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

BNA Nashville International Airport

Date:	May 21, 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, and Glenn Farner	
Board Members Absent:		None	
MNAA Staff & Guests Present:		Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Kristy Bork, Daniel B. Brown, John Cooper, Adam Floyd, Traci Holton, Eric Johnson, Captain Keene, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Josh Powell, Robert Ramsey and Puneet Vedi	

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 May 16, 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 April 16, 2025 Joint Meeting of the MNAA Board of Commissioners and MPC Board of Directors. A motion to approve was made by Secretary Byrd and seconded by Commissioner Farner.

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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

IV. CHAIR'S REPORT

Chair Sullivan had no Chair's report and thanked President Kreulen and the MNAA Staff for all their hard work.

V. PRESIDENT'S REPORT

President Kreulen stated on April 17, 2025, MNAA Engineering received notification that the estimated costs for the permanent Nashville Electric Service (NES) Transmission Line Relocation for Terminal Access Roadway Improvements (TARI) Phase 2 were $702,856.65. Pursuant to the MNAA Bylaws the President is authorized, after consultation with the Chair, to execute any contract, lease, agreement, amendment, supplemental agreement or change order when necessary to comply with federal or state laws or regulations so long as the contract, lease, agreement, amendment, supplement agreement or change order is presented to the Board at the next regularly scheduled Board meeting. This is to maintain the TARI schedule and allow NES to begin work 22 days earlier. MNAA is responsible only for the actual costs expended by NES. On April 21, 2025, in accordance with Section 4.4.1.8 of the bylaws, the President and CEO consulted with the Board Chair, who concurred with proceeding with the execution of the relocation agreement and payment of the subsequent invoice.

President Kreulen stated on April 24, 2025 MNAA was honored with the Prestigious Stevie Award. The MNAA Communications and Marketing team received the Public Relations (Government) Bronze Award for FY24 Annual Report Video – *The Story of Nashville International Airport: People, Growth and Future*. There were over 12,000 nominations, and the banquet will be held on June 10, 2025. The Grand Stevie is approximately 16 inches tall and is hand-cast and finished in 24-karat gold.

President Kreulen stated in May BNA hosted AAAE Rental Car Industry & Airports Workshop at the Hilton BNA, which is extremely convenient for us. The MNAA team, Eric Johnson, Traci Holton, Lisa Leyva, Aaron Flake and Lisa Lankford, contributed invaluable insights to critical discussions that are shaping the future of the rental car and aviation industries. They highlighted the larger and improved rental car complex coming to BNA as part of New Horizon, the latest renovation and construction program at BNA.

President Kreulen announced Icelandair has extended its route from October 27, 2025, through January 6, 2026. This flight was originally scheduled to begin on May 16, 2025, and was accelerated to April 10, 2025. Icelandair will offer three weekly flights between Nashville and Keflavik International Airport through November and December, providing travelers with direct access to Iceland and beyond, into Europe.

President Kreulen stated on May 15, 2025 members of our Honor Guard traveled to Washington, DC to participate in the National Peace Officers Memorial Day. He presented a photograph of a memorial plaque which is located outside the BNA Police Department., where Officer Richardson was remembered and honored alongside the nation's fallen heroes. Officer Richardson passed away April 29, 1999 in an accident on I-40 in which his canine, Tossy, survived. He was one of our canine officers. Officer Richardson is survived by his wife and two children.

President Kreulen presented six photographs of artists, comedians and a chef who are new voices of BNA. When you are in the terminal, you will soon hear the voices of Nate Bargatze, Dierks Bentley, Luke Combs, Rodney Atkins, Tyler Hubbard, and Sean Brock.

President Kreulen stated the MNAA Quarterly Retirement OPEB & Treasury Investment Reports were presented at the Finance Committee, and since only one Committee member was present, it is being repeated at this Board meeting. The Retirement Plan FY25-Q3 Market value was $84.4M and the Other Post Employment Benefits (OPEB) for FY25-Q3 Market value was $43.9M. The Treasury Investment for FY25-Q3 Market value was $1.189B which has 99.6% funds invested.

