

MOTOR VEHICLE INDUSTRY LICENSING BOARD  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by §92-7(b), Hawaii Revised Statutes (HRS).

- Date: Tuesday, August 1, 2017  
Time: 9:00 a.m.  
Place: Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii 96813
- Present: Wayne De Luz, Industry Member Chairperson  
Russell Wong, Industry Member Vice-Chairperson  
Steven J. T. Chow, Esq., Public Member  
Byron Hansen, Public Member  
Carl D. Johnsen, Public Member
- Christine Rutkowski, Executive Officer  
Kedin Kleinhans, Executive Officer  
Mana Moriarty, Deputy Attorney General (“DAG”)  
Nohelani Jackson, Secretary  
Lori Nishimura, Secretary
- Guests: Jonathan Chang, Tesla Inc.  
Mike Ernest, Hughes Fire Equipment  
Fred Kubota, Public  
Ray Oberacker, HT&T Truck Center  
Dave Rolf, Hawaii Automobile Dealers Association (“HADA”)  
Michael Stoebner, Honda Windward  
Jon Yoshimura, Tesla Inc.
- Call to Order: Chairperson De Luz called the meeting to order at 9:05 a.m. at which time quorum was established.
- Approval of Minutes: It was moved by Mr. Chow, seconded by Mr. Johnsen, and unanimously  
June 2, 2017 carried to approve the minutes of the June 2, 2017 Board meeting as  
Meeting: circulated.
- Election of Officers: In compliance with HRS Chapter 436B, the Board shall annually elect one member as chair and one member as vice-chair; the Executive Officer opened the floor for nominations. Mr. Chow nominated Mr. De Luz for the Chairperson and Mr. Wong for the Vice-Chairperson. Mr. Johnsen seconded the motion. Mr. Wong commented that the Chairperson

position be an Industry member and the Vice-Chairperson position be a public member; thus, nominated Mr. Chow for the Vice-Chairperson position. Mr. Chow retracted his nomination of Mr. Wong for the Vice-Chairperson.

It was moved by Mr. Wong, seconded by Mr. Johnsen, and unanimously carried to nominate Mr. Chow for the Vice-Chairperson position. Mr. Chow accepted the position.

It was moved by Mr. Chow, seconded by Mr. Johnsen, and unanimously carried to nominate Mr. De Luz for the Chairperson position. Mr. De Luz accepted the position.

Executive Officer's Report:

a. Introduction of Staff

Chairperson De Luz commented that he is hopeful that DAG Moriarty will be permanently assigned to this Board.

Executive Officer Rutkowski informed the Board that she has been tasked with other responsibilities for the Professional and Vocational Licensing Division; thus, new hire Kedin Kleinhans has been assigned as the Executive Officer to this Board. Executive Officer Rutkowski noted that she will stay on the Board to help Executive Officer Kleinhans during this transition period.

Executive Officer Rutkowski introduced the newly assigned secretary to the Board, Nohelani Jackson.

b. In Memory of Rodney J. Tam, Esq.

Executive Officer Rutkowski announced the passing of DAG Rodney J. Tam on July 4, 2017. Board members observed a moment of silence to remember and honor DAG Rodney J. Tam. Chairperson De Luz stated DAG Tam will be forever remembered and deeply missed.

c. Board Member Vacancies

Executive Officer Rutkowski stated that this Board now has two (2) vacancies: one industry member (as Dennis Short's term expired on June 30, 2017) and one public member (that has been vacant for some time now). Ms. Rutkowski commented that quorum to hold a Board meeting is at least four (4) members; thus, if any Board member is not able to make the meeting, notification to the Board's office should be promptly made.

Mr. Wong inquired if a plea could be made to the Governor's office to fill the vacant positions. Executive Officer Rutkowski stated that the Director of the Department of Commerce and Consumer Affairs has notified the Governor's office as Board member vacancies are affecting other Boards as well. Chairperson De Luz commented that it may be easier to fill an industry member position; Executive Officer Rutkowski commented that this Board's composition is heavier on public members versus industry members.

