

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 20, 2013

Time: 9:00 a.m.

Place: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, 1st Floor
Honolulu, Hawaii 96813

Present: Werner Umbhau, Public Member, Chairperson
Stan Masamitsu, Industry Member, Vice-Chairperson
Carl D. Johnsen, Public Member
Dennis Short, Industry Member
Donald Touchi, Public Member
Christine Rutkowski, Executive Officer
Rodney J. Tam, Deputy Attorney General
Alice Worthy, Secretary

Guests: Dave Rolf, HADA
John Cerizo, Applicant (Cutter Automotive)
R. Erik Soderholm, Soderholm Sales & Leasing, Inc.

Call to Order: Chairperson Umbhau called the meeting to order at 9:02 a.m., at which time quorum was established.

Election of Officers: Nominations were open for Chairperson and Vice-Chairperson.

Mr. Touchi nominated Mr. Umbhau to continue as Chairperson. It was seconded by Mr. Masamitsu and unanimously carried. Mr. Umbhau accepted the position.

Mr. Touchi nominated Mr. Masamitsu to continue as Vice-Chairperson. It was seconded by Mr. Johnsen and unanimously carried. Mr. Masamitsu accepted the position.

Additions/Revisions to Agenda: None.

Approval of Minutes of Previous Meeting: It was moved by Mr. Short, seconded by Mr. Touchi, and unanimously carried to approve the meeting minutes of June 18, 2013, as circulated.

Chair's Report: None.

Executive Officer's Report:

In a continuing effort to assist board members in complying with the Sunshine law, the Office of Information Practices ("OIP") has put together a 3-part guideline entitled "Quick Review: Who Board Members Can Talk To and When". Copies of the guideline were given to members for their information.

The Executive Officer reported that DCCA is now on Facebook, <https://www.facebook.com/DCCAHawaii>. A copy of the August 20, 2013 entry was distributed to the members who noted the link to www.latimes.com regarding the Chevrolet Impala and the rank given to it by Consumer Reports. A member asked about the link and commented that the particular brand was being singled out. Another member asked if this was an advertisement. The Executive Officer stated that the Facebook entries are considered to be social media only. Board members recognized DCCA's efforts in keeping up with technology.

After a brief discussion, it was moved by Mr. Masamitsu, seconded by Mr. Short, and unanimously carried that DCCA recognize the Board's comment that fair and impartial representation of articles it posts on its Facebook site be given consideration.

Chapter 91, HRS Adjudicatory Matters:

The Chairperson called for a recess from the meeting at 9:13 a.m. to deliberate on the following adjudicatory matter, pursuant to Hawaii Revised Statutes ("HRS") Chapter 91.

In the Matter of the Motor Vehicle Salesperson's License of EUGENE VIERRA, JR., Respondent; MVI 2013-36-L – Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Board's Final Order

Deputy Attorney General Tam summarized the above matter and a brief discussion followed.

After discussion, it was moved by Mr. Touchi, seconded by Mr. Johnsen, and unanimously carried to approve the settlement agreement in which:

1. Respondent does not admit to violating any law or rule. Respondent enters into this settlement strictly as a compromise and in order to conserve on the expense of proceeding with an administrative hearing.
2. Respondent agrees to pay a fine in the amount of Five Hundred and No/100 Dollars (\$500.00). Payment shall be due at the time the fully executed Settlement Agreement is returned to RICO.
3. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement, Respondent's license shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent understands Respondent cannot apply for a new license until the expiration of at

least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become licensed again, Respondent must apply to the Board for a new license pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

At 9:15 a.m., it was moved by Mr. Touchi, 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 Chapter 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 Chapter 92-5(a) (4), Hawaii Revised Statutes.

EXECUTIVE SESSION

At 10:40 a.m., it was moved by Mr. Touchi, seconded by Mr. Johnsen, and unanimously carried to return to the Board's regular order of business.

