

LIQUOR COMMISSION  
DEPARTMENT OF LIQUOR CONTROL  
COUNTY OF MAUI, STATE OF HAWAII

TRANSCRIPT OF PROCEEDINGS  
REGULAR MEETING

Held at the Department of Liquor Control Conference Room, David K. Trask, Jr. Office Building, 2145 Kaohu Street, Room 108, Wailuku, Maui, Hawaii, commencing at 9:02 a.m., on Wednesday, August 9, 2017.

Reported by: Tonya McDade, CSR, RPR, CRC  
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APPEARANCES

Dana Souza, Acting Chairperson  
Nane Aluli, Commissioner  
Dawn Bicoy, Commissioner  
Brenda Lee, Commissioner  
Roy Umeno, Commissioner  
STAFF PRESENT:  
Edward Kushi, Jr., First Deputy Corporation Counsel  
Glenn Mukai, Director  
Mark Honda, Deputy Director  
Sharon Ito, Private Secretary  
Karilee Yoshizawa, Liquor Control Officer IV

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(Wednesday, August 9, 2017, 9:02 a.m.)

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ACTING CHAIR SOUZA: (Gavel.) The meeting of the Liquor Commission is now called to order. Let's have roll call, starting with Sharon.

MS. ITO: Sharon Ito, Liquor Control.

COMMISSIONER BICOY: Good morning. Dawn Bicoy.

COMMISSIONER UMENO: Good morning. Roy Umeno.

MR. KUSHI: Ed Kushi.

ACTING CHAIR SOUZA: Dana Souza.

COMMISSIONER ALULI: Aloha. Nane Aluli.

COMMISSIONER LEE: Brenda Lee.

DIRECTOR MUKAI: Glenn Mukai, Liquor Control.

DEPUTY DIRECTOR HONDA: Mark Honda, Liquor Control.

MS. YOSHIZAWA: Kari Yoshizawa, Liquor Control.

ACTING CHAIR SOUZA: Okay. You have before you the agenda of August 9, 2017. If there's no questions or comments, may I have a motion for approval?

COMMISSIONER ALULI: I move for approval for the meeting agenda for August 9th, 2017.

COMMISSIONER LEE: Second.

COMMISSIONER BICOY: Second.

ACTING CHAIR SOUZA: Moved and second. All in favor, say "aye."

1 (Response.)

2 ACTING CHAIR SOUZA: Opposed?

3 (No response.)

4 ACTING CHAIR SOUZA: None. Motion carried. You  
5 have before you the Liquor Commission meetings dated --  
6 minutes dated July 12, 2017. May I have a motion for  
7 approval?

8 COMMISSIONER ALULI: So moved.

9 COMMISSIONER UMENO: Second.

10 ACTING CHAIR SOUZA: Second -- I'm sorry. Moved  
11 and second. All in favor, say "aye."

12 (Response.)

13 ACTING CHAIR SOUZA: Opposed?

14 (No response.)

15 ACTING CHAIR SOUZA: None. Motion carried.

16 On public testimony, we're going to take public  
17 testimony on each item as they come up on the agenda.

18 General Licensing Matters, Items A through II,  
19 may I have a motion for confirmation?

20 COMMISSIONER ALULI: I move to approve Items A  
21 through II.

22 COMMISSIONER UMENO: Second.

23 ACTING CHAIR SOUZA: Moved and second. All in  
24 favor, say "aye."

25 (Response.)

1           ACTING CHAIR SOUZA:  Opposed?

2           (No response.)

3           ACTING CHAIR SOUZA:  None.  Motion carried.

4           Moving over to licensing, public hearings.

5           MS. YOSHIZAWA:  Excuse me, Chair.  You still

6 need to approve the minutes, under Minutes, Number III, B

7 and C.

8           ACTING CHAIR SOUZA:  Okay.  So moving back to

9 the minutes, you have before you, also, the minutes of the

10 Executive Session, Summary I of July 12, 2017.

11           COMMISSIONER ALULI:  So moved.

12           COMMISSIONER UMENO:  Second.

13           ACTING CHAIR SOUZA:  Moved and second.  All in

14 favor, say "aye."

15           (Response.)

16           ACTING CHAIR SOUZA:  Opposed?

17           (No response.)

18           ACTING CHAIR SOUZA:  None.  Motion carried.

19 Also, like to -- you have before you the Liquor Commission

20 meeting's Item C, Executive Session, Summary Number II of

21 July 12, 2017.

22           COMMISSIONER ALULI:  So moved.

23           COMMISSIONER UMENO:  Second.

24           ACTING CHAIR SOUZA:  Moved and second.  All in

25 favor?

1 (Response.)

2 ACTING CHAIR SOUZA: Opposed?

3 (No response.)

4 ACTING CHAIR SOUZA: None. Motion carried.

5 Okay. Now moving over to Licensing, Public  
6 Hearing, Application Number 27, MPK3, LLC dba Monkeypod  
7 Kitchen.

8 MR. KAWAGISHI: Mr. Souza, Members of the  
9 Commission, Michael Kawagishi on behalf of MPK3, LLC doing  
10 business as Monkeypod Kitchen by Merriman. With me today  
11 is Sara Hill, who is general counsel for MPK3, LLC.

12 ACTING CHAIR SOUZA: Thank you. Kari.

13 MS. YOSHIZAWA: Application Number 27, the  
14 applicant is MPK3, LLC doing business as Monkeypod Kitchen  
15 by Merriman. The proposed premises is located at 2435  
16 Kaanapali Parkway, Store Number I01, Kaanapali Maui,  
17 Hawaii. This is a public hearing for a new Dispenser  
18 General License, Category C(ii).

19 The documents necessary for completing the  
20 remaining application requirements for a liquor license  
21 are listed in the summary report.

22 Notice of public hearing was published in "The  
23 Maui News" on June 14th and 21st, 2017. There are a total  
24 of 607 owners and lessees situated within 500 feet of the  
25 proposed premises. The Department did not receive any

1 protests.

2 ACTING CHAIR SOUZA: Anything else, Mike?

3 MR. KAWAGISHI: No, nothing to add.

4 ACTING CHAIR SOUZA: The floor is open for  
5 public testimony. Seeing none, public testimony closed.

6 Any questions of the Commission? Seeing none,  
7 may I have a motion?

8 COMMISSIONER ALULI: I move to approve the  
9 application, Application Number 27.

10 COMMISSIONER UMENO: Second.

11 ACTING CHAIR SOUZA: Moved and second. All in  
12 favor, say "aye."

13 (Response.)

14 ACTING CHAIR SOUZA: Opposed?

15 (No response.)

16 ACTING CHAIR SOUZA: None. Motion carried.

17 Thank you.

18 MR. KAWAGISHI: Thank you.

19 MS. HILL: Thank you.

20 ACTING CHAIR SOUZA: Application Number 28,  
21 Kahikolu, Ltd. dba Calypso. State your name, please, and  
22 your position.

23 MR. LAPRADE: My name is Zachary LaPrade,  
24 Secretary and General Counsel for Kahikolu, Ltd. doing  
25 business as Calypso.

1 MR. KASPER: My name is Phillip Kasper, I'm the  
2 President of Kahikolu, Ltd.

3 ACTING CHAIR SOUZA: Thank you. Kari.

4 MS. YOSHIZAWA: Application Number 28, the  
5 applicant is Kahikolu, Ltd. doing business as Calypso  
6 applying for a Tour or Cruise Vessel license, Category 2.  
7 The officers, directors and stockholder of the corporation  
8 is listed in the investigator's report.

9 Applicant has submitted a U.S. Coast Guard  
10 Certificate of Documentation dated March 7, 2017.

11 Applicant has submitted an acceptance  
12 certificate and bill of sale from Navatek Ltd., dated  
13 February 27, 2017.

14 The proposed premises is a 69-foot catamaran  
15 authorized to carry 149 passengers, one masters, five  
16 deckhands and eight persons in addition to the crew, total  
17 persons allowed is 163. The vessel will be moored within  
18 the Maalaea Boat Harbor, Berth 44 and 46, Maalaea Harbor,  
19 Maalaea, Maui, Hawaii.

20 The men's and women's toilet facilities are  
21 located within the starboard hull section of the main  
22 deck.

23 Beverages will be dispensed from within the  
24 cabin area located on the main deck of the vessel.

25 There are 34 licenses of this class and kind



1 currently issued within Maui County.

2 Applicant initially plans to be open seven days  
3 a week from 7:00 a.m. to 7:00 p.m. The applicant is aware  
4 of the hours for which the sale, service and consumption  
5 of liquor is allowed and that they will need to submit an  
6 application for permit to be open -- open outside of those  
7 hours.

8 Phillip Charles Kasper is an officer, director  
9 and stockholder, Christopher Phillip Kasper is an officer  
10 and director, and Zachary Lee LaPrade is an officer of  
11 Kahikolu, Ltd. doing business as Quicksilver, Number 424,  
12 Tour or Cruise Vessel, Category 2. Original license  
13 issued on May 13, 2004.

14 There were no reports of liquor law violations  
15 at this location.

16 Phillip Charles Kasper is an officer, director  
17 and stockholder. Christopher Phillip Kasper and Zachary  
18 Lee LaPrade are officers of Idle Wild Charters, Inc. doing  
19 business as Malolo Charters, Number 154, Tour or Cruise  
20 Vessel, Category 2. Original license issued on August 18,  
21 2004.

22 There were no reports of liquor law violations  
23 at this location.

24 Copies of their past histories are attached.

25 A site inspection was conducted of the proposed

1 premises on July 7, 2017. The investigator found that the  
2 floor plan submitted was inconsistent with the floor plan  
3 submitted within the application. The applicant is  
4 submitting an application for permit to modify the  
5 premises.

6 Information contained within the DLC-006 Form  
7 submitted by Phillip Charles Kasper, Christopher Phillip  
8 Kasper and Zachary Lee LaPrade indicated that they had  
9 been convicted for violations of law. Phillip Charles  
10 Kasper, Christopher Phillip Kasper and Zachary Lee LaPrade  
11 have submitted letters of explanation.

12 All documents necessary for the issuance of a  
13 liquor license have not been submitted. Those items are  
14 listed in the investigator's report.

15 ACTING CHAIR SOUZA: Do you have anything else  
16 to add?

17 MR. LAPRADE: No, sir.

18 ACTING CHAIR SOUZA: Let's open the floor for  
19 public testimony. None. Public hearing is closed. Any  
20 questions from the Members of the Commission?

21 COMMISSIONER ALULI: Yeah, I've got a question.  
22 Did I hear, Kari, that you said that some of the required  
23 applications were not completed, or did I not hear that  
24 correctly?

25 MS. YOSHIKAWA: That is correct, but that is for

1 the issuance of the liquor license.

2 COMMISSIONER ALULI: Oh, okay.

3 ACTING CHAIR SOUZA: Any other questions?

4 COMMISSIONER LEE: Yeah, I do. It says here  
5 that there have been convictions for violations of the  
6 law. Can you briefly explain what those were?

7 MR. LAPRADE: For who?

8 COMMISSIONER LEE: Christopher Phillip Kasper,  
9 Zachary Lee LaPrade.

10 MR. LAPRADE: Yes. I can explain on behalf of  
11 myself and Phil and Chris. All those explanations --  
12 there are letters of explanation in the application. Is  
13 there a particular violation that you're curious about  
14 that I can answer that question?

15 COMMISSIONER LEE: Well, I see one was motor  
16 vehicle violation. I'm sorry, I can't locate the others.

17 MR. LAPRADE: Sure. I believe I -- I submitted  
18 the application, I remember submitting on behalf of  
19 Mr. Kasper. I believe there was a moving violation for a  
20 speeding violation.

21 MR. KASPER: Yeah, I got a speeding ticket about  
22 10 years ago.

23 COMMISSIONER LEE: Where?

24 MR. KASPER: On the highway between Kahului and  
25 Lahaina.

1 COMMISSIONER LEE: On Maui?

2 MR. KASPER: Yes, on Maui. And I also got a  
3 seatbelt violation like 30 years ago. Those are the only  
4 two tickets I've had.

5 COMMISSIONER LEE: There's also an altercation  
6 occurring in 1997?

7 MR. LAPRADE: Yes. I believe that was for Chris  
8 Kasper.

9 COMMISSIONER LEE: Uh-huh.

10 MR. LAPRADE: I'm not sure the details of the  
11 altercation. I do know that he did include his letter of  
12 explanation. I believe it involved -- actually, I don't  
13 want to speak for him, but I'm certain that we submitted  
14 the letter of explanation.

15 COMMISSIONER LEE: Okay. I just thought maybe  
16 you had other information to add.

17 MR. LAPRADE: I'm sorry. Not today.

18 COMMISSIONER LEE: Okay. Thank you.

19 MR. LAPRADE: Thank you.

20 ACTING CHAIR SOUZA: Any further questions? May  
21 I have a motion?

22 COMMISSIONER ALULI: I move to approve the  
23 application -- or Application Number 28 for Kahikolu, Ltd.

24 COMMISSIONER UMENO: Second.

25 ACTING CHAIR SOUZA: Moved and second. All --

1           COMMISSIONER BICOY: Can I have a point of  
2 order? Do we also need to say that conditioned upon the  
3 applicant completing the remaining application  
4 requirements to the satisfaction of the Department of  
5 Liquor Control when we -- when we -- when we make our  
6 motion?

7           COMMISSIONER ALULI: Yeah, but I don't think --  
8 are there any -- Kari, question then, there aren't any  
9 other outstanding --

10          COMMISSIONER BICOY: Yeah.

11          MS. YOSHIZAWA: There are.

12          COMMISSIONER BICOY: There's four.

13          MS. YOSHIZAWA: On Page 2 of the investigator's  
14 report.

15          COMMISSIONER BICOY: There's four.

16          COMMISSIONER ALULI: Okay. All right. Okay. I  
17 move to approve Application Number 28 conditioned upon the  
18 applicant completing the remaining application  
19 requirements to the satisfaction of the Department of  
20 Liquor Control.

21          COMMISSIONER UMENO: Second.

22          ACTING CHAIR SOUZA: So moved and second. All  
23 in favor, say "aye."

24          (Response.)

25          ACTING CHAIR SOUZA: Opposed?

1 (No response.)

2 ACTING CHAIR SOUZA: None. Motion carried.

3 Thank you.

4 MR. LAPRADE: Thank you.

5 ACTING CHAIR SOUZA: Application Number 31,  
6 Maui-Molokai Sea Cruises dba -- dba Pride of Maui.

7 MR. TURNER: Good morning.

8 ACTING CHAIR SOUZA: Good morning.

9 MR. TURNER: My name is Scott Turner, Vice  
10 President of Maui-Molokai Sea Cruises.

11 ACTING CHAIR SOUZA: Thank you, Scott. Kari.

12 MS. YOSHIZAWA: Application Number 31, the  
13 applicant is Maui-Molokai Sea Cruises doing business as  
14 Pride of Maui applying for a Tour or Cruise Vessel  
15 license, Category 2.

16 The partners of the limited partnership is  
17 listed in the investigator's report.

18 Applicant has submitted a U.S. Coast Guard  
19 Certificate of Documentation dated May 30th, 2017.

20 Applicant has submitted a copy of a vessel lease  
21 between Catamaran Holdings, LLC, a Nevada limited  
22 liability company, lessor, and Maui-Molokai Sea Cruises, a  
23 Hawaii limited partnership, lessee, dated January 1st,  
24 2017.

25 The proposed premises is a 60-foot double deck

1 power catamaran authorized to carry 150 passengers, one  
2 masters, two deckhands and six other persons in crew, one  
3 person in addition to crew, total persons allowed is 160.  
4 The vessel will be moored within the Maalaea Boat Harbor  
5 berth basin, Maalaea Harbor, Maalaea, Maui, Hawaii.

6 The men's and women's toilet facilities are  
7 located on either side of the main deck, the starboard  
8 hull section of the main deck.

9 Beverages will be dispensed from within the  
10 cabin area located on the main deck of the vessel.

11 There are 34 licenses of this class and kind  
12 currently issued within Maui County.

13 Applicant initially plans to be open seven days  
14 a week from 8:00 a.m. to 2:00 a.m.

15 Arthur Roy Cleghorn was an officer, director and  
16 stockholder of the general partner and limited partner,  
17 and Scott Allen Turner was an officer of Maui-Molokai Sea  
18 Cruises doing business as Pride of Maui, Number 086, Tour  
19 or Cruise Vessel, Category 2. Original license issued on  
20 July 16, 2010, license expired on June 30th, 2017.

