

APPROVED

COUNTY OF KAUAI
Minutes of Meeting
OPEN SESSION

Approved. See minutes of 1-7-2021.

Board/Commission:	LIQUOR CONTROL COMMISSION	Meeting Date	December 17, 2020
Location	Tele Conference via Microsoft Teams Audio +1 469-848-0234, Conference ID: 664 024 63#	Start of Meeting: 10:01 a.m.	End of Meeting:10:41 a.m.
Tele Present	Chair Shirley Akita, Members: Dee Crowell, William Gibson, Gerald Matsunaga, Randall Nishimura, Gary Pacheco Also: Liquor Control Staff: Acting Director Cecilio Baliaris, Investigator Kenneth Herman , Liquor Clerical Assistant Malialani TM Kelekoma; Deputy County Attorney Charles Foster		
Excused			
Absent	Vice Chair Maryanne Kusaka		
SUBJECT	DISCUSSION	ACTION	
Call To Order		Chair Akita called meeting to order at 10:00 a.m.	
Roll Call	Acting Director Cecil Baliaris called roll, Vice Chair Kusaka was absent, noting 6 members were present constituting a quorum.		
Announcements	Next Scheduled Meeting: Thursday, January 7, 2021 – 10:00 a.m. via Tele-Conference.		
Approval of Agenda		Mr. Pacheco moved to approve the agenda. Mr. Nishimura seconded the motion. Motion carried 6:0.	
Approval of Meeting Minutes	<u>APPROVAL OF MEETING MINUTES:</u> a) <u>Open Session Minutes of October 15,2020</u>	<u>Motion #1</u> Mr. Nishimura moved to approve Open Session Minutes of October 15, 2020. Mr. Pacheco seconded the motion. Motion carried 6:0.	

SUBJECT	DISCUSSION	ACTION
	<p>b) <u>Open Session Minutes of November 5, 2020</u></p> <p>c) <u>Open Session Minutes of November 17, 2020</u> <i>Correction on Agenda should be November 19, 2020</i></p>	<p><u>Motion#2</u> Mr. Matsunaga moved to approve Open Session Minutes of November 5, 2020. Mr. Pacheco seconded the motion. Motion carried 6:0.</p> <p><u>Motion#3</u> Mr. Matsunaga moved to approve Open Session Minutes of November 17, 2020. Mr. Pacheco seconded the motion.</p> <p><u>Motion#4</u> Mr. Matsunaga rescinded his motion to approve Open Session Minutes of November 17, 2020. Mr. Pacheco rescinded his second.</p> <p><u>Motion#5</u> Mr. Matsunaga moved to approve Open Session Minutes of November 19, 2020. Mr. Pacheco seconded the motion. Motion carried 6:0</p>

SUBJECT	DISCUSSION	ACTION
	d) <u>Open Session Minutes of December 3, 2020</u>	<u>Motion #6</u> Mr. Nishimura moved to approve Open Session Minutes of December 3, 2020. Mr. Pacheco seconded the motion. Motion carried 6:0.
Public Testimony	None	
1.	<p><u>DIRECTOR'S REPORTS:</u></p> <p>a) <u>INVESTIGATORS' REPORTS:</u></p> <p>b) <u>ACTIONS OF THE DIRECTOR:</u></p> <p>c) <u>INFORMATIONAL MATTER -NONE</u></p>	Mr. Nishimura moved to approve the Director's Reports and Actions of the Director. Mr. Pacheco seconded the motion. Motion carried 6:0.
2.	<p><u>VIOLATION HEARING:</u></p> <p>A. <u>HEALTHGO MARKET INC.: Violation of Rule 10.2 Manager on duty, qualifications.</u></p> <p>Jeremy Hillstrom (Owner) was present via Tele-Conference; no counsel.</p> <p>Acting Director Baliaris read the charges for HealthGo Market on November 15, 2020 failed to have a Manager on Duty.</p> <p>Chair Akita asked to read the whole charge for HealthGo Market.</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Investigator Herman stated on November 15, 2020, HealthGo Market is charged with not having a person duly registered with the Department of Liquor, 21 years of age and was not registered as a Red Card Holder. This is in reference to Rule 10.2.</p> <p>Chair Akita asked Mr. Hillstrom if he received a copy of the charges. He understood and admitted to the charge. Chair Akita requested for Mr. Hillstrom to explain what happened.</p> <p>Mr. Hillstrom stated Alison works for HealthGo Market and is a new employee. She was told to get her Liquor Card before, she is able to work on her own. At the very least schedule an appointment to take the test to get her card. He mentioned to her, how the Liquor Commission was working, they were allowing you to work on your own as long you had an appointment and have gone thru the reading materials, booklet and understood to make sure you do not sell anyone underage. The timeline when you can sell and when you can't sell. That's what he had done a few months back with another employee as the tests were not being held. He allowed her to work and advised to review the booklet and to make an appointment to take the test. She had gotten a warning from an officer on the weekend. She notified him and he advised that she needed to take the test, this needs to be taken cared of. He did not know that she did not take the test and was working the next weekend and she got cited.</p> <p>Chair Akita asked the Commissioners if there were any questions for Mr. Hillstrom.</p>	<p>Mr. Matsunaga moved that a fine of \$250.00 be imposed. Mr. Gibson seconded the motion. Motion carried 6:0.</p>

