---- Forwarded by Michele M Ikeda/DHHL/StateHiUS on 11/14/2013 09:27 AM -----

From: "Ian B. Lee Loy" <ianleeloy@hotmail.com>

To: "Jobie. K. Masagatani" < Jobie.K. Masagatani@hawaii.gov>,

Cc: "Darrell T. Young" <Darrell.T.Young@hawaii.gov>, Elaine Searle <elaine.g.searle@hawaii.gov>

Date: 11/14/2013 05:48 AM

Subject: Water Policy

Aloha Chair Jobie Masagatani,

Due to prior schedule commitments, I was not able to attend the recent DHHL community consultation meeting in Hilo, Hawaii, as DHHL unveiled it's water policy plan. Please allow this email to be included as community member input to be considered

by the Hawaiian Homes Commission (HHC) as it moves forward with a much needed water policy decision.

I strongly feel the Department of Hawaiian Home Lands (DHHL) would be able to manage it's water resources and serve beneficiary communities better if the HHC authorizes the development of a new Water Management Division (WMD) within DHHL. A new WMD would be able to effectively carryout the mission and function of the approved water policy, serve a critical role in new homestead developments and address lingering unresolved water issues in established homestead communities.

Inquiries I previously made into water issues facing DHHL, homesteads and beneficiaries revealed potential obstacles to the creation of a new WMD, such as conflict between government agencies providing similar services, costs associated with new positions, department personnel lacking expertise to manage water systems and liability. The HHC may elect to pursue authorizing such a new division within DHHL as it realizes the highlighted obstacles are manageable.

The current DHHL practice is to develop a water resource, commit specified water credits to the planned homestead development, enter into an agreement with the affected County to operate and manage the water system, and then turn over the system to the same County. This practice has been followed for years because of the obstacles mentioned above. This practice is ineffective and too costly to the DHHL and it's Trust beneficiaries as it surrenders access to a critical asset.

The question of two government agencies providing similar services is concerning, yet the mission of the DHHL and it's Trust responsibility should provide protection and exemption from possible inter-agency conflict issues. Judicial ruling on this question may resolve any major concerns.

Cost for new positions may pose the biggest political question in terms of budget approval, but clearly the benefit of a newly created division would better serve the mission of the Hawaiian Homes Commission Act (HHCA) and therefore is justified. These will be skilled positions capable of managing water systems that serve homestead communities State wide.

Concluding, I request that this email be forwarded to each of the commissioners for their information, and hopefully future discussion.

Mahalo,

Ian B. Lee Loy
Pana'ewa farm lot lessee