

MOTOR VEHICLE DEALER BOARD MINUTES

August 15, 2017

The regular meeting of the Dealer Board was held at the Department of Revenue offices, Lakewood, Colorado. The following persons were present:

BOARD MEMBERS:

Lisa Freimann
Ramona Graves Bode
Lucky Heggs
Michael Jorgensen
Chris Langley
Stan Martin
Steven Perkins
Dominic Scrivner

MEMBERS ABSENT:

Jason White

SENIOR DIRECTOR OF ENFORCEMENT:

Ron Kammerzell

**DEPUTY SENIOR DIRECTOR OF
ENFORCEMENT:**

Cory Amend

EXECUTIVE SECRETARY:

Bruce Zulauf

LEGAL ASSISTANT:

Leland Bebee

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

Chris Rouze
Chris Hartman
Gloria Breeden
John Opeka
Frank Agos
Cheryl Morrison
Erica Garcia
Annamarie Steenbock
Meghan Tanis
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE:

Brad Jones
Skip Spear
Randall Cherry

VISITORS:

Todd O'Connell, CIADA
Art Erwin, Christopher's Dodge World
Luke King, Kings Kars
Maggie Schillo, Royal Automotive
Joe Oltmann, Evolve Automotive
Shakhil Burge
Nathaniel Maxey

President, Stan Martin, opened the meeting of August 15, 2017 at 9:00 a.m. Mr. Martin turned the floor over to Executive Secretary, Bruce Zulauf.

AGENDA REVIEW AND ANNOUNCEMENTS

Mr. Zulauf informed the Board there were no changes to the agenda as posted. Mr. Jason White will not be in attendance today. Skip Spear will provide training of administrative procedures and Brad Jones will provide training in regard to conflict of interest and the rulemaking process. The first rulemaking stakeholder meeting will be held today at 1:00 p.m.

CALENDAR

Upcoming meeting dates are as follows:

- Thursday, August 24 – Rulemaking stakeholders from 9:00 a.m. – Noon
- Tuesday, September 19 – Regularly scheduled Board meeting beginning at 9:00 a.m. and Rulemaking stakeholders to follow beginning at 1:00 p.m.
- Thursday, September 28th – Rulemaking stakeholders from 9:00 a.m. – Noon
- Tuesday, October 17th – Regularly scheduled Board meeting beginning at 9:00 a.m. and Rulemaking stakeholders to follow beginning at 1:00 p.m.
- Thursday, October 26th – Rulemaking stakeholders all day beginning at 9:00 a.m.

Mr. Kammerzell introduced the new Deputy Senior Director of Enforcement, Mr. Cory Amend.

MINUTES

The minutes of the July 27, 2017 meeting were approved 6-0-1 (Heggs abstains).

ADMINISTRATIVE LAW REVIEW – *Board Training*

Mr. Skip Spear distributed written materials in addition to a PowerPoint presentation to Board members to assist with understanding the various administrative processes when disciplining a dealer and/or salesperson license.

REHABILITATION CONSIDERATIONS – *Board Training*

Mr. Brad Jones presented a PowerPoint presentation which provided an overview of what the Board's responsibilities are, relative to the organic statutory scheme contained with Title 12, Article 6, Parts 1 & 5 of Colorado law.

During the presentation, Mr. Jones reminded the Board that the law states that the sale and distribution of motor vehicles and powersports vehicles affects public interest, trust and confidence. Since there is an obligation of vehicle dealers, wholesalers and salespersons to engage in appropriate standards, the Board was created to protect consumers and to discipline, suspend and revoke licenses of vehicle dealers, wholesalers and salespersons who engage in conduct that warrants unfitness. Mr. Jones further stated that there is a presumption that the Board will act impartially and without appearance of impropriety in their decision-making process.

Mr. Jones reminded the Board they are also required to promulgate rules. Board members are invited to attend and observe stakeholder meetings prior to the formal rulemaking hearing process.

Board took a 10 min. break.

BACKGROUND INVESTIGATIONS TEAM

Ms. Breeden presented the following to the Board:

Dealer Applications:

Mr. Heggs recused himself and left the room.

- **Evolve Automotive, LLC #43907** – Motion to grant the license – fails 2-4 (Scrivner, Perkins, Jorgensen and Langley opposed). Motion to deny the license based on unfitness of licensing character – approved 4-2 (Freimann and Bode opposed).

Mr. Heggs returned to the room.

- **Uniq Autos, Ltd. #43514** – Motion to grant the license – approved unanimously.

Salesperson Applications:

- **King, Luke Austin #166235** – Motion to grant the license – approved unanimously.
- **Schillo, Maggie Lee #196785** – Motion to grant the license – approved unanimously.

EXECUTIVE SECRETARY'S REPORT

Mr. Zulauf presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Grand West Motors, Dealer #41923** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – The Auto Sheriff, Dealer #42868** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – WOW Automotive, Dealer #43347** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

Mr. Jones recused himself and left the room.

- **Initial Decision – Eloi Trujillo, Salesperson #154342** – Motion to accept the Findings of Fact, Conclusions of Law and uphold the recommended Order and revoke the license – approved 6-1 (Freimann abstains).

Mr. Jones returned to the room.

INVESTIGATIONS REPORT

Ms. Rouze presented the following to the Board:

Statistical Reporting – Ms. Rouze informed the Board that we started with 271 cases, 170 new cases were opened and 168 cases were closed for the month, giving the Division a balance of 273 open cases. There were 319 background inquiries performed.

Affidavits of Probable Cause:

- **Car-Tunes, DL #7506** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Car-Tunes, Dealer #7506; and that the case be assigned to the Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Red Rock Nissan, DL #43715** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Red Rock Nissan, Dealer #43715; 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. 12-6-104 – approved unanimously.
- **Stevinson Lexus of Lakewood, DL #55** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Stevinson Lexus of Lakewood, Dealer #55; 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. 12-6-104 – approved unanimously.

New Business – None

Public Comment – None

The meeting of the Motor Vehicle Dealer Board was adjourned at 11:26 a.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.)

Bruce Zulauf
Executive Secretary