After discussion, it was moved by Mr. Wong, seconded by Vice-Chairperson Chow, and unanimously carried to instruct Executive Officer Rutkowski to send a notice to the Governor's office, on behalf of the Board, to stress the urgency of filling the vacant positions. Mr. Johnsen requested to include name(s) of people who may have expressed interest to serve on the Board. DAG Moriarty suggested to properly notice names of interested person(s) on the Meeting Agenda for Board discussion and/or suggested to state "there are people in the pipeline". Mr. Wong reiterated the notice to the Governor's office should stress the urgency without including any person's names.

d. HADA Request to Defer Discussion on item 8B

At the Board's last meeting, the Board had deferred discussion, at the request of HADA, agenda item titled: Hawaii Automobile Dealers Association – Definition of Final Stage Manufacturer. Executive Officer Rutkowski informed the Board that Mr. Dave Rolf sent an email requesting to again defer discussion on this matter; the Board, by consensus, agreed to defer discussion on Agenda item 8B.: Old Business, b. Hawaii Automobile Dealers Association – Definition of Final Stage manufacturer.

Chairperson De Luz announced the Board will recess its meeting to go into adjudicatory matter and subsequently go into Executive Session; the meeting recessed at 9:29 a.m.

Chapter 91, HRS.

Adjudicatory Matters: a.

In the Matter of the Motor Vehicle Dealer License of P&A Investments, Inc. doing business as Aiona Car Sales; MVI 2012-25-L; MVI 2013-29-L

*SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION  
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER*

After discussion, it was moved by Mr. Wong, seconded by Vice-Chairperson Chow, and unanimously carried to approve the Settlement Agreement for the Motor Vehicle Dealer License of P&A Investments, Inc. doing business as Aiona Car Sales; MVI 2012-25-L; MVI 2013-29-L.

The Board reconvened its meeting at 9:40 a.m., and immediately entered into Executive Session.

Executive Session: At 9:41 a.m., it was moved by Vice-Chairperson Chow, seconded by Mr. Johnsen, and unanimously carried to enter into Executive Session to consider and evaluate personal information relating to the individual applying for licensure in accordance with HRS §92-5(a) (1), and to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with HRS §92-5(a) (4).

#### EXECUTIVE SESSION

At 10:50 a.m., it was moved by Vice-Chairperson Chow, seconded by Mr. Hansen, and unanimously carried to return to the Board's regular order of business.

Chairperson De Luz called for a five-minute recess.

At 10:55 a.m., the Board reconvened its meeting.

#### Licensing:

a. Ratifications

Motor Vehicle Car Salesperson Transfers  
Motor Vehicle Car Salesperson Licenses  
Motor Vehicle Dealer Licenses  
Motor Vehicle Manufacturer License

Upon a motion by Vice-Chairperson Chow, seconded by Mr. Johnsen, it was unanimously carried to ratify the above lists for the licenses sought (as attached).

b. Applications

(i) Tesla, Inc.  
Motor Vehicle Branch Location  
(Deferred from June 2, 2017 meeting)

In response to the deferral from June 2, 2017 Board Meeting, Tesla provided copies of the letters between the applicant and City and County ("C&C"). Mr. Wong

explained that in the April 8, 2016 letter from C&C regarding "Zoning Determination," C&C stated that the store "should be designed to resemble a retail establishment with a pedestrian orientation and commodities and goods available for sale to the consumer on the site."

Mr. Wong asked Mr. Chang, "How does Tesla plan on meeting our requirements while meeting the ordinances of City and County?"

Mr. Chang explained, "Taking everything into consideration, that is how they designed the store." Further commenting, "Currently, we are in compliance with C&C requirements."

Mr. Chang further explained that Tesla will be operating with the restricted rules set by C&C. Tesla is not asking for the decision made by the Board to supersede what C&C has already implemented. The Tesla Branch location in International Marketplace is set to be a gallery-like show room, where there is not a lot of heavy traffic. The store is pedestrian-oriented and offers solar panels and other Tesla products.

With that explanation, it was moved by Mr. Hansen, seconded by Mr. Johnsen, and carried by majority vote (Mr. Wong voting "nay") to approve the motor vehicle branch location application for Tesla Inc.

- (ii) Collins Bus Corporation  
Addition of Special Vehicle Manufacturer Converts Agreement for Bus & Ambulance, Rev Group Inc and General Motors LLC; "Ford Authorized Converter Pool Agreement"

It was moved by Mr. Wong, seconded by Mr. Hansen, and unanimously carried to approve the addition of Special Vehicle Manufacturer Converts Agreement for Bus & Ambulance, Rev Group Inc and General Motors LLC; "Ford Authorized Converter Pool Agreement" subject to receipt of a copy of an executed agreement between Collins Bus Corporation and Rev Group Inc.