21 There were no reports of liquor law violations  
22 at this location. A copy of their past history is  
23 attached.

24 A site inspection was conducted of the proposed  
25 premises on July 13, 2017. The investigator found that

1 the floor plan submitted was inconsistent with the floor  
2 plan submitted within the application. The applicant has  
3 since submitted an accurate floor plan.

4 Information contained within the DLC-006 Form  
5 submitted by Scott Allen Turner indicated that he had been  
6 convicted for violations of law. Scott Allen Turner has  
7 submitted a letter of explanation.

8 All documents necessary for the issuance of a  
9 liquor license have not been submitted. Those items are  
10 listed in the investigator's report.

11 ACTING CHAIR SOUZA: Do you have anything else  
12 to add, Mr. Turner?

13 MR. TURNER: No. Thank you.

14 ACTING CHAIR SOUZA: The floor is open for  
15 public testimony. Seeing none, public hearing closed.  
16 Any questions from the Commission?

17 COMMISSIONER LEE: I do. Mr. Turner, what is  
18 your position again?

19 MR. TURNER: Vice president.

20 COMMISSIONER LEE: Vice president?

21 MR. TURNER: Yes.

22 ACTING CHAIR SOUZA: Any other questions? If  
23 not, may I have a motion?

24 COMMISSIONER ALULI: I move to approve  
25 Application Number 31, Maui-Molokai Sea Cruises,



1 conditioned upon the applicant completing the remaining  
2 application requirements to the satisfaction of the  
3 Department of Liquor Control.

4 COMMISSIONER UMENO: Second.

5 ACTING CHAIR SOUZA: Moved and second. All in  
6 favor, say "aye."

7 (Response.)

8 ACTING CHAIR SOUZA: Opposed?

9 (No response.)

10 ACTING CHAIR SOUZA: None. Motion carried.

11 MR. TURNER: Thank you.

12 ACTING CHAIR SOUZA: Thank you. Moving to  
13 Preliminary Hearings, Application Number TA-03, Maui Chan,  
14 Inc. dba Ichiban the Restaurant. Good morning.

15 MS. CHAN: Hi.

16 MR. CHAN: Hi.

17 ACTING CHAIR SOUZA: Please state your name and  
18 position, please.

19 MS. CHAN: Hi. My name is Patsy Chan and  
20 position is President for Maui Chan, Inc., trade name  
21 Ichiban the Restaurant.

22 MR. CHAN: My name is Henry Chan, I'm the Vice  
23 President, Maui Chan and dba Ichiban the Restaurant.

24 ACTING CHAIR SOUZA: Thank you. Kari.

25 MS. YOSHIKAWA: Application Number TA-03, the

1 applicant is Maui Chan, Inc. doing business as Ichiban The  
2 Restaurant applying for a transfer of a Restaurant Beer  
3 and Wine License, Category B(ii) from Maui Chan, Inc.  
4 doing business as Ichiban The Restaurant.

5 The officers, directors and stockholders of the  
6 corporation is listed in the investigator's report.

7 Applicant has submitted a copy of a First  
8 Amendment of Lease by and between Kahului Town Center,  
9 LLC, a Hawaii limited liability company, landlord, and  
10 Maui Chan, Inc., tenant, dated March 31st, 2016.

11 Applicant has submitted a copy of transferor's  
12 endorsement of transfer signed by Patsy Mai Chan,  
13 President of Maui Chan, Inc., dated June 29, 2017.

14 The proposed premises is located within the  
15 Kahului Shopping Center, consisting of approximately 2,166  
16 square feet, located at 47 Kaahumanu Avenue, Unit 1,  
17 Kahului, Maui, Hawaii.

18 There are no schools, churches or licenses of  
19 the same class and kind located within a radius of 500  
20 feet.

21 There are two Dispenser General, one Restaurant  
22 General, one Retail General and one Retail Beer and Wine  
23 located within a radius of 500 feet. There are two  
24 licenses of this class and kind currently issued within  
25 Maui County.

1           Louis and Lucita Funtanilla doing business as  
2 Ichiban The Restaurant transferred a Dispenser General,  
3 Category III to Maui Chan, Inc. doing business as Ichiban  
4 The Restaurant, Number 307, on February 8, 1993. License  
5 downgraded from Dispenser General, Category III to  
6 Dispenser Beer and Wine, Category III on July 1st, 1994.

7           Change in class and kind from Dispenser Beer and  
8 Wine, Category C(ii) to Restaurant Beer and Wine, Category  
9 B(ii) on July 28, 1999.

10           Applicant initially plans to be open seven days  
11 a week from 10:00 a.m. to 9:00 p.m.

12           Patsy Mai Chan and Henry Ha Chan were officers,  
13 directors and stockholders of Maui Chan, Inc. doing  
14 business as Ichiban The Restaurant, Number 307, Restaurant  
15 Beer and Wine, Category B(ii), original license issued on  
16 February 8th, 1993.

17           There were no reports of liquor law violations  
18 at this location. A copy of their past history are  
19 attached.

20           A site inspection was conducted of the proposed  
21 premises on July 10, 2017. The investigator found that  
22 the floor plan submitted was inconsistent with the floor  
23 plan submitted within the application. The applicant has  
24 since submitted an accurate floor plan.

25           In the opinion of the investigator, the

1 applicant appears to be fit and proper, and does not  
2 appear to be disqualified by any provision as stated  
3 within Section 281-56 HRS from obtaining or exercising a  
4 license.

5 All documents necessary for the issuance of a  
6 liquor license have not been submitted. And those items  
7 are listed in the investigator's report.

8 ACTING CHAIR SOUZA: Mr. and Mrs. Chan, do you  
9 have anything else you want to add?

10 MS. CHAN: No. Thank you.

11 ACTING CHAIR SOUZA: Okay. The floor is open  
12 for public testimony. Seeing none, public hearing is  
13 closed. Any questions by the Commissioners?

14 COMMISSIONER LEE: Sorry. I do.

15 ACTING CHAIR SOUZA: Go ahead.

16 COMMISSIONER LEE: Why was the license  
17 originally canceled?

18 DIRECTOR MUKAI: It wasn't canceled. It  
19 couldn't renew it because of a tax clearance problem.

20 COMMISSIONER LEE: Oh, okay. So just -- that's  
21 the only reason why they're here?

22 DIRECTOR MUKAI: Yes.

23 COMMISSIONER LEE: Thank you.

24 MR. KUSHI: Mr. Chair, question. The only  
25 reason they're here, they couldn't get a tax clearance?

1           DIRECTOR MUKAI: Yes. They couldn't renew they  
2 license.

3           ACTING CHAIR SOUZA: Any other questions? May I  
4 have a motion?

5           COMMISSIONER ALULI: I move to approve  
6 Application Number TA-03, Maui Chan, Inc., for public  
7 hearing and to process the application for publication.

8           COMMISSIONER BICOY: Second.

9           ACTING CHAIR SOUZA: Moved and second. All in  
10 favor?

11           (Response.)

12           ACTING CHAIR SOUZA: Opposed?

13           (No response.)

14           ACTING CHAIR SOUZA: None. Motion carried.  
15 Application -- thank you.

16           MS. CHAN: Thank you.

17           ACTING CHAIR SOUZA: Application Number 23,  
18 Hawaiian Paradise Cocktails LLC.

19           MS. YOSHIZAWA: Members, I was just informed by  
20 staff that the applicant is not here yet. They were able  
21 to get in touch with the applicant. She is driving, I  
22 believe, in from Lahaina and she's about 20 to 30 minutes  
23 out.

24           ACTING CHAIR SOUZA: We'll defer to the end of  
25 the calendar. Thank you.

1           Application Number 29, Miko's Cuisine LLC dba  
2 Miko's Cuisine.

3           MR. HORIKAWA: Good morning, Mr. Chair. Paul  
4 Horikawa present with Kwi Hwang and Miko Israel.

5           ACTING CHAIR SOUZA: Good morning.

6           MR. HORIKAWA: I'll stand.

7           MR. KUSHI: Which one is Miko?

8           MR. HORIKAWA: This is Kwi.

9           ACTING CHAIR SOUZA: Thank you. Kari.

10          MS. YOSHIZAWA: Application Number 29, the  
11 application is Miko's Cuisine LLC doing business as Miko's  
12 Cuisine applying for Dispenser General License, Category  
13 C(ii).

14          The manager of the manager-managed LLC is listed  
15 in the investigator's report.

16          Applicant has submitted an executed indenture of  
17 lease by and between Robert T. Tanaka and Doris H. Tanaka  
18 Limited Partnership, a Hawaii limited partnership,  
19 landlord, and Miko's Cuisine LLC, a Hawaii limited  
20 liability company, tenant, effective January 12, 2017.  
21 The term of this lease shall be for five years, and shall  
22 commence on January 1st, 2017, and terminate on December  
23 31st, 2022.

24          The proposed premises is a single-story masonry  
25 building with steel roof consisting of approximately 2,800

1 square feet, located at 1764 Wili Pa Loop, Wailuku, Maui,  
2 Hawaii.

3 Wailuku Hongwanji Mission is located within a  
4 radius of 500 feet.

5 There are no schools or licenses of the same  
6 class and kind located within a radius of 500 feet.

7 There are 116 licenses of this class and kind  
8 currently issued within Maui County.

9 Applicant initially plans to be open seven days  
10 a week from 8:00 a.m. to 2:00 a.m.

11 A site inspection was conducted of the proposed  
12 premises on June 28, 2017.

13 In the opinion of the investigator, the  
14 applicant appears to be fit and proper, and does not  
15 appear to be disqualified by any provision as stated  
16 within Section 281-56 HRS from obtaining or exercising a  
17 license.

18 All documents necessary for the issuance of a  
19 liquor license have not been submitted. Those items are  
20 listed in the investigator's report.

21 ACTING CHAIR SOUZA: Thank you, Kari.  
22 Mr. Horikawa, anything else?

23 MR. HORIKAWA: Just a few comments. We  
24 acknowledge receipt of the notice of the preliminary  
25 hearing as well as Mr. Silva's report. We note that the

1 report contains a summary or an opinion that -- that  
2 applicant appears to be fit and proper and not otherwise  
3 disqualified. We believe that that is true. We would ask  
4 that the Commission approve the Application 29 and process  
5 it.

6 ACTING CHAIR SOUZA: Thank you. The floor is  
7 now open for public testimony. Seeing none, public  
8 hearing is closed. Any questions by the Members of the  
9 Commission? Seeing none, may I have a motion?

10 COMMISSIONER ALULI: I move to approve  
11 Application Number 29, Miko's Cuisine LLC dba Miko's  
12 Cuisine for public hearing and to process the application  
13 for publication.

14 COMMISSIONER BICOY: Second.

15 ACTING CHAIR SOUZA: Moved and second. All in  
16 favor, say "aye."

17 (Response.)

18 ACTING CHAIR SOUZA: Opposed?

19 (No response.)

20 ACTING CHAIR SOUZA: None. Motion carries.  
21 Thank you.

22 MR. HORIKAWA: Thank you, Chair, Members of the  
23 Commission.

24 MS. HWANG: Thank you so much.

25 ACTING CHAIR SOUZA: Application Number 30,



1 Nabee Inc. dba Poni. Application Number 30. Good  
2 morning. State your name and position, please.

3 MS. CALHAU: Julie Calhau, President of the  
4 Nabee Inc.

5 ACTING CHAIR SOUZA: Thank you. Kari.

6 MS. YOSHIZAWA: Application Number 30, the  
7 applicant is Nabee Inc. doing business as Poni applying  
8 for a Dispenser General License, Category C(ii)/D. The  
9 officer, director and stockholder of the corporation is  
10 listed in the investigator's report.

11 Applicant has submitted a copy of an indenture  
12 of lease by and between Puuone Development, a Hawaii  
13 limited partnership, lessor, and Nabee Inc. doing business  
14 as Poni, a Hawaii corporation, lessee, dated June 28,  
15 2016. The proposed premises contain -- consisting of  
16 approximately 1,225 square feet of floor space is located  
17 at 1063 Lower Main Street, C-108 and C-109-A, Wailuku,  
18 Maui, Hawaii.

19 There are no schools or churches located within  
20 a radius of 500 feet. Club Koreana Arirang 1, Mimi's  
21 Lounge, Club Aga-C, Tokyo Tei, Club Hemi's and L`ava's  
22 Sportsbar & Karaoke are licensees of the same class and  
23 kind located within a radius of 500 feet.

24 There's one Retail General license located  
25 within a radius of 500 feet. There are 114 licenses of

1 this class and kind currently issued within Maui County.

2 Applicant initially plans to be open seven days  
3 a week from 2:00 p.m. to 2:00 a.m.

4 Julie Hyun Sook Calhau was an officer, director  
5 and stockholder of Nabee Inc. doing business as Poni,  
6 Number 301, Dispenser General, Category C(ii)/D. Original  
7 license issued on February 13, 2017; license expired on  
8 June 30th, 2017.

9 There were no reports of liquor law violations  
10 at this location. A copy of their past history are  
11 attached.

12 A site inspection was conducted of the proposed  
13 premises on July 7, 2017.

14 In the opinion of the investigator, the  
15 applicant appears to be fit and proper, and does not  
16 appear to be disqualified by any provision as stated  
17 within Section 281-56 HRS from obtaining or exercising a  
18 license.

19 All documents necessary for the issuance of a  
20 liquor license have not been submitted. Those items are  
21 listed in the investigator's report.

22 ACTING CHAIR SOUZA: Thank you, Kari. Do you  
23 have anything else you want to add?

24 MS. CALHAU: Oh, no.

25 ACTING CHAIR SOUZA: The floor is now open for

1 public testimony. Seeing none, public hearing is closed.  
2 Any questions from the Members of the Commission?

3 COMMISSIONER LEE: Is this another situation  
4 where a renewal was not completed?

5 DIRECTOR MUKAI: Yes.

6 COMMISSIONER LEE: Okay. Thank you.

7 ACTING CHAIR SOUZA: Any other questions,  
8 Commissioners? May I have a motion?

9 COMMISSIONER ALULI: I move to approve  
10 Application Number 30 for Nabee Inc. for public hearing  
11 and to process the application for publication.

12 COMMISSIONER BICOY: Second.

13 ACTING CHAIR SOUZA: Moved and second. All in  
14 favor, say "aye."

15 (Response.)

16 ACTING CHAIR SOUZA: Opposed?

17 (No response.)

18 ACTING CHAIR SOUZA: None. Motion carried.

19 Thank you.

20 MS. CALHAU: Thank you.

21 ACTING CHAIR SOUZA: Moving to Other Licensing  
22 Matters, Mid Pac Petroleum, LLC dba Mako's or Mako's Mart.

23 MR. PROVENZA: Good morning. Gabriel Provensa  
24 on behalf Mid Pac Petroleum, LLC dba Mako's Mart. On my  
25 right, I have Sarah Pinheiro, who is the retail area

1 manager.

2 ACTING CHAIR SOUZA: Kari.

3 MS. YOSHIZAWA: Applicant is Mid Pac Petroleum,  
4 LLC doing business as Mako's Mart, Number 107 and Number  
5 340, requesting Commission approval for the transfer of  
6 the outstanding capital stock within the member, and  
7 notifying the Commission of the change of name of the  
8 member and the change of officers, directors and agent  
9 within the member of the limited liability company.

10 Effective December 28, 2015, Koko`oha  
11 Investments, Inc., the member of the limited liability  
12 company, changed its name to Par Hawaii, Inc.

13 Walter Arthur Dods, Jr. was removed as an  
14 officer, director and agent within the member, Par Hawaii,  
15 Inc.

16 Billy Dale Mills and David Craig Hulihee were  
17 removed as officers and directors within the member, Par  
18 Hawaii, Inc.

19 Kaiyo Sayle Hirashima was removed as an officer  
20 within the member, Par Hawaii, Inc.

21 Jimmy Ray Yates assumed additional titles within  
22 the member, Par Hawaii, Inc.

23 RCCI Holdings, LLC previously owned 29 percent  
24 of the outstanding capital stock, and no other person or  
25 entity owned 25 percent or more of the outstanding capital

1 stock of the member, Par Hawaii, Inc. Effective April  
2 1st, 2015, Par Petroleum, LLC owns 100 percent of the  
3 outstanding capital stock of the member, Par Hawaii, Inc.

