

WENDY J. UTSUMI 6340
Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
Leiopapa A Kamehameha Building
235 South Beretania Street, Suite 900
Honolulu, Hawaii 96813
Telephone: 586-2660

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PROFESSIONAL, DEPT. OF COMMERCE
LIFE/SP/01/PROF/AND CONSUMER AFFAIRS
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DEPT. OF COMMERCE
OF CONSUMER AFFAIRS HEARINGS DIVISION
STATE OF HAWAII

Attorney for Department of Commerce
and Consumer Affairs

CONTRACTORS LICENSE BOARD
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

In the Matter of the Contractors' Licenses of) CLB 2007-595-L
)
CBS ELECTRIC, INC.; and) SETTLEMENT AGREEMENT PRIOR TO
BERT T. SHIOSAKI,) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND BOARD'S FINAL ORDER;
Respondents.) EXHIBIT "1"
)

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SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'
REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
through its undersigned attorneys, Respondent CBS ELECTRIC, INC. (hereinafter "Respondent
CBS Electric"), and Respondent BERT T. SHIOSAKI (hereinafter "Respondent Shiosaki"), enter
into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent CBS Electric was licensed by the
Contractors License Board (hereinafter the "Board") as a C-13 (electrical) specialty contractor
under License Number C 22550. The license was issued on or about June 8, 2000. The license
will expire on or about September 30, 2010.

2. At all relevant times herein, Respondent Shiosaki was licensed by the Board as a C-13 (electrical) specialty contractor under License Number C 18888. The license was issued on or about March 23, 1994. The license will expire on or about September 30, 2010.

3. At all relevant times herein, Respondent Shiosaki was the Responsible Managing Employee for Respondent CBS Electric.

4. The mailing address for purposes of this action for Respondent CBS Electric and Respondent Shiosaki (hereinafter collectively referred to as "Respondents") is c/o Mark S. Kawata, Esq., 1221 Kapiolani Boulevard, Suite 808, Honolulu, Hawaii 96814.

5. RICO received information an Order granting Deferred Acceptance of Guilty Plea was entered against Respondent Shiosaki based on Respondent Shiosaki's involvement with a bid-rigging scheme involving the State of Hawaii Department of Transportation's Airports Division. As a result of the Deferred Acceptance of Guilty Plea, Respondent Shiosaki was placed on probation for five years and ordered to pay restitution in the amount of \$146,000.00. A true and correct copy of the Order Granting Deferred Acceptance of Guilty Plea filed January 15, 2004 in State of Hawaii v. Bert T. Shiosaki, (CR. NO. 04-0038) is attached hereto as Exhibit "1."

6. RICO alleges that Respondents engaged in professional misconduct.

7. Respondents state that they are experiencing severe financial reverses due to the economic downturn and have had to lay off two full-time journey worker electricians due to lack of work.

8. Respondent Bert Shiosaki also states that he has kept up with the payments of the restitution payment in the criminal case, which leaves him little disposable income.

9. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes (“HRS”) § 444-17(1) (dishonest or deceitful conduct).

10. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENTS:

1. Respondents are fully aware that Respondents have the right to be represented by an attorney and are represented in this matter by Mark S. Kawata, Esq., 1221 Kapiolani Boulevard, Suite 808, Honolulu, Hawaii 96814.

2. Respondents enter into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.

3. Respondents are aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondents freely, knowingly, and voluntarily waive the right to a hearing and agree to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondents being at all times relevant herein licensed as contractors by the Board acknowledge that Respondents are subject to penalties including but not limited to, revocation, suspension or limitation of the licenses and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondents do not admit to violating any law or rule, but acknowledge that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondents’ licenses.

