up plan in case cuts come down and affect us. Ms. Basrai replied the largest we have received are the Federal relief funds that have been used, some of the Federal funds we have we are using on airfield projects so if we do not get those Federal grants, the airlines would pick up that share.

Chair Sulivan asked if MNAA has looked at the impact of the escalating costs of materials. Ms. Basrai replied those are not in this budget yet, we may start seeing it as they are going through

projects, but at this moment, we do not have any increases. President Kreulen replied one of the things the Finance team did was build in inflation, a good cushion of 3-4%. If Nashville growth slows down or the tariffs slow us down, then obviously we do not need to build the next terminal. When we start Terminal II is the real question.

Vice Chair Granbery stated MNAA has always been very intentional with the contingencies, and may blend or carry over. He stated he would like the record to show that MNAA staff has done a wonderful job on the budgets. Obviously, he and Commissioner Joslin are partial to JWN, but several years ago it was destroyed by the tornado and now it is showing almost $4M profit. Secretary Byrd agreed, stating it is a remarkable story.

VII. INFORMATION ITEMS

1. None

President Kreulen concluded the presentation.

VIII. ADJOURN

There being no further business brought before the Board, Chair Sullivan made the motion to adjourn, and Vice Chair Granbery seconded the motion, which carried by a vote of 6 to 0. Chair Sullivan adjourned the meeting at 1:35 p.m.

Andrew Byrd, Board Secretary