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Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
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Honolulu, Hawaii 96813
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DEPT. OF COMMERCE
AND CONSUMER AFFAIRS

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HEARINGS OFFICE

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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 Contractor's License of) CLB 2014-256-L
)
HAWAII PACIFIC SOLAR LLC,) SETTLEMENT AGREEMENT PRIOR TO
) FILING OF PETITION FOR DISCIPLINARY
Respondent.) ACTION AND BOARD'S FINAL ORDER
)
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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 attorney, and Respondent HAWAII PACIFIC SOLAR LLC (hereinafter
"Respondent") enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent HAWAII PACIFIC SOLAR LLC was
licensed by the Contractors License Board (hereinafter the "Board") as a B and C-13 specialty
contractor under license number CT 31250. The license was issued on or about December 29,
2010. The license will expire or will be forfeited on or about September 30, 2016.

2. At all relevant times herein, Stanley P. Dillon ("Dillon") was licensed by the Contractors License Board (hereinafter the "Board") as a C-13 specialty contractor under license number CT 22637.

3. Between approximately December 29, 2010 and April 4, 2013, Dillon was the responsible managing employee for Respondent.

4. Effective September 19, 2013, Dillon was no longer affiliated with Respondent.

5. The mailing address for Respondent is 2010 Honoapiilani Highway, C-1, Lahaina, Hawaii 96761.

6. RICO received a complaint alleging that on or about November 9, 2012, Respondent entered into one or more contracts (referred to as "the contract") with the State of Hawaii, Department of Education, under which Respondent agreed to install photovoltaic systems on approximately 35 schools on Oahu and 15 schools on Kauai and sell power generated from these systems to the Department of Education.

7. Respondent undertook some of the work called for under the contract.

8. On or about January 30, 2013, Respondent executed an "Assignment Agreement" under which Respondent assigned its interest in the contract to an entity with no Hawaii contractor's license.

9. The Department of Education was a signatory to the Assignment Agreement.

10. Petitioner has separately resolved its claims against the unlicensed entity.

11. Petitioner intends to separately resolve its claims against Dillon.

12. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute a violation of Hawaii Revised Statutes (HRS) §§ 436B-19(6) (licensee

prohibited from aiding and abetting an unlicensed person to directly or indirectly perform activities requiring a license).

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

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.

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

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

4. Respondent being at all times relevant herein licensed as a contractor by the Board acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's license.

6. Respondent enters 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. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO No. CLB 2014-256-L.

8. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT:

1. Administrative Fine. Respondent agrees to pay a fine in the amount of FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00). 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: John T. Hassler, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO.

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

3. 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 Respondent violates any provision of the statutes or rules governing the

conduct of contractors in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

4. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.5, C.6, C.7 and C.8 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

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

6. 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.

7. 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 Respondent to induce entry into this Settlement Agreement, and Respondent is 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.

8. 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: Lahaina, Hawaii, 11/17/14.
(CITY) (STATE) (DATE)

HAWAII PACIFIC SOLAR LLC

G. Robert Johnston
By: G. Robert Johnston
Its: President
Respondent

DATED: Honolulu, Hawaii, November 21, 2014.

John T. Hassler
JOHN T. HASSLER
Attorney for Department of
Commerce and Consumer Affairs

IN THE MATTER OF THE CONTRACTOR'S LICENSE OF HAWAII PACIFIC SOLAR LLC;
SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY
ACTION AND BOARD'S FINAL ORDER; RICO CASE NO. CLB 2014-256-L

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII



GUY M. AKASAKI
Chairperson



JOHN POLISCHECK, JR.
Vice Chairperson



TYRUS KAGAWA



NATHAN T. KONISHI



LEONARD K.P. LEONG



KENT MATSUZAKI



DARYL SUEHIRO

JAN 23 2015

DATE

ANACLETO "JOEY"
ALCANTARA, JR.



WILLIAM A. KAMAI



PETER H.M. LEE



DANNY T. MATSUOKA



ALDON K. MOCHIDA

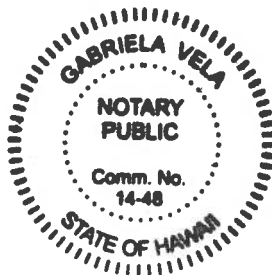
CRAIG S. TAKAMINE

STATE OF Hawaii
COUNTY OF Maui

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) SS.
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On this 17 day of November, 2014, before me personally appeared
G. Robert Johnston, to me known to be the person described, and who executed the
foregoing instrument on behalf of Hawaii Pacific Solar LLC as its
President _____, and acknowledged that he/~~she~~ executed the same as
his/~~her~~ free act and deed.

This Eight -page Settlement Agreement Prior to filling of Petition
document dated Undated at Notarization, 20____ was acknowledged before me by G. Robert Johnston this 17 day of November, 2014, in the
Lahaina City of _____, in the County of Maui, 2nd Circuit, in the State of
Hawaii. for disciplinary action and board's final order.



GABRIELA VELA 14-48
Name: [Signature]
Notary Public, State of Hawaii
My Commission expires: 2/16/18