

CNMI BPD

Capital Projects Fund

Annual Performance Report

2026

Commonwealth of the Northern Mariana Islands (CNMI) Broadband Policy and Development Office (BPD) Capital Projects Fund (CPF) Performance Report

Table of Contents

1. Executive Summary
2. Uses of Funds
3. Addressing Critical Needs
4. Labor
5. Community Engagement

Executive Summary

The Commonwealth of the Northern Mariana Islands (CNMI) Broadband Policy and Development Office (BPD) is using Capital Projects Fund (CPF) allocations to strengthen digital infrastructure and reduce long-standing barriers to connectivity across the Commonwealth. This report describes progress on three primary CPF initiatives:

Submarine Fiber Optic Infrastructure Project (CPF GP-000397)

CNMI BPD continues to advance the “CNMI Digital Transformation through Submarine Fiber Optic Infrastructure” project, which is being implemented in partnership with Google’s Pacific Connect Initiative and Citadel. The project is designed to establish a core connectivity node on Tinian Island and support landing of the Proa subsea cable, strengthening CNMI’s long-term broadband resilience, affordability, and redundancy.

The project has made material progress on site preparation, geotechnical work, marine and environmental surveys, and design development for the Tinian core node and cable landing infrastructure. However, due to environmental permitting delays, a revised project scope, and major typhoon impacts in 2026, CNMI requested an extension of the project period through **June 30, 2027**. The revised scope shifts the project from a hyperscale facility to a modular stand-alone Cable Landing Station (CLS), while maintaining the project’s core purpose of receiving subsea cable connectivity and supporting broadband service delivery.

Device Distribution and Digital Navigation Initiative (CPF_GP-000454)

The Device Distribution and Digital Navigation Initiative is supporting the distribution of **1,240 fully subsidized laptops** along with one-on-one training provided by Digital Navigators. This initiative is intended to assist specific populations, veterans and seniors, by improving their ability to access telehealth, online services, and other essential digital tools.

SafeSpace Connectivity Project (CPF_GP-000442)

The SafeSpace Connectivity Project is supporting the installation of **12 secure privacy pods** across three public locations. These pods are intended to provide confidential spaces for telehealth, online education, job searches, and other private online activities.

Together, these projects address some of the most significant barriers to participation in modern work, education, and health systems by improving physical access, digital access, and network reliability across the CNMI.

Uses of Funds

The CNMI BPD's intended and actual uses of CPF funds are aligned with the objectives outlined in its approved Program Plans. The projects span infrastructure, hardware, and essential support services.

Activities Implemented and Planned

Submarine Fiber Optic Project

The CPF outlay of **\$12,684,000**, as part of a broader **\$92.5 million** partnership with Google and Citadel, is supporting the terrestrial base infrastructure required for the Tinian core node and revised cable landing design. To date, CPF funds have supported site preparation, geotechnical drilling, marine and environmental surveys, design localization, and permitting coordination.

The project scope has now shifted from a hyperscale facility concept to a modular stand-alone Cable Landing Station, which better aligns with the revised implementation schedule. Ongoing work includes completion of the underground power feeder, fronthaul outside plant, CLS delivery and assembly, and final systems installation and testing needed to achieve substantial completion by **June 30, 2027**.

Device Distribution Initiative

This project uses **\$914,000** in project costs and **\$90,000** in project administrative funding. The program scope was revised to increase the number of laptops from **800 to 1,240**, and the previously planned LEO satellite kits were canceled. BPD is managing procurement through an Invitation to Bid (ITB) for the laptops and preparing for phased distribution through the Manamko Center and the Office of Veteran Affairs.

SafeSpace Project

The SafeSpace Project uses **\$446,000** in project funding to procure and install twelve privacy pods at Northern Marianas College (NMC), NMTECH, and the CNMI Public Library. BPD has issued an Invitation to Bid (ITB), preliminarily selected an awardee, and is finalizing contract and procurement actions.

Individuals and Households Benefiting

The laptop initiative is focused on populations that are disproportionately affected by the digital divide, particularly seniors aged 60 and older and veterans. It is estimated that **3,800 individuals** will directly benefit from the device distributions and training sessions.

The SafeSpace pods are estimated to benefit **6,000 individuals annually**, based on approximately 40 users per week per location. The pods are accessible free of charge to all community members, especially those living in shared or multifamily housing who lack privacy for telehealth, education, or employment-related activities.

Ancillary Costs and Maximizing Asset Use

To ensure capital assets are used effectively, the CNMI has invested in ancillary support services. Under the Device Distribution initiative, **\$90,000** is allocated to Digital Navigators who provide one-on-one setup, training, and troubleshooting. These services help users with limited digital literacy confidently access telehealth, online services, and educational resources.

Notable Challenges

The CNMI encountered several challenges during implementation.

Administrative/FMIS Delays

The Department of Finance initially had concerns regarding the configuration of the local MUNIS Financial Management Information System (FMIS) for processing programmatic and administrative personnel expenditures. Direct clarification from the U.S. Treasury was needed to ensure timely payment requests.

Infrastructure Siting

The submarine cable landing on Tinian required extensive coordination with the Joint Region Marianas (JRM) regarding anchorages and military security areas. Formal briefings were needed to identify a viable cable corridor.

Environmental and Scope Delays

The subsea cable project faced a 15-week environmental permitting delay due to necessary wetland coral mitigation. In December 2025, Google also had to scale back the project scope from a split core node to a secondary split landing with a modular CLS. These changes required additional coordination, redesign, and contract adjustments.

