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

TRANSCRIPT OF PROCEEDINGS
SPECIAL MEETING

Held via Blue Jeans video conference, commencing at
8:32 a.m., on October 14, 2020.

REPORTED BY: SANDRA J. GRAN, RPR/CSR #424

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APPEARANCES

COMMISSION MEMBERS PRESENT:

- CHAIRPERSON: NANE ALULI
- VICE CHAIR: LEON BOLOSAN
- COMMISSIONERS: ROBERTO ANDRION, JR.
- JAMIE BECRAFT
- AARON BOSWELL
- STANLEY RUIDAS
- BRUCE U'U
- LESLIE ANN YOKOUCHI

STAFF PRESENT:

- DEPUTY CORPORATION COUNSEL: MIMI DESJARDINS
- COMMISSION SECRETARY: MARIA KHANGSENGSING

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(October 14, 2020, 8:32 a.m.)

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CHAIR ALULI: All right, Ladies and Gentlemen. It is 8:32. All of the commissioners who are going to be in attendance are here, so I would like to call our special meeting for Wednesday, October 14th, 2020, to order. And I'll start with the roll call. Hold on one minute, since my memory fails me every so often.

Okay. Roberto Andrion.

COMMISSIONER ANDRION: Present.

CHAIR ALULI: Okay. Thank you.

Jamie Becraft.

COMMISSIONER BECRAFT: Present.

CHAIR ALULI: Leon Bolosan.

VICE CHAIR BOLOSAN: Present.

CHAIR ALULI: Aaron Boswell.

COMMISSIONER BOSWELL: Present.

CHAIR ALULI: Stan Ruidas.

COMMISSIONER RUIDAS: Present.

CHAIR ALULI: Bruce U'u.

COMMISSIONER U'U: Present.

CHAIR ALULI: Leslie Ann Yokouchi.

COMMISSIONER YOKOUCHI: Present.

CHAIR ALULI: Maria Khangsensing.

MS. KHANGSENSING: Here, Chair.

1 CHAIR ALULI: She's here. Okay. I see Maria.

2 Thank you.

3 And Layne is also present for the department.

4 Is there anybody else from the department here?

5 (No response.)

6 CHAIR ALULI: No. And, Mimi, you're here. I see

7 Mimi's here. Okay. Roll call is done.

8 I would like to get a motion for approval for our
9 agenda for this special meeting October 14th. Do I have a
10 motion for approval of our agenda?

11 COMMISSIONER U'U: Motion to approve. Motion to --

12 COMMISSIONER YOKOUCHI: Second.

13 CHAIR ALULI: Bruce, you made the motion?

14 COMMISSIONER U'U: Yes.

15 COMMISSIONER YOKOUCHI: Second.

16 CHAIR ALULI: And Leslie the second. Okay. Thank
17 you.

18 Okay. You have before you also the minutes from our
19 October -- or our September 22nd special meeting --

20 CORP COUNSEL DESJARDINS: Chair.

21 CHAIR ALULI: -- and September 30th special
22 meetings.

23 CORP COUNSEL DESJARDINS: Chair.

24 COMMISSIONER BECRAFT: Mr. Chair.

25 CHAIR ALULI: I'm sorry. Sorry, sorry, sorry. Yes,

1 yes, yes. Any --

2 CORP COUNSEL DESJARDINS: Take a vote.

3 CHAIR ALULI: Yeah. Any further discussion on -- on
4 the movement for the minutes?

5 (No response.)

6 CHAIR ALULI: Okay. May I have a motion -- or can
7 I -- all in favor of the motion for approval?

8 (Response.)

9 CHAIR ALULI: Any -- any opposed?

10 (No response.)

11 CHAIR ALULI: Thank you. Motion carries.

12 Okay. I'd like to move on to approval for the
13 liquor commission minutes for our special meetings of
14 September 22nd and September 23rd. Do I have a motion for
15 approval for those?

16 VICE CHAIR BOLOSAN: Mr. Chair.

17 CHAIR ALULI: Motion by Leon Bolosan.

18 VICE CHAIR BOLOSAN: Leon Bolosan. Move to approve
19 for the meeting September 22nd and the 30th, 2020.

20 CHAIR ALULI: Thank you, Leon. Do I have a second?

21 COMMISSIONER BECRAFT: (Gesturing.)

22 CHAIR ALULI: Seconded by Jamie Becraft. Any
23 further discussion?

24 (No response.)

25 CHAIR ALULI: All in favor?

1 (Response.)

2 CHAIR ALULI: Any opposed?

3 (No response.)

4 CHAIR ALULI: Motion carries. Thank you.

5 Okay. Move on to Item 5, Public Testimony. I do
6 see one person signed up in the chat section. Javi Barberi, I
7 see that you signed up. Are you there? Can you unmute?

