

# COMMONWEALTH PORTS AUTHORITY (CPA)



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www.cnmiports.com

## CITIZEN CENTRIC REPORT FISCAL YEAR 2021

### MISSION STATEMENT

To develop air and sea navigation to and from the CNMI to its fullest potential.

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## WHO WE ARE

The Commonwealth Ports Authority (CPA) is an autonomous government agency that was established by CNMI Public Law 2-48 on October 08, 1981. CPA is responsible for all airports and seaports on the islands of Saipan, Tinian and Rota. The island of Pagan has an airstrip but it is currently unavailable for air travel.

CPA has seven Board of Directors who are appointed by the CNMI Governor and confirmed by the Senate.

CNMI's source of revenue relies heavily on tourism. Over 90% of goods entering the islands are passed through its ports. CPA continues to work hard to improve its ports .

## CPA EMPLOYEES

As of September 2021

	AIRPORT	SEAPORT	TOTAL
SAIPAN	127	19	146
TINIAN	26	3	29
ROTA	21	2	23
<b>TOTAL</b>	<b>174</b>	<b>24</b>	<b>198</b>

## BOARD OF DIRECTORS



Kimberlyn King-Hinds, Chairwoman  
Roman T. Tudela, Vice Chairman  
Thomas P. Villagomez, Secretary  
Joseph M. Diaz, Director  
Pete P. Reyes, Director  
Ramon A. Tebuteb, Director  
Barrie C. Toves, Director

## WHERE WE ARE



Photo by gratitudeactually.wordpress.com and Wikipedia



Christopher S. Tenorio  
Executive Director



Edward B. Mendiola  
Deputy Director



William C. Camacho  
Saipan Airport Manager



Antonio L. Borja  
Tinian Ports Manager



Sharlene M. Manglona  
Rota Ports Manager



Rodney SN. Taisacan  
Saipan Seaport Manager

## DEPARTMENTS

- Accounting / Procurement
- Administration / Human Resource / Lease Compliant / Engineering
- Aircraft Rescue Fire Fighting
- Air Operations
- Custodial
- Terminal Maintenance
- Ports Police
- Port of Saipan
- CPA Tinian
- CPA Rota

# OUR PROGRESS

## UPCOMING, ONGOING AND RECENTLY COMPLETED PROJECTS

### AIRPORT PROJECTS

#### Francisco C. Ada / Saipan International Airport

- ◆ Loading Bridges 2,3,6 Replacement - Completed
- ◆ Runway 25 PAPI/REIL Installation - Completed
- ◆ Rotating Beacon Replacement - Completed
- ◆ International Airport Roof Typhoon Repairs - Completed
- ◆ CTX Replacement Project - Ongoing
- ◆ Airport Master Plan/AGIS - Ongoing
- ◆ Miscellaneous Typhoon Repairs - Ongoing
- ◆ ARFF Training Facility Typhoon Repairs - Ongoing
- ◆ Perimeter Fence Repairs - Design
- ◆ Air Traffic Control Tower Renovations - Design
- ◆ Loading Bridges 1,4,5 Replacement - Design
- ◆ Commuter Terminal Construction - Design
- ◆ Solar Panel Installation - Bidding Phase

#### Tinian International Airport

- ◇ Perimeter Fence Replacement - Completed
- ◇ Miscellaneous Typhoon Repairs - Completed
- ◇ ARFF Building Renovations - Pending Award
- ◇ Parking Lot Expansion - Design Completed
- ◇ Sewer System Project - Design

#### Benjamin Taisacan Manglona International Airport

- \* Master Plan Update Phase II - AGIS Survey - Completed
- \* Airfield Marking and Signage Replacement - Completed
- \* Airport Master Plan Update - Ongoing
- \* Perimeter Fence Replacement - Ongoing
- \* Canopy Roof Replacement - Design
- \* Airport Drainage Improvements - Design
- \* Apron Rehabilitation - Design



Rota Fence Project



Rota Marking and Signage Project

The Commonwealth Ports Authority (CPA) has or is working on updates of their Master Plans for all six ports under its jurisdiction. They include the following:

#### Airports:

- ⇒ Francisco C. Ada/Saipan International Airport
- ⇒ Tinian International Airport
- ⇒ Benjamin Taisacan Manglona International Airport (Rota)

#### Seaports:

- ⇒ Saipan Seaport
- ⇒ Tinian Harbor
- ⇒ Rota West Harbor

The Master Plan for the Tinian International Airport has been completed and the Saipan and Rota Airport Master Plans will be completed by end of 2021.