President Kreulen reported the BNA Passengers for May FY25 are projected to be at 24.8M – 25M total passengers by the end of the fiscal year. We are expecting to have a good month in June

and will break another record. Some of the big Nashville events in June are CMA, Bonnaroo and FIFA Club World Cup bringing in lots of people.

President Kreulen presented the Committee 30-day Outlook for June, stating there are 2 items for approval planned in the Operations Committee and 9 items for approval in the Finance Committee. The Management Committee has nothing scheduled at this time. The Committee 60-Day Outlook for July plans for 4 items for approval in the Operations Committee. The Finance Committee will have 1 item for approval. And again, no items planned for the Management Committee.

President Kreulen concluded the President's update.

VI. ITEMS FOR APPROVAL

1. CGMP3 of 4 for Central Ramp Expansion (Fill Placement & Drainage Infrastructure) (Operations)

President Kreulen introduced Traci Holton, VP, New Horizon, to brief the Commissioners on the Component Guaranteed Maximum Price 3 (CGMP3) for Central Ramp Expansion. Ms. Holton stated that CGMP3 consists of the installation of drainage infrastructure and the placement of fill material. Next month in July, she will return for approval of the CGMP4 for the actual pavement, markings, etc. This Amendment is for $135M NTE, and there is no change to SMWBE participation or the schedule.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Ms. Holton requested that the Board of Commissioners authorize the Chair and President & CEO to execute Amendment 2 for Component Guaranteed Maximum Price #3 (CGMP3) for $135,000,000 NTE.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

2. CGMP2 of 4 for Concourse A Reconstruction (Enabling, Demo, Foundations, etc.) (Operations)

Ms. Holton stated the CGMP2 of 4 for Concourse A Reconstruction scope includes enabling construction/relocations, building renovations, site utilities, demolition, building foundations, turnkey concrete, jet fueling, structure steel and passenger boarding bridges. Hensel Phelps Construction Co. is the contractor. The amount is $110,206,783. There is no change to schedule and no change to SMWBE participation.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Ms. Holton requested the Board of Commissioners authorize the Chair and President & CEO to execute Amendment 1 for Component Guaranteed Maximum Price #2 (CGMP2) with Hensel Phelps for $110,206,783.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval and Commissioner Farner 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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

3. Task Order for Design of Taxiway Fillet Widening (TDG6) (Operations)

President Kreulen introduced Puneet Vedi, VP, Airport Capital Planning, to brief the Commissioners on the Task Order for Design of Taxiway Fillet Widening (TDG6). Mr. Vedi stated that as of April 28, 2025, MNAA has reached the limits of the contract and has 4 months remaining on that contract. Mr. Vedi stated based on the expected projects engineering has, including TDG6, Taxiway T4 Reconstruction, Taxiway T5/Lima Reconstruction, Airside Roadway Repairs and additional miscellaneous airfield projects, MNAA is recommending the Board to amend and increase the On Call Engineering Services Year 2 contract in the amount of $7.5M. Additionally, Garver submitted a Scope of Work and Fee Proposal in the amount of $650,820 for design, bidding and construction administration services for the CDG6 project.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Mr. Vedi requested the Board of Commissioners 1) authorize the increase the On-Call Engineering Services Year 2 NTE limit to $7,500,000, and 2) authorize the Chair and President & CEO to execute the proposed Task Order through the Engineering On-Call Contract with Garver for $650,820.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

4. Task Order for Rehabilitate T/W T4 @ T/W Lima and South Terminal Apron (Operations)

Mr. Vedi stated this Task Order is for Rehabilitation of Taxiway Tango 4 at T/W Lima & South Terminal Apron Intersection and presented a diagram showing Tango 4 (yellow box) at Lima and South Terminal Apron (blue Box). This Task Order is for the full reconstruction of 2,000 SY of failing concrete with 17" of FAA-specified P-501 concrete. Hi-Way submitted a proposal utilizing the On-Call Contract for $2.5M NTE.

