

COMMONWEALTH PORTS AUTHORITY (CPA)



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CITIZEN CENTRIC REPORT FISCAL YEAR 2022

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 Commonwealth of the Northern Mariana Islands (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.

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



Antonio L. Borja
Tinian Ports Manager



Sharlene M. Manglona
Rota Ports Manager



Jerra Mae B. Cing
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

CPA EMPLOYEES

As of October 2022

ISLAND	AIRPORT	SEAPORT	TOTAL
SAIPAN	131	18	149
TINIAN	24	3	27
ROTA	22	2	24
TOTAL	177	23	200

WHAT ARE WE DOING?

CAPITAL IMPROVEMENT PROJECTS

Francisco C. Ada/Saipan International Airport

- ◆ CTX Replacement Project - Ongoing
- ◆ Airport Master Plan/AGIS - Ongoing
- ◆ ARFF Training Facility Typhoon Repairs - Ongoing
- ◆ Facility Fence Typhoon Repairs - Pending Award
- ◆ Air Traffic Control Tower Renovations - Pending Award
- ◆ Loading Bridges 1,4,5 Replacement - Pending Award
- ◆ Commuter Terminal Construction - Pending Award
- ◆ Solar Panel Installation - Pending Funding Allocation
- ◆ Perimeter Fence Replacement - A&E Design
- ◆ Taxiways A,G,D Emergency Repairs - A&E Design
- ◆ Departure Terminal Extension - A&E Negotiations
- ◆ Bus Canopy Repairs - A&E Solicitation

Port of Saipan

- ◇ Seaport Road Paving - Ongoing
- ◇ Berth 103 Cavity Repairs - Pending Bidding Phase
- ◇ Security Cameras Replacement - A&E Design
- ◇ Security Fence Repairs - A&E Design
- ◇ South Seaplane Ramp Paving - A&E Design
- ◇ Seaplane Ramp Maintenance Dredging - A&E Design
- ◇ Delta Dock Improvements - A&E Design
- ◇ Office Roof Leak Repairs - A&E Design



Tinian International Airport

- ◆ ARFF Building Renovations - Ongoing
- ◆ Parking Lot Expansion - Pending Award
- ◆ Sewer System Project - A&E Design
- ◆ Departure/Arrival Terminal Federalization - A&E Design

Tinian Harbor

- ◇ Marina Improvements - Ongoing
- ◇ Perimeter Fence Replacement - Out for Bid
- ◇ Dock Lighting Improvements - A&E Design

Benjamin Taisacan Manglona International Airport

- ◆ Airport Master Plan Update - Ongoing
- ◆ Perimeter Fence Replacement - Completed
- ◆ Airport Drainage Improvements - Pending Award
- ◆ Canopy Roof Replacement - A&E Design
- ◆ Apron Rehabilitation - A&E Design

Rota West Harbor

- ◇ Small Commercial Dock - Completed
- ◇ Perimeter Fence Replacement - Completed
- ◇ Seaport Office Building Repairs - A&E Design
- ◇ Backup Generator Installation - A&E Design

MAJOR ACCOMPLISHMENTS

1. Adoption of the CPA's Na'tibu Ullawalla Environmental Policy, which seeks to reduce greenhouse gas emissions through the implementation of strategies that enhance energy efficiency, reduce CPA's impact on the climate, and utilize renewable resources for the benefit of the CNMI's natural environment and for the wellbeing of all current and future CNMI citizens.
2. Adoption of CPA's Americans with Disabilities Act and Section 504 Policy, which recognizes the importance of making services and benefits available to the largest possible audience by designing and improving the such that all CPA ports are accessible by everyone.
3. Held town hall meetings on Saipan, Rota, and Tinian to address the FY21 audit findings and improve transparency and accountability to the public.
4. Awarded \$2.8M for replacement of Passenger Loading Bridge 1.
5. Awarded \$26,177 under the FEMA Hazard Mitigation Grant Program for the installation of new shutters at the Tinian Seaport Office.
6. CPA received a grant in the amount of \$3,135,000 from the Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program. The funding will be used for A&E Design services of dredging work at the Port of Saipan as well as the expansion of the main dock. CPA is coordinating its work with the U.S. Maritime Administration to commence implementation of these improvements to CPA's main port.
7. CPA hosted the Association of Pacific Port on the beautiful island of Saipan from September 26 - 28, 2022. Participants from Guam, Micronesia and numerous parts of the U.S. West Coast attended the conference that was held at the Hyatt Regency Saipan. The three-day conference offered presentations of various topics including port improvement projects in the region, infrastructure expansions, shipping issues due to the COVID-19 pandemic, atmospheric/weather information and updates from the U.S. Coast Guard, to name a few.

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.

CPA manages its funds separately for the airports and seaports. CPA's enabling legislation (CNMI Public Law 2-48), federal grant assurances and CPA's Bond Indentures do not allow the comingling of funds between the airports and seaports. CPA operates on a fiscal year (FY) from October 1 through September 30.