4 The member of the member-managed LLC is listed  
5 in the investigator's report.

6 Applicant has submitted a certification of  
7 member, officer and director of Mid Pac Petroleum, LLC  
8 dated June 2nd, 2017, which reflects the above changes.

9 In the opinion of this investigator, the  
10 applicant appears to be fit and proper, and does not  
11 appear to be disqualified by any provision as stated  
12 within Section 281-56 HRS from obtaining or exercising a  
13 license.

14 ACTING CHAIR SOUZA: Thank you, Kari.  
15 Mr. Provenza, anything else?

16 MR. PROVENZA: Nothing to add.

17 ACTING CHAIR SOUZA: The floor is open now for  
18 public testimony. Seeing none, public hearing is closed.  
19 Any questions for the members, Commission?

20 COMMISSIONER ALULI: Yeah, just one question.  
21 Is Mid Pac Petroleum, are you a franchisee of -- I mean,  
22 as Mako's Mart, are you a franchisee of Mid Pacific  
23 Petroleum or are you a wholly-owned entity.

24 MR. PROVENZA: Mako's Mart is just the dba of  
25 Mid Pac Petroleum. They hold two liquor licenses.

1 COMMISSIONER ALULI: Oh, okay. Okay.

2 ACTING CHAIR SOUZA: Any other questions? May I  
3 have a motion?

4 COMMISSIONER ALULI: I move to approve the  
5 transfer.

6 COMMISSIONER UMENO: Second.

7 ACTING CHAIR SOUZA: Moved and second. All in  
8 favor, say "aye."

9 (Response.)

10 ACTING CHAIR SOUZA: Opposed?

11 (No response.)

12 ACTING CHAIR SOUZA: None. Motion carried.

13 Thank you.

14 MR. PROVENZA: Thank you.

15 ACTING CHAIR SOUZA: HIE Retail, LLC dba 2 Go  
16 Tesoro.

17 MR. PROVENZA: Good morning. Gabriel Provenza  
18 on behalf of HIE Retail, LLC dba 2 Go Tesoro. On my right  
19 here is Sarah Pinheiro, again, Retail Area Manager.

20 ACTING CHAIR SOUZA: Thank you. Kari.

21 MS. YOSHIZAWA: The applicant is HIE Retail, LLC  
22 doing business as 2 Go Tesoro, Number 022, Number 031 and  
23 Number 347, requesting Commission approval of a  
24 stockholder owning 25 percent or more of the outstanding  
25 capital stock of a member of the manager-managed limited

1 liability company, and notifying the Commission of the  
2 change of managers and member within the limited liability  
3 company and a change of officer and director within the  
4 member, Par Hawaii, Inc., of the limited liability  
5 company.

6 Geoffrey Keith Beal and Brice Edward Tarzwell  
7 were removed as managers within the limited liability  
8 company.

9 Par Hawaii, Inc. was admitted as a member within  
10 the limited liability company. Jimmy Ray Yates was  
11 admitted as an officer and director within the member, Par  
12 Hawaii, Inc. Par Petroleum, LLC owns 100 percent of the  
13 outstanding capital stock of the member, Par Hawaii, Inc.

14 The manager and member of the manager-managed  
15 LLC is listed in the investigator's report.

16 Applicant has submitted a certification of  
17 member, manager, officer and director of HIE Retail, LLC  
18 dated June 2nd, 2017, which reflects the above changes.

19 In the opinion of this investigator, the  
20 applicant appears to be fit and proper, and does not  
21 appear to be disqualified by any provision as stated  
22 within Section 281-56 HRS from obtaining or exercising a  
23 license.

24 ACTING CHAIR SOUZA: Thank you, Kari.  
25 Mr. Provenza.

1 MR. PROVENZA: Nothing to add.

2 ACTING CHAIR SOUZA: Nothing further. The floor  
3 is now open for public testimony. Seeing none, public  
4 hearing is closed. Any questions from the Members of the  
5 Commission? May I have a motion?

6 COMMISSIONER ALULI: I move to approve the --  
7 this is a change, I think, isn't it, it's not a transfer  
8 of any kind.

9 COMMISSIONER UMENO: Change of member --

10 COMMISSIONER ALULI: I move to approve the  
11 change of the stock ownership for HIE Retail, LLC.

12 COMMISSIONER UMENO: Second.

13 ACTING CHAIR SOUZA: Moved and second. All in  
14 favor, say "aye."

15 (Response.)

16 ACTING CHAIR SOUZA: Opposed?

17 (No response.)

18 ACTING CHAIR SOUZA: None. Motion carried.

19 Thank you.

20 MR. PROVENZA: Thank you.

21 ACTING CHAIR SOUZA: Duke's Maui, LLC dba Duke's  
22 Beach House.

23 MS. FUKAGAWA: Good morning. I'm Tammy Marie  
24 Fukagawa, Vice President, Assistant Secretary of T S  
25 Restaurants Management, Inc. And with me is Lisa Davies.



1           ACTING CHAIR SOUZA: Thank you. Kari, please.

2           MS. YOSHIZAWA: The applicant is Duke's Maui,  
3 LLC doing business as Duke's Beach House requesting  
4 Commission approval for the transfer of the outstanding  
5 capital stock within the manager, T S Restaurants  
6 Management, Inc. and member T S Aloha, Inc., and notifying  
7 the Commission of the change of members within the limited  
8 liability company and changes to the officers, directors  
9 and titles within the manager, T S Restaurants Management,  
10 Inc., and members, T S Aloha, Inc., Big Fork Investments,  
11 LLC, and T-Bo Family Partnership LLC.

12           Ross Alan Anderson was removed as a member  
13 within the limited liability company.

14           Jacqueline Rene Reed was admitted as a member  
15 within the limited liability company.

16           The following changes were reported within the  
17 manager T S Restaurants Management, Inc.:

18           John Alexander Saxten, III, Jack Alexander  
19 Saxten and Patricia Ann Thibaut was removed as a director.

20           Ross Alan Anderson was removed as an officer.

21           William Allan Parsons was removed as an officer  
22 and director.

23           Tammy Marie Fukagawa assumed an additional  
24 title.

25           Jacqueline Rene Reed changed titles.

1           Susanne Lindsay Saxten was admitted as an  
2 officer and director.

3           James Robert Thibaut was admitted as a director.

4           John Alexander Saxten, III previously owned 65  
5 percent of the outstanding capital stock. Effective upon  
6 the approval of the Commission, 65 percent of the  
7 outstanding capital stock will be transferred to the  
8 Survivor's Trust with Rosamond D. Saxten as Trustee.

9           Patricia Ann Thibaut previously owned 33 percent  
10 of the outstanding capital stock which, upon the approval  
11 of the Commission, shall be distributed as to cause no  
12 person or entity to obtain at least 25 percent of the  
13 outstanding capital stock of the manager.

14           The following changes were reported within the  
15 member, T S Aloha, Inc.:

16           John Alexander Saxten, III, Patricia Ann Thibaut  
17 and Jack Alexander Saxten were removed as directors.

18           William Allan Parsons was removed as an officer  
19 and director.

20           Rosamond Dana Saxten assumed additional titles.  
21 Jacqueline Rene Reed was admitted as an officer.

22           Susanne Lindsay Saxten was admitted as an  
23 officer and director.

24           James Robert Thibaut was admitted as a director.

25           John Alexander Saxten, III previously owned 65

1 percent of the outstanding capital stock. Effective upon  
2 the approval of the Commission, 65 percent of the  
3 outstanding capital stock will be transferred to the  
4 Survivor's Trust with Rosamond D. Saxten as Trustee.

5 Patricia Ann Thibaut previously owned 33 percent  
6 of the outstanding capital stock which, upon the approval  
7 of the Commission, shall be distributed as to cause no  
8 person or entity to obtain at least 25 percent of the  
9 outstanding capital stock of the manager.

10 The following change was reported within the  
11 member, Big Fork Investments, LLC:

12 John Alexander Saxten was removed as a member.

13 The following changes were -- was reported  
14 within the member, T-Bo Family Partnership LLC:

15 Patricia Ann Thibaut was removed as a manager  
16 and member.

17 Angela Leilani Terry, Christopher Kawika Thibaut  
18 and James Robert Thibaut changed titles.

19 The manager, members and agent and organizer of  
20 the manager-managed limited liability company is listed in  
21 the investigator's report.

22 Applicant has submitted a certification of  
23 change in Duke's Maui, LLC dated May 11, 2017, which  
24 reflects the change.

25 In the opinion of this investigator, the

1 applicant appears to be fit and proper, and does not  
2 appear to be disqualified by any provision as stated  
3 within Section 281-56 HRS from obtaining or exercising a  
4 license.

5 ACTING CHAIR SOUZA: Thank you, Kari. Do you  
6 have anything else to add?

7 MS. FUKAGAWA: No.

8 ACTING CHAIR SOUZA: No. Floor is open for  
9 public testimony. Seeing none, public hearing is closed.  
10 Any questions for the Members of the Commission? May I  
11 have a motion?

12 COMMISSIONER ALULI: I move for approval of  
13 stock transfer and management changes for T -- Duke's  
14 Maui, LLC.

15 COMMISSIONER UMENO: Second.

16 ACTING CHAIR SOUZA: Moved and second. All in  
17 favor, say "aye."

18 (Response.)

19 ACTING CHAIR SOUZA: Opposed?

20 (No response.)

21 ACTING CHAIR SOUZA: None. Motion carried.

22 Thank you.

23 MS. FUKAGAWA: Thank you.

24 MS. DAVIES: Thank you.

25 ACTING CHAIR SOUZA: Loa`a, Inc. dba Minit Stop.

1 MR. HOROVITZ: Good morning, Mr. Chair, Members  
2 the Commission and staff. My name is Peter Horovitz, I'm  
3 attorney for Loa`a, Inc. With me is Kimo Haynes,  
4 President.

5 ACTING CHAIR SOUZA: Good morning.

6 MR. HAYNES: Morning.

7 ACTING CHAIR SOUZA: Kari.

8 MS. YOSHIZAWA: The applicant is Loa`a, Inc.  
9 doing business as Minit Stop, Number 166, requesting  
10 Commission approval for a change in stockholder within the  
11 corporation and notifying the Commission of a change of  
12 officers, directors and titles within the corporation.

13 James John Cresswell Haynes, II and John Wayne  
14 Sims were withdrawn as officers and directors of the  
15 corporation.

16 James John Cresswell Haynes, III changed titles  
17 within the corporation.

18 Brian Keith Bogen was admitted as an officer and  
19 director of the corporation.

20 Diane Marie Kennedy was admitted as an officer  
21 of the corporation.

22 James John Cresswell Haynes, II previously owned  
23 100 percent which was transferred to E Mau, Inc. effective  
24 December 31st, 2006.

25 The officers, directors and stockholder of the

1 corporation is listed in the investigator's report.

2 Section 281-41 HRS provides, in part, if the  
3 licensee is a corporation, a change in ownership of any  
4 outstanding capital stock shall not be deemed a transfer  
5 of a license; provided that in the case of a change in  
6 ownership of 25 percent or more of the stock or in the  
7 case of change in ownership of any number of shares of the  
8 stock that results in the transferee thereof becoming the  
9 owner of 25 percent or more of the outstanding capital  
10 stock, the corporate licensee shall, prior to the date of  
11 such transfer, apply for and secure the approval of the  
12 transfer from the Commission in writing.

13 The applicant has submitted a corporate  
14 certification for Loa`a, Inc. dated June 13, 2017, which  
15 reflects the above changes.

16 In the opinion of the investigator, the  
17 applicant appears to be fit and proper and does not appear  
18 to be disqualified by any provision as stated within  
19 Section 281-56 HRS from obtaining or exercising a license.

20 ACTING CHAIR SOUZA: Thank you, Kari. Do you  
21 have anything else to add?

22 MR. HOROVITZ: Nothing further, but happy to  
23 answer any questions.

24 ACTING CHAIR SOUZA: Thank you. The floor is  
25 open now for public testimony. Seeing none, public

1 hearing is closed. Any questions from the Members of the  
2 Commission? None. May I have a motion?

3 COMMISSIONER ALULI: I move for approval for  
4 Loa`a, Inc. for the transfer of stock and change in  
5 directors and -- I move for approval.

6 COMMISSIONER UMENO: Second.

7 ACTING CHAIR SOUZA: Moved and second. All in  
8 favor, say "aye."

9 (Response.)

10 ACTING CHAIR SOUZA: Opposed?

11 (No response.)

12 ACTING CHAIR SOUZA: None. Motion carried.

13 Thank you.

14 MR. HOROVITZ: Thank you.

15 MR. HAYNES: Thank you.

16 ACTING CHAIR SOUZA: Sailing Shipp, Ltd. dba  
17 Gemini Charters.

18 MR. DYER: Good morning. My name is Sands Dyer,  
19 President of Sailing Shipp dba Gemini Charters.

20 MR. GARNES: My name's George Garnes, Vice  
21 President of Sailing Shipp, Gemini Charters.

22 ACTING CHAIR SOUZA: Thank you. Kari.

23 MS. YOSHIZAWA: The applicant is Sailing Shipp,  
24 Ltd. doing business as Gemini Charters, Gemini, requesting  
25 Commission approval for a change of stockholder and

1 notifying the Commission of a change of officers and  
2 directors within the corporation.

3 Melany Diana Shipp withdrew as an officer of the  
4 corporation.

5 Teresa Elizabeth Waters and Barbara Jane Fong  
6 withdrew as directors of the corporation.

7 Sands Jay Dyer and George Frederick Garnes, III  
8 were admitted as officers and directors of the  
9 corporation.

10 The Estate of Gary L. Shipp previously owned 100  
11 percent of the outstanding capital stock.

12 Sands Jay Dyer assumed 80 percent of the  
13 outstanding capital stock effective June 30, 2017.

14 The officers, directors and stockholder of the  
15 corporation is listed in the investigator's report.

16 The applicant has submitted a copy of a  
17 certification of Sailing Shipp, Ltd. doing business as  
18 Gemini Charters, Gemini, dated July 5th, 2017, which  
19 reflects the changes.

20 In the opinion of the investigator, applicant  
21 appears to be fit and proper, and does not appear to be  
22 disqualified by any provision as stated within Section  
23 281-56 HRS from obtaining or exercising a license.

24 ACTING CHAIR SOUZA: Thank you, Kari. Do you  
25 have anything else to add?



1 MR. DYER: No, sir.

2 MR. GARNES: No, sir.

3 ACTING CHAIR SOUZA: The floor is now open for  
4 public testimony. Seeing none, public hearing is closed.  
5 Any questions from the Members of the Commission? None.  
6 May I have a motion?

7 COMMISSIONER ALULI: I move for -- I move for  
8 approval for the transfer of stock in officer positions  
9 for Sailing Shipp, Ltd. dba Gemini Charters.

10 COMMISSIONER UMENO: Second.

11 ACTING CHAIR SOUZA: Moved and second. All in  
12 favor, say "aye."

13 (Response.)

14 ACTING CHAIR SOUZA: Opposed?

15 (No response.)

16 ACTING CHAIR SOUZA: None. Motion carried.

17 Thank you, gentlemen.

18 MR. GARNES: Thank you.

19 MR. DYER: Thank you.

20 ACTING CHAIR SOUZA: FOH Hospitality, LLC dba  
21 The Westin Nanea Ocean Villas.

22 MR. HOROVITZ: Good morning, Mr. Chair, Members  
23 of the Commission and staff. My name is Peter Horovitz,  
24 I'm the attorney for FOH. With me is Chris Rabang as the  
25 General Manager. Also, in the room is Brandon Maeda, the

1 Food and Beverage Manager.

2 ACTING CHAIR SOUZA: Thank you. Kari.

3 MS. YOSHIZAWA: The applicant is FOH  
4 Hospitality, LLC, a registered Delaware limited liability  
5 company, doing business as The Westin Nanea Ocean Villas.

6 The member and -- of the member-managed LLC is  
7 listed in the investigator's report.

8 Licensee is requesting an extension of licensed  
9 premises and an increase in area of licensed premises.  
10 Applicant is requesting to now include Building 6 through  
11 8, which is expected to be completed by September 2017.

12 Original application for a Hotel license, which  
13 was filed on January 25th, 2017, for a premises located at  
14 45 Kai Malina Parkway, Lahaina, Hawaii, 96761. The  
15 premises consisted of approximately 16 acres to include  
16 Buildings 1 through 8.