Commissioner Joslin asked what shape Tango 6 apron is in today. Mr. Robert Ramsey, EVP, CDO, replied Tango 6 is in pretty good shape, as we had some reconstruction recently. Commissioner Joslin stated that it is a very used taxiway. Mr. Ramsey stated T4 and T5 are showing more signs of distress and are in the Capital Improvement Plan.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Mr. Vedi requested the Board of Commissioners authorize the Chair and President and CEO to execute the proposed Task Order with Hi-Way Paving, Inc. in an amount Not-to-Exceed $2,500,000.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

5. Contract for Vehicle and Equipment Fuel Services for BNA & JWN (Operations)

President Kreulen introduced Daniel B. Brown, VP, Facility Management, to brief the Commissioners on the Contract for Vehicle and Equipment Fuel Services for BNA and JWN. Mr. Brown stated this contract is to provide an unlimited/uninterrupted supply of non-ethanol and diesel fuel on hand twenty-four (24) hours a day, 365 days a year for MNAA vehicles and equipment at BNA and JWN. The normal budget is around $330K per year and this contract is for $350K. This contract will make sure that Kimbro Oil Company is available 24 hours a day to provide gas and or diesel for BNA and JWN.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Mr. Brown requested the Board of Commissioners accept the proposal submitted by Kimbro Oil Company, for the Vehicle and Equipment Fuel Services Contract for BNA and JWN; and authorize the Chair and President and CEO to execute the contract for vehicle and fuel services with Kimbro Oil Company for $1,750,000.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

6. Contract for Oil Water Separator Cleaning (Operations)

Mr. Brown stated that the Contract for Oil Water Separator Cleaning is to clean 10 oil water separators twice per year to ensure BNA complies with the National Pollution Discharge Elimination System Permit. It is recommended to be awarded to Hull's Environmental, Inc. to

start on June 1, 2025, with a one-year contract with 3 one-year options. The contract cost per year is $261,300.

This was presented to the Operations Committee on May 14, 2025 to recommend approval by the Board. Mr. Brown requested that the Board of Commissioners accept the proposal submitted by Hull's Environmental, Inc., for the Oil Water Separator Cleaning Contract; and authorize the Chair and President and CEO to execute the contract of Oil Water Separator Cleaning with Hull's Environmental, Inc. for $1,045,200.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

7. Purchase of Aircraft Rescue and Fire Fighting (ARFF) Vehicle (Operations)

Mr. Brown stated the purchase of the Aircraft Rescue and Fire Fighting (ARFF) Vehicle will replace the 2001 Osh Kosh firetruck. The cost is $1.3M with an anticipated purchase date of July 1, 2025 and anticipated receipt on March 1, 2027. It is funded through the Airline Investment Fund.

Chair Sullivan asked if there is a maintenance agreement associated with this contract. Mr. Brown replied that there is a warranty for the first year and MNAA has trained staff that will maintain and work with Rosenbauer, LLC hand in hand.

This was presented to the Operations Committee on May 14, 2025 to recommend approval by the Board. Mr. Brown requested that the Board of Commissioners accept the proposal by Rosenbauer for the purchase of 1 new Airport Rescue and Fire Fighting (ARFF) vehicle; and authorize the Chair and President & CEO to execute the purchase of the ARFF vehicle with Rosenbauer for $1,266,348.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval and Commissioner Farner 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

8. Contract Purchase of Aircraft Multi-Tasking Snow Removal Machine (Operations)

Mr. Brown presented the Purchase of Aircraft Multi-Tasking Snow Removal Machine. It will be purchased from MB Companies, Inc. on July 1, 2025 with an anticipated receipt date of November 1, 2026. The purchase price is $1.1M funded by the Airline Investment Fund and is under a Sourcewell contract. This was approved in the FY26 CIP and it is funded by the MNAA Airline Investment Fund. Chair Sullivan asked if there is the same maintenance agreement. Mr. Brown replied yes, MB Companies, Inc. has always worked with the MNAA staff and they have great customer service.

