

COUNCIL OF THE COUNTY OF MAUI
**POLICY AND INTERGOVERNMENTAL
AFFAIRS COMMITTEE**

December 19, 2014

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Policy and Intergovernmental Affairs Committee, having met on December 8, 2014, makes reference to County Communication 13-41, from Council Chair Gladys C. Baisa, regarding litigation matters.

By correspondence dated July 30, 2014, the Department of the Corporation Counsel requested consideration of the possible settlement of County of Maui v. Victor Campos, et al., Civil 11-1-0289(3). Attached to the request is a copy of the complaint and a proposed resolution entitled "AUTHORIZING SETTLEMENT OF COUNTY OF MAUI V. VICTOR CAMPOS, ET AL., CIVIL NO. 11-1-0289(3)". The purpose of the proposed resolution is to authorize the Department of the Corporation Counsel to settle the case.

Your Committee notes the complaint alleges Victor Campos and Myrna J. Campos, owners of 1215 Lower Main Street, Wailuku, Hawaii, have been using the property in violation of zoning laws since at least 2009.

A Deputy Corporation Counsel provided an update on the case. She explained the County prevailed on a motion for summary judgment in June 2014 and was granted a permanent injunction and fines totaling over \$1 million. Since final judgment has been entered in the County's favor, there is no need to pursue the proposed resolution, and the request can be filed.

Your Committee voted to convene an executive meeting, closed to the public, to consult with legal counsel pursuant to Section 92-5(a)(4), Hawaii Revised Statutes.

Following the executive meeting, your Committee reconvened in regular session. Based on the information received and the recommendation of the Department of the Corporation Counsel, your Committee voted 6-0 to recommend filing of the correspondence from the Department of the Corporation Counsel, transmitting the

COUNCIL OF THE COUNTY OF MAUI
**POLICY AND INTERGOVERNMENTAL
AFFAIRS COMMITTEE**

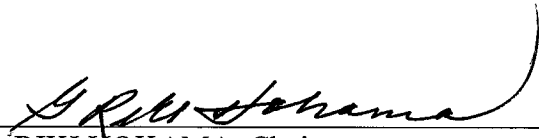
Page 2

**Committee
Report No.** _____

proposed resolution. Committee Chair Hokama, Vice-Chair Couch, and members Carroll, Cochran, Crivello, and White voted "aye". Committee members Baisa, Guzman, and Victorino were excused.

Your Policy and Intergovernmental Affairs Committee RECOMMENDS that the correspondence dated July 30, 2014, from the Department of the Corporation Counsel, attached hereto, be FILED.

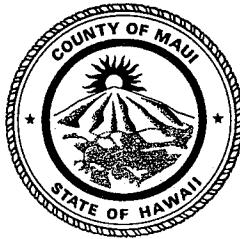
This report is submitted in accordance with Rule 8 of the Rules of the Council.



G. RIKI HOKAMA, Chair

pia:cr:14001(40)aa:cmn

ALAN M. ARAKAWA
Mayor



PATRICK K. WONG
Corporation Counsel

EDWARD S. KUSHI
First Deputy

LYDIA A. TODA
Risk Management Officer
Tel. No. (808) 270-7535
Fax No. (808) 270-1761

DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF MAUI
200 SOUTH HIGH STREET, 3RD FLOOR
WAILUKU, MAUI, HAWAII 96793
EMAIL: CORPCOUN@MAUICOUNTY.GOV
TELEPHONE: (808) 270-7740
FACSIMILE: (808) 270-7152

RECEIVED
2014 JUL 30 PM 3:25
OFFICE OF THE
COUNTY COUNCIL

July 30, 2014

MEMORANDUM

T O: G. Riki Hokama, Chair
Policy and Intergovernmental Affairs Committee

F R O M: Kristin K. Tarnstrom *Ky*
Deputy Corporation Counsel

SUBJECT: PIA-1 Litigation Matters: County of Maui v. Victor Campos, et al., Civil No. 11-1-0289(3)

Our Department respectfully requests the opportunity to provide the committee with a status report and settlement options on the above-captioned litigation at a date and time convenient to the Committee's schedule.

The trial is scheduled to commence on October 13, 2014, before the Honorable Joseph E. Cardoza. A settlement conference is set for August 22, 2014 at 2:30 p.m.

It is anticipated that an executive session may be necessary to discuss questions and issues pertaining to the powers, duties, privileges, rights, immunities, and liabilities of the County, the Council, and the Committee.

Copies of the Complaint and the proposed resolution are attached. Our department would also like to request that a representative of the Department of Planning be present at the meeting to answer any questions that may arise.

Thank you for your anticipated assistance.