17 The public hearing for this application took  
18 place on April 12, 2017. The applicant requested the  
19 Commission approve the reduction of premises for Buildings  
20 6 through 8 and accepted the amended floor plans for  
21 Buildings 1 through 5. Both requests were approved by the  
22 Commission.

23 At the time of application, there were 1,309  
24 property owners and lessees notified out of the 1,309  
25 identified within a 500-foot radius from the proposed

1 premises. The Department did not receive any protests.

2 The original tax map submitted with the license  
3 application had included Buildings 6, 7 and 8, and  
4 notification was made to those owners and lessees within  
5 the 500-foot radius.

6 This request does not significantly impact those  
7 owners and lessees located within the 500-foot radius.

8 ACTING CHAIR SOUZA: Thank you. Do you have --  
9 oh, I'm sorry.

10 MS. YOSHIZAWA: Yeah. Section 08-101-46,  
11 reduction or increase in area of licensed premises: The  
12 Commission may, in its discretion, permit the reduction or  
13 the increase in the area of the licensed premises of any  
14 licensee without publication of notice at a public  
15 hearing; provided that, where an increase in premises may  
16 significantly impact the public, the Commission may  
17 require hearings pursuant to Sections 281-39.5 and 281-57  
18 to 281-60 HRS. The licensee shall be subject to notice  
19 requirement of Sections 281-57, 58 and 59 HRS, whenever  
20 there is a substantial increase of the licensed premises  
21 and there are any owners or lessees of real estate of  
22 record or owners of record of shares in a cooperative  
23 apartment or individuals on the list of owners as provided  
24 by the managing agent or governing body of the  
25 shareholders association situated within a distance of 500

1 feet from the nearest point of the premises for which the  
2 extension is asked to the nearest point of such real  
3 estate or cooperative apartment that were not previously  
4 notified. Whenever any reduction or increase is  
5 permitted, the same shall be endorsed in some appropriate  
6 manner upon the license.

7 Section 08-101-98, modification or extension of  
8 licensed premises: (a) modification to the licensed  
9 premises other than what was submitted to the Commission  
10 at the time of application is strictly prohibited; (b)  
11 extension of premises shall not be granted unless such  
12 area requested is adjacent to and connected to the  
13 licensed premises and meet all governmental requirements.

14 ACTING CHAIR SOUZA: Thank you. Anything  
15 further to add?

16 MR. HOROVITZ: Just briefly. If the Commission  
17 recalls, and -- and as the report states, these buildings  
18 were in the original application, they were subject to the  
19 original notice. Since this is a Hotel license, the  
20 notices were given 500 feet from the corners of the  
21 property, not the -- the building. So everyone has  
22 received notice.

23 We, you know, took those -- took those out  
24 because they weren't quite ready to be done. They are  
25 going to be coming online in the next couple of months.

1 And so we're seeking the approval now. Happy to answer  
2 any questions, but, again, as the report states, that it  
3 was a finding of no significant impact given that these  
4 were included in the original application and subject to  
5 the original notices.

6 ACTING CHAIR SOUZA: Thank you. The floor is  
7 open for public testimony. Seeing none, public hearing is  
8 closed. Any questions from the Members of the Commission?

9 COMMISSIONER ALULI: Yeah, Peter. So are these  
10 the two final buildings to be completed?

11 MR. HOROVITZ: Three -- three buildings, 6, 7  
12 and 8, yes.

13 COMMISSIONER ALULI: Yeah, 6 -- oh, three  
14 buildings, 6, 7 and 8?

15 MR. HOROVITZ: Correct.

16 COMMISSIONER ALULI: And that's it, right? The  
17 8 --

18 MR. RABANG: Pau.

19 MR. HOROVITZ: That -- that's it.

20 COMMISSIONER ALULI: That's the total number,  
21 correct?

22 MR. HOROVITZ: Any -- anything new, we would  
23 have -- we'd have to come in with a whole new --

24 COMMISSIONER ALULI: Right.

25 MR. HOROVITZ: -- floor plan and everything.

1 These were, you know --

2 COMMISSIONER ALULI: Included in the original  
3 application.

4 MR. HOROVITZ: -- already included in the  
5 original, yeah.

6 COMMISSIONER ALULI: Yeah, okay. So that's it,  
7 then, right? 8, that's it, done deal?

8 MR. RABANG: 8 is it.

9 MR. HOROVITZ: Never say never, but, yeah,  
10 that's it.

11 COMMISSIONER ALULI: Don't have any more land  
12 out there unless you buy more land. Okay.

13 MR. RABANG: Please, 8 enough, yeah.

14 ACTING CHAIR SOUZA: Any other questions by the  
15 Commission? Let's have a motion.

16 COMMISSIONER ALULI: I move to approve the --  
17 what is this for?

18 COMMISSIONER BICOY: Extension of licensed  
19 premises, increase in area of licensed premises.

20 COMMISSIONER UMENO: Expansion.

21 COMMISSIONER LEE: Can I -- can we step back? I  
22 just -- I'm sorry, I'm not clear.

23 MR. HOROVITZ: Sure.

24 COMMISSIONER LEE: So the extension request that  
25 you're here for is -- what's the difference between that

1 and the original request?

2 MR. HOROVITZ: Well, the original application  
3 included -- there's eight -- eight main buildings of this  
4 resort. And the original application included all eight  
5 of those buildings.

6 COMMISSIONER LEE: Okay.

7 MR. HOROVITZ: When we came up time for the --  
8 for the public hearing, there were -- there was an opening  
9 day, but three of the buildings weren't going to be ready  
10 for the opening day. And so what we did is we took those  
11 out so that those -- those three buildings weren't  
12 licensed because they were still finishing construction.

13 COMMISSIONER LEE: Okay.

14 MR. HOROVITZ: Licensed the rest of it and  
15 now -- and now they're done.

16 COMMISSIONER LEE: Okay.

17 MR. HOROVITZ: Or now they're gonna be done.

18 COMMISSIONER LEE: That makes sense. Thank you  
19 for explaining.

20 MR. HOROVITZ: Yeah.

21 COMMISSIONER ALULI: Okay. I move to approve  
22 the requested extension for Building 6, 7 and 8 for FOH  
23 Hospitality dba The Westin Nanea Ocean Villas.

24 COMMISSIONER UMENO: Second.

25 ACTING CHAIR SOUZA: Moved and second. All in

1 favor, say "aye."

2 (Response.)

3 ACTING CHAIR SOUZA: Opposed?

4 (No response.)

5 ACTING CHAIR SOUZA: None. Motion carried.

6 Thank you.

7 MR. HOROVITZ: Thank you.

8 MR. RABANG: Thank you.

9 MS. YOSHIZAWA: Members, the Preliminary Hearing  
10 Application Number 23 is here.

11 ACTING CHAIR SOUZA: Application Number 23,  
12 Hawaiian Paradise Cocktails LLC dba Hawaiian Paradise  
13 Cocktails. Morning.

14 MS. VOLK: Good morning.

15 ACTING CHAIR SOUZA: Please state your name and  
16 position, please.

17 MS. VOLK: Mia Volk, and member of Hawaiian  
18 Paradise Cocktails.

19 ACTING CHAIR SOUZA: Thank you. Kari.

20 MS. YOSHIZAWA: Application Number 23, the  
21 applicant is Hawaiian Paradise Cocktails LLC doing  
22 business as Hawaiian Paradise Cocktails applying for a  
23 Manufacturer D Other Specified Liquor License.

24 Member of the member-managed limited liability  
25 company is listed in the investigator's report.



1 Applicant has submitted a copy of Kupohi  
2 Sublease Agreement by and between Volk Pacific Builders  
3 Inc., sublessor, and Hawaiian Paradise Cocktails LLC,  
4 sublessee, dated December 16, 2016. Tenancy of the  
5 sublease shall begin with the sublessee taking possession  
6 on the 1st day of March, 2017, and ending on the 1st day  
7 of March, 2022. Under no circumstances shall there be  
8 holdover by the sublessee.

9 The proposed premises, containing approximately  
10 1,000 square feet of floor space, is located at 142  
11 Kupuohi Street, Unit F6, Lahaina, Maui, Hawaii.

12 There are no schools, churches or licensees of  
13 the same class and kind located within a radius of 500  
14 feet.

15 There's one Retail Beer and Wine license located  
16 within a radius of 500 feet. There are three licenses of  
17 this class and kind currently issued within Maui County.

18 Applicant plans to be open seven days a week  
19 from 6:00 a.m. to 9:00 p.m.

20 Applicant intends to blend the following  
21 products: Mai Tai, LilikoiRita, Maui Punch, Kauai Sunrise,  
22 Blue Hawaii, IslandCosmo, Waikiki Breeze, Tropical Kauai  
23 Punch, Tropical Unwind, Mango Rum Swizzle and Boozy  
24 Hawaii.

25 A site inspection was conducted of the proposed

1 premises on July 13, 2017. The investigator found that  
2 the floor plan submitted was inconsistent with the floor  
3 plan submitted with the -- within the application. The  
4 premises is currently undergoing construction.

5 Information contained within the DLC-006 Form  
6 submitted by Maria Guadalupe Volk indicated that she had  
7 been convicted for violations of laws. Information  
8 received during the criminal history background check  
9 revealed that Maria Guadalupe Volk had been convicted for  
10 violations of laws. Maria Guadalupe Volk has submitted a  
11 letter of explanation.

12 All documents necessary for the issuance of a  
13 liquor license have not been submitted. Those items are  
14 listed in the investigator's report.

15 ACTING CHAIR SOUZA: Thank you, Kari. Do you  
16 have anything else to add?

17 MS. VOLK: No.

18 ACTING CHAIR SOUZA: The floor is open for  
19 public testimony. Seeing none, public hearing is closed.  
20 Any questions for the -- from the Members of the  
21 Commission?

22 COMMISSIONER LEE: Yeah, I have a question.  
23 What are you blending?

24 MS. VOLK: Alcohol and local juices.

25 COMMISSIONER LEE: Okay. So is this the extent

1 of the products that you're intending to use?

2 MS. VOLK: The names you have there on your  
3 list, yes, for now.

4 COMMISSIONER LEE: And then you're going  
5 repackage it and sell it as something else?

6 MS. VOLK: A ready-to-drink cocktail, yes.

7 COMMISSIONER LEE: Oh.

8 ACTING CHAIR SOUZA: Any other questions? If  
9 not, may I have a motion?

10 COMMISSIONER ALULI: I move to approve  
11 Application Number 23 for Hawaiian Paradise Cocktails LLC.

12 COMMISSIONER UMENO: Second.

13 ACTING CHAIR SOUZA: Moved and second. All in  
14 favor, say "aye."

15 (Response.)

16 ACTING CHAIR SOUZA: Opposed?

17 (No response.)

18 ACTING CHAIR SOUZA: None. Motion carried.

19 Thank you.

20 Before we get into Administrative Affairs, can  
21 we take a 10-minute recess, please? Thank you.

22 (Recess, 9:52 a.m. to 10:02 a.m.)

23 ACTING CHAIR SOUZA: Liquor Commission meeting  
24 is reconvened. Moving to Administrative Affairs. Kari.

25 MS. YOSHIZAWA: Administrative Affairs, Item

1 A.1, review and discussion of Department's proposed rule  
2 amendments to Section 08-101-22(j), and 08-101-69(a) of  
3 the Rules Governing the Manufacture and Sale of  
4 Intoxicating Liquor of the County of Maui, the "Rules",  
5 which amendments are summarized as follows:

6 Amends Section 08-101-22(j) of the Rules by  
7 adding a new subsection, 5, to allow the Liquor Commission  
8 to streamline the application procedures for the issuance  
9 of Class 10 special licenses; amends Section 08-101-69(a)  
10 of the Rules by deleting provisions that limit the amount  
11 of liquor that can be offered, sold or served during a set  
12 period of time or for a fixed price.

13 Item Number A.2, review and discussion of the  
14 petition letter filed by Yuki Lei Sugimura, dated July 19,  
15 2017, proposing rule amendments to Section 08-101-22(j)  
16 and 08-101-69(a)(2) of the Rules Governing the Manufacture  
17 and Sale of Intoxicating Liquor of the County of Maui, the  
18 "Rules", which amendments are summarized as follows:

19 Amends Section 08-101-22(j) of the Rules by  
20 amending Subsection 2 to provide that, under certain  
21 conditions, no personal history statements, criminal  
22 history background checks or other governmental clearances  
23 shall be required for Class 10 license applicants; amends  
24 Section 08-101-69(a)(2) of the Rules to add Class 10  
25 licensees to the exemption from provisions that limit the

1 amount of liquor that can be offered, sold or served  
2 during a set period of time or for a fixed price.

3 ACTING CHAIR SOUZA: At this time, we'll take  
4 testimony. Brooke Brown.

5 MS. YOSHIKAWA: For --

6 ACTING CHAIR SOUZA: Sorry. So state your name.  
7 And you do have three minutes.

8 MS. BROWN: Thank you.

9 ACTING CHAIR SOUZA: You're welcome.

10 MS. BROWN: I'm Brooke Brown, I'm the Director  
11 of Na Keiki o Emalia, a children's bereavement program.

12 Woops. Excuse me.

13 Nearly one in 20 children under 20 years old  
14 will lose -- or nearly one in 20 children will have a  
15 parent die before they reach 20. And right now, it's  
16 estimated there are 1,802 children in Maui County who have  
17 had a parent die. And that's not counting sibling death.

18 And our program works with children three to 18  
19 and their adult family members. We offer peer support  
20 programs, not therapy, but peer support, which is  
21 incredibly effective for kids three to 18. And we do this  
22 free of charge. And we started our groups a year ago.

23 Our budget is 111, 112 thousand dollars right  
24 now. We are not seeking any Federal funds, State funds,  
25 County funds, nor do we plan to in the future. And we

1 provide services that save the County services because we  
2 help families get what they need to process their grief.

3           And by putting in place the -- the rules that  
4 you're talking about, it really hampers us. My -- my  
5 board doesn't want anything to do with background checks  
6 and fingerprinting. And I join them. And I don't want to  
7 be putting my Social Security number out, either.

8           And, you know, when you think about, going back  
9 to the one in nearly 20 kids, that's one child in every  
10 classroom right now on Maui that is going to need help at  
11 some point in time.

12           And so what I really am beseech -- beseeching  
13 you to do is streamline the process so we can do  
14 fundraisers. We need publicity. We need money because --  
15 we're here now through the generosity of some private  
16 foundations and grants and generous individuals. And this  
17 is going to be an ongoing march for us. And getting  
18 individual funds is difficult. Also, getting the word out  
19 there. And so to do fundraisers that get us more in the  
20 public eye is to our benefit. And we need all the help we  
21 can get rather than any hindrances. So please streamline  
22 it for us so we don't have all of these rules.

23           We've got insurance and all of the normal  
24 things. And everybody in our group that works with  
25 children directly, we're all fingerprinted. And our

1 fingerprinting is done through the federal -- federal  
2 group, you know, through the AG office in Honolulu. So we  
3 take it very, very seriously.

4           So I just ask you, please, please, please make  
5 it -- make it simple for us because we want to help the  
6 community. That's what we're doing. And the people on my  
7 board are bighearted, good people. And it's gonna be very  
8 difficult to get more board members involved if we have to  
9 restrict them in such ways.

10           Thank you.

11           ACTING CHAIR SOUZA: Thank you.

12           MS. YOSHIZAWA: Peter Horovitz.

13           MR. KUSHI: Question, Mr. Chair. Question for  
14 the testifier.

15           UNIDENTIFIED SPEAKER: Brooke, there's a  
16 question.

17           MS. YOSHIZAWA: Brooke.

18           ACTING CHAIR SOUZA: Ms. Brown.

19           MS. BROWN: I'm sorry. I didn't hear you.

20           MR. KUSHI: Mr. Chair, if I may?

21           MS. BROWN: Yes.

22           MR. KUSHI: Ms. Brown, does your -- how many  
23 board members does your organization have?

24           MS. BROWN: Seven.

25           MR. KUSHI: Seven. Do you have a paid staff

1 member?

2 MS. BROWN: Moi. I'm -- I'm -- I'm it. I mean,  
3 we can't afford more than me right now. And I didn't -- I  
4 just started getting a salary last August 'cause I  
5 couldn't afford to do this gratis.