Licensing:

Ratifications

Motor Vehicle Salespersons Transfers
Motor Vehicle Salespersons License
Motor Vehicle Dealer Relocation License
Motor Vehicle Dealers License
Motor Vehicle Distributor License
Motor Vehicle Manufacturer License
Motor Vehicle Auction
Motor Vehicle Consumer Consultant

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

Applications

John R. Cerizo - Motor Vehicle Salesperson (Deferred from June 18, 2013 meeting)

Board members reviewed the application and documents submitted.

After some discussion, it was moved by Mr. Short, seconded by Mr. Johnsen, and unanimously carried to deny the license application for a motor vehicle salesperson's license for John R. Cerizo on the basis of §436B-19(8) and (14), HRS.

John S. Brown – Motor Vehicle Salesperson

Board members reviewed the application and documents submitted.

It was moved by Mr. Masamitsu, seconded by Mr. Johnsen, and unanimously carried to approve the application for a motor vehicle salesperson's license for John S. Brown.

Ronald Y. Kano – Motor Vehicle Salesperson

Board members reviewed the application and documents submitted.

It was moved by Mr. Masamitsu, seconded by Mr. Short, and unanimously carried to approve the application for a motor vehicle salesperson's license for Ronald Y. Kano, subject to receipt of additional documents.

H.M. Auto Center, Incorporated – Motor Vehicle Dealer

H.M. Auto Center, Incorporated is applying to engage in motor vehicle dealer activity at 2449 Kuhio Avenue, Honolulu, HI 96815. Applicant submitted a document in which the City and County of Honolulu approved, subject to conditions, a variance to allow (retain) a car rental establishment (office) on the ground floor of a building that is used for multifamily dwelling use, and to allow a car rental parking lot for the address 2435 Kuhio Avenue, Honolulu, HI 96815.

Board members reviewed the application and documents submitted, in which there were references to 2449 Kuhio Avenue, 2435 Kuhio Avenue, and 2463 Kuhio Avenue. Members also discussed the definition of used motor vehicle dealer ("Used motor vehicle dealer" means a dealer who engages in the business of selling at wholesale or retail, or both, only used motor vehicles.") as per §437-1.1 Definitions.

After discussion, it was moved by Mr. Masamitsu, seconded by Mr. Short, and unanimously carried to not accept the document referring to the variance, in that although the document shows proof that the applicant was authorized by the City and County to engage in **car rental activity**, at 2435 Kuhio Avenue, the document does not show proof that the applicant is authorized by the City and County to engage in motor vehicle dealer activity at this premise.

New Business:

Circuit Court Judgments and Final Orders Against Unlicensed Activity (April-June 2013) – Cutter Buick GMC, Inc.; Sen Zhang

Copies of the April-June 2013 list of circuit court judgments and final orders against unlicensed activity were given to members for their information only.

Unfinished
Business:

April 16, 2013 Email request from Erik Soderholm regarding: All license applications for motor vehicle salespersons, dealers, auction and manufacturers must be on agenda to comply with State Sunshine law (Deferred from June 18, 2013 Meeting)

The Executive Officer gave a brief recap of the matter. Mr. Soderholm requested that the ratification list(s) be attached to the agenda or have the names listed on the agenda.

Board members discussed the matter. It was moved by Mr. Masamitsu, seconded by Mr. Touchi, and unanimously carried that henceforth, the agendas will reflect the names of licensees that will be ratified by the Board. Specifically, the licensees' names will either appear directly on the agenda itself, or as an attachment.

Mr. Soderholm stated that his concern is that the Board is wrong to allow the Executive Officer to approve the applications for manufacturers and distributors. He stated that there is nothing in Chapter 437, HRS, that authorizes the Board to allow the Executive Officer to approve these applications. He added that all manufacturer and distributor applications need to be reviewed by the Board so that the public can comment before the licenses are issued.