KKT:jcm
Attachments
cc: William Spence, Dept. of Planning

Resolution

No. _____

AUTHORIZING SETTLEMENT OF
COUNTY OF MAUI V. VICTOR CAMPOS, ET AL.,
CIVIL NO. 11-1-0289(3)

WHEREAS, County of Maui filed a lawsuit in the Second Circuit Court, Civil No. 11-1-0289(3), against Victor Campos and Myrna J. Campos, owners of 1215 Lower Main Street, Wailuku, Hawaii, who have been using this property in violation of zoning laws since at least 2009; and

WHEREAS, the County of Maui, to avoid incurring expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, will attempt to reach a resolution of this case by way of a negotiated settlement or Offer of Judgment; and

WHEREAS, the Department of the Corporation Counsel has requested authority to settle this case under the terms set forth in an executive meeting before the Policy and Intergovernmental Affairs Committee; and

WHEREAS, having reviewed the facts and circumstances regarding this case and being advised of attempts to reach resolution of this case by way of a negotiated settlement or Offer

Resolution No. _____

of Judgment by the Department of the Corporation Counsel, the Council wishes to authorize the settlement; now, therefore,

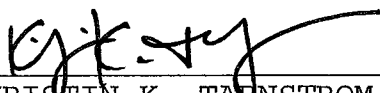
BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby approves settlement of this case under the terms set forth in an executive meeting before the Policy and Intergovernmental Affairs Committee; and

2. That it hereby authorizes the Mayor to execute a Release and Settlement Agreement on behalf of the County of Maui in this case, under such terms and conditions as may be imposed, and agreed to, by the Corporation Counsel; and

3. That certified copies of this resolution be transmitted to the Mayor, the Director of Planning, and the Corporation Counsel.

APPROVED AS TO FORM AND LEGALITY:



KRISTIN K. TARNSTROM
Deputy Corporation Counsel
County of Maui

FILED

2014 MAY -5 PM 2:37

PATRICK K. WONG 5878
Corporation Counsel
MARY BLAINE JOHNSTON 1755
Deputy Corporation Counsel
County of Maui
200 S. High Street
Wailuku, Maui, Hawaii 96793
Telephone: (808) 270-7740
Facsimile: (808) 270-7152

D. PELLAZAR, CLERK
SECOND CIRCUIT COURT
STATE OF HAWAII

Attorneys for Plaintiff
COUNTY OF MAUI

IN THE CIRCUIT COURT OF THE SECOND CIRCUIT

STATE OF HAWAII

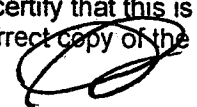
COUNTY OF MAUI,	)	CIVIL NO. 11-1-0289(3)
	)	(Other Civil Action)
Plaintiff,)	
	)	PLAINTIFF COUNTY OF MAUI'S
vs.	)	FIRST AMENDED COMPLAINT FOR
	)	INJUNCTIVE RELIEF AND
VICTOR V. CAMPOS; MYRNA J.	)	DAMAGES; EXHIBITS A-D;
CAMPOS; JOHN DOES 1-10; JOHN	)	DEMAND FOR JURY TRIAL;
DOE GOVERNMENTAL ENTITIES 1-10;	)	SUMMONS
JOHN DOE PARTNERSHIPS 1-10; and)	
JOHN DOE CORPORATIONS 1-10,)	
)	
Defendants.)	
)	

PLAINTIFF COUNTY OF MAUI'S FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES

COMES NOW Plaintiff, the COUNTY OF MAUI, by and through its attorneys, PATRICK K. WONG, Corporation Counsel, and MARY BLAINE JOHNSTON, Deputy Corporation Counsel, and for claims for relief against Defendants, alleges as follows:

1. Plaintiff COUNTY OF MAUI (hereinafter "County") is a political subdivision of the State of Hawaii, doing business in the County of Maui, State of Hawaii.

I hereby certify that this is a full, true and correct copy of the Original


Clerk, Second Circuit Court

2. Defendants VICTOR V. CAMPOS AND MYRNA J. CAMPOS ("Defendants") are residents of the County of Maui, State of Hawaii.

3. County has diligently and in good faith attempted to ascertain the names and identities of possible defendants whose identities are presently unknown to County. Such attempts include reviewing relevant records. Despite the foregoing, the identity of other defendants whose conduct may have been a legal cause of County's damages remains unknown to County.

4. This Court has jurisdiction over the parties and subject matter pursuant to Hawaii Revised Statutes §603-21.5, §603-23 and §632 and Maui County Code §19.530.030.

CAUSE OF ACTION I: TMK No. (2) 3-4-039:076
Zoning Violation: Unpermitted Use
of Property (NOV #2009-0014)

5. Defendants are owners of property designated as TMK No. (2) 3-4-039-076 with a street address of 1215 Lower Main Street, Wailuku, Maui, Hawaii (hereafter "1215 Lower Main property").

6. This property is zoned B-2 Community Business District pursuant to Maui County Code § 19.18.020.

7. Defendants are using and continue to use the 1215 Lower Main property to store wrecked/junked vehicles until the vehicles are sold and shipped to a company on the Mainland which is in the business of "insurance-owned vehicle liquidation, which involves the marketing and resale of intact insurance damaged vehicles."

8. "Auto wrecking" and "junk establishment" are not uses permitted within the B-2 Community Business District.

9. In response to a citizen complaint made on March 3, 2009, Inspector Conklin Wright of the Zoning and Enforcement Division, Department of Planning, County of Maui, inspected the property, taking photographs of the junked vehicles stored on the 1215 Lower Main property. Requests to Correct the Non-Conformity, dated March 24, 2009 and May 1, 2009, were issued and served on Defendants giving Defendants until May 30, 2009, to remove the vehicles and junk. (Exhibit A)

10. Further inspections were made on June 29, 2009 and August 6, 2009, which inspections disclosed that no corrective actions had been taken by Defendants to correct the unpermitted use of their property.