This was presented to the Operations Committee on May 14, 2025, which recommended approval by the Board. Mr. Brown requested that the Board of Commissioners accept the

proposal by MB Companies, Inc. for the purchase of 1 new M-B Company MB5C Multi-Tasking Snow Removal Machine; and authorize the Chair and President & CEO to execute the purchase of the MB5C Multi-Tasking Snow Removal Machine with MB Companies, Inc. for $1,117,675.

Vice Chair Granbery stated the Operations Committee met on May 14, 2025 and voted 3 to 0 to recommend approval by the Board. Vice Chair Granbery made a motion for approval 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

9. Revisions of the Investment Policy for Retirement Plan for MNAA Employees and OPEB Plan, MNAA Resolution 2025-08 (Finance)

President Kreulen introduced Marge Basrai, EVP, CFO, to brief the Board on the Commissioners on the Revisions of the Investment Policy for Retirement Plan for MNAA Employees and the OPEB Plan. Ms. Basrai stated on February 5, 2025, MNAA's Retirement Committee met with Principal (our Investment Advisors) and USI (our actuary) to review various items in our retirement and OPEB plans. We discussed risk reduction, asset allocation, and the discount rate used in each plan. USI provided the current asset allocations and long-term rate of return (shown on first table on slide). Retirement: 50/50 allocation; 5.5% discount rate; OPEB: 60/40 allocation; 6% discount rate. USI also discussed future asset return expectations, which have increased over recent years. The second table shows the new return expectations for each equity asset allocation from 50-65%.

Based on recommendations, the Retirement Committee approved 2 changes: First - Increase the Retirement Plan's current discount rate from 5.5% to 6% to align with the new expected long-term rate of return. The discount rate selected affects the pension liability – increase in the rate will decrease the liability. Using the 6% discount rate, the Plan was estimated to be funded at 104% ($3.6M excess) on 12/31/24. On May 7, 2025, the Retirement Committee met and it was estimated at 4% as of March 31, 2025. Second - Change the OPEB Plan's portfolio asset allocation from 60% equities/40% Fixed Income to 50/50 asset allocation. The plan is fully funded, so, a more conservative asset allocation is prudent. In 2021, the first allocation change was approved to move from a 65/35 allocation to a 60/40 allocation. Principal has recommended that with higher interest rates, and a rising long-term expected rate of return over the past three years for similar equity allocations, the timing is right to make the second planned shift to the 50/50 allocation. The same approach was taken several years ago when the retirement plan became fully funded. This is really to help reduce the impact of the market volatility.

There is no Change in the OPEB discount rate required - the current rate of 6% aligns with the new expected long-term rate of return on a 50/50 asset allocation (50% equities/50% fixed income). With the change in asset allocation and a 6% discount rate, the OPEB Plan was estimated to be funded at 173% ($18.7M excess) at 12/31/24.

Based on the changes just mentioned and from annual review of the Policy, the following revisions are needed to Policy 41-011: (as an FYI – the discount rates used for each plan are considered actuarial assumptions and are not included in the investment policy). We will add a table to show the new asset allocation, subcategory ranges, and composite benchmarks for OPEB. This table was in the staff analysis. The OPEB allocation will be updated to show the new 50/50 allocation and will now match the Retirement table.

We also did our annual review of the policy and made the following minor wording changes to the policy: Changed "Director of Treasury" to "Finance Designee" and "Treasury Staff" to "Finance staff"; Updated the name of the MNAA Board Finance Committee to: "Finance, Diversity & Workforce Development Committee"; and deleted a duplicate sentence on the first page of the Policy.

Ms. Basrai stated as an FYI, the discount rate used for each of these plans, are considered actuarial assumptions so they are not actually in our policy, they are used by the actuary when doing our actuary valuations, so no changes are needed to the policy for those discount rates.