The Executive Officer stated that this matter was discussed at the June 18, 2013 meeting, when, unfortunately Mr. Soderholm was not present. Instead his wife and attorney, Jeff Miller, were in attendance. During this meeting, Deputy Attorney General Tam addressed Mrs. Soderholm and Mr. Miller and explained the law under which the Board is authorized to delegate authority to its Executive Officer. Mr. Soderholm repeated that he disagrees and that the Board does not have the authority.

Deputy Attorney General Tam stated that the law allows the Board to delegate ministerial functions to the Executive Officer. As such, the Board has delegated to the Executive Officer the authority to issue the license if the applicant has met all the requirements and there are no issues to come before the Board.

Open Forum:

None.

Next Meeting:

Tuesday, October 15, 2013
9:00 a.m.
Queen Liliuokalani Conference Room
335 Merchant Street, 1st Floor
Honolulu, HI 96813

Adjournment: There being no further business to discuss, the meeting adjourned at
11:12 a.m.

Taken and recorded by:

/s/ Alice Worthy

Alice Worthy, Secretary

Reviewed and approved by:

/s/ Christine Rutkowski

Christine Rutkowski
Executive Officer

CR:aw
9/11/13

[X] Minutes approved as is.

[] Minutes approved with changes. See Minutes of _____.

REMARK

VAT_02_BPR_LEGAL_NAME_1

REMARK	VAT_02_BPR_LEGAL_NAME_1
HAWAII AUTOMOTIVE RETAILING GROUP INC	OAHU TERRANCE K <LLANOS<
KUHIO MOTORS INC	KAUAI MICHAEL B <LOGUE<
T&SMA LLC	OAHU AMANDA M <MA<
JN GROUP INC	OAHU ALLISON H <MACAPAGAL<
CYCLE CITY LTD	OAHU BERNARD F <MATTINGLY<
MAX MOTORS LLC	OAHU ELLIOTT-KYLE K H <MATTOS<
HONOLULU FORD INC	OAHU JEFFREY T <MCDONALD<
WINDWARD AUTO SALES INC	OAHU CARLOS M <MEDINA<
CUTTER FORD INC	OAHU RICHARD D <MICHAEL< JR
KUHIO MOTORS INC	KAUAI BRET P <MITCHELL<
KUHIO MOTORS INC	KAUAI TERRI L <MITCHELL<
HONOLULU FORD INC	OAHU MARISSA D <MULL<