11. On August 7, 2009, a Notice of Violation, NOV #2009-0014 was mailed to Defendant Victor V. Campos who was given a deadline of September 6, 2009 to correct the non-conformity. (Exhibit B)

12. Defendant Victor Campos filed a Notice of Appeal of Notice of Violation NOV #2009-0014 to the Board of Variances and Appeals, County of Maui on September 3, 2009.

13. Plaintiff County and Defendant Victor V. Campos, with the assistance of his attorney, negotiated a Settlement Agreement in which Defendant Campos agreed to remove all non-operable vehicles from the property by December 31, 2010, to pay specified fine amounts which were greatly reduced from the amount of fines that could be imposed pursuant to the Maui County Code and the Rules for Administrative Procedures and Civil Fines for Violations of Chapter 16.13 and Title 19 of the Maui County Code, to provide Plaintiff

County with an inventory of all vehicles on the property, as well as a monthly report identifying the vehicles that had been removed, and to pay monthly amounts if all non-operable vehicles were not removed from the property by December 31, 2010. (Exhibit C)

14. As of the date of the filing of the Complaint herein on May 27, 2011, Defendant Victor Campos had failed to comply with any of the terms of Settlement Agreement other than making two payments of \$500.00 (Five Hundred Dollars) each, being the initial fine stated in NOV #2009-0014, and stipulating to a Dismissal of his Appeal of NOV #2009-0014.

15. As of the date of filing of the Complaint herein on May 27, 2011, Defendant Victor V. Campos was in breach of virtually all of the terms of the Settlement Agreement entered into on December 2, 2010 and continues as of the date of the filing of this First Amended Complaint to use his property for the storage of junked vehicles.

16. As Defendant Victor V. Campos has disregarded and breached virtually all terms of the Settlement Agreement, Plaintiff County seeks rescission of the Settlement Agreement, and reinstatement of all terms of NOV #2009-0014 as follows:

- a. Initial fine of \$1,000 (paid);
- b. Daily fines of \$1,000 per day from September 6, 2009 - May 1, 2011 in the amount of \$601,000.00 (Six Hundred and One Thousand Dollars), with fines continuing to accrue at \$1000.00 per day until the violation is fully abated.

17. Plaintiff County asks that the Court enter an Injunction barring Defendants Victor V. Campos and Myrna J. Campos from continuing to use their property for the unpermitted use of storage of damaged/junked vehicles or any other junk, and order Defendants to remove all vehicles from the property within 30 days of the entry of the Injunction.

CAUSE OF ACTION II: TMK No. (2) 3-4-039:076
Zoning Violation: Unpermitted
Use of Property (NOV #2011-0001)

18. The Allegations set out in paragraphs 1-17 above are realleged and are incorporated herein by reference.

19. Defendants are owners of property designated as TMK No. (2) 3-4-039-076 with a street address of 1215 Lower Main Street, Wailuku, Maui, Hawaii (hereafter "1215 Lower Main property").

20. This property is zoned B-2 Community Business District pursuant to Maui County Code §19.18.020.

21. Defendants are using and continue to use the 1215 Lower Main property to store wrecked/junked vehicles.

22. "Auto wrecking" and "junk establishment" are not uses permitted within the B-2 Community Business District.

23. On May 27, 2011, the Complaint herein was filed.

24. On July 29, 2011, a second Notice of Violation (NOV #2011/0001) was issued to Defendants Victor Campos and Myrna Campos for the continuing violation of "storage of damaged vehicles," a use not permitted within the County's B-2 Community Business District. Their then attorney Gilbert Keith Agaran, accepted

service of the NOV on Defendants Camposes' behalf on July 29, 2011. (A copy of NOV #2011/0001 is attached hereto as Exhibit D.)

25. No appeal of Notice of Violation #2011/0001 was made by or on behalf of Defendants Camposes.

26. Pursuant to Maui County Code §19.530.030(B) and Chapter 12-103, Rules for Administrative Procedures and Civil Fines for Violations of Chapter 16.13 and Title 19 of the Maui County Code, the fines due and owing as of February 1, 2014 are as follows:

- a. Initial fine of \$1,000; and
- b. Daily fines of \$1,000 per day from August 15, 2011 to February 5, 2014, for a total of \$921,000.00, with fines continuing to accrue at \$1000.00 per day until the violation is fully abated.

27. Further, Plaintiff County asks that the Court enter an Injunction barring Defendants Victor V. Campos and Myrna J. Campos from continuing to use their property for the unpermitted use of storage of damaged/junked vehicles or any other junk, and order Defendants to remove all vehicles from the property within 30 days of entry of the Injunction.

WHEREFORE, the County prays for relief as follows:

A. As to all Causes of Action, that the Court enter judgment in favor of Plaintiff County of Maui and against Defendants Victor V. Campos and Myrna J. Campos.

B. As to all Causes of Action, that the Court determine the amount of fines and/or other monetary penalties owed to the County of Maui by Defendants pursuant to law, including any interest that may have accrued on said amounts owed.

C. That the Court enter an Injunction enjoining Defendants from using the property in violation of the permitted zoning for the property located at 1215 Lower Main Street, Wailuku, Maui, Hawaii (TMK No. (2)3-4-039:064), and requiring Defendants to remove all wrecked/non-operable vehicles from the property within 30 days of issuance of the Injunction. County will suffer irreparable harm and injury by virtue of Defendants' continuing violation and is without an adequate remedy at law if Defendants are not compelled to remove all wrecked/junked vehicles being stored on Defendants' property.


