

MOTOR VEHICLE DEALER BOARD MINUTES

March 16, 2021

The regular meeting of the Dealer Board was held via video conference with Cisco Webex. The following persons were virtually present:

BOARD MEMBERS:

Charla Berens
Fletcher Flower
John Linton
Matthew Porter
Kevin Shaughnessy
Luke Walch
Michael Widhalm

MEMBERS ABSENT:

Carrie Ann Baumgart
Ramona Graves Bode

CDOR EXECUTIVE DIRECTOR:

Mark Ferrandino

**SENIOR DIRECTOR, SPECIALIZED
BUSINESS GROUP:**

Cory Amend

EXECUTIVE SECRETARY:

Chris Rouze

**DEPT OF REVENUE,
AID, ENFORCEMENT
DIVISION STAFF:**

Chris Hartman
Gloria Breeden
Erika Garcia
Cheryl Morrison
John Opeka
Frank Agos
Josh Dexter
Jim Osborn
Brian Schurmann
Billy Maestas
Neal Robinson
Beth Spellerberg
Arleen Criddell Tapanen
Suzi Karrer

ATTORNEY GENERAL'S OFFICE:

Brad Jones
Torrey Samson
Sue Kim

VISITORS:

Kollman Gearhart, Built To Be Motors
Nena Lara, Flo's Auto Sales, LLC
Joshua Thomas Floryance, Flo's Auto Sales, LLC
Matthew Groves, CADA
David Cardella, CIADA

President John Linton opened the Emergency Rulemaking hearing in accordance with Section 24-4-103(6)(a), C.R.S. on March 16, 2021 at 9:01 a.m. During the public emergency rulemaking hearing, the Board repealed motor vehicle rule 44-20-102(22) COVID DIAL and powersports vehicle rule 44-20-402(17) COVID DIAL. The Board also adopted emergency rule 44-20-102(22) COVID DIAL 2nd Edition and powersports vehicle rule 44-20-402(17) COVID DIAL 2nd Edition. Mr. Linton turned the floor over to Executive Secretary, Chris Rouze.

AGENDA REVIEW AND ANNOUNCEMENTS

Ms. Rouze informed the Board that there are no changes to the agenda as posted. Ms. Baumgart and Ms. Bode will not be in attendance today. Ms. Rouze introduced Executive Director, Mark Ferrandino, who thanked the Board for the work they do for industry and the state of Colorado. Ms. Rouze also introduced the Division's two new Criminal Investigators, Mr. Billy Maestas and Mr. Neal Robinson who will be located in our Colorado Springs office. Ms. Rouze reminded the Board that they will be considering fee setting at the meeting next month and asked what their thoughts were on the state of the industry. The overall prediction of the Board is that the industry will remain the same in the coming year.

MINUTES

The minutes of the February 16, 2021 meeting were approved unanimously.

EXECUTIVE SECRETARY REPORT

Ms. Rouze presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Ethio Motors, Inc. #43792** – Motion to accept the Proposed Stipulation and Final Agency Order with the modification made to page ES-2, line 2 that the Respondent be changed from franchised motor vehicle dealer to a used motor vehicle dealer – passed unanimously.

Mr. Jones and Ms. Samson recused themselves and left the meeting.

- **Initial Decision – Jose Joselito Rodriguez, Motor Vehicle Salesperson License #192945** – Motion was made to accept the Findings of Fact, Conclusions of Law and to open the bond due to an expressed finding of fraud and revoke the license – passed unanimously.

Mr. Jones and Ms. Samson returned to the meeting.

ATTORNEY GENERAL'S REPORT

Mr. Jones informed the Board that Ms. Robin Meidhof is the new Deputy Attorney General for the Revenue and Utilities section in the Attorney General's office and may attend future meetings of the Board. Mr. Jones also announced that their unit plans to hire a new Attorney in the next few months.

BACKGROUND INVESTIGATIONS REPORT

Ms. Breeden presented the following to the Board:

Dealer Applications:

- **Built To Be Motors #44904** – Motion to table for 30 days for additional information; specifically, applicant's business plan, how finances will be handled in regard to inventory and an updated credit score – passed unanimously.
- **Flo's Auto Sale LLC #44140** – Motion to grant the license – passed unanimously.

Board took a 5-minute break.

- **GT Automotive LLC #44918** – Motion to grant the license – passed 4-1 (Berens opposed).

Salesperson Applications:

- **Farrow, Ryan #190810** – Motion to approve the license – passed unanimously.
- **Lumbreras, Carlos #205750** – Motion to grant a conditional license based upon applicant providing the standard letter from the employing dealer which includes the normal terms and conditions – passed 4-1 (Berens opposed).

REVIEW OF INITIAL DECISION UPON FILING OF EXCEPTIONS

Case #BD 19-0888

Peter J. Barrett appearing Pro se

Bradford C. Jones, Assistant Attorney General, appearing on behalf of the State

Respondent failed to appear. Oral arguments, board discussion and final ruling were heard pursuant to the exceptions process.

A motion was made to accept the findings of facts, conclusions of law including the findings related to service – passed unanimously.

A motion was made to revoke the license, open the bond due to an expressed finding of fraud and impose a fine of \$4,500.00 due and payable should the respondent apply for and is granted a license – passed unanimously.

Conflicts Counsel, Sue Kim will prepare a draft of the final order for the Board's approval at next month's meeting.

COMPLAINT INVESTIGATIONS REPORT

Ms. Hartman presented the following to the Board:

Statistical Reporting – Ms. Hartman informed the Board that we started with 242 cases, 102 new cases were opened and 104 cases were closed for the month, giving the Division a balance of 240 open cases. There were 239 background inquiries performed.

Affidavit of Probable Cause:

- **Erico Motorsports #7895** – Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Erico Motorsports, Dealer License #7895; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 – approved unanimously.
- **Limon Auto Solutions #43435** – Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Limon Auto Solutions, Dealer License #43435; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 44-20-104 – approved unanimously.
- **Nicholas Richard Serracino #188136** – Motion that the Board find probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Nicholas Richard Serracino, Salesperson License #188136; and that the Colorado Motor Vehicle Dealer Board summarily suspend his motor vehicle salesperson's license in accordance with C.R.S. 24-4-104 as he has engaged in deliberate and willful acts, his conduct poses a threat to the public health, safety and welfare and he has been convicted of a mandatory disqualifying felony, which precludes him from holding a salesperson license – approved unanimously.

New Business – None

Public Comment – Mr. Widhalm stated that he had been contacted by several dealers who expressed concern about the Department of Motor Vehicles (DMV) requirement to have titles processed within 30 days, due to offices being closed and the backlog. Ms. Rouze said if they would like to send her an email with their specific questions, she will reach out to the DMV to see if they have any information that may be helpful.

The meeting of the Motor Vehicle Dealer Board was adjourned at 12:00 p.m.

(Note: The Minutes of the Motor Vehicle Dealer Board summarize the contents of the meeting. They are not verbatim transcripts and are based principally upon the digital recording of the meeting and upon the later collaboration of staff attendees to ensure that the summary faithfully captures the matters before the Board and the actions the Board took. The digital recording of the meeting is a permanent record of the Board, retained in the electronic filing system of the Auto Industry Division, and is available as a resource for review, as needed.)

Chris J. Rouze
Executive Secretary