8 MR. BARBERI: Yes.

9 CHAIR ALULI: Can you -- can you unmute your video
10 so we can see you.

11 MR. BARBERI: My camera doesn't work.

12 CHAIR ALULI: It doesn't? Okay, all right. We can
13 hear you. Okay, Javi. Good. You've got three minutes, my
14 friend. Go ahead.

15 MR. BARBERI: Okay. Thank you, Nane. Good morning.

16 CHAIR ALULI: Identify yourself, please.

17 MR. BARBERI: Good morning, everyone. My name is
18 Javier, I'm one of the owners of Mala Ocean Tavern and Down
19 the Hatch in Lahaina. I've spoken many times on these calls
20 recently and today I just would like to make one point. For
21 the last five years, our restaurants have experienced many
22 hardships, frustration, problems, so many that there's too
23 much to talk about today. We feel that the -- the processes
24 that the liquor control has in place make it very difficult
25 for us licensees to get things done in a timely manner here in

1 Maui County. We feel that these processes are set up to make
2 us fail or give up in terms of submitting permit requests or
3 extensions, things of that nature.

4 I don't know a lot about the applicants. We've
5 tried to do some research on some of them and we never got see
6 like resumes sent out or anything like that. But what I do
7 feel is I feel like we need a fresh new perspective. We need
8 someone that's going to provide great leadership in the
9 department and help the department move forward so that us
10 licensees can conduct business in a safe and efficient manner.

11 That's all I'd like to say today. Thank you for
12 listening to us.

13 CHAIR ALULI: Thank you, Javier. Commission --
14 excuse me. Commissioners, any questions for Javier?

15 (No response.)

16 CHAIR ALULI: Not -- I don't see any. Javier, thank
17 you very much. Appreciate your public testimony.

18 I see that Garrett Marrero has also signed up.
19 Garrett, I don't see your face. Oh, there you are. Good
20 morning, Garrett. Could you -- you've got -- you've got three
21 minutes. You've got the floor, Garrett.

22 MR. MARRERO: Good morning, everybody. Thank you
23 again for the opportunity to testify again. You know, I think
24 over the last 15 years we've been in business, there has been
25 the clear sentiment of negativity any time liquor is brought

1 up. I think nationwide we're known for having a defunct
2 department in many ways and, frankly, it's a little bit
3 upsetting that when people refer to how hard it is to do
4 business in Hawaii, that Maui goes even under further scrutiny
5 for being a horrible place to try and sell alcohol. I'm going
6 to try and move away from that negative sentiment, because I
7 think nobody's going to benefit from that.

8 I've shared many times with the commission as well
9 as legislators a video from the ADI conference last year where
10 the OLCC, the Oregon Liquor Control Commission, the director
11 talked about in the early years how they were such a punitive,
12 carry a big hammer department, and when they moved to an
13 education over enforcement, they saw businesses and the
14 administration come together and really work towards an
15 amicable, a cohesive environment where public safety and
16 public interest was balanced with the economic impact of small
17 businesses like our own and Oregon's economy flourished, the
18 negativity was gone and we could work together.

19 So I propose to you that in your search, you find
20 new blood, you find someone who maybe hasn't had an
21 opportunity to lead before that maybe can lead, you look to
22 try and balance these two sides of both business and
23 enforcement. You know, for me, as Javi said, it is set up to
24 fail, it's not set up to encourage. We are your customers,
25 the customer's always right is not necessarily true in this

1 situation, but I do believe there is a measure of that that
2 needs to be considered when the department is making its rules
3 and its policies and procedures.

4 There's a complete unequal application of procedure
5 and of law and of rule. There is absolutely zero reason that
6 Maui County, with its level of sales and number of licensees,
7 needs 220 pages of a liquor rule book against the state's 281
8 at, what, 38 pages, somewhere along those lines. So there is
9 an -- and then, by the way, Honolulu has 47 pages. So I think
10 there is an extreme inefficiency that needs to be taken care
11 of immediately because we have so much --

12 MS. KHANGSENGSING: Garrett, you have 30 more
13 seconds.

14 MR. MARRERO: Thank you.

15 We have so much excess in the department that
16 doesn't need to be there. When our sales are down 75 percent
17 and the liquor control budget hasn't moved at all, coming up
18 for a hearing, of course, that's something that needs to be
19 considered as well. So I would encourage investment in
20 efficiency, automation, audits, tracking so that we know when
21 we put in an application, where it is in the process. Simple
22 things are going to make profound changes in how we all work
23 together.