D. As to the First Cause of Action, that the Court either enter judgment voiding/rescinding the Settlement Agreement due to Defendants; breach of that Agreement and determine the amount of fines owed pursuant to NOV #2009-0014.

E. That the County be awarded all its court costs and reasonable attorneys' fees and any costs that may be incurred by the County in eliminating the violations on Defendants' property.

F. That the County be awarded such other relief as the Court deems appropriate, including injunctive relief, prior to final judgment.

DATED: Wailuku, Maui, Hawaii, May 5, 2014.

PATRICK K. WONG
Corporation Counsel
Attorneys for Plaintiff
COUNTY OF MAUI

By 
MARY BLAINE JOHNSTON
Deputy Corporation Counsel

CHARMAINE TAVARES
Mayor

JEFFREY S. HUNT
Director

KATHLEEN ROSS AOKI
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

March 24, 2009

Certified Receipt No. (7007 2560 0001 7800 2816)

Victor and Myrna Campos
1191 Lower Main Street
Wailuku, Hawai'i 96793

Dear Mr. and Ms. Campos:

RE: FIRST (1ST) REQUEST TO CORRECT NON-CONFORMITY

TMK: (2) 3-4-039:076-0000
RFS No.: 09-0000530
Description: Auto wrecking and junk establishment whereby which is not permitted within the County's B-2 Community Business District located at 1215 Lower Main Street Wailuku, Maui, Hawai'i.

Based on the evidence collected on March 4, 2009, we find that the auto wrecking and junk establishment is not permitted within the County's B-2 Community Business District pursuant to Maui County Code, §19.18.020, and shall be removed by April 24, 2009. Evidence of the aforementioned non-conformity includes photographs.

Please be advised that a follow-up investigation will be performed, and if not in compliance, you will be subject to civil and criminal enforcement action.

Should you have any questions concerning this notice, you may contact me at conklin.wright@co.mauhi.us or 270-8255.

Sincerely,

A handwritten signature in black ink, appearing to read "Conklin Wright".

Conklin Wright
Zoning Inspector

xc: Jay Arakawa, Supervising Zoning Inspector
Conklin Wright, Zoning Inspector
RFS No. 09-0000530 (PDF - KIVA related document)
RFS Project File
09/NOW File
09/General File

AHS:cw:ckk
K:\Violations\Violation09-0000530 (rev. 01.09)

EXHIBIT

A

CHARMAINE TAVARES
Mayor

JEFFREY S. HUNT
Director

KATHLEEN ROSS AOKI
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

May 1, 2009

Certified Receipt No. (7008 3230 0001 1256 6938)

Victor V Campos
1191 Lower Main Street
Wailuku, Hawai'i 96793

Dear Mr. Campos:

RE: SECOND (2ND) REQUEST TO CORRECT NON-CONFORMITY

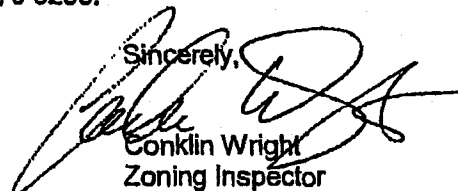
TMK: (2) 3-4-039:076-0000
RFS No.: 09-0000530
Description: Auto wrecking and junk establishment located at
1215 Lower Main Street Wailuku, Maui, Hawai'i

Based on the evidence collected on March 4, 2009, we find that the auto wrecking and junk establishment is not a permitted use within the County's B-2 Community Business District as noted in the Maui County Code, §19.18.020, and shall cease by **May 30, 2009**. Evidence of the aforementioned non-conformity includes photographs.

Please be advised that a follow-up investigation will be performed, and if not in compliance, you will be subject to civil and criminal enforcement action.

Should you have any questions concerning this notice, you may contact me at conklin.wright@co.maui.hi.us or 270-8255.

Sincerely,

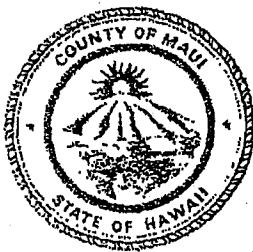


Conklin Wright
Zoning Inspector

xc: Jay Arakawa, Supervising Zoning Inspector
Conklin Wright, Zoning Inspector
RFS No. 09-0000530 (PDF - KIVA related document)
RFS Project File
09/General File
AHS:CKW:ckk

K:\Violations\violation09-0000530_5 (rev. 01.09)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p><i>[Handwritten Signature]</i></p>
<p>1. Article Addressed to:</p> <p>Victor V. Campos 1191 Lower Main Street Wailuku, Hawaii 96793</p>	<p>B. Received by (Printed Name) C. Date of Delivery</p> <p>GARY GABUAT 5/2/09</p>
<p>2. A 0</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>
<p>PS Form</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery (Extra Fee) <input type="checkbox"/> Yes</p> <p>02595-02-M-1540</p>



COUNTY OF MAUI
 DEPARTMENT OF PLANNING
 ZONING ADMINISTRATION AND
 ENFORCEMENT DIVISION
 250 SOUTH HIGH STREET
 WAILUKU, MAUI, HAWAII 96793
 Telephone: (808) 270-7253
 Facsimile: (808) 270-7634
 E-mail: planning@mauicounty.gov
 Website: www.mauicounty.gov

