

April 3, 2014

Ms. Jobie M. K. Masagatani, Chairman
Department of Hawaiian Homelands

Aloha Chairman Masagatani,

I am writing you to express my concerns regarding the activities of FCS Incorporated, its employees, its owner Mr. Floyd J. Carns, and the Department of Hawaiian Homelands Land Management Division.

Recently, I observed approximately thirteen tons of calcium hydroxide illegally placed on land owned by the Department of Hawaiian Homelands in Kalaeloa, Oahu. It is possible that, in its current condition, either a portion or all of the material may be considered a hazardous waste. This material can be harmful to both humans and the environment. It is reported that the calcium hydroxide was placed there by employees of FCS Incorporated and the owner, Mr. Floyd J. Carns, with the knowledge of Department of Hawaiian Homelands Land Management Division personnel. It is also reported that Department of Hawaiian Homelands Land Management Division Agent Mr. Ward K. Young recently offered to remove the calcium hydroxide. This is alarming and begs the question, when did the Department of Hawaiian Homelands Land Management Division and Mr. Ward K. Young become aware of the presence of the calcium hydroxide?

It has also been reported that when the Hawaiian Department of Homelands Land Management Division and Mr. Ward K. Young visited an adjacent property to take enforcement actions against another tenant the unlawfully placed calcium hydroxide was in plain view. DHHL and Mr. Ward failed to take any enforcement action against FCS Incorporated, its employees or its owner, Mr. Floyd J. Carns, for the unlawful and improper placement of the calcium hydroxide on DHHL property.

I would also like to express my concern about allegations that FCS Incorporated, its employees, and its owner, Mr. Floyd J. Carns, were allowed to continue to use and operate their trucks on DHHL land after the United States Department of Transportation issued FCS Inc. an "ORDER TO CEASE ALL TRANSPORTATION IN INTERSTATE AND INTRASTATE COMMERCE EFFECTIVE Tuesday, September 10, 2013 at 12:01 am USDOT# 2048465". Just today I observed Mr. Carns continuing to operate vehicles bearing his PUC license number, PUC 2322-C.

Furthermore, according to documents released to me by the DHHL in response to my March 24, 2014, Uniform Information Practices Act request, it appears that FCS inc. was allowed to operate on DHHL land without the required certificate of insurance from 2010 to present.

In addition, sources have alleged that the Department of Hawaiian Homelands Land Management Division and Mr. Ward K. Young are allowing Mr. Floyd Carns to maintain a residence on the property Carns is supposedly leasing from the DHHL in Kalaeloa.

I was also informed that Carns was routinely burning waste oil on his property, using an apparatus that he designed. The waste oil should have been disposed of properly by a waste oil hauler.

I am also concerned about information I recently learned alleging Carns subleases a portion of the DHHL land he occupies to other companies, and is renting out storage space, contrary to DHHL's rules. The records provided to me in my UIPA request indicate he did not sign a Right of Entry for any of the DHHL properties he is using in the Kalaeloa area. Today I observed him removing materials from his second lot.

I would also like to express my concerns about information personally provided to me by Mr. Floyd Carns. Mr. Carns told me that he has given cash money to Mr. Ward K. Young. I asked Carns if he had given Mr. Young \$10,000. Carns replied that it was not that much. On other occasions I have heard Mr. Carns claim that he paid sponsorship fees and travel expenses for Mr. Young's daughter's participation in various sporting events. Mr. Carns says he has documentation to support his claims. Carns said he would cash personal checks, for cash, and would note on the checks the money was for Mr. Young.

Mr. Carns claims that he requested the status of his lease from Mr. Young and Mr. Young told him he would get his lease when he paid the \$32,000 he owed to DHHL for back rent. He indicated this communication was made via email.

Based on the above, I am particularly concerned with what appears to be some individuals getting special accommodations and even allowed to violate DHHL land lease rules. These individuals are being allowed to violate and pollute their property while not paying their rent. For example, even though thirteen tons of calcium hydroxide and asbestos tiles are stored on his property, no action is being taken against Carns. However, other tenants and lessees are literally getting the book thrown at them with search warrants, eviction notices, and false allegations.

Based on the above information and concerns, I am asking that you initiate a formal, independent investigation into the behavior of the Department of Hawaiian Homelands Land Management Division and Mr. Ward K. Young. Also, I am respectfully asking to reserve the right to amend this complaint as deemed necessary.

I would appreciate a response within seven days. I am also asking that you provide me with the documents I requested on my second UIPA request. If you have any questions please do not hesitate to call.

Thank you,

Mr. Carroll Cox
808-782-6627

cc. Randy Harakal
DHHL Commissioners
Various media
Kalaknui Trucking Inc.
Chad Suarez
George Grace of .SO.R.T.
Various tenants of Hawaiian Homelands
Governor Neil Abercrombie
Legislators
Senator Maile Shimabukuro