6. Respondents enter into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

7. Respondents agree that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. CLB 2007-595-L.

C. TERMS OF SETTLEMENT:

1. Probation. Respondents' contractors licenses are hereby placed on probation for a period of five years. During the probationary period, Respondents agree to comply with the following terms and conditions:

2. Administrative fine. Respondents agree to pay, jointly and severally, a fine in the amount of TWO THOUSAND AND NO/100 U.S. DOLLARS (\$2,000.00), with payments of not less than ONE HUNDRED TWENTY-FIVE AND NO/100 U.S. DOLLARS (\$125.00) to be paid by the last day of each calendar month beginning with the first full calendar month after the Board's approval of this Settlement Agreement until the fine amount is paid in full. Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Wendy Utsumi, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this fully executed Settlement Agreement is returned to RICO.

3. Comply with terms of the criminal probation. Respondent Shiosaki agrees to comply and fully satisfy the terms and conditions of probation in State of Hawaii v. Bert T. Shiosaki, (CR. NO. 04-0038).

4. Failure to Comply with Settlement Agreement. If Respondents fail to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1 through C.3 above, Respondents' licenses shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondents shall turn in all indicia of the licenses to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondents understand Respondents cannot apply for new licenses until the expiration of at least five (5) years after the effective date of the revocations. Respondents understand that if Respondents desire to become licensed again, Respondents must apply to the Board for new licenses pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

5. Possible further sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondents violate any provision of the statutes or rules governing the conduct of contractors in the State of Hawaii, or if Respondents fail to abide by the terms of this Settlement Agreement.

6. Approval of the Board. Respondents agree that, except for the representations, agreements and covenants contained in Paragraphs C.7, C.8, C.9 and C.10 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

7. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondents in the Board's

8. usual and customary fashion pursuant to the Administrative Procedure Act, Respondents agree that neither Respondents nor any attorney that Respondents may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondents on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

9. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

10. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondents to induce entry into this Settlement Agreement, and Respondents are not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

11. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: Honolulu, Hawaii, 8-6-09, August 6, 2009.

CBS ELECTRIC, INC.,

By: [Signature]
Its President
Respondent

DATED: Honolulu, Hawaii, August 6, 2009.

[Signature]
BERT T. SHIOSAKI
Respondent

DATED: Honolulu, Hawaii, AUG 18 2009.


[Signature]
WENDY J. UTSUMI
Attorney for Department of Commerce and
Consumer Affairs

APPROVED AS TO FORM:


[Signature]
MARK S. KAWATA
Attorney for Respondents

IN THE MATTER OF THE CONTRACTORS' LICENSES OF CBS ELECTRIC, INC., AND
BERT T. SHIOSAKI; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR
DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; EXHIBIT "1";
CASE NO. CLB 2007-595-L

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII



~~FADY T. ARISUMI~~ F.M. Scotty Anderson
Chairperson


OCT 26 2009
DATE


~~F. M. SCOTTY ANDERSON~~ Neal Arita
Vice Chairperson

GUY M. AKASAKI


~~NEAL ARITA~~ WILLIAM A. KAMAI


~~WILLIAM R. BROWN~~ HAROLD L. MARTIN

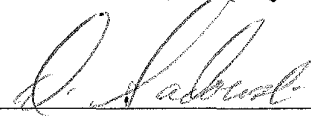

~~ERIC CARSON~~


~~JOSEPH S. KINDRICH, II~~ ALDON K. MOCHIDA

RANDALL B. C. LAU

AUDREY E. J. NG, ESQ. JOHN E. K. DILL

RONALD K. OSHIRO


DENNY R. SADOWSKI

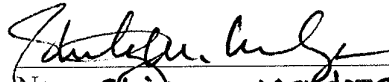

DARYL SUEHIRO

GERALD YAMADA

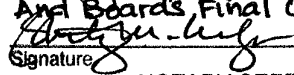
PVL 07/03/08

STATE OF HAWAII)
) SS.
COUNTY OF HONOLULU)

On this 6th day of August, 2009, before me personally
appeared Bert T. Shiosaki, to me known to be the person described, and who executed
the foregoing instrument on behalf of CBS Electric, Inc. as
President, and acknowledged that he/she executed the same as
his/her free act and deed.


