

COUNTY OF KAUAI  
Minutes of Meeting  
OPEN SESSION

Board/Commission	<b>LIQUOR CONTROL COMMISSION</b>	Meeting Date	<b>February 21, 2019</b>
Location	Mo'ikeha Building, Liquor Control Conference Room 3	Start of Meeting: 4:01 p.m.	End of Meeting: 5:03 p.m.
Present	Chair Paul Endo; Vice-Chair Shirley Akita; Members: Jean Iida, William Gibson, Maryanne Kusaka, Gerald Matsunaga, Gary Pacheco Also: Liquor Control Staff: Director Gerald Rapozo, Private Secretary Cherisse Zaima; Deputy County Attorney Cameron Takamura		
Excused			
Absent			

SUBJECT	DISCUSSION	ACTION
<b>Call To Order</b>		Chair Endo called the meeting to order at 4:01 p.m. with 7 members present, constituting a quorum.
<b>Roll Call</b>	Director Rapozo called roll, noting 7 members were present.	
<b>Approval of Agenda</b>		Ms. Iida moved to approve the agenda. Mr. Gibson seconded the motion. Motion carried 670.
<b>Approval of Minutes</b>	<u>APPROVAL OF MEETING MINUTES:</u> Open Session minutes of February 7, 2019  Chair Endo noted that on Page 5 of the minutes, Item 7. Off-Premise Warehousing did not have the motion or vote recorded. Staff stated it will be added to the minutes.	Ms. Iida moved to approve the Open Session minutes of February 7, 2019 as corrected. Ms. Kusaka seconded the motion. Motion carried 7:0.
<b>Public Hearing</b>	<b>1.</b> <u>PIETRO'S PIZZA &amp; PASTA:</u> Application No. 2019-061 was filed on December 12, 2018 by Pietro's Poipu, LLC dba Pietro's Pizza & Pasta for a New Restaurant General (Live entertainment, No dancing) license at 2360 Kiahuna Plantation Drive, Suite C40-90, Kōloa, Kauai, Hawaii. The Commission accepted Application No. 2019-61 for publication and public	

hearing on December 21, 2019 and ordered to print notice of public hearing in The Garden Island newspaper on Wednesdays, December 26 & January 2, 2019, scheduling the public hearing on February 21, 2019 at 4:00 p.m. or shortly thereafter in Meeting Room #3 of the Līhu‘e Civic Center, Mo‘ikeha Building, 4444 Rice Street, Līhu‘e, Kauai, Hawaii.

Mr. Thomas Iannucci, owner, was present.

The Commission received public testimony from Mr. James Jasper II in support of the application. Mr. Jasper stated the applicants are a hard-working family, and Mr. Iannucci is a good business man. He would like the commission to approve the application.

The Commission received public testimony from Chris Gampon, General Manager for the Association of Beach House Owners at Kiahuna Plantation. Mr. Gampon stated he is not in objection of the application; however, he submitted a letter of general concern regarding any type of amplified music. Mr. Gampon stated they have experience late night music that disrupts the ambiance of the Poipu area, and specifically Kiahuna Plantation which is located directly across the Poipu Shopping Village. Mr. Gampon has spoken with Mr. Iannucci, and has no doubt he has good intentions, he just wanted to ask the Commission to direct the applicant to curtail any live music to 10:00 p.m., which he feels is an acceptable time. Mr. Gampon noted he did express that to Mr. Iannucci as well.

