

To:

#### **Commonwealth Ports Authority**

Francisco C. Ada/Saipan International Airport PO BOX 501055 • SAIPAN • MP • 96950

Phone: (670) 237-6500/01 Fax: (670) 234-5962 Website: www.cnmiports.com



Date: December 6, 2024

#### <u>MEMORANDUM</u>

**CPA Airline Partners** 

From: Acting Executive Director

Subject: Airline Rate Reduction Program

On October 31, 2024, the Commonwealth Ports Authority ("CPA") released its FY2025 rates, effective December 1, 2024. Subsequently, the airlines have expressed the impact the rates would have on their operations and the possible need to reduce or terminate their services. Although CPA is also suffering from its own financial constraints, the CPA Board found that it is in the best interests of the Commonwealth of the Northern Marianas Islands to extend the Temporary Landing Fee and Terminal Rental Rate Reduction Program, henceforth known as the Airline Rate Reduction Program, through Board Resolution 2024-05 on December 4, 2024, in order to maintain its incumbent airlines and to attract new airlines.

CPA is transmitting the attached Airline Rate Reduction Program Application, which shall also be posted on CPA's website. Pursuant to the Board Resolution, airlines can avail to the FY23 rates for the period of December 1, 2024 through September 30, 2025, by completing and submitting the attached application to the CPA Accounting Office. Please note, if applications are not submitted by the activity report due dates, airlines will be billed FY25 rates.

Moving forward, the CPA Board and Management are exploring and implementing various strategies to be as self-sustaining as possible during this challenging time. CPA will continue with its austerity measures such as maintaining reduced work hours for its employees while maintaining 24-hour operations, freeze on hiring (replacement-only) and travel (unless reimbursable) to name a few. Additionally, as this program has a significant financial impact on CPA's airport operations, we kindly ask for your patience and understanding.

Should you need additional information, please contact CPA Comptroller, Ms. Sheryl Sizemore at 670-237-6500.

FREDERICK A. PANGELINAN

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cc: CPA Board of Directors

**CPA Executive Director** 

CPA Comptroller
CPA Airport Managers

**ELCO** 



# COMMONWEALTH PORTS AUTHORITY



### **Rate Reduction Program Application**

The Commonwealth Port Authority (CPA) hereby establishes a Temporary Landing Fee and Terminal Rental Rate Reduction Program for Francisco C. Ada/Saipan International Airport, Benjamin T. Manglona International Airport, and the Francisco M. Borja International Airport. The program aims to promote competition, attract new air carriers, retain incumbent air carriers, and increase scheduled direct passenger service to unserved and underserved destinations.

The temporary rate reduction program will be available to be applied to invoices from December 1, 2024 through September 30, 2025 only.

Air carriers seeking to participate in the temporary rate reduction program must enter into a written agreement with CPA, indicating the carrier would like to participate in the Rate Reduction Program.

#### **REDUCED RATES**

Fee Type	Saipan International Airport	Saipan Commuter Airport	Rota International Airport	Tinian International Airport
Terminal Rental Rate (per square foot)	\$19.49	\$7.79	\$7.79	\$7.79
Landing Fee (per thousand pounds)	\$8.01	\$4.81	\$4.81	\$4.81

1. Please fill out all required contact information below.

Airline	
Address	
City/State/Zip Code	
Contact Person (Name)	
Contact Person (Title)	
Phone	
Email	



# COMMONWEALTH PORTS AUTHORITY



### **Rate Reduction Program Application**

Program.	to your participation in the Rate Reduction	
Authorized Airline Representative (Print Name & Sign)	Date	
FOR CPA OFFICIAL USE ONLY  Date Received:	Received By:	
Approved Disapproved		
	(Provide brief explanation)	
Executive Director (Print Name & Sign)	Date	

CPA 12.5.24