Commissioner Glover asked about the chart on page 3, it has a minimum of zero and a maximum of 60%, so the minimum is not really there. Why is there no minimum? Ms. Basrai replied that we try to have the 50/50 and it will fluctuate from time to time, and this is what Principal uses for them to invest. Commissioner Glover asked if the minimum is actually 40/50%. Ms. Basrai replied that it is usually 40-50%. Commissioner Farner asked if the discount rate is the assumption rate. Ms. Basrai replied that it is the actuary's assumption rate and the interest. Commissioner Farner asked if the initial is already at 50/50. Ms. Basrai replied that the Retirement Plan is already at 50/50, and we brought that down a few years ago when that became fully funded. The OPEB Plan was not fully funded, and we did not bring it down until it became fully funded. Commissioner Farner asked what the funding level of the Retirement Plan is. Ms. Basrai replied 104%, and as of December 31, 2024 it was 177%. Ms. Basrai stated that moving from a 5.5% to a 6% discount rate reduces the liability we have on our books. Commissioner Farner asked if we get the returns. Ms. Basrai replied we do, they stretch it over 3-5 years and the last time we did this, discount rates went down. President Kreulen stated this is a real success story for BNA because at one time we were not fully funded and under Ms. Basrai's leadership we are now 100% funded.

This was presented to the Finance Committee on May 14, 2025, which recommended approval by the Board but due to the lack of a quorum, it was not voted on. Ms. Basrai requested the Board of Commissioners approve the revisions to the MNAA Investment Policy for the Retirement Plan and OPEB, Policy 41-011, and authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-08.

Secretary Byrd made a motion for approval and Commissioner Glover 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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

10. MNAA 55th Anniversary, MNAA Resolution 2025-11(Management)

President Kreulen stated MNAA's 55th Anniversary is on June 5, 2025. MNAA Staff presented MNAA Resolution 2025-11 to the Management Committee. Once it is approved by the Board today, the Board will sign and we will then have it framed and celebrate next month at the next Board meeting with photographs and cupcakes. Ms. Lisa Lankford is the prime author of this Resolution and presented the history of this organization since 1970. The airport went from $2M a year in revenue to now at $350M a year in revenue. This recognizes the outstanding work of the Board and former 69 Commissioners. Chair Sullivan stated great work Lisa.

This was presented to the Management Committee on May 14, 2025, which recommended approval by the Board. President Kreulen requested that the Board of Commissioners approve MNAA Resolution 2025-11.

Chair Sullivan stated the Management Committee met on May 14, 2025 and voted 2 to 0 to recommend approval by the Board. Chair Sullivan made a motion for approval 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

Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

11. MNAA DBE, ACDBE & SMWBE Programs (Management)

President Kreulen stated he will give the history of the MNAA DBE, ACDBE & SMWBE Program. On January 21, 2025, President Trump issued Executive Order 14173 to terminate all discriminatory & illegal preferences, mandates, policies, programs, activities, guidance, regulations, enforcement actions, consent orders & requirements, enforce civil-rights laws and combat illegal private-sector DEI preferences, mandates, policies, programs & activities. On April 24, 2025 the Secretary of US Department of Transportation issued a letter to Grant Applicants: Any discriminatory actions in your policies, programs, and activities based on prohibited categories constitute a clear violation of Federal law and the terms of your grant agreements. On April 25, 2025 the FAA updated Grant Assurances for Airport Sponsors to require compliance with Executive Order 14173. On April 28 & May 6, 2025 the FAA updated FY25 Grant Agreement templates requiring grant recipients to agree that its compliance with all applicable Federal anti-discrimination laws is material to government's payment decisions; and to certify that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination laws.

President Kreulen stated this was reviewed at the Management Committee on May 18, 2025 and options provided to Board Counsel and Board Chair and deferred recommendation. The Management Committee requested more information and he spoke with legal counsel and each of the Commissioners. There were 3 solicitations on street pending potential amendment: JWN Custodial Services (ITB – due 5/29/25); CONRAC (RFP – due 6/5/25); and Dedicated Valet/Hotel Lane (ITB – due 6/18/25). Solicitations requiring re-solicitation: Construction Contract for Rehabilitate T/W S/S6/S7/T4 Intersection and Wind Cone Relocation (emergency procurement). For the solicitations pending advertising see the 120-day outlook for items requiring Board approval.

