

**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF STATE PARKS**

**December 9, 2011**

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

**SUBJECT:** Requesting Approval of the Issuance of License Agreement # 760 between the Department of Hawaiian Home Lands (DHHL) and the Department of Land and Natural Resources for Pala'au State Park, Molokai, TMK: (2) 5-2-13:006

**BACKGROUND INFORMATION**

The Division of State Parks (DSP) has been managing Pala'au State Park on the island of Molokai under a series of License Agreements with DHHL. The current agreement, LA #336 expires in December of 2011. DSP and DHHL have been in discussion and collaboration on the continued management of Pala'au SP. On April 19, 2011, the Hawaiian Homeland Commission approved the new LA 760, with an annual fee of \$979.

Pala'au is a significant State Park destination on the island of Molokai, and there is one employee assigned to maintain Pala'au. The annual cost of both this employee and operating expenses are approximately \$62,000.00 per year.

The two prominent features of significant public interest at Pala'au is the scenic lookout over Kalaupapa and the cultural site containing the phallic stones of Nanahoa. As a result, seasonal day use visitation can be frequent. The park contains comfort stations, picnic tables and pavilion and camp sites. However, overnight camping use is relatively low. Total revenue generated from camping fees from April 1, 2010 to April 1, 2011 was \$1,800.

Pala'au State Park has benefited greatly from a series of CIP projects ranging from 2001 to 2007. These major CIP Improvements totaled: \$2,058,542

- 1. Project No: 80 MP K-1 Water system improvements: \$242,700**  
Scope of work: new waterline connecting to the County's waterline for potable water, eliminating the need to treat the former water source stored in a water tank. Project approximate completion date was in 2001-2002.
- 2. Project No: J00CF60A ADA barrier removal improvements: \$417,175**  
Scope of work included pathway, parking, comfort station renovations, signage and other improvements at the Kalaupapa lookout, campsite area, picnic pavilion area, and picnic grounds area. The total cost was \$417,175: \$65,500 (design) and \$351,675 (construction). Project was completed in November 2006.

**3. Project No: F00CF60A Individual wastewater system improvements: \$737,895**

Scope of work included the following: Lookout comfort station septic system and seepage pit; camping area septic system and leach field; and picnic pavilion comfort station septic system and leach field. Also, security gates were constructed for the pavilion, camping area and lookout parking areas. The Construction cost was \$737,895 and the Design cost was bundled with other wastewater system projects. Project was completed in January 2007.

**4. Project No: H10C623A New comfort station at the Kalaupapa lookout: \$660,772**

This facility replaced the existing deteriorating comfort station and other improvements include new pathway that connect to the lookout pathway from the parking area. The total cost was \$660,772: \$51,772 (design) and \$609,000 (construction). Project was completed in December 2007.

Due to its significance for the community and visitors, its natural resource value and significant cultural site, sweeping vistas of Kalaupapa, ample parking and improved comfort station, Pala'au is an exemplary State Park and a valuable asset to the Hawaii State Park System. DSP, via the commitment of staffing and CIP investments, is prepared to continue management of this park under the terms of the proposed License Agreement for the benefit of both residents and visitors.

**RECOMMENDATION**

The Department is requesting that the Board authorize the Chair of the Department to enter into the new License Agreement with Department of Hawaiian Home Lands, subject to the review and approval by a Deputy Attorney General.

Respectfully submitted,



DANIEL S. QUINN  
State Parks Administrator

**APPROVED FOR SUBMITTAL:**



WILLIAM J. AILA, JR.  
Chairperson

**Attached: Exhibit A - Location Map**

