



COMMONWEALTH PORTS AUTHORITY (CPA) CITIZEN-CENTRIC REPORT

FISCAL YEAR (FY) 2025

OCTOBER 2024 TO SEPTEMBER 2025

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WHO ARE WE?

Preceded by the Mariana Islands Airport Authority, which was established after the opening of Saipan International Airport in 1976, the creation of the Commonwealth Ports Authority in 1981 under Public Law 2-48 aims to develop a modern aviation and sea network. CPA now oversees all Commonwealth of the Northern Mariana Islands (CNMI) airports and seaports. Guided by a Board of Directors and led by an Executive Director, CPA continues to promote safe, efficient, and sustainable connectivity that fuels tourism, economic growth, and new opportunities for the people of the Northern Marianas.

OUR ORGANIZATION

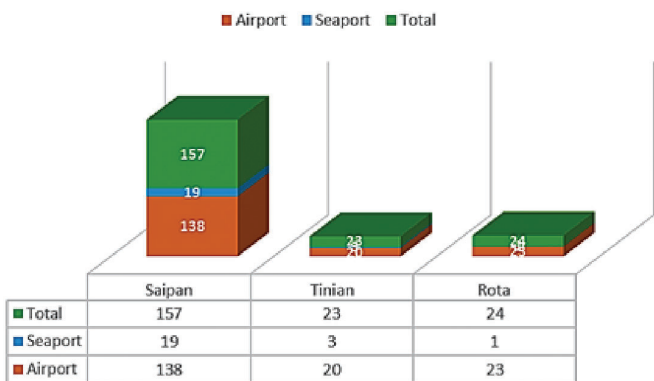
CPA restructured its organization to unify functions and create two strategic divisions — Infrastructure Management and Business Development. This new structure strengthens long-term planning, innovation, and sustainable growth, while positioning CPA to actively promote its ports, pursue new development projects, and increase revenue streams to secure long-term financial health.

Aware of its financial limits and following a cost-saving policy, CPA hired only essential positions, including the Executive Director, Saipan Airport Manager, and Human Resources Administrator. With a hiring freeze in place, CPA reduced its headcount by eight from FY 2024 to FY 2025, without sacrificing service, quality or safety.

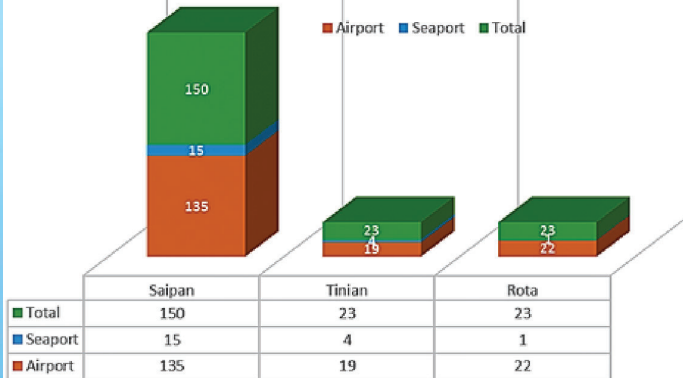
OUR MISSION

Guided by its mission to “develop air and sea navigation to and from the CNMI to its fullest potential,” the Commonwealth Ports Authority envisions the Marianas as the Pacific’s premier gateway —where world-class air and sea connectivity fuels tourism, commerce, and investment.