President Kreulen stated for the Commissioners who were unable to attend the Committee Meetings last week, he pulled those 3 solicitations because he did not

want to sign a document that had previous language in there from the Federal government, and to preclude a possible legal exposure to MNAA.

President Kreulen stated the question was asked how much Federal money is involved if we do not make these changes. In the next two years, FAA Open/Planned Grants are BNA $121.8M; JWN $3.8M for a total of $125.6M. If we do not make or implement these changes, we risk losing this money and subsequently every year an additional $10M MNAA receives.

This was presented to the Management Committee on May 14, 2025. After discussions with Commissioners and Board Counsel, one on ones, the MNAA Staff recommends the Board of Commissioners authorize the President and CEO to revise the MNAA DBE, ACDBE and SMWBE programs in accordance with CEO memorandum dated May 21, 2025, as detailed below:

- no goal for the DBE and ACDBE programs in both solicitations and contracts, and
- no goal for the SMWBE program in both solicitations and contracts, and
- no scoring criteria related to any of the above programs, and
- authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-12.

Commissioner Farner asked what happens to the procurements that are already pending award. President Kreulen stated anything that has been awarded is awarded. That is why he pulled those 3 contracts; and everything from this point going forward we will make the modifications to stay compliant with the Federal government.

Secretary Byrd asked if Board Counsel has had an opportunity to review. President Kreulen replied yes. Commissioner Stevenson stated she appreciates President Kreulen speaking with all the Board members individually and the Board Counsel's discussions. Obviously at her firm, they are also looking at these issues and confirming they are in compliance as well. She would like to strongly encourage President Kreulen and the MNAA Staff to continue to make the airport accessible to everyone and figure out ways to keep the community involved and stay in compliance with the laws. President Kreulen stated he appreciates Commissioner

Stevenson's comment and that the Board members to allow him time for the calls. The MNAA Staff has worked very hard for the 55-year history of this Airport Authority on all the programs we have always complied with Federal law and will continue to do so. And the same with JWN. We will not be stopping with any of our engagements with our community partners as we move forward. We are proud about where we are standing and we will continue to do the right thing.

Commissioner Glover thanked President Kreulen for the approach the Airport Authority is taking. She stated personal opinions do not matter in this case because there is a Federal mandate to do things in a different way now. It is not worth a fight with the White House and this will keep the authority from having such a fight because we have such positive position and we do not want to be the airport that is in the news. Having said that there are so many lawsuits regarding DEI, let the fight take place at that level, at the Court level, that is the proper place for it to take place, and not for us to be the one to lead that fight. We may in our hearts want to be involved in it but she believes the Court system needs to take on that fight not us. She stated she and Commissioner Stevenson shared that the 3 words that should bother everyone is diversity, equity and inclusion and the way to be inclusive and reach the market place without having time for diversity, equity and inclusion, we have community engagement, community marketing and there are so many ways we can reach the community and share that we are a team and our goals that we are trying to achieve. She has some notes, but she will not go into them. She said we are talking about success and opportunity for all and we know how to do that without having to engage publicly in something else. We have to run our own playbook and do what is right and stay in compliance no matter how difficult it may be. President Kreulen agreed, stating MNAA staff is reflective of the community and he feels comfortable with legal counsel, Board Counsel, and outside counsel assistance that has been provided to us and it is to our advantage to comply with the law and do things the right way and that is what we will do. Secretary Byrd agreed stating we should wait for the Courts to decide.

Chair Sullivan thanked President Kreulen, Board Counsel and the MNAA Staff pulling all this information together so quickly, including the historical Resolution.

Chair Sullivan stated the Management Committee met on May 14, 2025 and recommended to defer approval. Chair Sullivan made a motion for approval 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
Commissioner Farner – Yes

The motion passed with a vote of 7 to 0.

President Kreulen concluded the presentation.

VII. 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 7 to 0. Chair Sullivan adjourned the meeting at 1:46 p.m.

Andrew Byrd, Board Secretary