

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, October 20, 2015

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  
Carl D. Johnsen, Public Member  
Byron Hansen, Public Member

Christine Rutkowski, Executive Officer  
Rodney J. Tam, Deputy Attorney General

Excused: Dennis Short, Industry Member

Absent: Wendee Wilson, Public Member

Guests: Grant K. Miyahara, LMT Auto, LLC  
Dan Moss, Coastside Financial  
Chuck Lameberg, H T & T Truck Center  
Cori Lau, AHFI for Independent, dba Turtle Top

Call to Order: Chairperson De Luz called the meeting to order at 9:25 a.m. at which time quorum was established.

Additions/Revisions:  
to Agenda: None.

Approval of Minutes  
August 18, 2015

Meeting: It was moved by Mr. Wong, seconded by Mr. Johnsen and unanimously carried to approve the minutes of the meeting as amended:  
“Welcome New Board Members: Mr. Hansen stated that he is looking forward to serving on the Board. He comes with twenty-eight years of dealer lending experience (Bank of Hawaii). He was previously a Volkswagen [dealer] factory representative . . .”

Executive Officer's  
Report:

The 2016 meeting schedule was distributed. Members to mark their calendars and let staff know early if they are not able to make it to any meetings. The Executive Officer reported that the vacant public member vacancy has not been filled yet.

Chapter 91, Hawaii  
Revised Statutes,  
Adjudicatory  
Matters:

In the Matter of the Motor Vehicle Dealer's License of MIDPAC AUTO  
CENTER, INC., dba KUHIO AUTO GROUP, Respondent, MVI 2014-34-L

Chairperson De Luz recessed the meeting at 9:29 a.m.

Chairperson De Luz announced that the Board would return to the order of the agenda at 9:45 a.m.

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

- a. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily and under no coercion or duress;
- b. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's motor vehicle dealer's license;
- c. Respondent enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter;
- d. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. MVI 2014-34-L;
- e. Administrative fine. Respondent agrees to pay a fine in the amount of FIVE THOUSAND SIX HUNDRED AND NO/100 DOLLARS (\$5,600.00). Payment shall be made by cashier's check or money order made payable to "DCCA - Compliance Resolution Fund" and mailed to the Regulated Industries Complaints Office. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO;
- f. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1, 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 shall

turn in all indicia of the license to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation.

Licensing:

a. 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. Wong, seconded by Mr. Hansen, it was unanimously carried to ratify the above lists for the licenses sought (as attached).

Executive Session:

At 9:45 a.m., it was moved by Mr. Wong, 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), Hawaii Revised Statutes.

EXECUTIVE SESSION

At 10:43. a.m., it was moved by Mr. Johnsen, seconded by Mr. Hansen, and unanimously carried to return to the Board's regular order of business.

b. Applications

1) LMT Auto LLC – Motor Vehicle Dealer

Board members reviewed the application and documents submitted.

It was moved by Mr. Wong, seconded by Mr. Hansen, and unanimously carried to defer decision-making on the application for more information from applicant.

2) Grant K. Miyahara – Motor Vehicle Salesperson

Board members reviewed the application and documents submitted.

It was moved by Mr. Wong, seconded by Mr. Hansen, and unanimously carried to defer decision-making on the application for more information from applicant.

3) Joe Lee's Auto Sales, Inc. – Motor Vehicle Dealer

Board members reviewed the application and documents submitted.

It was moved by Mr. Johnsen, seconded by Mr. Wong, and unanimously carried to approve the application.

4) Vante Auto LLC - Motor Vehicle Dealer

Board members reviewed the application and documents submitted.

It was moved by Mr. Wong, seconded by Mr. Hansen, and unanimously carried to approve the application.

5) David Marshall Copeland, Jr. - Motor Vehicle Salesperson

Deferred from August 18, 2015 meeting

Board members were informed that the applicant has not responded to the Board's request for more information. Board members took no action on the application. The Executive Officer was instructed to place the matter on the agenda only after applicant has submitted the requested information and documents, as applicable.

New Business:

a. Motor Vehicle Manufacturers – End Stage

Board members briefly discussed the matter. Chairperson De Luz asked Attorney Corianne Lau if she would comment on the matter. Ms. Lau related that she was present because she thought her client's application was on the agenda. She stated that she appeared before the Board at its June 2015 meeting to discuss information she had submitted for the applicant, Elkhart Custom Designs, L.L.C.

Board members agreed by consensus to defer discussion to the next meeting.

Scope:

a. October 12, 2015 request from Tesla Motors, Inc. regarding display of motor vehicles at unlicensed premise – Ala Moana Center Space No. 2204.

Board members reviewed and discussed the request from Tesla Motors, Inc., (Tesla) in which Tesla states that it is proposing a

gallery at Ala Moana Center in Honolulu. The gallery will be a retail store for customers to purchase Tesla branded clothing and accessories. A Tesla vehicle will be on display at the gallery, but the vehicle will not be for sale; no vehicles will be sold or offered for sale at the gallery. Tesla further related that the gallery is in compliance with State law pursuant to HRS §§4374(d) and -1.1.

After discussion, Board members found that there were unanswered questions and more information may be needed. It was moved by Mr. Wong, seconded by Mr. Hansen and unanimously carried to defer this matter to the next meeting and to request a Tesla representative appear at the meeting.

Next Meeting: Tuesday, December 15, 2015  
9:00 a.m.  
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 11:10 a.m.

Taken and recorded by:

/s/ Christine Rutkowski  
Christine Rutkowski  
Executive Officer

CR: 11/19/15

[ X ] Minutes approved as is.  
[ ] Minutes approved with changes. See Minutes of \_\_\_\_\_.