On the seaport side, the Rota West Harbor, Tinian Harbor and the Saipan Harbor Master Plans have all been completed.

These Master Plans will be used to guide future improvements to the ports based on projected traffic through the airports and seaports. They will also be used as a guiding document to address facilities and infrastructure needs for each port.

#### **Safety Management System Program**

Services include implementation of a safety management system program for the all three CPA airports for future airfield improvements, maintenance and planning.

#### **Pavement Management Program**

Services include performing a pavement inventory and evaluation and developing a management program for pavement surfaces at three CNMI airports. The program will assist CPA in determining maintenance, rehabilitation, and reconstruction needs, priorities, and projects. In addition, the project includes calculating a Pavement Condition Index (PCI) for all areas of all three airports as well as identifying and developing Aircraft Classification Numbers (ACN) and Pavement Strength Reporting (PCR) for each airport's runways, taxiways, taxiways, and aprons.

### SEAPORT PROJECTS

#### Saipan Seaport

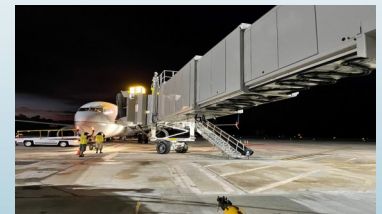
- ◆ Container Refer Outlets Repair - Completed
- ◆ Fire Hydrant Replacement - Completed
- ◆ Security and Container Yard Floodlights Replacement—Completed
- ◆ Master Plan Update - Completed
- ◆ Security Cameras Replacement - Completed
- ◆ Security Fence Repairs - Completed
- ◆ Ports Police Boat—Ongoing
- ◆ Seawater Fire Fighting Pump - Ongoing
- ◆ Seaport Road Paving - Design
- ◆ South Seaplane Ramp Paving & Drainag - Design
- ◆ Seaplane Ramp Maintenance Dredging - Design
- ◆ Delta Dock Improvements - Design
- ◆ Berth 103 Cavity Repairs - Design
- ◆ Delta Dock Dredging - Upcoming

#### Tinian Harbor

- ◇ Master Plan Update - Completed
- ◇ Marina Improvements - Ongoing
- ◇ Harbor Improvements - U.S. DoD - Ongoing
- ◇ Perimeter Fence Replacement - Design
- ◇ Dock Lighting Improvements - Design

#### Rota West Harbor

- \* Master Plan Update - Completed
- \* Seaport Office Building Repairs - Design
- \* Backup Generator Installation - Design
- \* Small Commercial Dock - Design
- \* Perimeter Fence Replacement - Ongoing



Saipan Airport Loading Bridge



Tinian Miscellaneous Typhoon Repairs



# OUR FINANCES

The Commonwealth Ports Authority is an autonomous agency that generates revenues from port users to fund operating expenses, capital projects, and debt service requirements. The CPA also receives federal grants from the Federal Aviation Administration (FAA), Department of Homeland Security (DHS), and the Department of Interior (DOI) to fund improvements throughout the ports.