FY 2024 EMPLOYEE HEAD COUNT



FY 2025 EMPLOYEE HEAD COUNT



LEADERSHIP

BOARD OF DIRECTORS

Chairman (Saipan): Ramon Tebuteb
 Vice Chairman (Rota): Steve Mesngon
 Secretary (Saipan): Thomas Villagomez
 Member (Saipan): Antonio Cabrera
 Member (Saipan): Joseph Diaz
 Member (Saipan): Bartley Jackson
 Member (Tinian): Dolores Kiyoshi

MANAGEMENT

Executive Director: Estrellita “Esther” Ada
 Accounting: Sheryl Sizemore
 Administration: Jadene Villagomez
 ARFF: Frederick Pangelinan
 Business Development (Enforcement): Joy Tenorio
 Business Development (Grants): Tanner Kenty
 Human Resources: Jake Maratita

Infrastructure Management: Wendi Prater
 Internal Auditing: Zack Diaz
 Ports Police: Juan Dela Cruz
 Rota Ports: Albert Taitano
 Saipan Airport: James Deleon Guerrero
 Saipan Seaport: Jerra Cing
 Tinian Ports: Antonio Borja

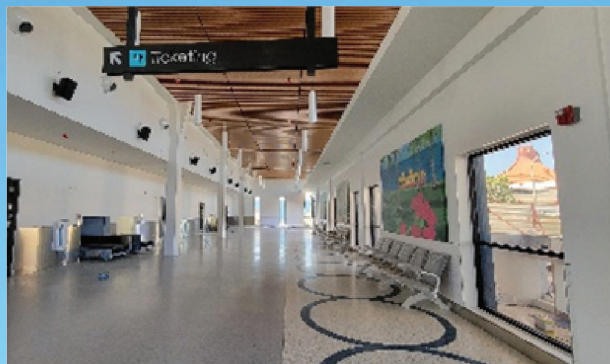
How Did We Do in FY 2025?

The Commonwealth Ports Authority (CPA) made significant strides this year to strengthen its operations, modernize its infrastructure, and reinforce its role as a regional leader in aviation and maritime services. These accomplishments underscore CPA’s commitment to safety, efficiency, and long-term sustainability.

Key highlights include:

Strategic Progress

- Advanced efforts to address operational shortfalls, expand capital project funding, and elevate CNMI’s regional leadership.
- Delivered major upgrades across Saipan, Tinian, and Rota—including the new Commuter Terminal, loading bridge replacements, Commuter road work, and key airport and harbor enhancements.
- Received \$30 million in Federal Aviation Administration (FAA) grants for the construction of ongoing projects, including much-needed improvements to the Rota Airport apron and terminal canopy.



Completed Projects	Project Cost
Saipan Airport Commuter Terminal	\$9.8M
Saipan Airport Loading Bridges Replacement	\$7.6M
Saipan Airport Commuter Road Paving Project	\$1.8M
Tinian Airport Parking Lot Expansion	\$2.5M
Tinian Marina Improvements	\$1.2M
On-Going Projects	Project Cost
Saipan Harbor South Seaplane Ramp Paving & Drainage – Bidding Phase	\$550K
Saipan Harbor CPA Office Leak Repairs – Bidding Phase	\$480K
Rota Airport Apron Rehabilitation – Bidding Phase	\$1.0M
Rota Canopy Replacement & Roof Repair – Bidding Phase	\$681K
Saipan Harbor Charlie Dock Extension	\$1.4M
Saipan Harbor Dredging Improvements Design Awarded	\$1.8M



Regional Leadership & Training

- CPA strengthened the Pacific Region Aircraft Training Center’s status as the Western Pacific’s premier, Pro Board®-accredited ARFF training hub, delivering nationally recognized certifications to firefighters across the Micronesian region, Guam, and Japan, and elevating aviation safety through seasoned ARFF instruction.
- Expanded regional collaboration by hosting the Association of Terminal Operators and Stevedoring, Shipping Companies of Micronesia (ATOSSCOM), the Aerodrome Certification Workshop, and the 2025 Mass Rescue Operation Exercise.

Operational & Financial Stability

- Utilized Public Law 24-04 to sustain airport operations and restore full-time work hours for the staff after two years of reduced work hours (law sunsets in 2030).
- Through an Office of Local Defense Community Cooperation (OLDCC) grant, an assessment of all six ports of entry was conducted to guide infrastructure priorities, planning, and future funding.
- Paid off Seaport bond to reduce debt liability.