- (iii) American Honda Motor Co., Inc./Hawaii Motor Sports, LLC, dba Maui Motor Cycle Company  
Transfer of Honda Dealership Sales and Service Agreement

It was moved by Mr. Wong, seconded by Vice-Chairperson Chow, and unanimously carried to defer decision-making on the Transfer of Honda Dealership and Service Agreement of American Honda Co. Inc./Hawaii Motor Sports LLC, dba Maui Motor Cycle Company; however, authorizing the Executive Officer to approve the application upon receipt of the agreement, pursuant to HRS section 437-7(g)(4).

- (iv) Hughes Fire Equipment Inc.  
Motor Vehicle Dealer

The Board expressed concerns with Hughes Fire Equipment regarding their sole salesperson, Rexford Hughes, who lives in another state.

Mike Ernest, representative of Hughes Fire Equipment, explained that it is not a typical dealership: the vehicles they will be selling are custom-built emergency vehicles. If the company receives an inquiry, Mr. Hughes would fly to Hawaii and meet with potential buyer. They would go over specifications, send over a bid, and the vehicle will be designed and delivered.

DAG Moriarty noted that this is not a concern on whether he is here three-four months a year, it is for consumer protection, e.g. vehicle servicing, warranty issues. Vice-Chairperson Chow also commented that a car salesperson needs to be dedicated to one company.

Mr. Ernest stated that he understands the Board's position; however, their business is low volume and based on a custom-built plan, which makes it difficult to regularly have a salesperson on the premise.

It was moved by Mr. Wong, seconded by Vice-Chairperson Chow, and unanimously carried to defer decision-making on the motor vehicle dealer application of Hughes Fire Equipment Inc. subject to the resolution of Mr. Hughes car salesperson's license application.

- (v) Rexford Hughes  
Motor Vehicle Salesperson

It was moved by Vice-Chairperson Chow, seconded by Mr. Johnsen, and unanimously carried to defer-decision making on the motor vehicle salesperson application for Rexford Hughes.

- New Business: a. Request of Car Deport LLC Regarding Confirmation on What Constitutes Proof of Compliance with §437-4(d)(1) (Inventory or Flooring Line of Credit)

It was moved by Chairperson De Luz, seconded by Vice-Chairperson Chow, and unanimously carried to approve Executive Officer Rutkowski request to change the wording of the above titled agenda item, as follows:

- a. Staff Requests Confirmation of What Constitutes Proof of Compliance with §437-7(d)(1) (Inventory of Flooring Line of Credit).

It was agreed by consensus to keep current Board practices unchanged and to have the Executive Officer continue his/her delegated responsibilities. If changes are required, the Board would discuss them at a future meeting.

- Old Business: a. First Hawaii Bank International Auto Show

It was agreed by consensus that the matter be deferred to the next meeting.

- b. Hawaii Automobile Dealers Association – Definition of Final Stage Manufacturer

As previously noted, it was agreed by consensus that the matter be deferred to the next meeting, as requested by Mr. Rolf/HADA.

- Public Comment: None.

- Next Meeting: Tuesday, October 17, 2017  
9:00 a.m.  
King Kalakaua Building  
Queen Liliuokalani Conference Room  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, HI 96813

Adjournment:            There being no further business to discuss, the meeting adjourned at  
11:44 a.m.

Taken and recorded by:

/s/ Nohelani Jackson

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Nohelani Jackson, Secretary

Reviewed and approved by:

/s/ Christine Rutkowski

\_\_\_\_\_  
Christine Rutkowski  
Executive Officer

08/17

[ ] Minutes approved as is.

[ X ] Minutes approved with changes. See Minutes of October 17, 2017.