CUTTER CHRYSLER JEEP DODGE INC	OAHU LOREEN L <NAKAMA<
J/R HILO ACQUISITION LLC	HAWAII JONATHAN O <NEIKIRK<
WINDWARD AUTO SALES INC	OAHU KEVIN L <OGDEN<
KUHIO MOTORS INC	KAUAI BRIAN C <OSBOURN<
CHOICE AUTOMOTIVE LLC	OAHU TOMAS D <PAEK<
KUHIO MOTORS INC	KAUAI JASON P <PECK<
ALOHA AUTO GROUP LTD	OAHU ADRIAN <PEREZ<
CUTTER CHRYSLER JEEP DODGE INC	OAHU LANCE K <PERRY<
KUHIO MOTORS INC	KAUAI MICHAEL D <PETTY<
HAWAII NISSAN INC	OAHU ALVAH M <POSCABLO<
KING WINDWARD NISSAN LLC	OAHU TIMOTHY G <RASIC<
CUTTER CJD INC	OAHU NATHAN W <RICE<
JN GROUP INC	OAHU ADAM R <RIDDLE<
GAC AUTO GROUP INC	OAHU JOSHUA <ROBBINS<
KUHIO MOTORS INC	KAUAI MARK A <ROBERTS<
J/R HILO ACQUISITION LLC	HAWAII CHAD A <ROSS<
JN GROUP INC	OAHU MICHAEL W <ROURA PUAATUUA<
KING INFINITI OF HONOLULU LLC	OAHU PATRICK E <RYAN<
FERDINAND R SANTOS	OAHU GAUDENCIO L <SAN JUAN<
J/R MOTORS 744 LLC	OAHU HENRY M <SANDOVAL<
KITAGAWA MOTORS INC	MAUI JOHN <SCHWEINER<
CYCLE CITY LTD	OAHU BRADLEY A <SHIELDS<
CHOICE AUTOMOTIVE LLC	OAHU CHRISTOPHER R <SIGMON<
M 75 INC	MAUI CHERISH I O <SISTOZA<
KUHIO MOTORS INC	KAUAI JOHN D <SKELTON<
HONOLULU FORD INC	OAHU DEAN D <SMITH<
KUHIO MOTORS INC	KAUAI JOHN S <SMITH<
CUTTER FORD INC	OAHU MICHAEL D <SMITH<
KUHIO MOTORS INC	KAUAI RODNEY <SMITH<
RAINBOW CHEVROLET INC	OAHU STANLEY H <SOARES<
KING INFINITI OF HONOLULU LLC	OAHU MICHAEL L <SPAGNA<
INTER PACIFIC MOTORS INC	HAWAII JASON B <STEARMAN<
AUSAGETALIITAMA P TAULAU	OAHU DINO S <STERIO<
GASPASIN FARMS LLC	OAHU JAMES A <TADEO<
M 75 INC	OAHU RODELIA A <TANAKA<
KUHIO MOTORS INC	KAUAI ROSEANNE <TOELKES<
JN GROUP INC	OAHU AUGUSTO E <TULBA<
JN GROUP INC	OAHU TYLER K >LAA<
SHELLY EUROCARS LLC	OAHU ANTHONY C <VALENTI<
HONOLULU FORD INC	OAHU MICHAEL C <VILLAFRANCA<
JN GROUP INC	OAHU BRIAN HIDEO <WALKER<
WINDWARD AUTO SALES INC	OAHU CHRISTOPHER R <WEAVER<
CHOICE AUTOMOTIVE LLC	OAHU MATTHEW A <WELCH<
INTER PACIFIC MOTORS INC	HAWAII RANDALL M <YAMADA<
CUTTER BUICK GMC INC	OAHU DENNIS K <YAMAMOTO<