REVENUES & EXPENSES

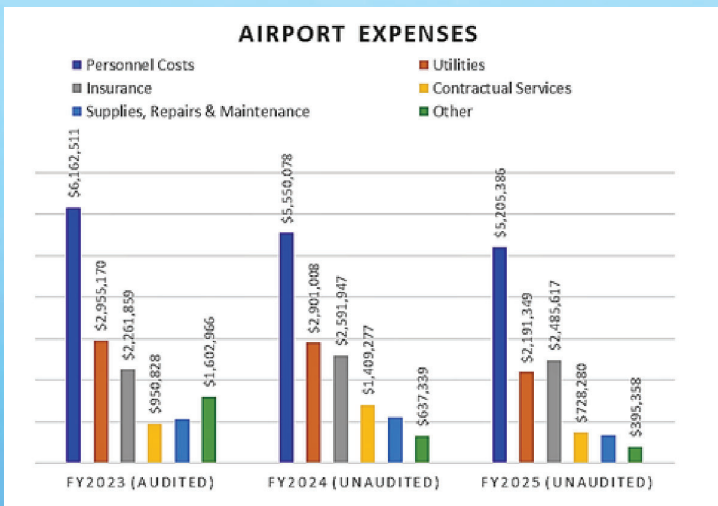
The Commonwealth Ports Authority’s financial performance over the past three fiscal years reflects the continued impacts of reduced air service, tempered cargo activity, and the Authority’s disciplined approach to cost management. The data underscores both the challenges facing CPA’s revenue base and the effectiveness of our expense-containment strategies.

Airport Revenues

- Total airport revenue dropped 30% in FY 2025.
 - 33% decline in aviation fees due to reduced international flights and the continued Rate Reduction Program.
 - 23% drop in non-aviation income after the master concessionaire’s April 2025 exit and reduced revenues from concession, permit, and parking fees.
- Revenues remain below pre-pandemic levels, highlighting the need for air-service development and non-aviation revenue growth.

Airport Operating Expenses

- Strict cost containment measures contributed to an 18% decrease in Airport operating expenses:
 - Utilities down 24%
 - Contractual services down 48%
 - Supplies/maintenance down 40%
 - Additional reductions from the hiring freeze, limited travel, reduced fuel usage, a reduction in work hours, and salary adjustment freeze.
- Expense controls helped offset declining revenues.

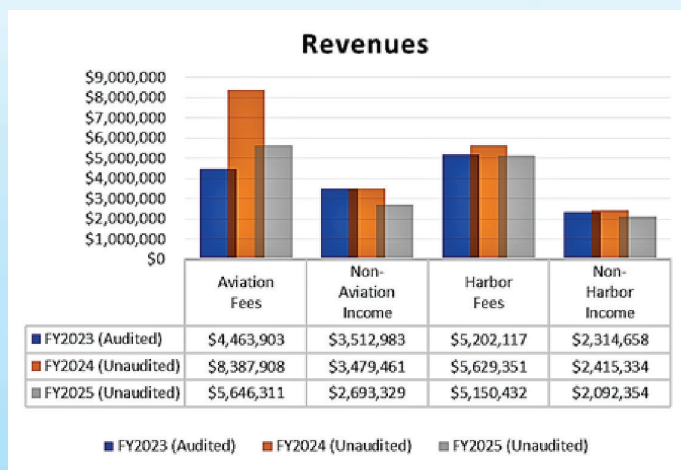
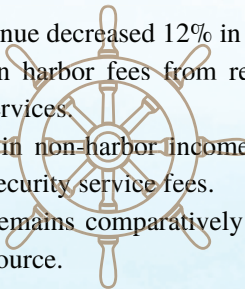


Overall Summary

- FY 2025 saw significant revenue declines but strong expense reductions across all divisions.
- Implement measures to mitigate the impact of revenue losses:
 - Air-service development
 - Revenue diversification
 - Operational efficiency
 - Enhanced collection of revenues