Name: Shirley M. Mendoza L.S.
Notary Public, State of

My Commission expires: July 17, 2012

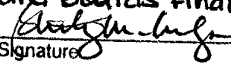
Doc. Date: 08/06/2009 # Pages: 13
Name: Shirley M. Mendoza First Circuit
Doc. Description: Settlement Agreement Prior L.S.
To Filing of Petition For Disciplinary Action
And Board's Final Order; Exhibit - 1
Signature:  Date: 08/06/2009
NOTARY CERTIFICATION

STATE OF HAWAII)
) SS.
COUNTY OF HONOLULU)

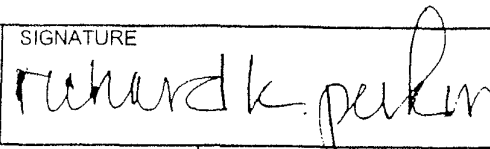
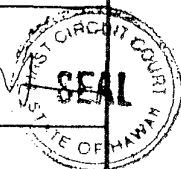
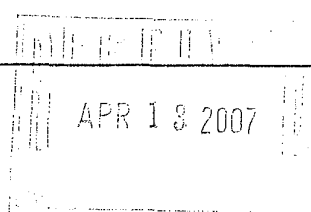
On this 6th day of August, 2009, before me personally appeared Bert T. Shiosaki, to me known to be the person described and who executed the foregoing instrument and acknowledged the same as his/her free act and deed.


Name: Shirley M. Mendoza L.S.
Notary Public – State of

My commission expires: July 17, 2012

Doc. Date: 08/06/2009 # Pages: 13
Name: Shirley M. Mendoza First Circuit
Doc. Description: Settlement Agreement Prior To Filing of Petition for Disciplinary Action and Board's Final Order; Exhibit "1" L.S.
 08/06/09
Signature Date

NOTARY CERTIFICATION

STATE OF HAWAII CIRCUIT COURT OF THE FIRST CIRCUIT		ORDER GRANTING MOTION FOR DEFERRED ACCEPTANCE OF GUILTY PLEA		CASE NUMBER: Cr. No. 04-1-0038
STATE OF HAWAII VS. (DEFENDANT) BERT T. SHIOSAKI Social Security Number: _____ (per Social Security Card) SID: Z-1000162 (no A# listed) DOB: _____ (per birth certificate)		DATE OF PLEA: January 15, 2004		REPORT NUMBER(S): A.G. NO. 03-15723
Defense Counsel: Mark Kawata		DATE MOTION GRANTED: April 11, 2007		
ORIGINAL CHARGE(S): THEFT IN THE 1ST DEGREE (§§708-830(2) and 708-830.5(1)(a), H.R.S.)		CHARGE(S) TO WHICH DEFENDANT PLED GUILTY: THEFT IN THE 1ST DEGREE (§§708-830(2) and 708-830.5(1)(a), H.R.S.)		
Deferral Period: FIVE (5) YEARS See Attached (Terms and Conditions of Deferral)		Defendant shall provide specimen samples and print impressions as required by H.R.S. Chap. 844D		
<p>The Defendant entered a plea of GUILTY in this case on the date and to the charge(s) indicated above.</p> <p>The Court finds that the Defendant entered the plea knowingly, intelligently, and voluntarily, with an understanding of the nature of the charge(s) and the consequences of the plea.</p> <p>It appears to the Court that the Defendant is not likely to again engage in criminal conduct and that the ends of justice and the welfare of society do not require that the Defendant should presently suffer the penalty imposed by law; THEREFORE,</p> <p>IT IS HEREBY ORDERED that the Defendant's motion for DEFERRED ACCEPTANCE OF GUILTY PLEA be GRANTED and that further proceedings in this case be deferred for the period indicated above, from the date the motion was granted, on the terms and conditions on the reverse and/or attached, under supervision by the Adult Client Services Branch.</p>				
DATE April 11, 2007	JUDGE RICHARD K. PERKINS	SIGNATURE 		
NOTICE OF ENTRY				 FIRST CIRCUIT COURT STATE OF HAWAII FILED APR 11 2007 <hr/> 1:31 o'clock P.M. <hr/> S. TOYAMA Clerk, Eighth Division
THIS ORDER HAS BEEN ENTERED AND COPIES MAILED OR DELIVERED TO ALL PARTIES.				
DATE April 11, 2007	CLERK S. TOYAMA			

rev. 02/23/06 Order Granting Motion for DAG- LANFORM 085
 ORIGINAL FILE DAG DEFENSE-Mark Kawata PROBATION POLICE HCJDC CASHIERS