Mr. Iannucci stated he is in agreement with Mr. Gampon, and the association owners he represents. He noted that he is not a late night establishment, and is a family restaurant much like the pizzeria they opened in Līhu‘e. Mr. Iannucci wants to ensure a good relationship with the neighbors, and is fine with shutting down at 10:00 p.m. He noted they will have some acoustic music, maybe some jazz, and pointed out that the lounge is set up with a wall

	<p>behind the entertainers that faces away from the neighbors, and they will do their part to work with the neighbors to ensure they do not disrupt them.</p> <p>The public hearing on Application No. 2019-061 was closed.</p>	<p>Ms. Kusaka moved to approve Application No. 2019-061. Ms. Iida seconded the motion. Motion carried 7:0.</p>
<p><b>2. Violation Hearings</b></p>	<p>a) <u>ALOHA ISLAND MART (PUHI)</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>Robert Fung, Secretary and General Counsel was present to represent the licensee. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Fung explained that it was a matter of human error, noting that the certificates of insurance were valid at the time; however, they were not posted by the manager. Mr. Fung provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p> <p>Commissioner Gibson asked what the licensee is doing to ensure this does not happen again. Mr. Fung explained that a meeting was called, and safeguards and protocols were instituted.</p> <p>Commissioner Matsunaga asked whether the licensee understands that under HRS 281-31, the proof of insurance shall be kept on the premises, pointing out that even if the policy was current, not having it on premise would be a violation. Mr. Fung acknowledged his understanding, and noted that the certificate of liability insurance was on premise, it was just not the current one.</p> <p>Commissioner Akita asked to clarify that the licensee had the certificate on premise, but that it was not the current one to which Mr. Fung replied yes. Commissioner Akita stated in that case, they really did not have the updated insurance policy on premise to which Mr. Fung replied yes.</p> <p>In response to Commissioner Akita, Director Rapozo stated the document he</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year.</p>

	<p>just viewed shows that the licensee was covered on the date of the violation.</p>	<p>Mr. Pacheco seconded the motion. Motion carried 7:0.</p>
	<p>b) <u>ALOHA ISLAND MART (KAPAHI)</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>Robert Fung, Secretary and General Counsel was present to represent the licensee. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Fung explained that it was a matter of human error, noting that the certificates of insurance were valid at the time; however, they were not posted by the manager. Mr. Fung provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Mr. Pacheco seconded the motion. Motion carried 7:0.</p>
	<p>c) <u>ALOHA ISLAND MART (KAPAA)</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>Robert Fung, Secretary and General Counsel was present to represent the licensee. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Fung explained that it was a matter of human error, noting that the certificates of insurance were valid at the time; however, they were not posted by the manager. Mr. Fung provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>d) <u>KAUAI PASTA LIHUE</u>: Violation of HRS 281-31(s) Licenses, classes.</p>	

	<p>Barbara Perkins, General Manager, was present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Ms. Perkins stated they were unable to find the certificate, noting the next morning she contacted the insurance agent and had a copy of the certificate faxed over for both restaurants. Ms. Perkins provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p> <p>Commissioner Gibson asked what the licensee has done to ensure this does not happen again. Ms. Perkins stated they have a filing system that has all the proper forms in place at both locations.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Mr. Gibson seconded the motion. Motion carried 7:0.</p>
	<p>e) <u>KAUAI PASTA WEST: Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>Barbara Perkins, General Manager, was present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Ms. Perkins stated they were unable to find the certificate, noting the next morning she contacted the insurance agent and had a copy of the certificate faxed over for both restaurants. Ms. Perkins provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p> <p>Commissioner Akita asked who is responsible for making sure the documents are there to which Ms. Perkins replied that it would be the owner or General Manager. She pointed out that she had only been working for the company for about 3 weeks when the violations were issued.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0</p>
	<p>f) <u>LIHUE TEXACO: Violation of HRS 281-31(s) Licenses, classes.</u></p>	

	<p>William Cummins, District Manager for Lahaina Petroleum, was present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Cummins stated the insurance policy was expired in March of 2018. When it was brought to his attention that the store did not have the current policy, he went to check all of the stores, and obtained a copy of the current policy. Mr. Cummins provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p> <p>Mr. Cummins further stated that the policy was distributed to the managers of each store, and apparently 2 of the 5 managers neglected to replace it. That has since been corrected.</p> <p>Commissioner Akita asked whether the managers are new to the stores to which Mr. Cummins stated 2 of the 5 were new.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>g) <u>KOLOA TOWN TEXACO: Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>William Cummins, District Manager for Lahaina Petroleum, was present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Cummins stated the insurance policy was expired in March of 2018. When it was brought to his attention that the store did not have the current policy, he went to check all of the stores, and obtained a copy of the current policy. Mr. Cummins provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	