FILE NO	NOV 20090014
RFS NO	09-0000530
DATE OF NOTICE	August 7, 2009
DATE OF VIOLATION	March 4, 2009
CONTINUING VIOLATION	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
COLLECTED FINE	NONE
CERTIFIED RECEIPT NO	See Below

NOTICE OF VIOLATION
MAUI COUNTY CODE, TITLE 19 - COMPREHENSIVE ZONING ORDINANCES

TO:	Certified Receipt #7008 3230 0001 1256 6044 Campos, Victor V 1191 Lower Main Street Wailuku, Hawaii 96793		
RE:	TMK	(2) 3-4-039:076-0000	PERMIT NO N/A
	ADDRESS	1215 Lower Main St Wailuku, Hawaii	

I have inspected the above described structure and/or premises and have found the following violation(s) of the County of Maui's Code(s) and/or Ordinance(s) governing same, as amended:

CODE(S); ORDINANCE(S); SECTION(S)	NATURE AND EVIDENCE OF THE VIOLATION(S)
Maul County Code ("MCC"), §19.18.020	Storage of damaged vehicles use is not permitted within the County's B-2 Community Business District. Evidence of the aforementioned violation(s) include(s): photographs

ORDER

Pursuant to MCC §19.530.030(B), and Chapter 12-103, Rules for Administrative Procedures and Civil Fines for Violations of Chapter 16.13 and Title 19 of the Maui County Code ("Administrative Rules"), as amended, you are hereby ordered as follows:


<input checked="" type="checkbox"/>	Cease and desist all activity immediately.		
<input checked="" type="checkbox"/>	Correct the violation(s) at your own expense by:	September 6, 2009	By taking the following corrective action(s): remove all damaged vehicles and auto parts
<input checked="" type="checkbox"/>	Pay an initial civil fine in the amount of (up to \$1,000 per violation):	\$1,000	To the Department of Planning ("Planning") by: September 6, 2009
<input checked="" type="checkbox"/>	Pay a daily civil fine in the amount of: (up to \$1,000 per violation):	\$1,000	Per day to Planning if the corrective action described above is not completed by: September 6, 2009

This order shall become final within thirty (30) days after the date of certified mailing of this notice (date of service). You may appeal this order by filling a request to the Board of Variances and Appeals, using the appropriate form from the Department of Planning (Department), at the Kalana Paku'i Building, Second Floor, 250 South High Street, Wailuku, Maui, Hawaii 96793, or from online at the Department's website (www.mauicounty.gov), within thirty (30) days after the date of service. An appeal to the BVA shall not stay any provision of this order. Pursuant to Chapter 12-103, Administrative Rules, as amended, in the case of a continuing violation, the daily fine shall be doubled on the first day of each thirty day period after the end of the time to take corrective action, up to a maximum amount of \$1,000 per day.

FOR THE PLANNING DIRECTOR

Print Administrator's Name	Francis Cerizo	Administrator's Signature	
Print Inspector's Name	Conklin Wright	Inspector's Signature	
Print Witness' Name	Jay Arakawa	Witness' Signature	
Print Name of Party Served	Victor Campos	Party Served Signature	
Attached Documents	N/A		

EXHIBIT B

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature X: </p> <p><input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p>	
	<p>B. Received by (Printed Name) ERIC CAMPOS</p> <p>C. Date of Delivery 8/10/09</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <p>Victor V. Campos 1191 Lower Main Street Wailuku, Hawaii 96793</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>2. Article Number (Transfer from service label)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
PS Form 3811, February 2004	7008 3230 0001 1256 6044	Domestic Return Receipt
		102595-02-M-1540

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into this 2 day of December, 2010, by and between the County of Maui, a political subdivision of the State of Hawaii, whose mailing address is 200 South High Street, Wailuku Maui Hawaii 96793, hereafter referred to as "the County", and Victor V. Campos, (hereafter "Campos") owner of property located in Wailuku, Maui, Hawaii.

WITNESSETH:

WHEREAS, Victor V. Campos, together with his wife Myrna J. Campos, owns that certain parcel of land identified as Tax Map Key No. (2) 3-4-039:076 located at 1215 Lower Main Street Kihei, Maui Hawaii (hereafter "the property"); and

WHEREAS, the property is zoned by the County as "B-2 Community Business District"; and

WHEREAS, Campos's company, Campos Auto Body & Towing Inc., a Hawaii corporation, as part of a business arrangement with Copart Inc., a California corporation which is an online remarketer of vehicles, stores damaged vehicles on the property until such time as they are sold or otherwise disposed of; and

WHEREAS, Maui County code §19.18.20(8) lists "automobile parking lot and/or buildings as a permitted use in the B-2 Community Business District, "automobile storage, automobile wrecking and junk yard" are not listed a permitted uses in the B-2 Community Business District.