MOTOR VEHICLE INDUSTRY LICENSING BOARD MEETING

RATIFICATION LISTS  
Tuesday, August 1, 2017

CAR SALESPERSON TRANSFERS

a. City and County of Honolulu

ANDERSON, David M.	Lithia of Honolulu
ALDERSON, Tyler B.	Stoebner Holdings Inc.
BLANCO, Cristian	Cutter Buick GMC Inc.
BRITT IV, Lawrence W.	C & C Auto Group Inc.
CAMARA, Michael J.	Car Dépot
DELA PENA, Donald K.	Servco Toyota Honolulu
FOMENKO, Mikhail A.	Shelly Eurocars LLC
GATEWOOD, Donald K.	C & C Auto Group Inc.
GRANT, Kevin C.	C & C Auto Group Inc.
HUDGINS JR., David L.	C & C Auto Group Inc.
ISALES, Joseph L.	GAC Auto Group Inc. DBA Cutter
	Mazda of Honolulu
	JN Group Inc.
JORDAO, Rogerio	Servco Lexus Honoulu
KIMURA, Lauren A.	Lithia of Honolulu – F LLC
KONDO, Thomas K.	Cutter Buick GMC Inc.
KOUCHI, Devin V.	Honolulu Buick GMC Cadillac
LAMPING, John J.	Servco Toyota Honolulu
LIBRE, Jonah I.F.	Tony Hawaii Automotive Group dba
MCQUOWN, John R.	Tony Hyundai Honolulu
	Westside Auto Sales
MEADOWS, Wayne	Honolulu Buick GMC Cadillac
MENDIAS, Miguel A.	Honoulu Buick GMC Cadillac
MICHIELS, Mark L.	Aloha Auto Group Ltd
MOORE JR., Thomas R.	Servco Toyota Honolulu
OGATA, Guy K.	Autosource LLC
PATTERSON, Rodney P.	JN Group Inc.
STEWART, Jason M.	Cutter CJD Inc.
WAGNER, Christopher F.	Cutter Honolulu Inc.
WEBBER, Gavin	Paradise Rent-A-Car Inc.
WHITE, Jessica L.	Car Depot
WHITMORE, Griselda	Cutter Honolulu Inc.
WONG, Matthew K.C.	Car Depot
WOOD, Justin	Servco Subaru Inc.
YANAGIHARA, Ross	

b. County of Maui

AFAGA, Rexcie M.  
AGUINALDO, Joel P.  
BENVENISTE, Lawrence D.  
CABREROS, Vee C.  
NICKMAN, William  
RIBILIA, Jeffrey L.

Jim Falk Motors of Maui Inc.  
Jim Falk Motors of Maui Inc.  
Jim Falk Automotive Inc.  
Lithia of Maui-H LLC  
Jim Falk Motors of Maui Inc.  
Jim Falk Motors of Maui Inc.

c. County of Kauai

BORALES III, John C.  
KAGAWA, Joy S.  
MULLIKIN, Mark D.  
TERRY, Michael J.

King Auto Center  
King Auto Center  
Harbor Motors Inc.  
King Auto Center

d. County of Hawaii

MERCER, Ammon G.

Orchid Isle Auto Center

CAR SALESPERSON LICENSES

HAWAII CHELSEY A <AKAU<  
OAHU JASON M <ARAMAKI<  
HAWAII CALEB E <BAPTISTE<  
OAHU ERIC A <BARSHINGER<  
OAHU CHRISTIAN K <BEALL<  
OAHU AUSTIN L <BIGELOW<  
OAHU CHARLES E <BROWN<  
OAHU SAMUEL <CHANG<  
OAHU YOUNG K <CHUN<  
MAUI JOSHUA J <COMPTON<  
MAUI CESAR <CORPUZ JR<  
HAWAII SARAH <DELOSTRICO<  
OAHU ALAN <ENRIQUEZ DE LA CRUZ<  
OAHU NICHOLAS C <ENRIQUEZ<  
KAUAI TIMOTHY L <ESCALANTE<  
OAHU WILLIAM <FENY<  
OAHU JAMES <FERNSLER<  
OAHU ALFRED K <FOUNTAIN< II  
OAHU FAANEILA V <FRUEAN<  
OAHU SKYLER K <FULLER<  
OAHU GAVIN L B <GARCIA<  
OAHU MICHAEL C <GIFFORD<

BIG ISLAND TOYOTA INC  
SHEELY EUROCARS LLC  
BIG ISLAND HONDA - HILO  
JN CHEVROLET  
WINDWARD AUTO SALES INC  
CUTTER MAZDA OF HONOLULU  
ACURA OF HONOLULU  
MERCEDES-BENZ OF HONOLULU  
NEW CITY NISSAN  
JIM FALK MAZDA  
OHANA AUTOMOTIVE GROUP INC  
BIG ISLAND HONDA - KONA  
CUTTER CHEVROLET  
WINDWARD FORD OF HAWAII  
KUHIO MOTORS INC  
PACIFIC HONDA  
AUTOSOURCE LLC  
C & C AUTO GROUP INC  
JN GROUP INC  
AUTOLAND LLC  
NEW CITY NISSAN  
WINDWARD DODGE