REMARK	VAT_02_BPR_LEGAL_NAME_1
CUTTER CJD INC	OAHU BYRON J <AH HEE<
ALOHA AUTO GROUP LTD	OAHU RONNIE <AH NEE<
SERVCO PACIFIC INC	OAHU MICHAEL L <AKSIONCZYKUR<
CUTTER BUICK GMC	OAHU ERIC P <ALLEN<
KING INFINITI OF HONOLULU LLC	OAHU JACOB A <AMADEO<
ABBA CARS UNLIMITED LLC	OAHU FARZAD <AMERIPOUR<
GAC AUTO GROUP INC	OAHU JANAAN <ARCHERD<
ALOHA AUTO GROUP LTD	OAHU JEREMY W <AYALA<
CYCLE CITY LTD	MAUI JAMES <BARKER<
HARBOR MOTORS INC	KAUAI JASON A <BARNHILL<
RAINBOW CHEVROLET INC	OAHU JARROD A <BARTON<
HAWAII AUTOMOTIVE RETAILING GROUP INC	OAHU ARMAN B <BAYOT<
KING WINDWARD NISSAN LLC	OAHU DAVID <BELL<
HONOLULU FORD INC	OAHU PATRICK C <BENSON<
T&SMA LLC	OAHU ADAM <BESS-GUZMAN<
HONOLULU FORD INC	OAHU ROBERT M <BRANTLEY<
CUTTER BUICK GMC INC	OAHU PETER G <BUENO<
CUTTER BUICK GMC INC	OAHU JAYTON J <BUSTAMANTE<
JN GROUP INC	OAHU ROBERT E <CARTWRIGHT< III
VALLEY ISLE MOTORS LTD	MAUI SUBATHRA D <COGHILL<
A-1 AUTO SALES LLC	OAHU KENJI M <CONLEY<
KUHIO MOTORS INC	KAUAI ANGEL M <CRUZ<
KITAGAWA MOTORS INC	MAUI RADYN J <DEGUZMAN-GAMIT<
CUTTER CHRYSLER JEEP DODGE INC	OAHU DONALD K <DELA PENNA<
KUHIO MOTORS INC	KAUAI PETER G <DEVRIES<
KUHIO MOTORS INC	KAUAI ROBERT B <DOHLE<
HAWAII AUTOMOTIVE LLC	OAHU IAN P T <DUONG<
ALOHA AUTO GROUP LTD	OAHU LEILANI D <ELLIS<
KUHIO MOTORS INC	KAUAI MARTY W <EMFINGER<
ALOHA AUTO GROUP LTD	OAHU FAAIU <FAAIU< JR
M 75 INC	MAUI SEAN R K <FARIAS<
DISCOUNT RIDES LLC	MAUI NATALIE M <FICARRA<
WINDWARD AUTO SALES INC	OAHU AHOKAVA OE LOTU E <FINE<
BIG ISLAND MOTORS INC	HAWAII RICHARD A <FOX<
KUHIO MOTORS INC	KAUAI KENNETH W <GAUZE<
BIG ISLAND MOTORS INC	HAWAII KARLY K <GRIMES<
HAWAII AUTOMOTIVE RETAILING GROUP INC	OAHU CHRISTOPHER K <HATCHER<
KUHIO MOTORS INC	KAUAI RICHARD L <HENSON<
ALOHA AUTO GROUP LTD	OAHU EDWARD BC <HIGGINS<
CHOICE AUTOMOTIVE LLC	OAHU STEVEN C <HUGHES<
A Z BUS SALES INC	OAHU GEORGE B <HUNT<
C/O INTER PACIFIC MOTORS INC	HAWAII ARMOND L <JACKSON<
KUHIO MOTORS INC	KAUAI KEITH D <JACKSON<
JN GROUP INC	OAHU JOY K M <JAMIESON<
KUHIO MOTORS INC	KAUAI EARL F <JOHNSON<
KUHIO MOTORS INC	KAUAI CHARLES P <JONES< JR
KUHIO MOTORS INC	KAUAI ANTHONY L <JORDAN<
CUTTER CHRYSLER JEEP DODGE INC	OAHU MARK L <KAAI<
BIG ISLAND TOYOTA INC	HAWAII SHANNON L K <KALEO<
KIHEI AUTO SALES INC	MAUI JORDON M <KAWAHARA<
KING INFINITI OF HONOLULU LLC	OAHU SCOTT S <KIRKLAND<
ALOHA AUTO GROUP LTD	MAUI JAYCUB R <KNAPP<
KUHIO MOTORS INC	KAUAI SHAWN J <KREUZ<
ALOHA AUTO GROUP LTD	HAWAII PUNAHELE T <LAASAGA<
C & C AUTO GROUP INC	OAHU DEAN H <LACROIX<
KITAGAWA MOTORS INC	MAUI NICHOLAS L <LEE<
GAC AUTO GROUP INC	OAHU PAUL K <LEE<

REMARK

VAT_02_BPR_LEGAL_NAME_1

ENVY HAWAII LLC
TONY HAWAII CORPORATION

OAHU SUNG JAE <YOO<
OAHU DANIEL <ZABRESKY<

BUSN

LTYPE	LIC NUM	ST	BUSN ZIP	BP NAME PART 1
MVD	980	HI	96744	ABBA CARS UNLIMITED LLC
MVD	981	HI	96766	TRADEWIND AUTO SALES LLC
MVD	982	HI	96708	MANALOHA RENT A CAR INC
MVD	983	HI	96766	NATIONS BUS CORP
MVD	984	HI	96744	ISLAND AUTO SALES LLC
MVD	985	HI	96720	PLAN B INVESTMENT INC

MAIL

LTYPE	LIC NUM	ST	MAIL ZIP	BP NAME PART 1
F	159			SCRANTON MANUFACTURING COMPANY INC
F	160	MN	55021	AMERITRANS BUS INC

MVB-959 1 Bayview Auto Sales LLC