6 I started doing this after my daughter died two  
7 years ago, after their three-year-old, and realized there  
8 wasn't any organization here, bereavement group for  
9 children of all ethnicities. Liliuokalani Trust --

10 MR. KUSHI: Wait. Wait.

11 MS. BROWN: Yeah.

12 MR. KUSHI: That's not my question. So you have  
13 seven -- at least seven board members?

14 MS. BROWN: Correct.

15 MR. KUSHI: How many officers do you have?

16 MS. BROWN: Four.

17 MR. KUSHI: Okay.

18 MS. BROWN: Requisite four.

19 MR. KUSHI: Plus your paid staff, Executive  
20 Director?

21 MS. BROWN: Me, right.

22 MR. KUSHI: Right, right. And then how many  
23 events do you plan to have every year? One, two, three?

24 MS. BROWN: We're having one that will not  
25 involve alcohol this November. It's an experiment. Next



1 year, I don't know. It's going to depend on -- on how --

2 MR. KUSHI: At least one?

3 MS. BROWN: Yeah.

4 MR. KUSHI: Okay. You mentioned insurance. Is  
5 that general liability insurance?

6 MS. BROWN: Yeah.

7 MR. KUSHI: Directors errors --

8 MS. BROWN: D&O insurance?

9 MR. KUSHI: -- and omissions?

10 MS. BROWN: Oh, yes. We have directors and  
11 omissions, we have general liability, we have insurance  
12 that if we wanted to do a one-day event somewhere, we've  
13 got that insurance, insurance that covers -- what is it --  
14 non-owned auto insurance, you know, for our volunteers  
15 driving.

16 MR. KUSHI: Do you have liquor liability  
17 insurance?

18 MS. BROWN: I think that's part of it. I have a  
19 board member here. Is it part of it? I would have to  
20 look. I don't know, but I would imagine so.

21 MR. KUSHI: Thank you.

22 MS. BROWN: Thank you.

23 MS. YOSHIZAWA: Peter Horovitz.

24 MR. HOROVITZ: Good morning again. Peter  
25 Horovitz. I'm here not representing anyone, just myself,

1 but I am a board member in Ms. Brown's organization and a  
2 few others.

3 If it -- it's okay with the Commission, I was  
4 going to testify on this and the next item, Ms. Sugimura's  
5 proposal. And I don't -- I know there's a lot of people  
6 here, so if I -- if I could just testify to both of them  
7 to save some time.

8 ACTING CHAIR SOUZA: Can you do it in three  
9 minutes?

10 MR. HOROVITZ: Yes, I can.

11 ACTING CHAIR SOUZA: No problem.

12 MR. HOROVITZ: I've -- I've looked at the two  
13 drafts. And I do appreciate the fact that the Commission  
14 and the Department is looking at trying to streamline the  
15 procedures. I think it's needed. And -- and I appreciate  
16 the -- the seriousness that everyone's taking.

17 My suggestion on -- you know, I've looked  
18 through both of the proposals. And I think both of them  
19 might need a little bit of work, but I think  
20 Ms. Sugimura's proposal is a bit better. And let me tell  
21 you why. With -- and I'm focusing mainly on -- on the --  
22 on the procedures themselves.

23 The Department's proposal, basically, says the  
24 Commission may streamline application procedures, et  
25 cetera, et cetera, et cetera. That's, basically, going to

1 require that this Commission, at a later time, come back  
2 and do some more rulemaking and decide how is it going to  
3 streamline.

4           Now, we already know that the Commission has  
5 the -- has the ability to do that. The AG has issued an  
6 opinion letter to that effect.

7           We, also, know that the organizations have had  
8 to cancel events, we heard testimony of that last time,  
9 already. So the fact that, you know, just pushing this --  
10 kicking it down the -- the -- I don't think that was the  
11 intent, but that's the effect. Kicking it down the road  
12 for a couple more months to do more rulemaking, I don't  
13 think is -- is really helpful, especially if there's a  
14 common goal to get this done.

15           Ms. Sugimura's proposal, again, is very similar  
16 in a lot of respects, especially with regard to the -- how  
17 many drinks you can serve and all of that. But it does  
18 contain some concrete, here's what we, you know, want you  
19 to do and not do when it comes to vetting of -- of board  
20 members and the Department. And that's why I think it's a  
21 fair bit more workable.

22           I had offered before, and I'll offer again, I am  
23 happy to work with anyone, whether it's the Department,  
24 the Commission, Ms. Sugimura, anyone, to -- to kind of  
25 hone these down a little bit. Like I said, I think

1 they're both good and they're both -- both go a long way.  
2 But I do think for the reasons -- the fact that  
3 Ms. Sugimura's proposal really contains those, here's what  
4 we want you to do, here's how the application should be,  
5 as opposed to the, well, we should develop some  
6 streamline, which will kick it two, three, four months  
7 down the road. And how many more events are we going to  
8 cancel?

9 I'm on a board that has an event in November.  
10 And we're -- we're looking at this.

11 And I can't stress enough, you know, this is not  
12 a situation where board members are, you know -- you know,  
13 we've got a bunch of disqualified board members. Both of  
14 them say that they're going to have to certify that  
15 they're not. It's really a matter of -- you know, it's  
16 how do you get, you know, seven or 10 or 12 or 15 people  
17 through -- through this process. And it's just not  
18 workable. It's just not workable.

19 So, again, my three minutes are up, I appreciate  
20 the time that -- and the seriousness that everyone is  
21 taking on this. And I'll yield. Thank you.

22 ACTING CHAIR SOUZA: Thank you.

23 MS. YOSHIZAWA: Harlan Hughes.

24 MR. HUGHES: Good morning. I'm going to read a  
25 statement that I believe you folks are all going to get,

1 just focusing on one thing, (inaudible) touching a lot of  
2 other things.

3           The necessity of nonprofits having to sell  
4 scripts for more than two tastes of liquor -- wine,  
5 technically, isn't really liquor. This is -- there's a  
6 very, very big difference in having an open bar with all  
7 of the hard liquor one wishes to drink and that of having  
8 several wines from which one to choose for a taste of two  
9 ounces or less. A food and wine event involves many  
10 different foods (inaudible) to sample with wines chosen to  
11 go with the wide variety of foods. Red and white wines  
12 don't all go with the same food choices. Nor dry  
13 Sauvignon Blanc and a mellower Chardonnay, for example.  
14 It's the person's choice. Also having six or eight wines  
15 to choose from doesn't mean someone will sample all of  
16 them. Most people prefer one wine or the other and sample  
17 the ones they prefer with their foods.

18           Having to buy scripts to taste more than two  
19 ounces of the wine one wishes to pair with their foods is  
20 a negative experience. And people will be inclined to  
21 skip such an event. Having these food and wine events  
22 treated the same as an open hard liquor bar is like having  
23 all the speed limits on our Maui roads set at 20 miles per  
24 hour because it should be required for some of them. We  
25 aren't offering multiple shots of whiskey. It's a food

1 and wine -- it's food and wine.

2           If the price of entrance to a nonprofit food and  
3 wine fundraiser has always been, for example, \$75  
4 inclusive per person. It isn't saleable to charge more  
5 for the wines. Offering only two five-ounce glasses in a  
6 restaurant wine by the glass eliminates the ability to  
7 taste more than one-and-a-half, two ounce taste, which is  
8 what has always been done.

9           Also, not everyone drinks and the wines are  
10 donated. So charging less for the entrance and then  
11 charging more for the wine is, again, a money loser.

12           These fundraisers must, also, be fun for those  
13 paying to attend. This script is more like being sent to  
14 the principal's office because someone may have done  
15 something wrong. In the 30-plus years I have developed  
16 and directed these food and wine events, there has never  
17 been a problem with anybody drinking too much. And the  
18 experienced servers pay attention.

19           This rule is destructive to Maui's nonprofits,  
20 working to help our community and need to be rescinded.  
21 This rule may have been well-intended, but it does more  
22 harm to the community than it does to protect it. I  
23 assure you our community agrees with this statement.

24           I have -- as I mentioned, I have been doing  
25 these events for over 30 years. And there hasn't been a

1 problem. It's not a big drunken party. It's a food and  
2 wine tasting. Food and wine goes together like love and  
3 marriage.

4 And, by the way, Jesus didn't turn wine into  
5 water. He turned water into wine.

6 Wine and food have been going together in a very  
7 good manner for thousands of years. And to put all these  
8 requirements on food and beverage -- food and wine events  
9 for nonprofits is really stopping them from being  
10 successful.

11 ACTING CHAIR SOUZA: Thank you.

12 MS. YOSHIZAWA: Kay Anderson.

13 MS. ANDERSON: Hi. My name is Kay Anderson.

14 And I'm here to speak on both amendments. Is that okay?

15 I'm against the Commission's amendment and for  
16 Sugimura's amendment. And I'm just an everyday citizen.  
17 I'm not with the nonprofits, but I am for their -- their  
18 causes.

19 I'm an Air Force veteran. And I'm a Stage 4  
20 cancer survivor.

21 When I got Stage 4 cancer, there were no support  
22 groups anywhere in the country for the type of cancer that  
23 I got. They gave me six months to live. And I survived  
24 that cancer.

25 And I want to tip my hat to all the nonprofit

1 organizations that do the service, the board members, the  
2 staff and the volunteers, for the people of Maui. Thank  
3 you.

4 And for that, I think you've missed the big  
5 picture. You're here serving the people of Maui. And  
6 that you need to really remember.

7 And I'm a little nervous. Sorry.

8 If we lose even service to one person on Maui or  
9 one nonprofit organization because of the rules that your  
10 unbridled power has, shame on you. And I really mean that  
11 from the bottom of my heart.

12 And one day, you may wake up and find out that  
13 these groups may -- I've lost my train of thought -- may  
14 want to make sure that the media lets the people know not  
15 the Liquor Commission did this, but the individual names  
16 of the Liquor Commission, who you are. And I hope that  
17 the media is here, that, if they rule against you, that  
18 you name these people, not the Liquor Commission. And on  
19 the flip side, if you vote for the people of Maui, that  
20 you also name them and what they do.

21 And, also, one day you might find out that we --  
22 we might just become your worst nightmare, an itch you  
23 can't scratch, and the Rat Lung Disease that won't go  
24 away, because we won't. We might be that disease that  
25 will stick with you forever.



1 Thank you.

2 MS. YOSHIZAWA: Bevanne Bowers.

3 MS. BOWERS: Good morning. My name's Bevanne  
4 Bowers. And I am Vice President of the Maui Nonprofit  
5 Director's Association, and, also, Executive Director of  
6 Maui Mediation Services. I appreciate the Commission  
7 revisiting this issue. I'm here requesting that the  
8 Commission amend sections of 08-101-22(j) of the Rules to  
9 no longer require personal history statements or criminal  
10 background checks for nonprofit board members who are  
11 applying for Class 10 licenses.

12 Special events provide critical operating  
13 revenues for a number of Maui nonprofits. These entities  
14 provide much needed services to our community. And if the  
15 door is closed or even if they have to shorten hours or  
16 staff, it's our county that suffers.

17 I'm not sure how many of the Commissioners have  
18 ever served on the board of a nonprofit, but I do know  
19 this, it comes from a place of caring. Board members  
20 volunteer their time and resources because they believe in  
21 an organization's work.

22 If this section is not amended, it appears we  
23 want to punish those who choose to give. We ask them to  
24 support the work of our agencies, but, with this  
25 requirement, and in exchange, we're asking to invade their

1 privacy by requiring Social Security numbers and  
2 fingerprinting and listing every job held since adulthood.

3 Many of us have already had board members who  
4 have already let it be known that they will not subject  
5 themselves to this.

6 Nonprofits are constantly challenged to find new  
7 ways to generate funds instead of relying on grants and  
8 awards. And this amendment greatly weakens our ability to  
9 do just that. It seems to even insult those who freely  
10 volunteer their time by subjecting them to the scrutiny  
11 that I'm sure most of us in this room have not been  
12 subjected to.

13 As the Executive Director of a small nonprofit,  
14 I can say it's had a chilling effect on our ideas for  
15 fundraising and different options.

16 I, therefore, respectfully ask that this  
17 Commission amend the applicable section so that nonprofits  
18 continue to do what we do best. And that's to serve Maui  
19 County. We stand in support of Ms. Sugimura's proposal.

20 I thank you for your time.

21 ACTING CHAIR SOUZA: Thank you.

22 MS. YOSHIZAWA: Cassandra Abdul.

23 MS. ABDUL: Good morning. My name's Cassandra  
24 Abdul. I'm Executive Director of Na Hale O Maui, an  
25 organization that provides affordable housing alternatives

1 for low to moderate income families in Maui County. I am,  
2 also, a director of the Maui nonprofit Director's  
3 association. And I am speaking to you today in the second  
4 capacity.

5 First of all, I'd like to thank you for taking  
6 the time to listen to everyone who's come before you to  
7 share their manao, their concerns. And I thank you very  
8 much for taking that to heart.

9 The effects of the current rules that you have  
10 in place for Class 10 licenses affect small nonprofits  
11 that can't afford to go to the big hotels and spend up to  
12 \$100,000 just to have a function. Those functions provide  
13 operating expenses for a full year. They provide the  
14 ability to deliver services and products to the people  
15 here in Maui County.

16 And we're not talking about, you know, the  
17 nebulous Maui County, we're talking about your family,  
18 your uncles and aunties, cousins, nephews, nieces. We're  
19 talking about your neighbors. We're talking about our  
20 ohana. And they're all going to be impacted by the rules  
21 as they currently stand.

22 We've looked at both of the proposals,  
23 that introduced by the Commission and, also, that produced  
24 by our Councilmember here. And we much prefer the second.  
25 We appreciate what you've tried to do, but I don't think

1 that they go far enough.

2 And the proposal from Councilmember Sugimura is  
3 more complete, it's more comprehensive, and covers the  
4 issues that concern us.

5 The Class 10 license has been in effect for  
6 decades. And there's never been a problem. And I have to  
7 tell you, if it's not broken, please don't try and fix it.

8 Put yourself in the place of the board members  
9 that are trying to raise funds for the organization.  
10 Would you want to give your Social Security number? Would  
11 you want to be fingerprinted and have a criminal  
12 background check run on you when you don't even manage or  
13 handle the liquor?

14 They hire licensed bartenders to do that.  
15 They're licensed. They're trained. They know how to  
16 recognize when people have had too much to drink and will  
17 stop them.

18 And the truth of the matter is, there haven't  
19 been any events that -- run by the nonprofits that have  
20 created a problem.

21 So, again, please don't fix what's not broken.  
22 Thank you for your time. Thank you for listening to the  
23 people. And we support the proposal from Councilmember  
24 Sugimura. Aloha.

25 ACTING CHAIR SOUZA: Thank you.

1 MS. YOSHIZAWA: Mahina Martin.

2 MS. MARTIN: Hello. It's like an  
3 understatement. Good morning, Commissioners. For the  
4 record, my name is Mahina Martin.

5 I find it deeply unfortunate that our nonprofits  
6 are needing to come and justify themselves to the Liquor  
7 Department and Commission.

8 I read through the 50-plus pages of the June 7th  
9 Commission meeting minutes. I was particularly interested  
10 in the discussions related to procedural requirements for  
11 nonprofit organizations who must adhere to these rules  
12 when they apply for a onetime use permit.

13 I noted that there are nearly a dozen pages in  
14 those minutes from the June 7th meeting that talk about  
15 enforcing a mandated state law and that the public  
16 misunderstands why the County of Maui, through its Liquor  
17 Department, has our community organizations jumping  
18 through hoops that they have never had to before.

19 So I understand that you have received a copy of  
20 correspondence from the State Attorney General via State  
21 Senator Gil Agaran. It's dated July 20th, 2017. And  
22 advises Senator Agaran that Section 281-53.5 of the Hawaii  
23 Revised Statutes, specifically how it impacts Maui  
24 nonprofit applications for liquor licenses for  
25 fund-raising events is addressed in there.

1           You'll notice in the State Attorney General's  
2 Office's letter, that it concludes that while the HRS  
3 Section in question contains both the words "may" and  
4 "shall" and, therefore, can seem confusing, it clearly  
5 states that by applying a process used by courts to  
6 interpret and apply legislation, a county liquor  
7 commission has discretion to request criminal history  
8 records check which would be accompanied, of course, by  
9 fingerprinting.

10           The Attorney General's letter points out that  
11 when interpreting unclear legislation such as the -- that  
12 HRS, it says both shall -- that says both "shall" and  
13 "may", the foremost obligation, and I quote, is to  
14 ascertain and give effect to the intention of the  
15 legislature. The letter cites precedence from a 1990 Big  
16 Island case. In that instance, the Court determined that  
17 where statute uses the word "shall" and "may" throughout,  
18 the word "may" is applied.

