

**COLORADO DEPARTMENT OF REVENUE  
MOTOR VEHICLE DEALER BOARD**

**Case Nos. BD 20-1229, 21-0379 & 21-0562**

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**STIPULATION AND FINAL AGENCY ORDER**

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**IN THE MATTER OF:     CARNELIAN AUTO**  
Used Motor Vehicle Dealer License Number 44650

**Respondent.**

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**IT IS HEREBY STIPULATED & AGREED** by and between the Colorado Department of Revenue, Auto Industry Division ("Division"), Motor Vehicle Dealer Board ("Board") and Carnelian Auto ("Respondent") (collectively the "Parties") in lieu of further legal action:

1. The Board has jurisdiction over Respondent and the subject matter of this Stipulation and Final Agency Order ("Order") as set forth in article 20 of Title 44, C.R.S., and the Administrative Procedure Act, article 4 of Title 24, C.R.S.

2. Respondent has been licensed as a used motor vehicle dealer in the State of Colorado at all times relevant herein.

3. The Board has alleged that Respondent violated the following:

- A. Making a material misstatement in an application for a license in violation of section 44-20-121(3)(a), C.R.S.;
- B. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-20-121(3)(m), C.R.S., to wit section 18-5-102(1)(c), C.R.S.;
- C. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-20-121(3)(m), C.R.S., to wit section 18-8-503(1), C.R.S.;
- D. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-20-121(3)(m), C.R.S., to wit section 18-5-102(1)(d), C.R.S.;
- E. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-

20-121(3)(m), C.R.S., to wit section 18-5-114, C.R.S.;

- F. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-20-121(3)(m), C.R.S., to wit section 18-8-306, C.R.S.;
  - G. Engaging in the business for which the dealer is licensed without at all times maintaining a principal place of business as required by part I during reasonable business hours, in violation of section 44-20-121(3)(k), C.R.S., and violation Regulation 44-20-121(3)(k), 1 C.C.R 205-1;
  - H. Exercising a privilege granted under a license that the person does not hold, or for a licensee to knowingly allow such an exercise of privileges, in violation of sections 44-20-121(3)(b), C.R.S., and 44-20-110(2), C.R.S.;
  - I. Engaging in the business through employment of an unlicensed motor vehicle salesperson in violation of section 44-20-121(3)(l), C.R.S.
  - J. Failing to deliver or facilitate delivery of the certificate of title to a purchaser or the holder of a chattel mortgage on the motor vehicle dealers within thirty days after the sale in violation of sections 42-6-109, C.R.S., and 44-20-121(3)(m), C.R.S.; and
  - K. Violating any state or federal law respecting commerce or motor vehicles, or under circumstances in which the act constituting the violation directly and necessarily involves commerce or motor vehicles in violation of section 44-20-121(3)(m), C.R.S., to wit section 42-4-310(a)(I), C.R.S.
4. Respondent understands that:
- A. Respondent has the right to be represented by an attorney of Respondent's choice, at Respondent's expense;
  - B. Respondent has the right to a formal hearing in accordance with article 20 of Title 44, C.R.S.;
  - C. By entering into this Order, Respondent knowingly and voluntarily waives the right to a hearing, and relieves the Board of its burden of proving the violations alleged herein;
  - D. Respondent knowingly and voluntarily waives the right to present a defense by oral and documentary evidence, and to cross-examine witnesses who would testify on behalf of the Board; and,
  - E. Respondent knowingly and voluntarily waives the right to judicial review of this matter.

5. Respondent acknowledges receipt of sufficient notice, sufficient advisement of rights, and sufficient process in the proceedings of this case, and desires to resolve all issues, which were the subject of the investigation, by entering into this Stipulation and Final Agency Order.

6. Respondent agrees, in lieu of subsequent administrative proceedings, to submit to the following sanctions:

- A. Respondent relinquishes its license. The relinquishment shall have the force and effect of a revocation order after hearing;
- B. Respondent shall pay a fine \$30,000.00;
- C. The \$30,000.00 fine shall be deferred and payable only if Respondent applies for, and is granted by the Board, any type of motor vehicle or powersports dealer license before December 21, 2031; within five (5) years of the date of this Order;
- D. If Respondent applies for, and is granted by the Board, any type of motor vehicle or powersports dealer license after December 21, 2031, Respondent shall pay a fine in the amount of \$15,000.00;
- E. If Respondent applies for a motor vehicle or powersports dealer license, at any time in the future, Respondent must comply with all requirements for Board licensure then in effect in addition to paying the required fine;
- F. Respondent shall not engage in any act that would require licensure by the State of Colorado for used motor vehicle dealer, a motor vehicle dealer, a used powersport vehicle dealer, or a powersport vehicle dealer unless Respondent obtains the appropriate licensure from the Colorado Motor Vehicle Dealer Board.

7. Respondent agrees to strictly adhere to and to completely fulfill all requirements established in this Order.

8. This Order will not become an order of the Board unless and until the Board approves it. If this Order is not approved by the Board, it is void, and the Parties shall not be bound by any provisions hereof or admissions herein.

9. Each Party shall bear its own costs and fees incurred in this action.

10. This Order is the complete integration of all understandings between the parties. No addition, deletion, or amendment shall have any force or effect whatsoever, except as mutually agreed to in a writing signed by both Parties.