24 And, again, I offer our support, my support to help.
25 I want to be part of the solution and I think we can do this

1 together. So I know you're going to make the right decision,
2 I'm just happy to see that we're being included in this
3 process, so thank you to the commission and everyone here.
4 Aloha.

5 CHAIR ALULI: Thank you, Garrett.

6 Commissioners, any questions for Mr. Marrero?

7 (No response.)

8 CHAIR ALULI: Not having any questions, Mr. Marrero,
9 thank you very much. Appreciate your public testimony.

10 MR. MARRERO: Thank you, sir.

11 CHAIR ALULI: I do not -- I do not see any other
12 individuals signed up, I will, therefore, at this time
13 close --

14 MR. NAKAMURA: Mr. Chair.

15 CHAIR ALULI: Yes. Craig --

16 MR. NAKAMURA: Mr. Chair.

17 CHAIR ALULI: -- do you want to testify?

18 MR. NAKAMURA: Yeah. Sorry. I couldn't find the --
19 the chat function on my phone, so I --

20 CHAIR ALULI: Okay.

21 MR. NAKAMURA: -- just wanted to say a few words, if
22 I could.

23 CHAIR ALULI: Sure. You've got -- you've got three
24 minutes, Craig. Go ahead. You've got the floor.

25 MR. NAKAMURA: Thank you, Chair. My name is Craig

1 Nakamura, I'm a -- most of I -- most of you, I've seen before.
2 You know, I've been practicing here on Maui for about 40
3 years, I've been doing a lot of liquor licensing for most of
4 that time. I want to -- just wanted to say that despite, you
5 know, what you're hearing about a call for somebody new, you
6 know, a complete overhaul of the department, you know, in my
7 view, in working with the department on almost a daily basis,
8 you really need someone that's familiar with the procedures
9 and the practices of the department in order to make that
10 change, someone -- and we're a little bit restricted because I
11 know very little about most of the other applicants, you know,
12 it hasn't been public as far as what their background is, but,
13 you know -- I'm calling in because I want to support Layne
14 Silva for the position.

15 I think you need someone with experience and someone
16 who knows what's going on in the department in order to make
17 the change. I think it's very difficult for somebody to come
18 in from the outside and not knowing anything about the
19 procedures or how the department works, to be able to make the
20 changes that are necessary. I think Layne is very easy to
21 talk to, he's a reasonable person, we've been -- you know,
22 done well communicating with him in the past and I think he
23 will take a very business-friendly approach, which is what we
24 need going forward in the future.

25 Thank you very much and I'd be happy to answer any

1 questions if you have any.

2 CHAIR ALULI: Okay. Commissioners, any questions
3 for Mr. Nakamura?

4 (No response.)

5 CHAIR ALULI: I don't see any. Craig, thank you.

6 MR. NAKAMURA: Thank you.

7 CHAIR ALULI: Okay. I do not see any other people
8 signed up in the chat section; therefore, I will close public
9 testimony at this point. Public testimony is closed.

10 Okay. We will now move on to Item No. 6, our
11 Administrative Affairs. Item A is we're going to interview
12 the four candidates for the position of the director of the
13 department of liquor control and at this time we will move
14 into executive session. So can I have a motion -- yes, Jamie.
15 You have a question? Unmute yourself.

16 COMMISSIONER BECRAFT: Yes, Mr. Chair. I would make
17 a motion that we move to executive session.

18 CHAIR ALULI: Okay. Do I have a second?

19 COMMISSIONER YOKOUCHI: (Gesturing.)

20 COMMISSIONER U'U: Second.

21 CHAIR ALULI: Seconded by Leslie Yokouchi. All in
22 favor?

23 (Response.)

24 CHAIR ALULI: Okay. It has been motioned for
25 adjournment from open session and move -- reconvene in

1 executive session, so let's go to executive session.

2 (Pause in Proceedings: 8:45 a.m.-6:03 p.m.)

3 CHAIR ALULI: Okay. We are back in open session and
4 at this time no final decision has been made and we are
5 deferring action on this issue until a future date. So at
6 this time I would like to ask for a --

7 COMMISSIONER YOKOUCHI: I move that we adjourn.

8 CHAIR ALULI: -- adjourn.

9 COMMISSIONER YOKOUCHI: I move that we adjourn this
10 meeting.

11 CHAIR ALULI: Okay. Do I have a second?

12 COMMISSIONER BECRAFT: Jamie Becraft. I second.

13 CHAIR ALULI: All in favor?

14 (Response.)

15 CHAIR ALULI: Any opposed?

16 (No response.)

17 CHAIR ALULI: Motion carries. We're adjourned.

18 Thank you.

19 (The proceedings were adjourned at 6:03 p.m.)

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