Super Typhoon Impacts

CNMI experienced two major typhoon events that significantly affected government operations, infrastructure, and project implementation. On **April 13, 2026**, Super Typhoon Sinlaku directly impacted Saipan and Tinian. The storm caused widespread damage to electrical systems, transportation access, communications, and public facilities. Before recovery operations were complete, CNMI was struck again by Super Typhoon Bavi on **July 5, 2026**, compounding damage and recovery demands.

These events disrupted contractor availability, site access, material and equipment logistics, utility restoration, permitting coordination, and the government personnel needed to support project oversight and decision-making. The CNMI remains in

active recovery and continues to assess the cumulative impact of these events on the project schedule.

Addressing Critical Needs

The COVID-19 pandemic exposed severe limitations in CNMI's digital infrastructure, including the lack of privacy for telehealth and heavy reliance on a single point of failure through Guam for internet access. The CPF investments are designed to address these structural barriers and improve access to essential services for residents throughout the Commonwealth.

a) Objectives and Targeted Communities

CNMI targeted CPF investments based on critical needs identified during the Digital Equity 5-Year Planning process.

- **Device Distribution Program:** Focuses on seniors and veterans who often lack devices and digital skills, creating barriers to healthcare, education, and social connection.
- **SafeSpace Project:** Targets residents in multifamily or shared living situations who do not have privacy for confidential medical, educational, or employment consultations.
- **Submarine Fiber Project:** Serves the entire CNMI population by reducing dependence on a single external connection path and improving broadband resilience, affordability, and reliability.

b) Awareness and Accessibility

The CNMI BPD and its partners use targeted outreach to ensure equitable access to these services.

- The SafeSpace pods are located at facilities with proximity to public transportation through COTA, making them more accessible to residents without personal vehicles.
- Outreach is supported through social media campaigns, local radio announcements, and flyers in community spaces.

- For laptop distribution, the Office of Veteran Affairs and the Office on Aging (Manamko Center) conduct direct outreach to eligible constituents.

c) Outcomes and Measurement

Progress is measured using data-driven methods.

- For the device distribution initiative, BPD uses pre- and post-distribution surveys to track satisfaction, frequency of use, and the impact of Digital Navigators on user goals such as healthcare access and employment.
- For the SafeSpace project, user sign-in logs and feedback forms are monitored to assess effectiveness and demand.
- For the submarine fiber project, the ultimate outcome will be the reduction of single-point-of-failure risk and improved internet affordability and reliability across the territory.

NOTE : Updated Project Timeline for Subsea Project

BPD has requested an extension for Submarine Fiber Optic Infrastructure Project (CPF GP-000397).

Updated Milestones for Monitoring Progress

- **August – September 2026:** Completion of the Underground Power Feeder connecting the Tinian Power Plant to the modular CLS/DC site.
- **November – December 2026:** Completion of the terrestrial fronthaul outside plant, including the concrete-encased conduit route from Lasarino Beach Manhole to the CLS/DC site.
- **January – March 2027:** Delivery, placement, and physical assembly of the modular stand-alone CLS.
- **April – June 2027:** Final installation, testing, and integration of internal power distribution, cooling, and network equipment, leading to substantial completion by **June 30, 2027**.

Substantial completion will be reached when the modular CLS is powered, operational, and ready to receive and manage subsea cable traffic for CNMI's network needs.

Labor

The CNMI prioritizes strong labor standards and rigorous compliance, particularly for major infrastructure investments such as the Submarine Fiber Optic Project.

While no project labor agreements are mandated across the board, CNMI ensures compliance with local and federal wage laws. The construction of the Tinian core node and related facility work involves specialized engineering and technical labor. Under the revised scope, the extension period will continue to require skilled labor for power infrastructure, conduit installation, modular CLS assembly, and systems integration.

For programmatic personnel, BPD directly hires and oversees the Digital Navigators and project coordinators to ensure fair employment practices and effective program administration.

Community Engagement

Community engagement has been central to identifying needs and implementing these initiatives. CNMI's approach relies on close collaboration with local government entities and nonprofit partners.

Partnerships

BPD works directly with:

- Office of Veteran Affairs
- Office on Aging (Manamko Center)
- Northern Marianas College (NMC)
- NMTECH
- CNMI Public Library

These partnerships strengthen the ability of local institutions to serve residents who face significant barriers to service access. BPD also provides technical assistance and training to partner staff on pod management, outreach, and data collection.

Outreach and Feedback

Needs were identified through community consultations, surveys, and stakeholder meetings conducted over a 12-month period as part of the planning process. BPD continues to hold regular community meetings to gather input, share updates, and support project rollout.

Future Plans

Community feedback and project updates will continue throughout the extension period. CNMI will maintain coordination among BPD, project partners, and local stakeholders as work continues on the modular CLS, terrestrial infrastructure, and integration needed to support the Proa cable landing. Feedback gathered during implementation will be incorporated into future annual performance reports and used to refine service delivery through the Digital Navigators and the SafeSpace pods.

Closing Statement

CNMI BPD remains committed to using CPF resources responsibly and effectively to support broadband access, digital inclusion, and infrastructure resilience across the Commonwealth. The revised subsea cable project scope, together with the extension through **June 30, 2027**, allows CNMI to complete the necessary terrestrial infrastructure and move toward substantial completion under the updated implementation plan.