



Commonwealth Ports Authority

Main Office: SAIPAN INTERNATIONAL AIRPORT, 2ND Floor Arrival Bldg.
PO BOX 501055 • SAIPAN • MP • 96950
Phone: (670) 237-6500/1 Fax: (670) 234-5962
E-Mail Address: cpa.admin@pticom.com Website: www.cnmiports.com



JULY 06, 2023

PRESS RELEASE

“CPA APPROVES LETTER OF INTENT FOR \$500 MILLION DOLLAR TINIAN PORT JOINT AREA DEVELOPMENT PROJECT WITH DEPARTMENT OF DEFENSE FOR THE TINIAN HARBOR CONSTRUCTION, REPAIR AND MAINTENANCE”

At its Special Meeting on July 6, 2023, the Commonwealth Ports Authority (CPA) Board adopted a Resolution and Letter of Intent (LOI) for a port construction, repair and maintenance project by the United States Department of Defense for the development of the Tinian Port. The LOI provides DOD with the initial support and commitment in order to secure congressional defense authorization the project starting Fiscal Year 2025.

As part of the overall development of defense-support facilities in the Western Pacific, on DOD through INDOPACOM, submitted a request for a Letter of Intent to CPA on July 3rd formally requesting CPA’s support for the project to repair, improve and develop Tinian Harbor. The project concept includes two warehouse facilities; hardening and repairs to the four berths; dredging the harbor to 28 ft; removal of Finger Pier A and installing two mooring buoys outside the harbor. The most substantial aspect of the project concept is the repair of the entire breakwater structure to protect the port area.

Governor Arnold I. Palacios, participating in the meeting virtually with the DOD representatives, said, “This project comes one time in our lives: a major infrastructure project in partnership with the United States and our military. A rebuilt Tinian Port is a stronger support facility consistent with the vision of our Covenant.” CPA Executive Director Christopher Tenorio said, “This agreement is monumental because with partnership with DOD we will have a modern, functioning Tinian Port for our community and for our strategic partnership with the United States for national security.” CPA Board Chair Kimberlyn King-Hinds added that “Our airports and seaports on Tinian, when repaired and maintained, provide the key links for development and progress. The Letter of Intent enables DOD to secure the funding and CPA commits to the project for our mutual benefit in every way possible. This is the beginning of a negotiation process similar to that of the Divert Lease in 2019. We are excited to pursue opportunities for our CNMI.”

###

FAQS:

“Is CPA agreeing to the project already?” No. It starts the process for discussions toward an agreement and allows DOD to first secure the funding.

“What has CPA done already?” CPA has reviewed the project proposal. CPA conducted a Town Hall discussion on Tinian and met with the CNMI and Tinian leadership.

“Why did DOD need this Letter of Intent?” CPA owns the Tinian Port. The Covenant Technical Agreement only reserves rights to the military for training use of the port. DOD can get the funding to repair and improve the port with military project funding. The Letter of Intent gives DOD the firm commitment to now secure the funds.

“Will the military own the port?” No. DOD will bring the money for the project that CPA could never afford without substantial bonding and burdening fiscal obligations. CPA owns the Tinian Port and DOD will have easement rights to repair, build, and maintain the Tinian Port with its project funding and construction. With this joint area development, CPA and DOD will develop the port together for civilian, commercial and military purposes.