EXHIBIT C

WHEREAS, the County on March 24, 2009 issued to Campos a "First Request to Correct Non-Conformity" instructing him that the auto wrecking and junk establishment must be removed by April 24, 2009 and issued a "Second Request to Correct Non-Conformity" on May 1, 2009, again instructing Campos to cease the autowrecking and junk establishment by May 30, 2009; and

WHEREAS, Campos did not cease operating and did not remove the autowrecking and junk establishment, on August 7, 2009, a Notice of Violation (NOV #2009/0014) was issued to Campos stating that Campos was to pay an initial fine of \$1,000 by September 6, 2009 and that a fine of \$1,000 a day would be imposed if corrective action was not taken by September 6, 2009; and

WHEREAS, Campos filed a Notice of Appeal of the Notice of Violation on September 3, 2009; and

WHEREAS, the Appeal was scheduled to be heard by the Board of Variances and Appeals of the County of Maui on June 10, 2009; and

WHEREAS, the County and Campos agreed to pursue the possibility of settlement of NOV #2009/0014; and

WHEREAS, the County and Campos have agreed on terms of settlement as follows:

1. Campos will pay an initial fine of \$1,000.00 and a total \$1,000.00 for daily fines accrued as of the date of the full execution of this agreement. Payment of this \$2,000 in fines shall be paid by way of a cashier's check made payable to the County of Maui within 5 working days after the Settlement Agreement is fully executed.

2. Campos will have until December 31, 2010 to remove all non-operable vehicles from the property.

3. Campos shall not place any additional non-operable vehicles on the property.

4. Campos may keep operable vehicles personally owned by him or a company in which he holds an ownership interest on the property. He will provide the County with a list of these vehicles within 5 working days after this Agreement is executed by the Mayor of the County of Maui.

5. If all vehicles have not been removed from the property by December 31, 2010 as required above, Mr. Campos shall pay to the County \$1000 per month in daily fines. This amount is to be paid no later than the fifth working day of each month, until it has been verified that all vehicles are removed.

7. If all vehicles have not been removed from the property by March 31, 2011, beginning in April 2011, a daily fine of \$100 per day will accrue until all vehicles are removed. The total fines accrued at \$100 per day are to be paid to the County by the fifth working day of each month.

8. Mr. Campos, concurrent with the signing of this settlement agreement, shall provide a written inventory of all non-operable cars on the lot, listing the make, model, year and license plate number of each vehicle to be removed. Mr. Campos will provide a written report every month beginning in January, 2010, showing which cars have been removed and which remain to be

removed. The reports shall be submitted within 5 working days after the beginning of each month.

9. The County may periodically inspect the property to check on the progress of the removal of the vehicles and to determine whether there are any new violations. This settlement agreement does not preclude the County from issuing new Notices of Warning/ Notices of Violation if new violations occur.

10. Upon full execution of the Settlement Agreement, the parties will stipulate to a Dismissal with prejudice of the Appeal herein.

11. In the event of a breach of the settlement agreement, the non-breaching party may enforce the Agreement by all remedies available in equity or law, including specific performance and injunctive relief.

12. Should any changes in the permitted uses of the property occur subsequent to the execution of this agreement, this agreement will not limit or curtail Campos's use of the property that is in conformance with any new, amended or additional permitted uses authorized by the Maui County Code. Further, this agreement does not give Campos the right to use his property for uses that may be deleted as permitted uses by the Maui County Code.

Now therefore, in consideration of the mutual covenants contained herein the parties hereto agree and covenant as follows:

1. The parties and their attorneys have had an opportunity to review this Settlement Agreement and request modification of its terms. Accordingly, this Settlement Agreement shall be deemed to

have been jointly drafted and, in construing and interpreting this Agreement, no provision of this Agreement shall be construed or interpreted for or against any party.

2. Nothing herein expressed or implied is intended, or shall be construed, to confer upon any person other than the parties hereto, any rights or remedies under this Settlement Agreement or by reason of any covenant, condition or anything else herein contained.

3. This Settlement Agreement shall not be altered, amended or modified or otherwise changed in any respect or particular whatsoever except by a writing duly executed by all parties to this Settlement Agreement.

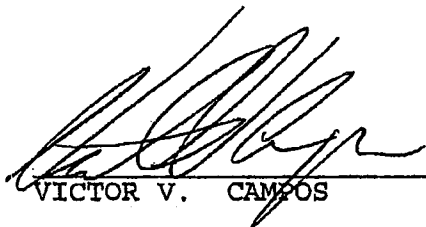
4. This Settlement Agreement has been reviewed by all the parties and interpreted according to the ordinary meaning of words used so as to fairly accomplish the purpose of determining the legal enforceability of any specific provision.

5. This Settlement Agreement shall be binding on and inure to the benefit of the County and Campos and each of their respective heirs, successors and permitted assigns.


IN WITNESS WHEREOF, the parties hereto executed this instrument on the day, month and year first written above.

COUNTY OF MAUI


By 
CHARMAINE TAVARES
Its Mayor


VICTOR V. CAMPOS

APPROVAL RECOMMENDED:

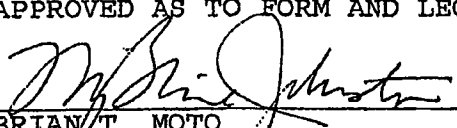


JOHN S. RAPACZ
Attorney for Campos



KATHLEEN ROSS AOKI, Director
Department of Planning

APPROVED AS TO FORM AND LEGALITY:



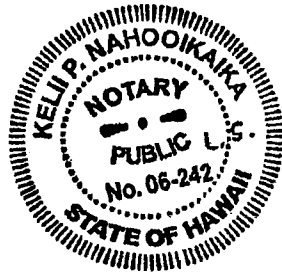
BRIAN T. MOTO
Corporation Counsel
MARY BLAINE JOHNSTON
Deputy Corporation Counsel

SETTLEMENT AGREEMENT: BVAA 20100001: In the Matter of the violation, NOV #2009/0014 for Victor V. Campos for Property Located at 1215 Lower Main Street, Wailuku, Maui, Hawaii 96793 TMK No. (2) 3-4-039:076.