19           Through this legal interpretation process, the  
20 State Attorney General advises that a county liquor  
21 commission has discretion to request a criminal history  
22 records check. Discretion.

23           I understand the Commission has recently revised  
24 its earlier requirement of criminal checks, to limit it to  
25 executive director and one director. While that is better

1 than what it was, it continues to be unwarranted.

2           It is my understanding that transient vessels,  
3 such as the Carnival and Pride of America cruise ships,  
4 here at Kahului Harbor, are not required themselves to  
5 have criminal background checks. But our nonprofits are.

6           On Page 650 -- 655 of your June 7th meeting  
7 minutes, you're told by the Department, "The concerns  
8 raised in the newspaper and by nonprofits are requirements  
9 by law and not required by state rules."

10           I'll wrap up.

11           In fact, it's not true. The Attorney General's  
12 letter states that Maui County Liquor Commission has  
13 exercised its discretion to conduct checks by adopting  
14 administrative rules.

15           So I ask you to reconsider what has happened.  
16 There is something not right here.

17           At some point, will there not be red flags that  
18 you could have seen? And will there be future events that  
19 are happening?

20           These nonprofits have lost thousands of dollars  
21 because of this events canceled, auctions reduced or given  
22 up. These dollars have gone to program materials, tuition  
23 support for low-income students, payroll for counseling to  
24 support our island's most vulnerable populations. The  
25 consequences are unjustified.

1           And in looking at how much time and energy it  
2 has drained out of yourselves and our community, I again  
3 say it could have been avoidable. Clearly unwarranted.  
4 And something is wrong.

5           Thank you.

6           ACTING CHAIR SOUZA: Thank you.

7           MS. MARTIN: I have copies, too, if you did not  
8 get the Attorney General's letter, but I think you have it  
9 in your folder.

10          MS. YOSHIZAWA: Nancy La Joy.

11          MS. LA JOY: Hi. My name is Nancy La Joy. And  
12 I am the Executive Director of the Pacific Cancer  
13 Foundation. We provide free support services to Maui's  
14 cancer community.

15                 Right now, we hold one special event a year.  
16 And it raises a significant amount of money for our  
17 organization. And that money goes directly into the  
18 services that we provide for our community.

19                 We run on a real skeletal staff  
20 administratively. The majority of our funds, more than 50  
21 percent of the money we raise, goes into programs, staff  
22 for the programs and the programs themselves.

23                 If we have to take our event to a hotel, we will  
24 be looking at about \$100,000 in cost for that. And that  
25 comes right out of our programs that we provide to the



1 community.

2 All the funds we raise and the services we  
3 provide are only for people in Maui County. So it's a  
4 direct hit on our community.

5 I have 14 board members. And for all of them to  
6 have to go through this process will be very challenging.  
7 And the time constraints are significant for us.

8 To consider the board member background checks  
9 is -- is very important to me right now, streamlining the  
10 application process. It's just me that has to go through  
11 this process. And it's a significant amount of our time.  
12 And I'd rather put that energy into programs.

13 Yuki's proposal is certainly preferred.

14 My fear is that if we don't have some resolution  
15 and we have to keep coming back and -- and sort of being  
16 that -- that partner and that watchful eye, it's -- it's  
17 taking away from what we can offer to the community. So I  
18 would really be willing to be part of any future  
19 conversations. I would love to be able to have this rule  
20 set in place as soon as possible.

21 And I appreciate your support in considering the  
22 nonprofits of Maui County. Thank you.

23 ACTING CHAIR SOUZA: Thank you.

24 MS. YOSHIZAWA: Yuki Lei Sugimura.

25 MS. SUGIMURA: Good morning.

1           Wow. I think that a lot of the voices heard  
2 regarding this issue really embraces some of the reasons  
3 why I stepped forward to push this petition forward and to  
4 put this issue before you.

5           Before I get into my speech, I want to thank all  
6 of you for volunteering your time, because of your caring  
7 for the community, to make it good in terms of the duties  
8 that you hold with a very important role on this Liquor  
9 Commission.

10           So you review rules and guidelines that all the  
11 people that came before us, their businesses, these are  
12 people who have infrastructure, hotels, they have all  
13 these -- liquor, I guess, is -- is why they came before  
14 you, that those are real businesses that are part of our  
15 community.

16           The nonprofits which I represent, and which I've  
17 worked with for many, many years, these are organizations  
18 which we as a county reach out to them when there's a  
19 problem. You heard them. And they do it. And they have  
20 to raise money. They reach out to government, which we  
21 help and provide some funding for them, at all levels that  
22 we can, but they know that we can't provide all the money.  
23 So what do they do? They come before the Liquor  
24 Department, and they apply for a Class 10 special license.

25           And I'm appalled, I'm absolutely appalled to

1 think that the Liquor Department puts them through the  
2 kinds of scrutiny that you are.

3 I will tell you in my testimony, over the years,  
4 I did liquor licenses, special Class 10 liquor licenses,  
5 for U.S. Senator Daniel K. Inouye, who's gone. I cannot  
6 imagine that you would ask Senator Inouye for a  
7 fingerprint, his history check from age 18, to document  
8 all that he's done for our community, because we want to  
9 do a fundraiser for him. That is ridiculous. That is  
10 overstepping the boundaries that I think that you hold as  
11 a responsible body for a community.

12 You are -- our community needs to be in balance.  
13 All the -- all the licenses that you were reviewing before  
14 are the businesses. We are the people. And I want to  
15 speak in behalf of the people and ask you to be  
16 compassionate and to understand what they're trying to do.  
17 And they are not criminals. Board members volunteer, just  
18 like you, so that you and they can make a better  
19 community. Please stand by them.

20 I want to, also, say that, by going over the  
21 Department's proposal, one of the things that we've all  
22 been talking about is fingerprinting. But part of the  
23 Department proposal, which I want to flag to all of you,  
24 as you discuss it, is that -- I think what Harlan Hughes,  
25 his proposal or his testimony was talking about doing

1 where you pay \$75 -- this is my -- my version of it -- \$75  
2 and you walk into a wine and beer event and you can pair  
3 and taste all the wine you want and the food. So that's  
4 the kind of proposal, you know, that he was looking at for  
5 nonprofit.

6           And I think in the Department's -- I may have  
7 missed -- it may be misunderstood, but the Department's  
8 proposal, I think what you're doing is you're deleting --  
9 you're making it available for all classes, now all  
10 classes, to be able to -- to be able to sell liquor all  
11 night at one charge. That is not what we want.

12           I want you to look at my proposal because what  
13 I'm doing is -- in that section, we're just adding in  
14 Class 10 special licenses so that they can do what  
15 Mr. Hughes suggested, which is be able to buy a ticket,  
16 the garden party or whatever it is, for \$75 and go in and  
17 have pairing of wine and food and be able to taste it, and  
18 not be subjected to the two-drink ticket, I think is what  
19 they're opposing, to have to, you know, abide by that.

20           So I -- I hope you don't pass that portion of  
21 your proposal because what you're going to end up with is  
22 almost like the 24/7 liquor, is that all these people are  
23 going to get mad like, woah, what happened now, we can  
24 walk into any restaurant and we can drink all night, but  
25 they're going to charge us a flat rate. I mean, it --

1 it -- I'm reading it like that. I'm not an attorney, but  
2 I'm so scared. When I read this, I thought, oh, my God,  
3 we're gonna have another problem because maybe what the  
4 nonprofits are saying is being misunderstood by the  
5 Commission.

6 We do not want you to do that. We just want  
7 somebody to buy a ticket for the garden party for \$75 or  
8 \$150 and be able to go in there and do wine sampling, you  
9 know, and then to control consumption of liquor, but not  
10 for it to be a free-for-all for any -- any class of -- of  
11 -- of licenses.

12 And I -- I really, really, really hope that you  
13 look at this and understand.

14 I've done work with your Department. I have  
15 worked with you over the years. And you know how -- you  
16 know, Senator Inouye is no longer here, but when I worked  
17 with him and did these permits, it was in the eighties, I  
18 think.

19 I did First Friday, okay, and I have a personal  
20 experience what happened with First Friday as I started  
21 the beer and wine garden, when it first started. It's  
22 in -- Wailuku First Friday is around now for nine years.  
23 So I started the beer and wine garden, I got the permit, I  
24 did the hand drawing of where the bathroom is. I did all  
25 of that. It was accepted by you. It was accepted by the

1 Department. Right? And recently, in April, I got a  
2 notice from -- I no longer do it -- I got a notice from  
3 the organizer saying they no longer --

4 ACTING CHAIR SOUZA: Can you wrap it up, please?

5 MS. SUGIMURA: Okay. I'm sorry. Going  
6 overboard, right?

7 I -- I -- I -- I had a personal experience, but  
8 I can talk to anyone about that. But that happened  
9 recently about miscommunication. And I was shocked. I'm  
10 just shocked at how things have changed.

11 So, anyway, I -- I -- I'm sorry. I -- I value  
12 your time. I sit, in my other job, to be in your seats  
13 and you have to make hard decisions. But just know that I  
14 really ask you to please side on the side of reason and  
15 your heart. And understand that these people and their  
16 board members who volunteer, like you, are giving from  
17 their hearts, too. And we are all building and we're all  
18 part of a better community because of it.

19 So thank you. I'm sorry I went way overboard.  
20 Thank you.

21 ACTING CHAIR SOUZA: Thank you.

22 COMMISSIONER BICOY: I have questions.

23 ACTING CHAIR SOUZA: Oh, excuse me. She has a  
24 question for you, Ms. Sugimura.

25 MS. SUGIMURA: Yes, Dawn.

1 COMMISSIONER BICOY: Thank you so much,  
2 Councilmember Sugimura --

3 MS. SUGIMURA: Thank you.

4 COMMISSIONER BICOY: -- for -- for being here  
5 and for taking the time to being here.

6 MS. SUGIMURA: Thank you.

7 COMMISSIONER BICOY: And, also, for taking the  
8 time to actually produce a draft for us to work with.

9 And I just want to also mention, thank you,  
10 Mahina Martin, for actually recognizing how we got into  
11 this situation. There were some incorrect information  
12 that was provided to us and that's kind of why we're here  
13 today. So I just wanted to clarify that.

14 The one thing that I had, I saw on your proposal  
15 here, and I just wanted to ask some questions because --  
16 so that I'm clear in what you mean. When you say -- let's  
17 see. We're on Page 2, on the first paragraph. And where  
18 you insert, it says, notwithstanding the provisions in  
19 Chapter -- Subchapter 4, Licensing Procedures, special  
20 license applications for nonprofits shall not require  
21 personal history statements, criminal history background  
22 checks and/or other governmental clearances. And that's  
23 the question that I have, is when you talk about other  
24 governmental clearances, kind of -- could you help me  
25 understand what you were talking about or what you were

1 referring to there?

2 MS. SUGIMURA: So those are really the  
3 fingerprinting and dissecting a person -- you know, a  
4 person's history, you know. I -- I think the Department  
5 takes it from, what, is age 18, and you go all the way  
6 through the rest of your life. I'm not sure, you know,  
7 what it is. I don't even remember when I did it, you  
8 know, years ago.

9 But what I would like to point out -- and -- and  
10 thank you, because this really talks about -- I'm trying  
11 to talk about Class 10 licenses, special licenses, for  
12 nonprofits, political candidates or political parties.  
13 And if you look at A, B, C, D, further down, I'm just  
14 saying that instead of doing the fingerprinting and all of  
15 that, is that if an organization comes before you and  
16 applies and they're an individual, well, they're A then,  
17 they're an applicant as an individual. Or, if they're a  
18 corporation, then you go to B, you know, or C, as LLC and  
19 whatever. But in this, what I'm saying is that they are  
20 21 years of age, right, because gotta be 21 years of age  
21 to drink alcohol, and it's not a person who has convicted  
22 a felon and not pardoned. Because those are the concerns  
23 that you guys have.

24 So instead of you having to do the fingerprint,  
25 do all of that, and have it checked, they gotta pay



1 40-something dollars per fingerprint. You know, a  
2 nonprofit, another cost to them.

3 COMMISSIONER BICOY: Uh-huh.

4 MS. SUGIMURA: I mean, take their word for it,  
5 you know. And -- and believe it or not, a current form in  
6 your application, you actually have an affidavit. I was  
7 going to make you an affidavit. And when I really looked  
8 at your current forms, you already have it. And then you  
9 ask the nonprofit to sign this, verify these very things,  
10 that there is no felon and there is no -- you know, it's  
11 there, it's notarized, and so they're giving their word,  
12 but, yet, no, you don't trust them, you also want the  
13 fingerprint. I mean, no. No need.

14 And, really, all of you, I bet you, many of you,  
15 are on nonprofit boards. Because you know what, people  
16 want you because you are vital parts of the community.  
17 It's kind of people like yourselves that get asked to be  
18 on boards because, guess what, your opinion is important.

19 So, anyway, so sorry, going overboard.

20 COMMISSIONER BICOY: So -- so -- and I -- so,  
21 basically, what I was kind of focusing on was more the  
22 governmental clearances. And I was looking at the  
23 application and I noticed things like we require the U.S.  
24 Internal Revenue section exemption letter, I guess to say  
25 that they are --

1 MS. SUGIMURA: 501(c)(3) .

2 COMMISSIONER BICOY: -- legitimate non --

3 MS. SUGIMURA: Or a nonprofit.

4 COMMISSIONER BICOY: Nonprofits.

5 MS. SUGIMURA: Right. So that's pretty  
6 standard, from what I hear --

7 COMMISSIONER BICOY: Or --

8 MS. SUGIMURA: -- from nonprofits.

9 COMMISSIONER BICOY: Or -- or the building  
10 permit, fire clearance, wastewater clearance, those kind  
11 of governmental clearances.

12 MS. SUGIMURA: That's an interesting one.

13 COMMISSIONER BICOY: So are those things that  
14 you're -- you know, are you opposed to that?

15 MS. SUGIMURA: So I'm only -- we're only talking  
16 about, I think, the proposals. And it doesn't -- that is  
17 part of the checklist, I think --

18 COMMISSIONER BICOY: Yeah.

19 MS. SUGIMURA: -- is what you're --

20 COMMISSIONER BICOY: Yeah.

21 MS. SUGIMURA: -- talking about.

22 COMMISSIONER BICOY: Yeah. It is.

23 MS. SUGIMURA: And I can talk about that later  
24 or now, but, basically, the government -- that government  
25 verification of 501(c)(3), I think these nonprofits are

1 pretty used to having to provide that --

2 COMMISSIONER BICOY: Yeah.

3 MS. SUGIMURA: -- letter that they got from the  
4 Federal Government showing that they are a -- a valid  
5 501(c)(3) or whatever their -- their nonprofit status is,  
6 you know, through Federal Government. So that can be  
7 provided through the checklist.

8 The other one you brought up --

9 COMMISSIONER BICOY: I guess -- I guess because  
10 it said -- you know, in -- in this proposal, it says "or  
11 other governmental clearances." So I just -- I wanted to  
12 be clear, was it all or maybe we might need to, you know,  
13 work that a little bit so that these -- these things that  
14 are on the checklist that are -- are provided by the  
15 government, that are necessary or needed --

16 MS. SUGIMURA: So maybe that needs to be  
17 tweaked.

18 COMMISSIONER BICOY: Would be, yeah. Yeah, that  
19 really was where I was going with that.

20 MS. SUGIMURA: Okay. I just don't want this --  
21 what I'm suggesting is I just don't want it to work  
22 against them --

23 COMMISSIONER BICOY: Yeah, I -- I agree.

24 MS. SUGIMURA: -- you know. And -- and like Mr.  
25 Horovitz said, it kind of takes a rule and takes it, you

1 know, probably further into just than a general statement,  
2 just so that, you know, we -- we -- they can follow  
3 something. It's the processing people who are in the  
4 Department will say, okay, you're -- you're an individual,  
5 then that means this and this applies to you. You know,  
6 it doesn't may -- then just they can decide what to do and  
7 maybe we going end up at the same place, because we  
8 weren't too clear, you know. So that's just what I'm  
9 trying to do. And I don't mean to split hairs, but, in a  
10 way, I kind of am.