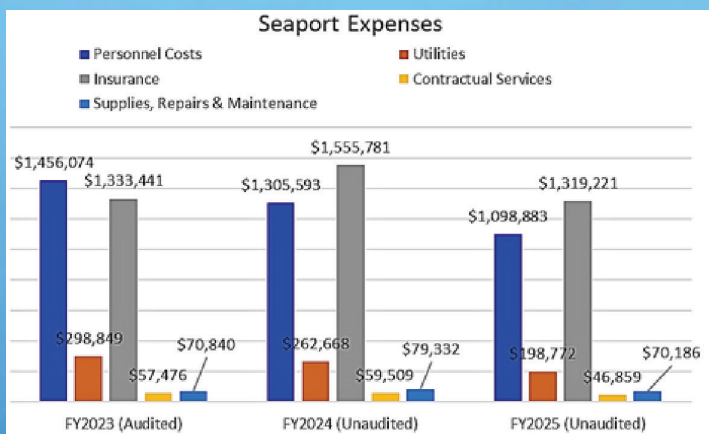
Seaport Revenues

- Total seaport revenue decreased 12% in FY 2025.
 - 9% decline in harbor fees from reduced cargo and special services.
 - 13% decline in non-harbor income from fewer permits and security service fees.
- Seaport activity remains comparatively stable and a reliable revenue source.



Seaport Operating Expenses

- Seaport operating expenses decreased 17% in FY 2025:
 - Utility and fuel conservation.
 - Reduced contracts, limited travel, and stricter procurement practices.
 - Reduced hours for most of the year and hiring freeze and salary adjustments resulted in reduced personnel cost.



WHAT'S NEXT?

CHALLENGES

CPA enters FY 2026 in one of its most challenging financial positions, with Saipan International Airport operating at less than half of pre-pandemic traffic and airline activity further weakened by Asiana's exit summer of 2024, the Korean Air-Asiana merger, and the suspension of Hong Kong Airlines flights for four months. A strong U.S. dollar and reduced demand across key Asian markets have sharply lowered aviation fees—CPA's largest revenue source—while modest seaport income offers only short-term relief. With federal aid exhausted, CPA must sustain operations through strict cost controls and essential spending.

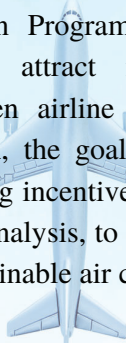
OUTLOOK

Operational Efficiency

In response, CPA is moving aggressively to strengthen long-term resilience: expanding airline partnerships with the Marianas Visitors Authority (MVA), pursuing new markets, growing non-aviation revenues, and advancing commercial development. Emerging Department of Defense leasing interest at Saipan and Rota airports could provide stable external income, while legislative initiatives to modernize user fees and restore inter-island wharfage collections aim to realign revenues with true operating costs. Through targeted incentives, prudent policy reforms, and disciplined oversight, CPA is positioning itself to stabilize near-term operations and build a foundation for sustainable recovery and growth.

Air Service Uplift

CPA's Rate Reduction Program is designed to retain current carriers and attract new entrants through coordinated, data-driven airline incentive packages. In partnership with MVA, the goal is to combine MVA's economic and marketing incentives with CPA's air carrier incentives, and route analysis, to aggressively pursue new routes and rebuild sustainable air connectivity.



FY 2026 at a Glance

- Opening of Saipan Airport Commuter Terminal
- Reinvention of the CPA website
- Integration of the Network Operations Center
- Additional retail concession in the Saipan International Departure Terminal
- Department of Defense land leases in Rota and Saipan
- Commencement of CIP projects
- Ongoing PRATC training & certifications
- Renewable energy project

Air Service Uplift

- Offer the Rate Reduction Program to existing carriers & new carriers
- Marketing & promotional support for new launch of services
- Support to obtain foreign air carrier permit from the US Department of Transportation



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