SUBJECT	DISCUSSION	ACTION
3.	<p><u>NEW LIQUOR LICENSE:</u></p> <p><u>POINT HB LLC DBA LEI HANAIEI: Application No. 2021-014 was filed on December 7, 2020 by POINT HB LLC dba LEI HANAIEI for a New Class and Kind (Retail Dealer General) at the former Harvest Market, located in Hanalei town. The address is 5-5161 Building F, Kuhio Highway, Hanalei, Kauai, Hawaii. Deposited \$450</u></p>	<p>Mr. Nishimura moved to accept Application No. 2021-014, Point HB LLC dba Lei Hanalei for Publication and Public Hearing. Mr. Pacheco seconded the motion. Motion carried 6:0.</p>
4.	<p><u>CONVERSION FROM A CORPORATION TO A LIMITED LIABILITY COMPANY</u></p> <p><u>ALOHA PETROLEUM, LTD. (“ALOHA): Pursuant to HRS 281-41(k) Aloha Petroleum, Ltd. requests to convert from a corporation to a limited liability company. All required paperwork has been filed to include filing with the Hawaii Department of Commerce & Consumer Affairs and will be effective on January 1, 2021</u></p> <p>Commissioner Nishimura asked, Sunoco Property Company LLC as the member and it states on FORM FLLC-1 that they shall not be liable for the debts, obligations and liabilities of the company. If that is the case who might be responsible party or am I overlooking/overthinking things?</p> <p>Chair Akita stated that’s a good question, Sunoco Property Company LLC is the owner.</p> <p>Investigator Herman replied to Commissioner Nishimura his understanding as he is handling this case, the Owners are not changing, just the designation from LTD to LLC, in the end the ownership is staying the same.</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Chair Akita stated although they are staying the same Aloha Petroleum will be responsible for its own debts, obligations and liabilities.</p> <p>Investigator Herman replied, that is his understanding.</p> <p>Commissioner Nishimura stated as an example our last case there is a Violation and choose not to comply it's a messy situation. Should Aloha Petroleum not be responsible and says their Owners need to be responsible, that was his point.</p> <p>Chair Akita asked Mr. Foster do you have any comments.</p> <p>Mr. Foster had no comments, unless anyone has questions.</p>	<p>Mr. Gibson moved to approve the Conversion from a Corporation to a Limited Liability Company for Aloha Petroleum, LTD. Mr. Pacheco seconded the motion. Motion carried 6:0.</p>
<p>5.</p>	<p><u>UPDATE ON THE HIRING FOR THE DIRECTOR OF LIQUOR CONTROL</u></p> <p>Chair Akita stated that Ellen Ching assigned a member of the PIG (Permitted Interaction Group) to give the report.</p> <p>Commissioner Nishimura reported everyone should have received the email that came with the Director's Report. The PIG (Permitted Interaction Group) received 19 resumes on December 11, 2020. The PIG (Permitted Interaction Group) has a scheduled meeting on December 22, 2020 to finalize its recommendations to the Liquor Commission at the next scheduled meeting on January 7, 2021. Should we move forward, request that this item be put on the next agenda and will be able to defer any actions that the Commission chooses to do so.</p> <p>Chair Akita asked did the 19 meet the minimum requirements.</p> <p>Commissioner Nishimura responded, no.</p> <p>Chair Akita asked did all 19 not made it or you can't tell us.</p>	