11 COMMISSIONER BICOY: No. I -- I -- yeah. Thank  
12 you.

13 MS. SUGIMURA: Yeah. And if you want to talk  
14 about the checklist, I can talk about that later. So --

15 COMMISSIONER BICOY: Okay. Yeah, I think you've  
16 addressed my -- my -- my question. So thank you very  
17 much.

18 MS. SUGIMURA: Okay. Thank you.

19 ACTING CHAIR SOUZA: Some more questions. Hang  
20 on.

21 MR. KUSHI: I'll -- got questions after the  
22 Commissioners I wanna ask.

23 ACTING CHAIR SOUZA: Okay.

24 MS. SUGIMURA: Okay.

25 MR. KUSHI: If not, I'll go.

1           ACTING CHAIR SOUZA:  Anyone else?  No.

2           MR. KUSHI:  Ms. Sugimura --

3           MS. SUGIMURA:  Yes.

4           MR. KUSHI:  -- for the record, you submitted  
5 this petition as an individual, correct?

6           MS. SUGIMURA:  Correct.

7           MR. KUSHI:  It's not --

8           MS. SUGIMURA:  Well, for the nonprofits, but,  
9 yes.

10          MR. KUSHI:  It's not a position of the Council?

11          MS. SUGIMURA:  Oh, no.  No, no.  Thank you for  
12 that clarification.  Yes.

13          MR. KUSHI:  Following up with Commissioner  
14 Bicoy's questions.  On Page 2 of your proposal, it says  
15 notwithstanding the provisions, shall not require personal  
16 history statements, criminal history checks --

17          MS. SUGIMURA:  Wait.  Wait.  I looking at the  
18 wrong one.

19          MR. KUSHI:  -- et cetera, et cetera, for all of  
20 these entities, but, yet, they must follow the law.  And,  
21 yet, no member shall be a convicted felon and not  
22 pardoned.  So how would the Department know without  
23 checking them out?  But you're saying just trust us.  Is  
24 that what you're saying?

25          MS. SUGIMURA:  To some degree.  To some degree.

1 It's -- you're asking the applicants now to sign the  
2 affidavit that's part of their application and the  
3 affidavit says that.

4 MR. KUSHI: No. The question is, you're saying  
5 just trust what the applicant signs on that affidavit  
6 under penalty of perjury?

7 MS. SUGIMURA: If that's the legal terminology,  
8 but, yes, you know. And I think that's what the  
9 applicants -- the nonprofits are saying, you know, in  
10 behalf of their boards. So, yes. Am I stating that  
11 right? Am I misunderstanding this? I think that's  
12 what -- I think that's what they're asking.

13 MR. KUSHI: And then going back, you know, your  
14 first sub -- subcategory, applicant -- applicable to  
15 individual. Can an individual be a nonprofit of one? I  
16 know some people work and they no make money, but, you  
17 know, can you -- can you be an applicant --

18 MS. SUGIMURA: It's a category, if they sign up  
19 as a individual --

20 MR. KUSHI: Can you get a 501(c) for yourself?

21 MS. SUGIMURA: So I -- I think I'm just trying  
22 to cover any variable that may come up is -- is what this  
23 is. And probably a nonprofit is going to be a corporation  
24 or LLC or association of sort. So that's maybe splitting  
25 hairs, but that would be a -- an option.

1 MR. KUSHI: Okay. On your Category D, as in  
2 dog, "Applicable to an unincorporated association," can my  
3 Wednesday drinking group apply for this? I mean, I'm  
4 serious.

5 MS. SUGIMURA: If you're -- if you're --

6 MR. KUSHI: I'm serious because you covered the  
7 whole spectrum --

8 MS. SUGIMURA: Yes.

9 MR. KUSHI: -- of not only nonprofits, but  
10 profit corporations. Example, your Category B.

11 MS. SUGIMURA: Is a corporation.

12 MR. KUSHI: Is 25 percent stock. Nonprofit  
13 corporations do not issue stock. So, you know, again,  
14 I -- I know you're trying to cover the whole spectrum --

15 MS. SUGIMURA: I am.

16 MR. KUSHI: And I believe you -- you've -- you  
17 maybe looked at the City and County of Honolulu's --

18 MS. SUGIMURA: Yes.

19 MR. KUSHI: -- rules and regs.

20 MS. SUGIMURA: Yes.

21 MR. KUSHI: But, for some reason, they issue  
22 special one-day permits to profit -- profit entities.  
23 That's their problem. But we don't here.

24 MS. SUGIMURA: Okay. Okay. We need to comply  
25 with whatever -- Maui County.

1 MR. KUSHI: Those are my questions because we  
2 need -- the Commission needs to go over the -- the  
3 proposals.

4 MS. SUGIMURA: Okay. Any other questions?

5 ACTING CHAIR SOUZA: Thank you.

6 MS. YOSHIZAWA: Madge Schaefer.

7 MS. SCHAEFER: Good morning. My name is Madge  
8 Schaefer.

9 I -- yesterday or day before yesterday, I went  
10 to the County and I asked for copies of your Board and  
11 Commission applications, which the County provided me, for  
12 each of you as individuals. I notice that there is -- the  
13 only thing that you sign is that -- your consent to be  
14 nominated and certification for truthfulness and accuracy  
15 of information.

16 So I guess I'm thinking, you make the rules,  
17 yet, you don't have any kind of background check. You  
18 have -- each of you have filled out to varying degrees  
19 your employment history. You aren't fingerprinted. And,  
20 yet, you are making the policies for -- for a very  
21 important issue in the community; liquor.

22 So now comes the proposal to ask nonprofits --  
23 and you've heard from the nonprofits here how they  
24 struggle to make money. You asked them for  
25 fingerprinting, for security -- in essence, a security



1 clearance. It just doesn't make sense. You ought to be  
2 subject -- if you're going to do this, you should be  
3 subject to the same rules.

4           How do we know? So I asked the County, how do  
5 you know and -- that these people who apply for boards and  
6 commissions -- I'm not going to single you all out, but  
7 all boards and commissions, how do you know. And the  
8 answer was, we trust that they are of good character, we  
9 assume that they are of good character. That's not an  
10 assumption you're making to these nonprofits.

11           And every year, at budget time, if you're in the  
12 room when the grants come up, you'll hear Riki Hokama talk  
13 about how nonprofits need to be more responsible for  
14 making and raising funds and not counting on the County  
15 and the taxpayers for those funds. Yet, another County  
16 agency chooses to make it more difficult, not for the big  
17 guys, but for the little guys. The big guys can afford to  
18 go to the hotels and they don't have to -- have to go  
19 through this.

20           I really praise Yuki Sugimura. She has shown  
21 real leadership in this and real caring in this. And I  
22 think her -- her proposal is excellent. I think it needs  
23 some tweaking. Just as Mr. Kushi pointed out, it can be  
24 customized for Maui. But the important thing is, is this  
25 be a simple, clean process with the assumption that the

1 people who are applying for this are of good character.

2 Thank you very much.

3 ACTING CHAIR SOUZA: Thank you.

4 MS. YOSHIZAWA: Last person signed up to testify  
5 is Peggy Harmon.

6 MS. HARMON: Aloha. My name is Peggy Harmon.  
7 I'm the Director of Development for Maui Academy of  
8 Performing Arts, MAPA. And I've had a nervous stomach for  
9 days.

10 We have an event coming up on October 1st, the  
11 29th Annual Garden Party, which has been one of our  
12 primary fundraisers for many, many years, held up at the  
13 Yokouchi Estate. And this year, because of the rule  
14 changes and then the questions of whether some of those  
15 rules were going to be changed again, I'm sort of in this  
16 place of how do I even go forward with applying for the  
17 liquor license that we need for this event.

18 It is a wine and food event. We have 18  
19 restaurants that are going to be providing samples of  
20 food. It's always been a wine tasting. So small tastes  
21 of wine, but it's all -- an all-inclusive price.

22 And, honestly, I'm -- I'm scared that I'm not  
23 going to get clarity in time. And then my board and my  
24 executive director are not going to be able to address  
25 things in time for us to actually have this event.

1           We count in our budget on raising about \$80,000  
2 from this event. And we do it the way we do it because we  
3 cannot afford to go into a hotel.

4           Part of the charge that I have is to keep our  
5 expenses super, super low. So everybody's donating.  
6 That's including the restaurants, that's including, you  
7 know, the volunteers, that's including the auction.  
8 Everybody donates. And -- and that's part of why we raise  
9 so much money.

10           And the money goes to our programs. It goes  
11 directly to our school programs, which MAPA has been  
12 subsidizing for years. Because in 10 years, over 10  
13 years, we haven't been able to -- to raise our fees for  
14 the schools because they're cash-strapped. And so we have  
15 to subsidize our own programs for 10,000 kids every year.  
16 We give over \$100,000 in tuition assistance to kids to go  
17 to our afterschool programs and our camps.

18           And the garden party is a pretty critical  
19 component of that. If we don't raise the money, we spend  
20 the rest of the year scrambling and tightening our belts.

21           So I really, really -- I ask you, first of all,  
22 to support Councilmember Sugimura's proposed changes. And  
23 I -- I really, personally, from MAPA, ask for some  
24 guidance about how to go forward so that we can have a  
25 successful event on October 1st.

1 And I thank you very much.

2 ACTING CHAIR SOUZA: Thank you.

3 MR. KUSHI: Question.

4 ACTING CHAIR SOUZA: Oh, excuse me.

5 MR. KUSHI: Question. Ma'am, are you a board  
6 member or are you a officer?

7 MS. HARMON: I am a staff member.

8 MR. KUSHI: Oh, you're paid staff?

9 MS. HARMON: Yes, I am paid staff.

10 MR. KUSHI: Are you the executive director?

11 MS. HARMON: I am not the executive director. I  
12 am --

13 MR. KUSHI: Do you have one?

14 MS. HARMON: Yes, we do.

15 MR. KUSHI: Okay. How many board members do you  
16 have?

17 MS. HARMON: We have 14 board members.

18 MR. KUSHI: And how many officers do you have?

19 MS. HARMON: We have four officers.

20 MR. KUSHI: Okay. Thank you.

21 MS. YOSHIZAWA: There's no one else signed up to  
22 testify.

23 ACTING CHAIR SOUZA: Is anyone here to testify  
24 on the checklist in which the Commission has looked over?

25 MS. SUGIMURA: Could I?

1           ACTING CHAIR SOUZA: Yes.

2           MS. SUGIMURA: I didn't sign up.

3           ACTING CHAIR SOUZA: That's okay. So that will  
4 be Item B. Kari, can you read that out, please?

5           MS. YOSHIKAWA: Administrative Affairs, Item B,  
6 review, discussion and approval of revisions to the  
7 Department's Special License Application Checklist and  
8 Application for Special Liquor License forms.

9           ACTING CHAIR SOUZA: Thank you.

10          MS. SUGIMURA: As it ties -- thank you. Thank  
11 you, Commissioners. So I'm Yuki Lei Sugimura. And I just  
12 want to continue on with this.

13                   For this checklist, the Ramseyered version,  
14 which I got a copy of, it, basically, takes the deadline  
15 filing applications from six to four weeks, calendar  
16 weeks. And it, also, makes an adjustment for corporate  
17 minutes and deleting the 25 percent, which is what  
18 Mr. Kushi mentioned earlier from this.

19                   And then, if you go to Page 2, because of the  
20 position that I'm taking in terms of supporting the  
21 nonprofits and having to not do the fingerprinting and  
22 Social Security number and all those kinds of things, is  
23 that box number -- Personal History Statement, I'm asking  
24 to remove that as well as cris -- criminal history record,  
25 which is the next box down. And then, of course, in order

1 to do the above, you would need to pay the certified check  
2 or money order, which is that third or fourth box down, I  
3 guess.

4 We appreciate that you have adjusted your form,  
5 your checklist, so that the silent auctions, retail or  
6 non-retail, that -- I guess -- I guess, before, from what  
7 I heard, that the nonprofits felt that they had to provide  
8 you a list, an accurate list, or, I don't know, maybe I  
9 just need more explanation of that.

10 As far as drawing a site plan, it says not drawn  
11 to scale. Appreciate that because, otherwise, you would  
12 have to have an engineer or an architect.

13 So on the site plan not drawn to scale, and then  
14 the floor plan. And I think, here, it's kind of  
15 interesting that I heard some of the nonprofit work was  
16 denied because they didn't put on the piece of paper  
17 mauka, makai, and they used north, south. So I guess in  
18 here, you're trying to do inclusive, you can say mauka,  
19 makai, north, south. And et cetera means all the  
20 directionals that people use, that is exceptional --  
21 accepted.

22 And then the next box down is a -- I guess it's  
23 a grammatical, it's men's and women's, in case there's  
24 only men or women, one restroom. And, again, you  
25 reference north and south added onto mauka, makai.

1           The zoning clearance, I think this is what Dawn  
2 mentioned. I understand why you probably want to make  
3 sure that the property that the event is happening on is  
4 zoned properly. I called the County of Maui Department of  
5 Planning Zoning Administration Enforcement Division and I  
6 asked them, I'm a nonprofit, I'm trying to get a liquor  
7 license, I called this number, 270-7253, and I said what  
8 is required. They said, well, I have to get your form,  
9 which is Department of Liquor Control form. And on that  
10 form, then, I'm not sure what you require, but I bet you  
11 it's a tax map key or some way to identify the property.  
12 And so I asked him, well, how long would it take you to  
13 provide me this information. Said, well, depending on how  
14 busy we are, it may take me two weeks, three weeks,  
15 depending on my workload. But because I had no property  
16 to give them or whatever, I'm just trying to test this  
17 out, you know, I thought, well, that's interesting, you  
18 know, that's a -- that's another delay, but -- and maybe  
19 you can explain why you need to do that. But I -- I would  
20 imagine that most properties are -- are -- are zoned and,  
21 you know, safe. And many of these nonprofits have done it  
22 for years and years. So it's not like a brand new thing,  
23 but --

24           That's, basically, my thought on the checklist.  
25 Are you also going to talk about the application?

1           ACTING CHAIR SOUZA: It's under that heading.

2           MS. SUGIMURA: Okay. So on the application, on  
3 the Ramseyered version, I think you do some cleanup on  
4 that application for check one, either general, beer and  
5 wine, beer, all that. You took the word off, dispenser.  
6 I guess that's a terminology for licensing that the Liquor  
7 Department recognizes. I'm not too sure why, but I'm  
8 sure, for you, it makes a lot of sense.

9           And then on Page Number 3. So this is for  
10 corporations, LLC and LLP. And on here, I wanted to know  
11 if you could put a reference. It's asking for last,  
12 first, middle, and their title of the members of the --  
13 the officers, directors for this organization. And I  
14 wanted to know if you could just put a note that says that  
15 the Commission, if you agree, would accept a secretary  
16 certification or a letter with full legal names of all the  
17 above officers and directors and members and what their  
18 titles are.

19           And the reason for this is because, in my First  
20 Friday example, their application was denied because a  
21 secretary or some officer in the -- in the organization  
22 that was their nonprofit had resigned. So the application  
23 came in, the Liquor Department checked, DCCA, found that  
24 the name on their application was different than DCCA.

25           So I checked with DCCA. Are you guys



1 backlogged? Yes. How long? Maybe up to six months, but  
2 depends, you know.

3           So that even the information there may not be  
4 current just because they're busy and they're  
5 short-staffed, which is a state function. So I wondered  
6 if you would accept a statement from the secretary of the  
7 organization saying that this is a list of our current  
8 legal -- or our full slate of officers, you know, that  
9 make up our organization, just so that we don't get into a  
10 situation like that with DCA -- DCCA, which, you know, you  
11 check, and the organization and -- and take the word of  
12 the secretary that this is who we are.

13           And the last page of this, which is -- ties into  
14 my hope, that you allow the nonprofits to sign this and  
15 get it notarized and to certify. It says, "I certify that  
16 the information provided within the application is true  
17 and correct and that the applicant, partners of the  
18 partnership, officers or directors of the corporation,  
19 members, managers, agents or organized of the LLC -- I  
20 think -- or personal -- I think you deleted that corporate  
21 part, you -- you bracketed that. Persons owning or  
22 controlling 25 percent or more of the applicant's  
23 outstanding corporate stock or any person in the  
24 subdivision. Therefore, that was deleted. And it  
25 continues, "Are 21 years of age or older and have not been

1 convicted of a felony and not pardoned." This is signed,  
2 has name and position, date, and it's notarized to certify  
3 that the information is correct and -- and these people  
4 that are on -- in the application are -- are real, honest,  
5 good citizens who volunteer to help nonprofits, to help  
6 them with the -- you know, their input of, you know,  
7 helping them run their organization.

