



# Commonwealth Ports Authority

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## FY 2020 Ending Report

### **1. Introduction**

Despite the 2019 Novel Coronavirus pandemic (COVID-19) and its negative effect on the entirety of Commonwealth of the Northern Mariana Islands (CNMI), the Commonwealth Ports Authority (CPA) has persevered through adversity and has continued to find solutions to issues at its ports.

This FY 2020 Ending Report provides the major accomplishments of CPA and its employees in FY 2020, updates the general public on completed and ongoing projects at the ports, and provides information on CPA's FY 2021 goals and projects.

### **2. General Response to COVID-19**

COVID-19 has caused a drastic decline in CPA revenues. In response to declining revenues caused by COVID-19, the CPA Board of Directors implemented austerity measures to reduce operational costs. These austerity measures included the reduction of employee hours, a freeze on all personnel actions and travel outside of the CNMI, and the implementation of energy conservation measures. Furthermore, in an effort to keep CPA's tenants solvent, the CPA Board of Directors approved a tenant relief program for its airports and seaports, providing various discounts and waivers towards rental and aviation fees through December 2020.

In April 2020, CPA received a grant offer from the Federal Aviation Administration (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 a 100% federal share. Of the total amount, CPA has reserved \$4.1 million to pay debt service for three years, FY 2020 to FY 2022. The remaining \$18.6 million will be utilized to fund operational expenses from FY 2020 to FY 2021. With the anticipation of stagnant operations continuing into FY 2021 and FY 2022, the CARES Act funding that CPA received will likely be fully expended by the end of FY 2021.

### **3. Intergovernmental Agreements, Assistance, and Coordination**

CPA, together with other governmental partners, continue to tackle issues created by COVID-19. Currently, CPA is working with the FAA on Part 139 Inspections and Certifications and to identify potential improvements that will address issues caused by COVID-19. Additionally, CPA has worked with the CNMI COVID-19 Task Force (Task Force) in coordinating supplies coming for the islands and assisting in community-based testing. This community-based testing follows the guidelines created by the Commonwealth Health Care Corporation, CNMI

Department of Public Health, and the Task Force and includes the active testing of passengers arriving in the CNMI. CPA will continue to update all interested parties on CPA's plans to address issues caused by COVID-19 and will hold monthly Airport Operators Committee meetings for the dissemination of new information.

CPA has also partnered with other CNMI agencies to address issues unrelated to COVID-19. CPA continues to assist the CNMI Department of Fire and Emergency Medical Services (DFEMS) in managing grass fires and DFEMS continues to support CPA when called upon. DFEMS was instrumental in assisting with the fence line after Typhoon Mangkhut and Typhoon Yutu.

CPA has also coordinated with the CNMI Military Affairs Office, which, among other things, manages communications between CNMI agencies and the United States Department of Defense (DOD) regarding military exercises. In FY 2020, CPA coordinated with these entities to plan a smooth execution of the Valiant Shield and Cope North military exercises and to better improve the DOD's mission in our region.

Last, CPA, in collaboration with government and organizations, has planted flame trees and other plants for the maintenance and site improvement of Airport Road.

#### **4. Accomplishments and Developments – Saipan**

##### **4.1 Saipan International Airport**

###### **4.1.1 General Information**

Air carriers that regularly operate at Francisco C. Ada/Saipan International Airport (SIA) have suspended flights indefinitely, and as of August 2020, only one airline continues to operate albeit only three times a week and with a limited passenger load. Overall, the number of landings at SIA has decreased by 95% from an average of 65 flights per week in December 2019 to three weekly flights in August 2020.

Despite the challenges that this decrease in flights have caused, CPA continues to generate revenue through, among other things, various lease renewals and new leases, and CPA also continues to pursue the completion of planned projects at SIA.

###### **4.1.2 Projects**

Over the course of FY 2020, CPA has completed various projects at SIA. These projects include the replacement of air-conditioning units, repairs to the Aircraft Rescue and Firefighting Department (ARFF) station and roof, the replacement of terminal doors and windows, and the renovation of the smoking rooms at the departure terminal.