**CAR SALESPERSON LICENSES- CONTINUED**

HAWAII LUKAS Y <GOLUBECKIS<	BIG ISLAND HONDA - HILO
OAHU MANUEL <GONZALEZ<	CUTTER CHRYSLER JEEP DODGE OF PEARL CITY
KAUAI WILLIAM W <HADLEY<	OHANA MOTORS INC
HAWAII RYAN M J <HARRIS<	BIG ISLAND TOYOTA INC
OAHU AARON K <HIDANO<	HONDA WINDWARD
OAHU DAVID M <HIGASHIYAMA<	JN GROUP
KAUAI CALVIN R <HUARTSON<	OHANA MOTORS INC
KAUAI NOYA <ILAN<	KUHIO AUTO GROUP
OAHU SAMARIA L <JONES<	CUTTER CHRYSLER JEEP DODGE OF PEARL CITY
MAUI LEIVALYN M <JORDAN<	JIM FALK MOTORS OF MAUI INC
OAHU BRIAN M <KAHELE< JR	HONOLULU FORD
HAWAII AZIZA E <KARASTAN<	KONA AUTO CENTER INC
OAHU ADRIENNE K A <KAUHANE<	J/R MOTORS 730 LLC
MAUI MERIEM <KHOUY<	VALLEY ISLE MOTORS LTD
OAHU HAE CHANG <LEE<	TESLA INC
OAHU JASON H <LEE<	CUTTER CHRYSLER JEEP DODGE OF HONOLULU
OAHU NATHANIEL C <LIM<	CUTTER MAZDA OF HONOLULU
OAHU YI-GI <LIU<	CUTTER MAZDA OF HONOLULU
OAHU JUDITH A <MEANS<	HONOLULU BUICK GMC CADILLAC
OAHU CALEB W K <MENDONSA<	JN CHEVROLET
OAHU JESSICA L K <NEWALU<	CUTTER CHRYSLER JEEP DODGE OF PEARL CITY
OAHU IALEKA A <NUMAZAWA<	KING AUTO CENTER / KING HONDA
MAUI RYAN B <ODUM<	JIM FALK MOTORS OF MAUI INC
OAHU THADDEUS R <PARK<	BMW OF HONOLULU & DBA MINI OF HONOLULU
HAWAII KAMUELA K <PLUNKETT<	BIG ISLAND TOYOTA INC
OAHU JARED K <PROCTOR<	CUTTER BUICK GMC INC
OAHU ROBERT A <RHEAULT<	ALOHA AUTO GROUP LTD
HAWAII RAY A <RIVEIRA JR<	BIG ISLAND TOYOTA INC
HAWAII BRANDY N <SAWKA<	BMW OF HAWAII
OAHU RENATO <SOBRINHO<	MASH INC
OAHU THEODORE J <STEVENS<	CYCLE CITY LTD
OAHU STARR T <SUA-PASSI<	JN CHEVROLET
OAHU PATRICK A Y K <TANABE<	CUTTER CHRYSLER JEEP DODGE OF PEARL CITY
OAHU ARTHUR A <THOMAS<	CUTTER CHRYSLER JEEP DODGE OF HONOLULU
OAHU ROBERT M <THOMAS<	CYCLE CITY LTD
OAHU DANIEL J <VOGT<	HONDA WINDWARD
OAHU JONATHAN K <WENHAM<	SERVCO TOYOTA HONOLULU

**MOTOR VEHICLE DEALER RELOCATION-** None.

**MOTOR VEHICLE BRANCH-** None.

**MOTOR VEHICLE DEALER LICENSE**

MVD 1047 HAWAII MOTORSPORTS LLC  
MVD 1048 RIGHT SOURCE AUTO LLC

**MOTOR VEHICLE DISTRIBUTOR LICENSE-** None.

**MOTOR VEHICLE MANUFACTURER LICENSE**

F 177 HALCORE GROUP INC.

**MOTOR VEHICLE AUCTION-** None.

**MOTOR VEHICLE CONSUMER CONSULTANT-** None.