

# MOTOR VEHICLE DEALER BOARD MINUTES

**August 20, 2019**

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

**BOARD MEMBERS:**

Fletcher Flower  
Ramona Graves Bode  
John Linton (via telephone conference)  
Matthew Porter  
Jason White  
Michael Widhalm

**MEMBERS ABSENT:**

**SENIOR DIRECTOR OF ENFORCEMENT:** Cory Amend

**EXECUTIVE SECRETARY:** Bruce Zulauf

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

Chris Rouze  
Chris Hartman  
Gloria Breedon  
John Opeka  
Frank Agos  
Josh Dexter  
Cheryl Morrison  
Erika Garcia  
Tim Rotter  
Leland Bebee  
Beth Spellerberg  
Margaret Jungmann  
Arleen Criddell Tapanen

**ATTORNEY GENERAL'S OFFICE:** Brad Jones

**VISITORS:**

Todd O'Connell, CIADA  
Art Erwin, Christopher's Dodge Ram  
Matthew Groves, CADA  
Mike McKinnon, Esq.  
Joe Gebhardt, Davidson Gebhardt Chevrolet  
Suzi Karrer, SDO  
Carolyn Berry, SDO

2<sup>nd</sup> Vice President, Jason White opened the meeting of August 20, 2019 at 9:01 a.m. Mr. White 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. Linton is appearing by telephone. Mr. Zulauf stated that at this time, there have been no official appointments by the Governor to fill the three vacant seats on the Board.

## **CALENDAR**

The regular meeting of the Board on September 17, 2019, will be an all-day meeting due to the required training of board members that will take place.

There is a Group One stakeholder meeting scheduled for August 28, 2019 at 1:00 p.m. Board members may attend if they choose but their attendance is not required. A second meeting is scheduled for September 6, 2019 at 9:00 a.m. if necessary.

Mr. Jones, General Counsel, stated that the Senior Director of Enforcement, Mr. Amend, would like to address the Board in Executive Session concerning a personnel matter.

A motion was made to enter into executive session to discuss a personnel matter pursuant to Section 24-6-402 (4) (f) (i) CRS regarding who the Executive Director of the Colorado Department of Revenue will employ as Executive Secretary of the Colorado Motor Vehicle Dealer Board in accordance with Section 44-20-105 (1) (b) CRS – passed unanimously (Mr. White as Chair voted).

**Board entered into Executive Session at 9:07 a.m. and Resumed Open Session at 9:19 a.m.**

## **MINUTES**

The minutes of the July 16, 2019 meeting were approved unanimously.

## **BACKGROUND INVESTIGATIONS TEAM**

Ms. Breeden presented the following to the Board:

### **Dealer Applications:**

- **Bee's Auto Sales #44528** – Motion to table for 30 days for clarity about their operating agreement – approved unanimously.
- **Bluesky Auto Sales, Inc. #44558** – Motion to grant the license – approved unanimously.

### **Salesperson Applications:**

- **Koker-Tatalovich, Blaine Ashton #203683** – Motion to deny the license based on unfitness of criminal character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.

## EXECUTIVE SECRETARY REPORT

Mr. Zulauf presented the following to the Board:

- **Proposed Final Order of Default Judgment – Hi Tech Auto Care, LLC #41741** – Tabled for 30 days to confer with Conflicts Counsel, Skip Spear.
- **Proposed Stipulation and Final Agency Order – Daltons Autos, Inc. #37586** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Shortline Automotive, Inc. #216** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Zambranos Auto Sales, Inc. #38820** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Alpha Motors, Inc. #42566** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Maximum Auto Search #39950** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Midtown Motors, Inc. #41687** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Supreme Auto, LLC #41506** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Barton Auto Sales #2405** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

## INVESTIGATIONS REPORT

Mr. Opeka presented the following to the Board:

**Statistical Reporting** – Mr. Opeka informed the Board that we started with 311 cases, 142 new cases were opened and 185 cases were closed for the month, giving the Division a balance of 267 open cases. There were 383 background inquiries performed.

### **Affidavits of Probable Cause:**

- **Driven to Donate, DL #43154** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Driven to Donate, Dealer #43154; 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.
- **Performance Center, DL #3242** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Performance Center, Dealer #3242; 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.

- **Rausch Motors, DL #41909** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Rausch Motors, Dealer #41909; 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.
- **Two Rivers Motors, DL #43674** – Withdrawn
- **Robin Samuel Anderson, SL #196473** – Withdrawn

## **ATTORNEY GENERAL’S REPORT**

Mr. Jones informed the Board that the appellate process is continuing in the NEZ Ltd. case. There should be a decision from the Appellate Court next Spring.

Mr. Jones is finalizing next month’s lengthy training presentation for the Board. Mr. Jones thanked Mr. Zulauf for being patient with him the last couple of years and stated it has been a pleasure to have worked with him.

**New Business** – None

**Public Comment** – Mr. O’Connell of CIADA thanked Mr. Zualuf on behalf of the association for his professionalism and fairness when dealing with issues. He further stated that Mr. Zulauf contributed a great deal to the Auto Industry, consumers and dealers and he wishes him the very best in his retirement.

Mr. Joe Gebhardt of Davidson Gebhardt Chevrolet stated that Mr. Zulauf’s leadership never saw a political agenda. He went on to say that Mr. Zulauf maintained a perfect balance of fairness, compassion and held all accountable. He wished him the best of luck in his retirement.

Mr. Mike McKinnon, Esq. thanked Mr. Zulauf for his integrity and fairness. Mr. McKinnon says Mr. Zulauf took the Auto Industry Division and the Colorado Motor Vehicle Dealer Board to a whole new level.

Senior Director Amend thanked Mr. Zualuf for his 11 years of service. Mr. Amend further stated that it has been a pleasure to work with Mr. Zulauf.

Matthew Groves of CADA thanked Mr. Zulauf for his leadership, communication and forthrightness.

Mr. Zulauf stated that it has been an honor and privilege to serve the state of Colorado. Mr. Zulauf thanked his dedicated staff for all they do.

The meeting of the Motor Vehicle Dealer Board was adjourned at 10:26 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.)*

Chris J. Rouze  
Acting Executive Secretary