EXHIBIT "1"

TO DEFENDANT, BERT T. SHIOSAKI

IT IS THE ORDER OF THE COURT that during the period of deferral of further proceedings, you, the above named Defendant, shall be under the supervision of the Adult Client Services Branch, and shall comply in all respects with the following terms and conditions:

1. You shall not commit another federal or state crime during your deferred term;
2. You shall report to your probation officer as ordered by the Court or by your probation officer. After this hearing or upon your release from confinement, you are ordered to report immediately to:

Adult Client Services
777 Punchbowl Street
Honolulu, Hawaii 96813
(808) 539-4500;

3. You shall not leave the island of O'ahu unless you first obtain permission to leave from your probation officer or the Court;
4. You shall report any change of address, telephone number, or employment to your probation officer before any such change;
5. You shall promptly notify your probation officer if you are arrested or questioned by a law enforcement officer;
6. You shall permit your probation officer to visit your home and any other places specified by the Court at all reasonable times.
7. Your further special conditions of deferral are as follows:
 - A. You shall follow all reasonable instructions which are given to you by your probation officer;
 - B. You shall not own or possess any firearms or ammunition. If you have any firearms or ammunition, you must immediately turn them in to the appropriate county police department.

Your further terms and conditions of deferral are attached.

WARNING:

IF YOUR WHEREABOUTS BECOME UNKNOWN TO YOUR PROBATION OFFICER BECAUSE OF YOUR FAILURE TO KEEP HIM/HER INFORMED, THE COURT MAY ORDER YOUR ARREST. UPON **ANY** FAILURE TO COMPLY WITH EACH OF THE TERMS AND CONDITIONS OF YOUR DEFERRAL, INCLUDING SPECIAL CONDITIONS, THE COURT MAY ACCEPT YOUR GUILTY PLEA AND SENTENCE YOU IN THIS CASE.

YOU ARE FURTHER INFORMED THAT YOU ARE PROHIBITED FROM OWNING OR POSSESSING ANY FIREARM OR AMMUNITION PURSUANT TO HRS § 134-7.

THE TERMS AND CONDITIONS OF DAGP HAVE BEEN EXPLAINED TO ME; I FULLY UNDERSTAND THEM, AGREE TO ABIDE BY THEM IN EVERY WAY AND UNDERSTAND THE CONSEQUENCES. I HAVE RECEIVED A COPY OF THESE TERMS AND CONDITIONS OF DAGP.

DATE

DEFENDANT'S SIGNATURE

SIGNATURE OF PROBATION OFFICER

Cr. No. 04-1-0038

State of Hawaii vs. BERT T. SHIOSAKI

7. Special Conditions Of Deferred Acceptance of Guilty Plea (DAG)

YOU SHALL:

- A. Follow all reasonable instructions which are given to you by your probation officer;
- B. Not own or possess any firearms or ammunition. If you have any firearms or ammunition, you must immediately turn them in to the appropriate county police department;
- C. Work full time or attend educational/vocational training as approved by your probation officer throughout the period of deferral;
- D. Pay restitution in the amount of \$146,000.00;
- E. The crime victim compensation fund fee is waived by the Court due to inability to pay;
- F. Pay the restitution at the rate of at least \$1,000.00 per month. Any modifications in the manner of payment must be approved by the court;
- G. Sign a Waiver of Extradition; and
- H. As determined by your probation officer, participate in and complete service plan(s) in relation to your Level of Service Inventory - Revised and other assessment results on emotional/personal issues, attitude orientation, low self control, drugs and/or alcohol dependence, companions and family/marital relationships.