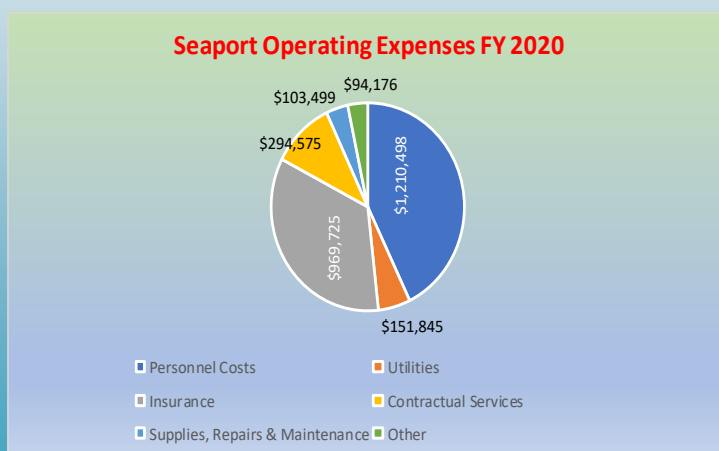
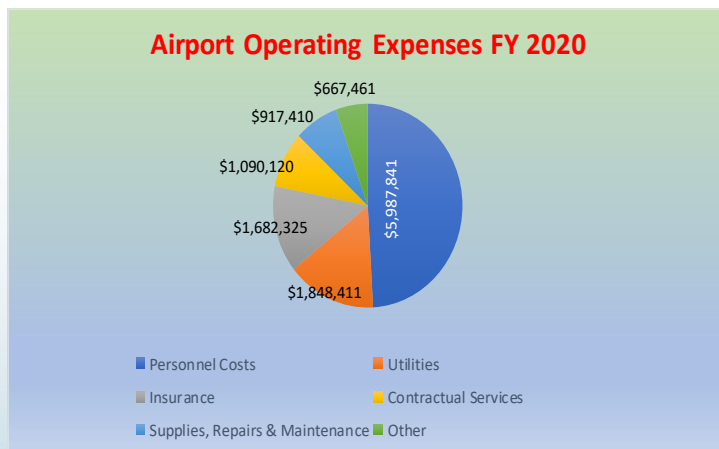
The COVID-19 pandemic caused a drastic decline in passenger traffic and corresponding revenue at the CPA and its airports. International flights were suspended indefinitely effective February 2020 and operations have not recovered to pre-COVID activity since then. CPA's revenue-generation has also been impacted by measures implemented to ensure that air services will continue to be provided to the public, that CPA and the remaining airlines remain solvent, and that CPA can continue the safe operation of its airports. These measures include the adoption of a COVID-19 tenant relief program and the implementation of austerity policies.

In April 2020, CPA received a grant offer from the FAA through the CARES Act in the amount of \$22,759,818. The grant agreement was executed in May 2020. The grant has a 4 year performance period and is available at 100% federal share. CPA continues to draw down these funds to reimburse bond debt service and operational expenses paid including, payroll expenses, contractual expenses, and insurance premiums. In FY 2021, CPA received additional federal funds through the Coronavirus Response & Relief Supplemental Appropriation Act and the American Rescue Plan Act. The grant funding received will fund bond debt service and operational expenses. The receipt of these federal grants have assisted CPA with maintaining compliance with its Bond Indenture requirements and have provided the necessary funds for CPA to continue operations.

For more information on CPA's financials, our audit report is available at <https://www.opacnmi.com/document-category/financial-audits-cpa/>.

Operating Expenses	FY 2019	FY 2020	% Change
<b>AIRPORT DIVISION</b>			
Personnel Costs	\$ 6,835,483	\$ 5,987,841	-12%
Utilities	\$ 3,958,066	\$ 1,848,411	-53%
Insurance	\$ 640,797	\$ 1,682,325	163%
Contractual Services	\$ 1,302,788	\$ 1,090,120	-16%
Supplies, Repairs & Maintenance	\$ 1,074,188	\$ 917,410	-15%
Other	\$ 819,580	\$ 667,461	-19%
<b>TOTAL</b>	<b>\$14,630,902</b>	<b>\$12,193,568</b>	<b>-17%</b>
<b>SEAPORT DIVISION</b>			
Personnel Costs	\$ 1,111,188	\$ 1,210,498	9%
Utilities	\$ 132,521	\$ 151,845	15%
Insurance	\$ 471,967	\$ 969,725	105%
Contractual Services	\$ 76,829	\$ 294,575	283%
Supplies, Repairs & Maintenance	\$ 95,604	\$ 103,499	8%
Other	\$ 257,577	\$ 94,176	-63%
<b>TOTAL</b>	<b>\$ 2,145,686</b>	<b>\$ 2,824,318</b>	<b>32%</b>

Operating Revenue	FY 2019	FY 2020	% Change
<b>AIRPORT OPERATING REVENUES</b>			
Aviation Fees	\$ 7,768,306	\$ 3,846,317	-50%
Non-Aviation Fees	\$ 5,713,291	\$ 3,179,378	-44%
<b>TOTAL</b>	<b>\$13,481,596</b>	<b>\$ 7,025,695</b>	<b>-48%</b>
<b>SEAPORT OPERATING REVENUES</b>			
Harbor Fees	\$ 6,924,100	\$ 5,592,423	-19%
Non-Harbor Fees	\$ 1,899,324	\$ 1,335,753	-30%
<b>TOTAL</b>	<b>\$ 8,823,424</b>	<b>\$ 6,928,176</b>	<b>-21%</b>