Operating Expenses	FY 2020	FY 2021	% Change
AIRPORT DIVISION			
Personnel Costs	\$ 5,987,842	\$ 5,291,871	-12%
Utilities	\$ 1,962,067	\$ 1,704,394	-13%
Insurance	\$ 1,682,325	\$ 1,818,033	8%
Contractual Services	\$ 1,085,072	\$ 1,034,632	-5%
Supplies, Repairs & Maintenance	\$ 889,843	\$ 865,400	-3%
Other	\$ 874,661	\$ 873,500	0%
TOTAL	\$12,481,811	\$11,587,830	-7%
SEAPORT DIVISION			
Personnel Costs	\$ 1,210,498	\$ 1,177,403	-3%
Utilities	\$ 151,844	\$ 274,933	81%
Insurance	\$ 969,725	\$ 1,026,394	6%
Contractual Services	\$ 93,101	\$ 128,860	38%
Supplies, Repairs & Maintenance	\$ 103,500	\$ 96,464	-7%
Other	\$ 71,103	\$ 137,289	93%
TOTAL	\$ 2,599,771	\$ 2,841,343	9%

OPERATING EXPENSES

AIRPORT - Overall FY 2021 operating expenses for the airports decreased by 7% as compared to FY 2020. This decrease is due to austerity measures (reduction in employee hours, travel restrictions, etc....) that were implemented due to the reduction in flights and corresponding revenue caused by the COVID-19 pandemic.

SEAPORT - Overall FY 2021 operating expenses for the seaports increased by 9% as compared to FY 2020. This increase is mainly due to the increase in utility costs, contractual services, and other expenses. Contractual expenses increased due to the procurement and completion of surveys and appraisals for CPA owned Seaport properties. Utility costs increased mainly for the Port of Saipan container yard area. CPA is monitoring the significant increase in utility usage at its Seaports.

AIRPORT & SEAPORT - Other expenses include fuel, travel expenses, communications, promotional expenses, and penalties and interest.

OPERATING REVENUES

Operating revenues include revenues earned from operational activities and do not include federal grants.

AIRPORT - FY 2021 operating revenues for the airports significantly decreased as compared to FY 2020. This 81% reduction in revenues is due to the decrease in flight operations due to the COVID 19 pandemic. Aviation revenues include airline landing fees, deplanement fees and enplanement fees. Other revenue include parking fees, permit fees, citations and training fees.

SEAPORT - FY 2021 operating revenues for the seaports remained steady with a slight 4% increase as compared to FY 2020. Operations continued throughout the pandemic. Harbor revenues include wharfage fees, docking fees, special services, berthing fees and port entry fees. Other revenues include permit fees, citations and security service fees.

Operating Revenue	FY 2020	FY 2021	% Change
AIRPORT OPERATING REVENUES			
Aviation Fees	\$ 3,369,689	\$ 174,567	-95%
Concession & Lease	\$ 2,840,493	\$ 1,060,515	-63%
Other	\$ 819,702	\$ 80,559	-90%
TOTAL	\$7,029,884	\$ 1,315,641	-81%
SEAPORT OPERATING REVENUES			
Harbor Fees	\$ 5,575,204	\$ 4,950,798	-11%
Concession & Lease	\$ 956,275	\$ 1,518,589	59%
Other	\$ 441,141	\$761,249	73%
TOTAL	\$ 6,972,620	\$ 7,230,636	4%

For more detailed information on CPA's financials, our audit reports are available on CPA's website at [Commonwealth Ports Authority \(cnmiports.com\)](http://Commonwealth Ports Authority (cnmiports.com)).

OUTLOOK



Rota Small Boat Harbor - In FY 2022, CPA opened the small boat harbor at the Rota West Harbor. This area is provided for small commercial vessels to load and unload cargo.

Procurement Standard Operating Procedures - In FY 2022, CPA developed and implemented CPA Procurement Standard Operating Procedures to improve procurement efficiency and compliance with local regulations and federal grant assurances.

U.S. Department of the Interior’s Maintenance Assistance Program, Technical Assistance Program, and Energizing Insular Communities Program Grant - Awarded nearly \$500,000 for an ARFF Rescue truck and updates to building safety codes at the Saipan International Airport. Awarded \$260,500 under the OIA Energizing Insular Communities Program for improvements to the Saipan International Airport’s roof system and LED lighting upgrades.

Saipan Airport Perimeter Fence Grant - CPA received an Airport Improvement Program (AIP) Grant from the U.S. Federal Aviation Administration (FAA) in the amount of \$300,000 for Architectural/Engineering Design services for the replacement of the entire perimeter fence at the Francisco C. Ada/Saipan International Airport. As of last year, the perimeter fences at the Benjamin Taisacan Manglona International Airport in Rota, and the Tinian International Airport, were already replaced. Funding was also provided by the FAA for these two projects.

CHALLENGES

⇒ COVID-19

The pandemic continues to affect travel to the CNMI which makes it difficult to forecast future budget.

⇒ Financial Constraints

The limited flights continue to affect CPA revenues. Majority of operating expenses are paid for using federal grant funding for operational expenses. In addition some capital improvement projects have been put on hold until funding sources are identified.

⇒ 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	33	1031-20 Fire Inspector II	9
1001-20 Fire Fighter II	33	1041-10 Fire Instructor I	0
1002-10 Driver/Operator FAEFP	11	1041-20 Fire Instructor II	0
1002-50 Driver/Operator ARF	0	1072-10 HazMat AW	42
1003-10 Airport Fire Fighter	7	1072-20 HazMat OPS	41
1021-10 Fire Officer I	4	1072-30 HazMat OPS PPE	41