	<p>Mr. Cummins added that he is responsible for ensuring the proper documents are available at the stores, and he does quarterly inspections of all the documentation.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>h) <u>LONGS DRUGS (LIHUE): Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>Newton Chu, counsel for Longs Drug Stores California, LLC, was present on behalf of the licensee. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Chu explained that the insurance policies are emailed to the stores, and the most recent policy was emailed mid-December; they are probably still in the store's email. Since the violation, a new policy has been implemented statewide for all 50 of their stores which now instructs managers to print the policies out immediately upon receiving them, and physically stapling it to the Rules and Regulations book. Mr. Chu provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p> <p>Commissioner Akita asked whether the managers at the stores are new to which Mr. Chu stated the managers vary from store to store. His thinking is that because everything is done electronically nowadays, people don't always print things out; however, the new policy has been put in place to ensure a physical copy of the certificate is printed out and stapled to the Rules and Regulations book.</p> <p>Mr. Chu asked for clarification that after the 1-year period, the suspended amount goes away to which Commissioner Matsunaga replied yes, provided there is no conviction of a similar offense.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is</p>

		<p>no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>i) <u>LONGS DRUGS #10474 (POIPU)</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>Newton Chu, counsel for Longs Drug Stores California, LLC, was present on behalf of the licensee. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Mr. Chu explained that the insurance policies are emailed to the stores, and the most recent policy was emailed mid-December; they are probably still in the store's email. Since the violation, a new policy has been implemented statewide for all 50 of their stores which now instructs managers to print the policies out immediately upon receiving them, and physically stapling it to the Rules and Regulations book. Mr. Chu provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>j) <u>ABC STORES #58</u>: Violation of HRS 281-31(s) Licenses, classes</p> <p>Lovella Romuldo, Property Manager, and Kevin Chung, District Manager, were present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Ms. Romuldo explained that on the date of the inspection, they were covered, but did not have their current certificate of insurance on premises. Ms. Romuldo provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	



	<p>Commissioner Akita asked who would ultimately be responsible for posting the certificate to which Mr. Chung replied the store manager would be ultimately responsible to post it, and it would be Mr. Chung's responsibility to remind them prior to the date it needs to be posted. In response to Commissioner Matsunaga, Mr. Chung stated he did not remind his managers this time, but he will make sure he will do so moving forward.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Mr. Pacheco seconded the motion. Motion carried 7:0.</p>
	<p>k) <u>ABC STORE #59: Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>Lovella Romuldo, Property Manager, and Kevin Chung, District Manager, were present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Ms. Romuldo explained that on the date of the inspection, they were covered, but did not have their current certificate of insurance on premises. Ms. Romuldo provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>
	<p>l) <u>ISLAND COUNTRY MARKETS: Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>Lovella Romuldo, Property Manager, and Kevin Chung, District Manager, were present on behalf of the licensee; no counsel. The licensee agreed to waive the reading of the charges. The licensee admitted to the charges.</p> <p>Ms. Romuldo explained that on the date of the inspection, they were covered, but did not have their current certificate of insurance on premises. Ms. Romuldo provided the insurance document that proves the licensee had current liquor liability insurance at the time of the violation, which Director Rapozo viewed and verified.</p>	<p>Mr. Matsunaga moved that a fine of \$250 be imposed with \$100 suspended provided there is no conviction of a similar offense within 1 year. Ms. Iida seconded the motion. Motion carried 7:0.</p>