# OUTLOOK

## MAJOR ACCOMPLISHMENTS



**New MARAD Route and Project Designation** - On August 19, 2021, the U.S. Department of Transportation's Maritime Administration announced a new Marine Highway Route between Guam and the Commonwealth of the Northern Mariana Islands. This newly designated route will make certain projects eligible for grant funding through the America's Marine Highway Program. One of these projects will support the movement of containers between the Port of Guam and the Commonwealth.

**Self-Care Leave** - CPA employees will avail to one eight (8) hours per quarter to take care of their well-being once its gone through the final adoption of the CPA Board Members and publication period in the Commonwealth Register.

**New Methodology Rate** - On October 1<sup>st</sup>, 2021, CPA implemented a new rate methodology for its airport aviation fees. The new rate methodology is based on space usage and requires that rates be calculated annually utilizing the next fiscal year budget.

**Land Management Regulations** - The CPA created the Land Management Regulation to establish a procedure for the administration of leasing and permitting of Commonwealth Ports Authority real property .

**U.S. Department of the Interior's Maintenance Assistance Program and Technical Assistance Program Grant** - \$185,000.00 was awarded to the Tinian International Airport and Tinian Harbor to purchase a tractor mower and two riding mowers.

**Ports Security Grant** - CPA was awarded \$129,938.00 to repair the security fence at the Tinian Harbor.

## CHALLENGES

- ⇒ **COVID-19**  
The pandemic continues to affect travel to the CNMI which makes it difficult to forecast future budget.
- ⇒ **Financial Constraints**  
CPA employees were the first government employees to have their hours reduced and the last to be restored. CPA continues to implement cost-cutting measures on operational cost.
- ⇒ **Personnel Shortage**  
All departments were faced with personnel shortage due to the tight cost-cutting measures. Only critical positions were approved for replacements.
- ⇒ **Trainings on Hold**  
Departments' personnel job enhancement trainings were put on hold due to lack of funding since the pandemic.
- ⇒ **Loss of Airlines / Flights**  
Since the inception of COVID-19, the majority of airlines ceased operations and have pulled out of the CNMI. There are currently four airlines that have resumed travel to Saipan.
- ⇒ **Rota Quarry**  
Due to limited quarry operations, construction projects have been delayed. Contractors import quarry from Saipan or Guam driving the cost of construction up.



## WHAT'S NEXT

- ◆ **Promote Additional Airlines**  
CPA will continue to promote for additional airlines for international and inter-island travel and improve the airport facilities for better service.
- ◆ **Airport and Seaport Improvements**  
CPA will continue to make improvements to its airports and seaports on Saipan, Tinian and Rota to ensure that passengers and cargoes are processed effectively and efficiently.

## TRAININGS AND EXERCISES

- ◇ **FAR Part 139 Live Fire Recertification**  
Annual mandatory requirement for all airport fire fighters under FAR Part 139 to participate in a live fire recertification burn. Total number recertified only accounts for CPA's airport fire fighters from Saipan, Tinian and Rota for a total of 49.
- ◇ **Firearms Semi/Annual Recertification**  
Mandatory Annual requirement for all Ports Police officers.
- ◇ **Active Shooter Training**  
Officers from all three islands attended training in Saipan.
- ◇ **Canine Unit**  
Under TSA National Explosive Detection Canine Team Program requires all Canine Teams to undergo an Annual Evaluation Exam.
- ◇ **Triennial Exercise**  
Mandatory every three years, every airport needs to conduct the Triennial Exercise to test its Airport Emergency Plan in order to meet FAR Part 139 requirements.

NFPA	Certificate Issued	NFPA	Certificate Issued
1001-10 Fire Fighter I	5	1072-10 HazMat AW	6
1001-20 Fire Fighter II	27	1072-20 HazMat OPS	6
1003-10 Airport Fire Fighter	1	1072-30 HazMat OPS PPE	1
1021-20 Fire Officer II	11	1072-34 HazMat OPS PC	1
1031-10 Fire Inspector I	10		