11. The Parties agree to cooperate fully and to execute any and all supplementary documents and to take all additional actions necessary or appropriate to give full force and effect to the terms and intent of this Order.

12. The provisions of this Order shall be enforceable by the Parties before the Colorado Motor Vehicle Dealer Board, by any lawful remedy.

13. Respondent expressly acknowledges having read and understood completely the terms of this Order. Respondent enters this Order knowingly and voluntarily, after the opportunity to consult with counsel, and with full understanding of the legal consequences of this Order. Respondent expressly states the terms of this Order are fair, conscionable, and appropriate to reach a full and final resolution of this disciplinary matter.

14. This Order and all its terms shall have the same force and effect as an order entered by the Board after hearing pursuant to article 20 of Title 44, C.R.S., except that this Order cannot be appealed.

15. Respondent agrees that any violation of this Order may constitute grounds for disciplinary action and, if proven, may constitute a basis for further sanctions or for any other remedy authorized by law.

16. If this matter is referred to hearing for violation of this Order, this Order shall be admissible as evidence.

17. If an alleged violation of this Order is taken to hearing and the facts that constitute the violation are not proven, the Board shall not impose any additional sanction and this Order shall remain operative and in full force and effect. Respondent must comply with the terms of this Order during the pendency of, and after the conclusion of, such disciplinary action.

18. Once effective, this Order becomes a public record in the Board's custody at all times.

19. Effective Date. This Order becomes an order of the Board when accepted by the Board and signed by an authorized representative of the Board.

20. This Order is a full and final resolution of case numbers BD 20-1229, 21-0379 & 21-0562. This Order does not resolve any other cases, complaints or matters, known or unknown to the Parties, as of the effective date of this Stipulation and Final Agency Order.

21. Respondent shall immediately provide written notice to the Board of any change of Respondent's address. Any notice required under this Order shall be valid if provided, in writing, to the last known written address provided to the Board by Respondent, which currently is:

Carnelian Auto  
1200 S. Parker Road  
Denver, CO 80231

22. All correspondence and notices to the Board must be provided to the Board at the following address:

Colorado Department of Revenue, Auto

Industry Division  
Chris Rouze, Division Director /Executive  
Secretary  
1707 Cole Boulevard, Suite 300  
Lakewood, Colorado 80401

23. Should any term or provision of this Order be declared invalid or become inoperative for any reason, such invalidity or failure does not affect the validity of any other term or provision hereof.

24. This Order may be signed in counterparts, each of which has full force and effect upon execution by all Parties.

25. Respondent warrants that it possesses the legal authority to enter into this Order and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Order and to bind Respondent to its terms.

26. The person executing this Order on behalf of Respondent warrants that such person has full authorization to execute this Stipulation and Final Agency Order.

**REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK**

**SIGNATURE PAGE TO FOLLOW**

**AGREED TO BY:**

Digitally signed by  
**John Opeka**  
Date: 2025.05.20  
12:45:28 -06'00'

By: John Opeka  
For: Chris J. Rouze

May 20, 2025

Date

Chris J. Rouze  
Director/ Executive Secretary  
Auto Industry Division  
Motor Vehicle Dealer Board

**FOR THE RESPONDENT:**

DocuSigned by:  
ERIC NELSON  
Eric Nelson  
Owner of Carnelian Auto

April 18, 2025

Date

**APPROVED AS TO FORM:**

Linda Lee  
Linda Lee, #39528  
Lee Law  
Attorney for Respondent

April 18, 2025

Date

Sarah Killeen  
Sarah Killeen #31992  
Senior Assistant Attorney General  
Attorney for the Colorado  
Motor Vehicle Dealer Board

April 21, 2025

Date

The Order is approved and its terms are hereby adopted as an Order of this Board.

ORDERED AND ENTERED this 20th day of May, 2025.

COLORADO MOTOR VEHICLE DEALER BOARD

BY:

Kevin Shaughnessy  
Kevin Shaughnessy, 1st Vice President

CERTIFICATE OF SERVICE

This is to certify that I have duly served the within STIPULATION AND FINAL AGENCY ORDER upon all parties herein by depositing copies of same in the United States mail, first-class postage prepaid, at Denver, Colorado, and personal service (as noted), this 21st day of May, 2025, addressed as follows:

Carnelian Auto  
1200 S. Parker Road  
Denver, CO 80231

Lee Law  
Linda Lee, # 39528  
501 S. Cherry Street  
Denver, CO 80246  
[linda@leelawcolorado.com](mailto:linda@leelawcolorado.com)

Sarah Killeen, Esq.  
Senior Assistant Attorney General I  
1300 Broadway 8<sup>th</sup> Floor  
Denver, CO 80203  
[sarah.killeen@coag.gov](mailto:sarah.killeen@coag.gov)

Chris J. Rouze, Executive Secretary  
Colorado Motor Vehicle Dealer Board  
Director, Auto Industry Division  
1707 Cole Blvd., Suite 300  
Lakewood, Colorado 80401  
*(Placed in Board File)*

Digitally signed by  
**Lisa Garcia**  
Lisa Garcia  
Date: 2025.05.21  
10:28:09 -06'00'

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Lisa Garcia, Legal Assistant  
Auto Industry Division