	<p>m) <u>7-ELEVEN STORES (LIHUE): Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>n) <u>7-ELEVEN STORES (HANAMAULU): Violation of HRS 281-31(s) Licenses, classes.</u></p> <p>Director Rapozo noted that the department received a letter from the licensee’s counsel requesting a continuance of the violation hearing to the March 21, 2019 meeting as both parties are not able to attend the meeting today.</p>	<p>Mr. Matsunaga moved to continue the Violation Hearing to the March 21, 2019 meeting. Ms. Akita seconded the motion. Motion carried 7:0.</p>
<p>3.</p>	<p><u>DIRECTOR’S REPORTS:</u></p> <p>a) <u>INVESTIGATOR’S REPORTS:</u></p> <p>b) <u>INCOMING COMMUNICATIONS:</u></p> <p>(1) From Arrowhead Promotion &amp; Fulfillment Co.</p> <p>(2) From Craft Brew Alliance</p> <p>(3) Disturbance reports from Grand Hyatt Kauai, and Nāwiliwili Tavern</p> <p>c) <u>OUTGOING COMMUNICATIONS:</u></p> <p>(1) To Arrowhead Promotion &amp; Fulfillment Co.</p> <p>(2) To Craft Brew Alliance</p> <p>d) <u>EMPLOYEES IN LICENSED PREMISES:</u></p> <p>Managers and Assistant Managers – See Attachment “A”</p> <p>e) <u>ACTIONS OF THE DIRECTOR:</u></p> <p>(1) FOODLAND PRINCEVILLE</p> <p>(2) SAFEWAY LIHUE</p> <p>(3) WEST KAUAI BUSINESS AND PROFESSIONALS ASSOCIATION</p> <p>f) <u>INFORMATIONAL MATTERS:</u></p>	<p>Mr. Pacheco moved to approve Items 3(a) through f. Mr. Matsunaga seconded the motion. Motion carried 7:0.</p>

<p>4.</p>	<p><u>VIOLATION REPORTS:</u></p> <p>a) <u>BANGKOK HAPPY BOWL THAI BISTRO</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>b) <u>BRENNECKE’S BEACH BROILER</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>c) <u>ROB’S GOOD TIMES GRILL</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>d) <u>TREES LOUNGE</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>e) <u>WALMART SUPERCENTER #2308</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>f) <u>EATING HOUSE 1849 BY ROY YAMAGUCHI</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>g) <u>MERRIMAN’S KAUAI</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>h) <u>9<sup>TH</sup> ISLAND BARS, INC.</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>i) <u>OLYMPIC CAFÉ</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>j) <u>RUTH’S CHRIS STEAK HOUSE</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>k) <u>TIMES SUPER MARKET</u>: Violation of HRS 281-31(s) Licenses, classes.</p> <p>l) <u>TORTILLA REPUBLIC KITCHEN &amp; MARGARITA BAR</u>: Violation of HRS 281-31(s) Licenses, classes.</p>	<p>Ms. Akita moved to call licensees for Items 4(a) through (l) for violation hearing. Mr. Pacheco seconded the motion. Motion carried 7:0.</p>
<p>5.</p>	<p><u>CHANGE IN CORPORATE OFFICERS:</u></p> <p>a) <u>MNS, LTD.</u>: Promotion of Tracy Chiemi Ide to Vice President, and Director.</p>	<p>Ms. Iida moved to accept the Change In Corporate Officers. Mr. Matsunaga seconded the motion. Motion carried 7:0.</p>
	<p>b) <u>ALOHA PETROLEUM, LTD.</u>: Removal of Richard Michael Parry as CEO, President, and Director; and Thomas Alan Grimes as Vice President and Treasurer. Addition of Thomas Alan Grimes as President and Director, Timothy Stephen Lum as Vice President and Treasurer, and Brian Andrew Hand as Director.</p>	<p>Ms. Iida moved to accept the Change In Corporate Officers. Mr. Matsunaga seconded the motion. Motion carried 7:0.</p>