8 So that's my comments.

9 ACTING CHAIR SOUZA: Any questions? Thank you.

10 MS. SUGIMURA: Thank you.

11 ACTING CHAIR SOUZA: So anyone else need to  
12 testify on the Special License Application Checklist and  
13 applications for special liquor license forms? Step  
14 forward.

15 MS. BROWN: I have a question. And it's  
16 probably 'cause I'm new, but, on your checklist, you say  
17 that a U.S -- or 5-0 -- or IRS 501(c)(3) exemption letter  
18 cannot be over five years old or we need an affirmation  
19 letter not over three years old. This is new to me, but I  
20 thought -- excuse me -- I thought the IRS letter that I  
21 have lasts as long as our 501(c)(3) lasts. So that seemed  
22 an odd thing. I don't know. Do I have to go to the --  
23 would we have to go to the AG's office and start all -- I  
24 mean, how do you get them to issue you the second letter?  
25 That seemed a little odd to me.

1           It's item -- one, two, three, four, five -- it's  
2 the sixth box down under Items Required for Filing of  
3 Application under your Special License Application  
4 Checklist. Because being a 501(c)(3), we are a nonprofit.

5           MS. YOSHIZAWA: May I answer that?

6           MS. BROWN: Yeah.

7           MS. YOSHIZAWA: The affirmation letter provides  
8 a check box with a governmental website where you would  
9 just fill out a letter and then fax it or email it to them  
10 and they would send you an affirmation letter which  
11 confirms your current 501(c)(3) status.

12          MS. BROWN: Okay. Thank you very much.

13          ACTING CHAIR SOUZA: Thank you. Anyone else?

14          MS. LA JOY: My name is Nancy La Joy. And I  
15 just want to address the checklist because, to me, the  
16 streamlining of the process is very important.

17                 And it's easy to look at one -- each one of  
18 these individual items and go, well, just go to that  
19 website, we'll just go to this County office, and just go  
20 get this next step signed up. But the cumulative effect  
21 of a small nonprofit without the staff to dedicate someone  
22 to complete this process is enormous.

23                 And -- and although each individual thing might  
24 not sound like a big deal, collectively, it's -- it's too  
25 much. It's too much. And -- and if there's a way to

1 cover -- I mean, in order to maintain our 501(c)(3)  
2 status, the IRS requires us to do certain things. And --  
3 and we're staying up with all of that. And it just feels  
4 like double duty to have to go back and do all these  
5 processes. It's too much. And that's -- that's part of  
6 the streamline help that we're looking for. It's hard to  
7 take it individually. You have to look at the whole piece  
8 and realize the amount of work that it goes into get all  
9 these things and the timing.

10           Because, like you say, each one of these offices  
11 are all backlogged. And that's creating a backlog for us.  
12 And -- and now we're in a backlog because our events are  
13 coming up and we don't know exactly where we are even  
14 going to fall in this process.

15           It just -- it feels like there's not enough time  
16 to do it all for a one -- five-hour one-day event.

17           Thank you.

18           ACTING CHAIR SOUZA: Thank you. At this time,  
19 we'll take a five-minute recess.

20           (Recess, 11:08 a.m. to 11:19 a.m.)

21           ACTING CHAIR SOUZA: We're reconvened at this  
22 time. Go ahead, Ms. Schaefer.

23           MS. SCHAEFER: Thank you. I just -- on the  
24 checklist --

25           ACTING CHAIR SOUZA: Please state your name.

1 State your name again, please.

2 MS. SCHAEFER: Madge Schaefer.

3 ACTING CHAIR SOUZA: Thank you.

4 MS. SCHAEFER: On the checklist, the -- it's not  
5 numbered, so I'm taking it's number -- it's this one. I  
6 think it's Number 4 or Number 3. Anyhow, it says required  
7 items for issuance of special liquor license. So this is  
8 a building permit for tents. That's pretty obvious.  
9 Exemption letter from Public Works, exemption from what.  
10 The fire clearance, if applicable. How does an applicant  
11 know -- for instance, if you have a tent, it's pretty  
12 obvious you're probably going to have to get tent  
13 something. How do you know if you need a fire clearance?  
14 Can't there be a greater description of when and under  
15 what circumstances? So that these nonprofits aren't  
16 coming -- having to come in here four or five times and  
17 running all over the County building? Just for the  
18 parking alone. Just finding a parking space around here  
19 is ridiculous. So just can't there be greater  
20 explanation?

21 The point is, I think they -- nonprofits had  
22 made it clear they're -- they're willing to do some of  
23 this stuff, but could you make it clear enough so that  
24 it's not 10 times into the Department. And maybe doing  
25 that in the application.

1           For instance, do you need a fire clearance if  
2 you're having it in a private home? Wastewater clearance,  
3 under what circumstance would you need a wastewater  
4 clearance? And can that be done early enough so when the  
5 app -- the application is done, everything can be  
6 submitted at the same time.

7           That's all. Thank you.

8           ACTING CHAIR SOUZA: Thank you.

9           MR. KUSHI: Okay. Mr. Chair, are you going to  
10 close public testimony?

11           ACTING CHAIR SOUZA: Public testimony closed at  
12 this time on those items.

13           MR. KUSHI: Okay. On those items. Okay.  
14 Mr. Chair, what I have done before the recess, I passed  
15 out a packet to the Commissioners. There's some copies  
16 available if you wanna -- for -- anyway, in the packet,  
17 there's four or five documents.

18           First one is Exhibit A -- Exhibit 1. This is  
19 the draft of a notice of public hearing, which regards --  
20 is the rule change for the Department's proposal. It's  
21 highlighted to show the changes.

22           Next document is a copy of the letter dated July  
23 19, 2017, from -- to your Chairman from Yuki Lei Sugimura  
24 requesting a petition for her proposals.

25           The third document, Exhibit 2, is Yuki Lei

1 Sugimura's proposals, again, highlighted. And -- and  
2 these rule amendments affect changes to two rules, Rule  
3 Section 08-101-22 and Section 08-101-69 of your rules.  
4 Okay.

5           The third document is the current form for the  
6 Special License Application Checklist.

7           The next document is a Ramseyered version dated  
8 August 8, 2017, of the Special License Checklist. Now,  
9 this was produced based on your last meeting. And I think  
10 Member Bicoy made a motion to revise the checklist. Okay.  
11 Again, it was prudent that we bring up the revisions and  
12 some additional revisions that the Department is  
13 recommending.

14           Next document is the current form of the actual  
15 application for a special license.

16           And the last document is a Ramseyered version,  
17 dated August 1st, 2017, of the application itself.

18           Where you are right now, I'd like you to focus  
19 on the first three documents. These are the rule  
20 amendment proposals.

21           As we've been through this before, to go through  
22 amendments, you need at least 30 days public notice in the  
23 paper. So if you want to hear it for your next meeting  
24 on -- sometime in September, we need to publish the notice  
25 this Sunday, at the latest. Okay. So these are copies of

1 proposed notices that would go to "The Maui News."

2           Again, the Commission needs to decide which  
3 version they're going to go with. If you can't decide  
4 today -- you need to decide today if you want to hear  
5 anything in September. If you can't decide on the  
6 Department's proposal entirely or Sugimura's proposal  
7 entirely and want to consider both at a public hearing in  
8 September, we can do that. Because we have, also,  
9 prepared a third notice to "The Maui News" that it's --  
10 such -- it states, in the alternative, the Department will  
11 take up this proposal or this proposal. So, you know,  
12 there's an alternative you can do, if you don't want to  
13 decide today. And I can talk about more of that in  
14 Executive Session.

15           So, again, you need to -- if you want to take  
16 this up in September, you need to make a decision which  
17 way to go. You can't decide one -- one or two, we can  
18 take both of them up. Okay.

19           That's the rule amendments which, now, whatever  
20 amendments would be passed would affect the checklist. So  
21 now I want the Commissioners to focus on the checklist  
22 itself. Notwithstanding going through the rule  
23 amendments, which would take time, you will have a  
24 September hearing, you can make a decision then or you can  
25 delay it further.



1           The Mayor -- it has to go to the Mayor. The  
2 question is what if he doesn't sign it. Okay. Then it  
3 takes -- if the Mayor signs it, 10 days afterwards, for  
4 nonprofits like the MAPA -- I forget her name, she has an  
5 event coming up in October -- if you don't revise the  
6 checklist now, this will not help her. Okay.

7           And, again, we talked about it at the previous  
8 meeting. Without the rule amendments, our office feels  
9 that the Commission has the authority to amend the  
10 checklist now. Whatever rule amendments are finalized,  
11 the checklist may be revised again. So if you want to go  
12 over the checklist, we can do that, we can do that in  
13 either in the open session or in a Executive Session.

14           But this is where you stand today. There -- on  
15 the -- and, Mr. Chair, I would request that we discuss the  
16 checklist items in Executive Session.

17           COMMISSIONER ALULI: Yeah.

18           MR. KUSHI: Okay. But, again, the rule  
19 amendments, can, also, discuss it in Executive Session,  
20 but I would request that you make a decision as to which  
21 way you're going to go. One alone, two alone, or consider  
22 both of 'em. If you're going to go into Executive  
23 Session, I'd request that you make a motion. But, at the  
24 same time, on your agenda, you have the status of the  
25 litigation. I have my Deputy here and she's here to make

1 a status report that also needs to be done in Executive  
2 Session. So, Mr. Chair, I would request that you call her  
3 up now.

4 ACTING CHAIR SOUZA: Okay. So let's move to  
5 Administrative Affairs, Item C. Kari, could you please  
6 read that one?

7 MS. YOSHIZAWA: Administrative Affairs, Item C,  
8 Corporation Counsel status report, Committee for  
9 Responsible Liquor Control and Madge Schaefer, plaintiffs,  
10 versus Liquor Control Commission, Director of the  
11 Department of Liquor Control and County of Maui,  
12 defendants, Civil Number 17-1-0185, other civil action,  
13 Second Circuit Court, State of Hawaii.

14 ACTING CHAIR SOUZA: So you're here to give us a  
15 status report?

16 MS. TARNSTROM: Yes. Good morning,  
17 Commissioners. Kristin Tarnstrom, Deputy Corporation  
18 Counsel. I just need to give you a status report on the  
19 hearing yesterday. So I would request to go into  
20 Executive Session when it's appropriate.

21 ACTING CHAIR SOUZA: Can I have a motion to  
22 go --

23 COMMISSIONER ALULI: I move that the committee  
24 moves into Executive Session.

25 COMMISSIONER BICOY: Second.

1 ACTING CHAIR SOUZA: Second. All in favor?

2 (Response.)

3 ACTING CHAIR SOUZA: Opposed?

4 (No response.)

5 ACTING CHAIR SOUZA: None. Motion carried.

6 Executive Session.

7 MS. SCHAEFER: May I ask a question about the  
8 handouts? What is the yellow, the highlighted? Is that  
9 in or out?

10 MR. KUSHI: Highlighted?

11 MS. SCHAEFER: Yeah.

12 COMMISSIONER ALULI: Right here.

13 MS. SCHAEFER: May I approach?

14 MR. KUSHI: If it's bracketed, it's out.

15 COMMISSIONER BICOY: If it's underlined --

16 MR. KUSHI: If it's underlined, it's in.

17 MS. SCHAEFER: Okay. But the yellow is just --  
18 some of it is --

19 COMMISSIONER BICOY: It shows --

20 MS. SCHAEFER: The highlighted.

21 COMMISSIONER BICOY: Shows both changes.

22 MR. KUSHI: Yeah.

23 MS. SCHAEFER: Those are changes taken out or  
24 changes to go in?

25 COMMISSIONER BICOY: Both in and out. So it's

1 if --

2 MR. KUSHI: Depends if it's bracketed or depends  
3 if it's underlined.

4 MS. SCHAEFER: Okay. Thank you.

5 ACTING CHAIR SOUZA: So we're in Executive  
6 Session. Thank you.

7 (Executive Session, 11:29 a.m. to 12:23 p.m.)

8 ACTING CHAIR SOUZA: Liquor Commission is back  
9 in regular session. We're reconvened. The Commission has  
10 had some discussions in Executive Session and we have a  
11 couple motions.

12 COMMISSIONER BICOY: Okay. Regarding  
13 Administrative Affairs, Item A.1 and 2, I move to consider  
14 both proposals, Exhibit 1 from the Department of Liquor  
15 Control and Exhibit 2, Sugimura's proposal, and to publish  
16 it in "The Maui News" for the September public hearing.

17 COMMISSIONER UMENO: Second.

18 ACTING CHAIR SOUZA: Moved and second. All in  
19 favor, say "aye."

20 (Response.)

21 ACTING CHAIR SOUZA: Opposed?

22 (No response.)

23 ACTING CHAIR SOUZA: None. Motion carried.

24 COMMISSIONER ALULI: Okay. We have -- second  
25 motion is in response to review the discussion and

1 approval of revisions to the Department's Special License  
2 Application Checklist and application for special liquor  
3 license forms. I move for the approval of the application  
4 for special liquor license, the Ramseyered version, dated  
5 the 1st of August, 2017, and approval of the Special  
6 License Application Checklist for the Ramseyered proposal  
7 dated August 8th, 2017, subject to legal Department  
8 review.

9 COMMISSIONER UMENO: Second.

10 ACTING CHAIR SOUZA: Moved and second. All in  
11 favor, say "aye."

12 (Response.)

13 ACTING CHAIR SOUZA: Opposed?

14 (No response.)

15 ACTING CHAIR SOUZA: None. Motion carried.

16 Moving on now to the Director's Monthly Report.

17 DIRECTOR MUKAI: Director's Monthly Report.

18 First item is Personnel. Marc Velasquez and  
19 Salika Khangsengsing has been selected to fill the two  
20 vacant Liquor Control Trainee position. And they will be  
21 starting tomorrow.

22 Applicants for the Liquor Control Officer III  
23 vacant position, in Enforcement, will be interviewed by  
24 the selection panel on August 14, next Monday.

25 The Liquor Control Auditor and the Secretary to

1 Boards and Commissions positions are currently in the  
2 recruitment stage by Department of Personnel Services.

3 At this time, we would like to thank our Private  
4 Secretary, Sharon Ito, for assuming the duties, additional  
5 duties, of Secretary to Boards and Commission.

6 And Item 2 is minor decoy. Minor decoy  
7 operation was conducted on 10 premises on July 14 and 15,  
8 2017. Two of the 10 premises checked sold liquor to minor  
9 decoy even after checking the minor decoy identification.  
10 Another minor decoy operation was conducted at six  
11 premises on July 22nd, 2017. Three of the six premises  
12 checked sold liquor to minor decoy. The three premises  
13 that sold liquor to a minor decoy did check the minor  
14 decoy's identification and the third premise did not even  
15 ask nor check the minor decoys' age or ask for any  
16 identification.

17 The third item is State conference. The 2017  
18 Conference for the Hawaii State Liquor Commission and  
19 Industry Representatives will be held at the Courtyard by  
20 Marriott, King Kamehameha Kona Beach Hotel on October 22nd  
21 to 25th, 2017. I believe you have the passout in front of  
22 you.

23 COMMISSIONER LEE: Yeah.

24 DIRECTOR MUKAI: Please inform Sharon today if  
25 you are attending or not because she have to start working

1 on the registration and plane reservations.

2 That's all the Department have.

3 And on the Liquor Control Adjudication Board,  
4 there are no August hearing.

5 ACTING CHAIR SOUZA: Do I have a motion to  
6 adjourn?

7 COMMISSIONER ALULI: So moved.

8 COMMISSIONER UMENO: Second.

9 ACTING CHAIR SOUZA: All in favor?

10 (Response.)

11 ACTING CHAIR SOUZA: Opposed?

12 (No response.)

13 ACTING CHAIR SOUZA: None. Meeting adjourned.

14 (Gavel.)

15 (Meeting adjourned, 12:28 p.m.)

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CERTIFICATE

I, TONYA MCDADE, Certified Court Reporter of the State of Hawaii, do hereby certify that the proceedings contained herein were taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; and that the foregoing represents, to the best of my ability, a true and accurate transcript of the proceedings had in the foregoing matter.

I further certify that I am not an attorney nor an employee of any of the parties hereto, nor in any way concerned with the cause.

DATED this 31st day of August, 2017.

/s/ Tonya McDade

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Tonya McDade  
Certified Shorthand Reporter #447  
Registered Professional Reporter  
Certified Realtime Reporter  
Certified Broadcast Reporter