STATE OF HAWAII)
) SS.
 COUNTY OF MAUI)

On this 3rd day of December, 2010, before me appeared CHARMAINE TAVARES, to me personally known, who being by me duly sworn, did say that she is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, in the capacity shown, having been duly authorized to execute such instrument in such capacity, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed in behalf of said County of Maui by authority of its Charter, and the said CHARMAINE TAVARES acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

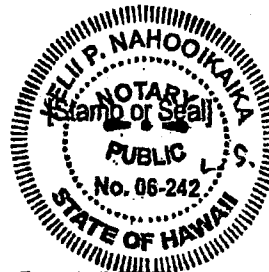


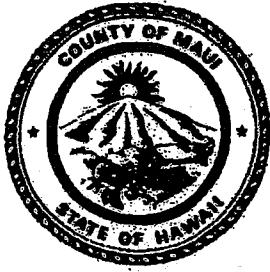
Keli P. Nahookaika
 Notary Public, State of Hawaii

KELI P. NAHOOIKAIKA

Print Name
 My commission expires: 4/30/2014

NOTARY PUBLIC CERTIFICATION			
Doc. Date:	<u>12-2-10</u>	# Pages:	<u>7</u>
Notary Name:	<u>KELI P. NAHOOIKAIKA</u>	Judicial Circuit:	<u>2nd</u>
Doc. Description:	<u>Settlement agreement</u>		
	<u>victor campos</u>		
Notary Signature:	<u>Keli P. Nahookaika</u>		
Date:	<u>12-3-10</u>		





COUNTY OF MAUI
DEPARTMENT OF PLANNING
ZONING ADMINISTRATION AND
ENFORCEMENT DIVISION
250 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
 Telephone: (808) 270-7253
 Facsimile: (808) 270-7634
 E-mail: planning@mauicounty.gov
 Website: www.mauicounty.gov

FILE NO	NOV 2011/0001
PERMIT NO	09-0000530
ISSUE DATE	July 29, 2011
EXPIRES	March 4, 2009
COMPLIANCE STATUS	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DATE OF INSPECTION	NONE
DELIVERY METHOD	HAND DELIVERED

NOTICE OF VIOLATION
MAUI COUNTY CODE TITLE 19 - COMMUNITY BUSINESS ZONING ORDINANCE

TO: HAND DELIVERED
 Victor Campos
 Myrna Campos
 1191 Lower Main Street
 Wailuku, Hawaii 96793

RE: TMK (2) 3-4-039:076-0000 PERMIT NO

ADDRESS 1215 Lower Main Street, Wailuku, Hawaii

I have inspected the above described structure and/or premises and have found the following violation(s) of the County of Maui's Code(s) and/or Ordinance(s) governing same, as amended:

CODE(S); ORDINANCE(S); SECTION(S)	NATURE AND EVIDENCE OF THE VIOLATION(S)
Maui County Code ("MCC"), §19.18.020	Storage of damaged vehicles is not permitted within the County's B-2 Community Business District. Evidence of the aforementioned violation includes photographs

Pursuant to MCC §19.530.030(B), and Chapter 12-103, Rules for Administrative Procedures and Civil Fines for Violations of Chapter 16.13 and Title 19 of the Maui County Code ("Administrative Rules"), as amended, you are hereby ordered as follows:

<input checked="" type="checkbox"/>	Cease and desist all activity immediately.		
<input checked="" type="checkbox"/>	Correct the violation(s) at your own expense by:	August 15, 2011	By taking the following corrective action(s): remove all damaged vehicles and auto parts
<input checked="" type="checkbox"/>	Pay an initial civil fine in the amount of:	\$1,000	To the Department of Planning ("Planning") by: August 15, 2011
<input checked="" type="checkbox"/>	Pay a daily civil fine in the amount of:	\$1,000	Per day to Planning if the corrective action described above is not completed by: August 15, 2011

Pursuant to MCC, §19.530.030(B)(2) and (C) and §12-103-5(a)(6), Administrative Rules, as amended, this notice of violation and order shall become final thirty (30) days after the date of this notice, unless an appeal is properly filed with the Board of Variances and Appeals ("BVA"). The appropriate form may be found online at www.co.maui.hi.us/documents/Planning/Forms/AppealApp_Online.PDF or at the Department of Planning, Kalana Pakui Building, Second Floor, 250 South High Street, Wailuku, Maui, Hawaii 96793. An appeal to the BVA shall not stay any provision of this order.
 Pursuant to §12-103-12(b), Administrative Rules, as amended, the initial fine shall be payable whether the violation is corrected before or after the order becomes final.
 Pursuant to §91-9(b)(5), Hawaii Revised Statutes, you may retain counsel or appear on your own behalf.
 Pursuant to §12-103-12(d), Administrative Rules, as amended, in the case of a continuing violation, the daily fine shall be doubled on the first (1st) day of each thirty (30) day period after the end of the time to take corrective action, up to a maximum amount of one thousand dollars (\$1,000.00) per day.