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	<p>Commissioner Nishimura responded not all have the minimum requirements and the PIG (Permitted Interaction Group) did not complete the scoring.</p> <p>Chair Akita thanked the PIG (Permitted Interaction Group) this had been a challenging task and has taking up a lot of time and effort. The Commission wishes to thank you very much for all your work.</p> <p>Commissioner Gibson asked Chair Akita, until you are replaced you will be joining us.</p> <p>Chair Akita replied, yes someone has already been recommended to replace Vice Chair Kusaka. Both she and Commissioner Matsunaga will stay on till they are replaced.</p>	<p>No Motion</p>												
<p>6.</p>	<p><u>ELECTION OF CHAIR AND VICE CHAIR TO SERVE A ONE-YEAR TERM FOR CALENDAR YEAR 2021</u></p> <p>Commissioner Nishimura nominated Commissioner Gibson to serve as Chair for Calendar year 2021.</p> <p>Commissioner Gibson nominated Commissioner Nishimura to serve as Chair for Calendar year 2021.</p> <table border="0" data-bbox="415 1141 1493 1360"> <tr> <td><u>Commissioner Gibson</u></td> <td><u>Commissioner Nishimura</u></td> </tr> <tr> <td>Commissioner Dee Crowell – Yes</td> <td>Commissioner Dee Crowell - No</td> </tr> <tr> <td>Commissioner Matsunaga – Yes</td> <td>Commissioner Matsunaga - No</td> </tr> <tr> <td>Commissioner Nishimura – Yes</td> <td>Commissioner Nishimura - No</td> </tr> <tr> <td>Commissioner Pacheco – Yes</td> <td>Commissioner Pacheco – No</td> </tr> <tr> <td>Commissioner Gibson – No</td> <td>Commissioner Gibson - Yes</td> </tr> </table>	<u>Commissioner Gibson</u>	<u>Commissioner Nishimura</u>	Commissioner Dee Crowell – Yes	Commissioner Dee Crowell - No	Commissioner Matsunaga – Yes	Commissioner Matsunaga - No	Commissioner Nishimura – Yes	Commissioner Nishimura - No	Commissioner Pacheco – Yes	Commissioner Pacheco – No	Commissioner Gibson – No	Commissioner Gibson - Yes	<p><u>Motion #1</u> Mr. Pacheco moved to close the nominations for Chair. Mr. Gibson seconded the motion. Motion carried 6:0.</p>
<u>Commissioner Gibson</u>	<u>Commissioner Nishimura</u>													
Commissioner Dee Crowell – Yes	Commissioner Dee Crowell - No													
Commissioner Matsunaga – Yes	Commissioner Matsunaga - No													
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Commissioner Pacheco – Yes	Commissioner Pacheco – No													
Commissioner Gibson – No	Commissioner Gibson - Yes													

SUBJECT	DISCUSSION	ACTION		
	<p>Commissioner Matsunaga nominated Commissioner Crowell to serve as Vice Chair for Calendar Year 2021.</p> <p>Commissioner Pacheco nominated Commissioner Nishimura to serve as Vice Chair for Calendar Year 2021.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <u>Commissioner Crowell</u> Commissioner Dee Crowell – Yes Commissioner Matsunaga – Yes Commissioner Nishimura – Yes Commissioner Pacheco – No Commissioner Gibson – No </td> <td style="width: 50%; vertical-align: top;"> <u>Commissioner Nishimura</u> Commissioner Crowell - No Commissioner Matsunaga - No Commissioner Nishimura - No Commissioner Pacheco – Yes Commissioner Gibson - Yes </td> </tr> </table>	<u>Commissioner Crowell</u> Commissioner Dee Crowell – Yes Commissioner Matsunaga – Yes Commissioner Nishimura – Yes Commissioner Pacheco – No Commissioner Gibson – No	<u>Commissioner Nishimura</u> Commissioner Crowell - No Commissioner Matsunaga - No Commissioner Nishimura - No Commissioner Pacheco – Yes Commissioner Gibson - Yes	<p><u>Motion #2</u> Mr. Pacheco moved to close the nominations for Vice Chair. Mr. Gibson seconded the motion. Motion carried 6:0.</p>
<u>Commissioner Crowell</u> Commissioner Dee Crowell – Yes Commissioner Matsunaga – Yes Commissioner Nishimura – Yes Commissioner Pacheco – No Commissioner Gibson – No	<u>Commissioner Nishimura</u> Commissioner Crowell - No Commissioner Matsunaga - No Commissioner Nishimura - No Commissioner Pacheco – Yes Commissioner Gibson - Yes			
<p>Adjournment</p>	<p>With no further business to conduct, Chair Akita called for a motion and a second to adjourn the meeting.</p>	<p>Mr. Pacheco moved to adjourn the Meeting. Mr. Matsunaga seconded the motion. Motion Carried 6:0</p> <p>At 10:41 a.m. the meeting was adjourned.</p>		

Submitted by: _____
 Malialani TM Kelekoma, Liquor Clerical Assistant

Reviewed and Approved by: _____
 Shirley Akita, Chair

- (X) Approved as circulated.
 () Approved with amendments. See minutes of _____ meeting.