Additionally, CPA is actively managing its ongoing projects, which include the demolition of the damaged commuter terminal and construction of a new, larger terminal; renovations and repairs to the tower; repairs to the Pacific Region ARFF Training Facility; repairs to the

waterproofing on the flat rooves of the international terminal; replacement of metal flashing on the high rooves; replacement of all Gates; replacement of damaged areas of perimeter and facility fencing; replacement of the rotating beacon; procurement of an unit disabled passenger lift for the safe boarding and de-boarding of passengers who require special assistance; and repairs for the proper operation and monitoring of the incinerator. Many of these projects are in response to the damage caused by Typhoon Yutu.

## **4.2 Saipan Seaport**

### **4.2.1 General Information**

Seaport operations have continued throughout the pandemic. Although operations have not ceased, a reduction in incoming revenue tonnage has led to an anticipated 22% decline or reduction of \$1.9 million on overall seaport revenue, as compared to revenues earned in FY 2019.

Despite this decline revenue, CPA continues to pursue the leasing and development of its properties, including the development Echo Dock, which currently has a published Request For Proposals (RFP) and is set to close on November 30, 2020.

### **4.2.2 Projects**

At the Saipan Seaport, CPA continues its completion of a number of projects, including the paving of the main access road from Saipan Shipping Company to the Inos Peace Park, updating the Saipan Harbor Master Plan, repairing the underwater cavities at Delta Dock, extending Delta Dock, repairing the cavity at Berth 103, repairing the parking lot of the CPA Seaport Office Building, repaving the access road leading to the south seaplane ramp, and constructing a bus and vehicle parking area.

## **5. Accomplishments and Developments – Tinian**

### **5.1 Tinian International Airport**

#### **5.1.1 Projects**

At the Tinian International Airport (TIA) the current ongoing projects include the replacement of the entire security fence; the renovation of the existing ARFF station, which includes an extension to the building, construction of an ancillary building for storage and SCBA equipment, an extension of the front of Bays 2 and 3, and the construction of office space for the Airport Advisory Station (AAS); the expansion of the existing parking lot to accommodate additional vehicles; repairs to the flagpole, air-conditioning units, roof, conveyor system, windows, and doors; and the replacement of the floodlight and sign.

### **5.1.2 Concessions**

Given the anticipated military build-up in Tinian, CPA now has four car rental providers at TIA. Additionally, CPA is currently seeking concessionaires to conduct advertising at certain locations at TIA.

## **5.2 Tinian Seaport**

### **5.2.1 Projects**

CPA continues its development of the various projects at or around the Tinian Seaport. These projects include paving the marina road and parking area; constructing boat trailer parking spaces, two pavilions, and a restroom; installing a boat washdown area; improving and repairing the wharf; and completing repairs to the breakwater.

## **6. Accomplishments and Developments – Rota**

### **6.1 Benjamin Taisacan Manglona International Airport**

#### **6.1.1 General**

Over the past fiscal year, Rota has been faced with many challenges, and the Benjamin Taisacan Manglona International Airport (BTMIA) is no exception. These challenges include the United States Transportation Security Administration (TSA) vacating and ceasing operations at the airport and minimal activity at BTMIA. Currently, BTMIA has only one active passenger airline and two airlines with cargo operations.

#### **6.1.2 Projects**

Projects continue to be pursued at BTMIA. These projects include replacing the entire perimeter fence that was damaged by Typhoon Mangkhut; improving the drainage system at the Rota terminal building; replacing the entire metal roof canopy at the front of the terminal with concrete with additional posts for structural support; rehabilitating or replacing the entire aircraft parking apron; and beautifying the airport through planting and other means.

#### **6.1.3 Concession**

CPA is currently working with its consultant on developing a BMTIA concession proposal. CPA is developing a BMTIA concession proposal in order to generate revenue and provide more business opportunities and jobs in Rota.

## 6.2 Rota West Harbor

### 6.2.1 Projects

The current ongoing projects at Rota West Harbor include the relocation of the Seaport Building, the replacement of two finger piers for small boat commercial activities; and the expansion of Berth 2.

## 7. ARFF and Ports Police Updates

ARFF and Ports Police have continued to earn the necessary certifications. For example, ARFF has continued to earn Part 139 certifications, such as live burn certifications, and other required in-house trainings.