FOR THE PLANNING DIRECTOR

Issued By: Print Inspector's Name	Conklin Wright	Issued By: Inspector's Signature	
Print Supervisor's Name	Jay Arakawa	Supervisor's Signature	
Print Administrator's Name	Aaron Shinmoto	Administrator's Signature	

xc: RFS 09-0000530 (KIVA Related Documents; RFS Project File)
 NOV 2011/0001 (KIVA Related Documents)
 11/General File
 AHS:JAA:CW:ckk

ALAN M. ARAKAWA
Mayor

WILLIAM R. SPENCE
Director

MICHELE CHOUTEAU McLEAN
Deputy Director

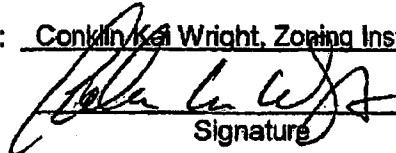


COUNTY OF MAUI
DEPARTMENT OF PLANNING

July 29, 2011

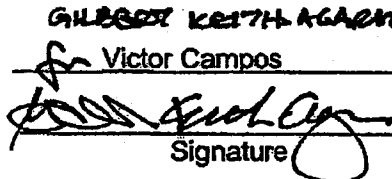
HAND DELIVERED

Delivered By: Conklin Kai Wright, Zoning Inspector


Signature

7/29/11 1:20pm
Date & Time

Delivered To: GILBERT KEITH AGAEN for Victor Campos


Signature

7/29/2011
Date & Time

Delivered To: Myrna Campos


Signature

7/29/2011
Date & Time

Items Delivered:

Regarding: 1215 Lower Main Street, Wailuku
TMK: (2) 3-4-039:076
RFS No.: 09-0000530
Permit No.: NOV 2011/0001

- 1) NOTICE OF VIOLATION-MAUI COUNTY CODE,
TITLE 19-COMPREHENSIVE ZONING ORDINANCES

xc: RFS 09-0000530 (KIVA Related documents & RFS Project file)
NOV 2011/0001 (KIVA Related documents)
AHS:JAA:CW:ckk

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IN THE CIRCUIT COURT OF THE SECOND CIRCUIT

STATE OF HAWAII

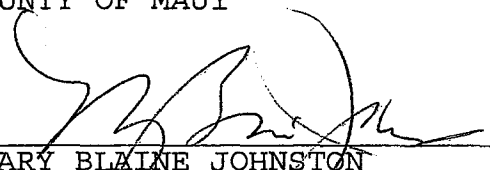
COUNTY OF MAUI,)	CIVIL NO. 11-1-0289
	)	(Other Civil Action)
Plaintiff,)	
	)	DEMAND FOR JURY TRIAL
vs.)	
)	
VICTOR V. CAMPOS; MYRNA J.)	
CAMPOS; JOHN DOES 1-10; JOHN)	
DOE GOVERNMENTAL ENTITIES 1-10;)	
JOHN DOE PARTNERSHIPS 1-10;)	
JOHN DOE CORPORATIONS 1-10,)	
)	
Defendants.)	
)	

DEMAND FOR JURY TRIAL

Plaintiff COUNTY OF MAUI, by and through its attorneys, PATRICK K. WONG, Corporation Counsel, and MARY BLAINE JOHNSTON, Deputy Corporation Counsel, hereby demands trial by jury of all issues so triable.

DATED: Wailuku, Maui, Hawaii, May 5, 2014.

PATRICK K. WONG
Corporation Counsel
Attorneys for Defendant
COUNTY OF MAUI

By 

MARY BLAINE JOHNSTON
Deputy Corporation Counsel

IN THE CIRCUIT COURT OF THE SECOND CIRCUIT

STATE OF HAWAII

COUNTY OF MAUI,)
) CIVIL NO. 11-1-0289
) (Other Civil Action)
 Plaintiff,)
)
 vs.) SUMMONS
)
)
 VICTOR V. CAMPOS; MYRNA J.)
 CAMPOS; JOHN DOES 1-10; JOHN)
 DOE GOVERNMENTAL ENTITIES 1-10;)
 JOHN DOE PARTNERSHIPS 1-10;)
 JOHN DOE CORPORATIONS 1-10,)
)
 Defendants.)
)

SUMMONS

TO: Victor V. Campos
1215 Lower Main Street
Wailuku, Maui, Hawaii 96793
Defendant

and

Myrna J. Campos
1215 Lower Main Street
Wailuku, Maui, Hawaii 96793
Defendant

You are hereby summoned and required to file with the court and serve upon PATRICK K. WONG, Corporation Counsel, and MARY BLAINE JOHNSTON, Deputy Corporation Counsel, attorneys for Plaintiff COUNTY OF MAUI, whose address is 200 South High Street, Wailuku, Maui, Hawaii 96793, an answer to the First Amended Complaint which is attached. This action must be taken within twenty (20) days after service of this summons upon you, exclusive of the day of service.

If you fail to make your answer within the twenty (20) days time limit, judgment by default will be taken against you for the relief demanded in the First Amended Complaint.

If you fail to obey this summons, this may result in an entry of default and default judgment.

Pursuant to Rule 4(b) of the Hawaii Rules of Civil Procedure, this summons shall not be delivered between 10:00 p.m. and 6:00 a.m. on premises not open to the public, unless a judge of the District or Circuit courts permits, in writing on the summons, personal delivery during those hours.

DATED: Wailuku, Maui, Hawaii, MAY - 5 2014.

/sgd/ D. PELLAZAR (seal)

CLERK OF THE ABOVE-ENTITLED COURT