



Office of the Public Auditor

Commonwealth of the Northern Mariana Islands

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PRESS RELEASE

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OPA Completes its Performance Audit of the Outer Cove Marina

The Office of the Public Auditor (OPA) conducted a performance audit of the Department of Lands and Natural Resources (DLNR) Outer Cove Marina (OCM). The audit found that DLNR did not comply with the provisions of the OCM Rules and Regulations (Regulations) relating to collection of fees and penalties, and enforcement. Further, the OCM, due to the lack of maintenance and unknown construction design, poses a safety risk for boat operators, passengers, and users of the docks.

DLNR's noncompliance with the Regulations and the lack of the dock maintenance created the following conditions: 1) The required berthing fees and penalties were not properly assessed and collected; 2) Lack of enforcement activity made it easy for illegally berthed vessels to utilize the marina; 3) Tenant files maintained by DLNR were not complete and updated; 4) OCM lacks adequate security, basic amenities, and signage; and 5) OCM's overall structure and operations are unsafe.

Subsequent to the completion of OPA's fieldwork on the OCM, but prior to the issuance of this report, the OCM suffered a structural failure of a concrete gangway on the "D" dock. This failure occurred with no known traumatic incident such as a storm or collision. The potential of a structural failure of the OCM was one of OPA's primary concerns. Given that such failure has now occurred, it is imperative that OPA's concerns and recommendations be considered and appropriate solutions immediately implemented. OPA strongly recommends that a structural review of the OCM by a qualified engineering firm be immediately completed to determine if continued operations can be safely carried out.

OCM is a fixed concrete dock located on the northeastern part of the Outer Cove peninsula, which provides berthing and transient access to commercial and fishing vessels. It is also the only marina that supports the majority of Saipan's Marine tourism activities.

OPA will continue to follow-up on DLNR's actions to address these findings in OPA's "Report on CNMI Agencies' Implementation of Audit Recommendations" scheduled to be released in December 2015.

To view the full report, please visit OPA's website at www.opacnmi.com. For more information, contact Audit Manager David J. Blake at (670)322-6481 or email at dblake@opacnmi.com.