ARFF and Ports Police have also continued to provide the necessary training for their staff. ARFF has recently completed the 11th cycle academy with six (6) cadets graduating. The new graduates received their Firefighter-1 title, EMS, Hazmat, and Driver Operator certifications. Ports Police continues to provide trainings to not only CPA personnel but also to CPA tenants on Security Identification Display Area badges, which are required to access the sterile and controlled areas at CPA's airports.

Last, Ports Police is procuring a harbor patrol boat and trailer to provide boating safety and enforcement services within the CNMI. These services include first-responder service to users of CNMI ports and aid during times of emergency and distress. Ports Police officers remain well trained, proactive on the water, and highly committed to promoting safety and enforcement.

## 8. CPA Personnel Updates

As of September 2020, CPA has the following active number of employees at its ports:

Airport	Active Employees
Saipan	131
Rota	23
Tinian	27
<b>Total</b>	
<b>181</b>	

  

Seaport	Active Employees
Saipan	19
Rota	2
Tinian	3
<b>Total</b>	
<b>24</b>	

In FY 2020, there were a minimal amount of changes in personnel. For example, at BTMIA only two personnel resigned, one of those positions has been filled, and only one other personnel was hired. Additionally, CPA was able to announce and fill two critical positions for the Flight

Service department in Rota and Tinian through approval granted by the CPA Board of Directors.

Last, in FY 2020, CPA personnel received numerous trainings, including driver operator training, Fourth Amendment training for ARFF/Ports Police cadets, and CPA Rules and Regulations training. In FY 2021, CPA intends to provide further training to benefit CPA management and personnel, including trainings on workplace communication.

## **9. Updates to CPA's Rules and Regulations**

In FY 2020, CPA adopted a number of amendments to its Rules and Regulations. These amendments included changes to the Airport Rules and Regulations, the Harbor Regulations, the Procurement Rules and Regulations, the Personnel Rules and Regulations, and the Terminal Tariff Rules and Regulations. These amendments significantly modernized CPA's Rules and Regulations.

Specifically, the Airport Rules and Regulations were amended to include a provision that establishes fees in regard to SIDA badges, miscellaneous permits and replacements, the Pacific Region ARFF/Aviation Training Facility, copying, decals, cards, keys, and room and equipment rental.

Likewise, the amendments to the Harbor Regulations established the fees CPA charges in regard to force protection, miscellaneous permits and replacements, copying fees, decals, cards, keys, and room and equipment rental.

The amendments to the Procurement Rules and Regulations included revisions for clarification, consolidation of regulations by subject matter, and the removal of redundant language. Additionally, new provisions were added regarding consultant performance reports, bid solicitation, the process of award in invitations to bid, small purchases, proposal rejection, RFP cancellation, RFP evaluation committee, and contract terms and the administration of contracts.

The Personnel Rules and Regulations were amended to, among other things, clarify that physical and medical examinations must be administered by a licensed physician, recorded on forms provided by the Human Resource Manager, and be paid for by the Commonwealth Ports Authority; to allow CPA to place ARFF firefighters that fail certain physical tests on leave without pay status; to authorize the Executive Director to terminate employees that contract an infectious or contagious disease that may endanger the health of others, become mentally incapacitated, or are otherwise physically unable to satisfactorily perform the duties of their position; to state CPA's confidentiality policy; to provide employees a process to address discrimination or harassment; to establish CPA's policy prohibiting workplace bullying policy; and to revise regulations regarding sick leave.

Last, the Terminal Tariff Rules and Regulations were amended to allow CPA to issue invoices of three dollars or more; to provide the rates and charges that apply to traffic entering a "marina

or small boat harbor;" and to adjust wharfage rates, port entry fees, dockage rates, and home port fees for vessels using CPA-controlled marinas or small boat harbors.

## **10. Conclusion**

This FY 2020 Ending Report only provides a snapshot of the various projects, undertakings, and achievements of CPA. In reflecting on FY 2020, CPA has clearly made great strides in its development and maintenance of its ports. In FY 2021, CPA intends to continue to persevere through adversity and improve its ports, its service to the traveling public and partners, and the well-being of its employees.

/s/ CHRISTOPHER S. TENORIO  
Executive Director  
Commonwealth Ports Authority