<p>6.</p>	<p><u>90-DAY TRIAL PERIOD:</u></p> <p><u>KAUAI BEER CO.:</u> Pursuant to HRS Section 281-47, applicant requests a one-time 90-day trial period for live entertainment and dancing.</p> <p>Director Rapozo explained that the licensee’s current Brewpub class license does not include live entertainment and dancing. However, the licensee will be holding an event in which he will be having music and dancing, so he is requesting the trial period for this event.</p>	<p>Ms. Kusaka moved to approve the 90-day trial period. Mr. Gibson seconded the motion. Motion carried 7:0.</p>
<p>7.</p>	<p><u>LICENSE IN ABEYANCE:</u></p> <p><u>BAMBOO:</u> Request to hold Restaurant General License No. 2G-012 in abeyance until such time that the license may be transferred.</p> <p>Director Rapozo explained the licensee’s lease was terminated, and the licensee’s intent is to find a new location. He is requesting that the commission hold the license in abeyance until then. Director Rapozo further explained that under HRS the licensee had 5 days to turn in his license after the establishment closed down; the Department did not hear from the licensee until very recently. Currently, the Commission has the option of either approving the request to hold the license, or cancelling the license as he did not follow the State law.</p> <p>Director Rapozo stated that cancelling the license would allow a new applicant to apply for that location; holding the license in abeyance would allow for a transfer to another entity who wishes to use that location. Director Rapozo reiterated that the licensee did not comply with State law, noting the licensee shut down on October 31, 2018.</p> <p>James Jasper II, landlord to the licensee, explained that his family took over the license from the previous licensee, Victor Heresa, and was subsequently transferred to the current licensee. However, there is language in the licensee’s lease that states the license needs to be assigned back to Mr.</p>	<p>Mr. Matsunaga moved to deny the request to hold the license in abeyance. Ms. Iida seconded the motion. Motion carried 7:0.</p>

	<p>Jasper’s family. Mr. Jasper asked the Commission to hold onto the license so it can eventually be transferred back to his family.</p> <p>Commissioner Akita asked counsel whether there is something in the Statutes they must comply with, or can they just make a decision. Deputy County Attorney Takamura suggested the commission go into executive session if they wish to consult about their powers and duties under HRS 92.</p>	
<b>Executive Session</b>	<p><u>EXECUTIVE SESSION:</u>          Pursuant to Hawai‘i Revised Statutes §§92-4 and 92-5 (a) (4) the purpose of this executive session is to consult with the Commission’s legal counsel on questions and issues pertaining to the Commission’s powers, duties, privileges, immunities, and liabilities as they may relate to this item, deliberate and take such action as appropriate.</p>	<p>Ms. Akita moved to enter into Executive Session. Ms. Kusaka seconded the motion. Motion carried 7:0.</p>
<b>Return to Open Session</b>	<p><u>LICENSE IN ABEYANCE:</u>  <u>BAMBOO:</u> Request to hold Restaurant General License No. 2G-012 in abeyance until such time that the license may be transferred.</p>	<p>The meeting resumed in open session at 5:00 p.m.</p> <p>Mr. Matsunaga moved to deny the request to hold license in abeyance, pursuant to HRS 281-41(j). Ms. Iida seconded the motion. Motion carried 7:0.</p>
<b>Announcements</b>	<p>Next Scheduled Meeting: Thursday, March 7, 2019 – 4:00 p.m., Mo’ikeha Building, Meeting Room #3.</p>	
<b>Adjournment</b>		<p>Chair Endo adjourned the meeting at 5:03 p.m.</p>

Liquor Control Commission  
Open Session  
February 21, 2019

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Submitted by: \_\_\_\_\_  
Cherisse Zaima, Private Secretary

Reviewed and Approved by: \_\_\_\_\_  
Paul Endo, Chair

- ( ) Approved as circulated.
- ( ) Approved with amendments. See minutes of \_\_\_\_\_ meeting.