MOTOR VEHICLE DEALER BOARD
MINUTES

February 8, 2007

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

BOARD MEMBERS: Jeff Carlson, President
Steve Perkins, 1st Vice President
John Medved
Bob Feder
Jim Reitz
Philip Harris
Eva Wilson

MEMBERS ABSENT: Jim Varner, 2nd Vice President
Lisa Schomp

EXECUTIVE SECRETARY: Robert Sexton
LEGAL ASSISTANT: Birgit Bindel

DEPT OF REVENUE, AID, ENFORCEMENT DIVISION STAFF: Eugene Tardy
Jerry Smith
Kaye Kopecky
Debbie Shriver
Eric Hartsough
Todd Tucker
Bud Heinrich
Sherry Colborg

A.G.'S OFFICE: Wade Livingston, Conflicts Counsel
Jennifer Tibbitts, Assistant AG

VISITORS:
Gabe Bueno, Denver Isuzu Suzuki
Jon Kroneberger, CIADA
Tammy L. McCoy, CADA
Mike McKinnon, Esq.
Karla & Jerry Lee, I-25 Express
John Kramer, Denver Auto Auction
Katharine Chavira, CO Auto Auction

The meeting convened at 9:10 a.m.

The Board's President points out that Ms. Lisa Schomp is mentioned in the magazine "Time". Ms. Schomp represents one of the top five nominees (out of 60 Dealers) being nominated as Qualified Dealer Awards recipient.

MINUTES:

The minutes of January 11, 2006 were approved unanimously.

BUDGET:

Documents were presented to the Board by the Budget Department, Department of Revenue, Enforcement Group regarding FY 05/06 year to date actual legal expenditures and revenue. The Board reviewed the documents.

EXECUTIVE SECRETARY'S REPORT:

Single Board Member Hearings were held on January 22**,** 2007. Robert Sexton, Executive Secretary, reported the following Single Board Member Hearing Initial Decisions to the Board for review.

Trent Palmer - The Hearing Officer decided that the salesperson license is granted. The Board affirms this decision. Motion passes unanimously.

Stephen Rost - The Hearing Officer decided that a restricted salesperson license is granted. The license will be on probation for two (2) years and the Respondent needs to comply with the Court ordered parole. The Board affirmed this decision. Motion passed 5:1.

Chad Clarkson - The Hearing Officer decided that the salesperson license is granted. The Board affirms this decision. Motion passes unanimously.

Sammy Yu – stipulation dated 10/6/06: Mr. Sexton presents to the Board a Motion to Extent Time (for 45 days) to Pay Fine filed by legal counsel for **Sammy Yu**. Mr. Yu paid $1000,00 on 2/7/07. The Board granted the Motion. **Motion passed unanimously.**
Therefore, the remaining fine of $2000,00 is payable on or before 3/26/07.

Excel Motorsports, LLC – The Board was presented with a Request to Dismiss Petition of Excel Motorsports, LLC.
Mr. Livingston states that the Board does not have jurisdiction to vote on this matter because it is a contractual dispute. The matter was tabled until March. Copies of the initial letter from Excel and the Request to Dismiss the Petition will be included in the Board packet for March.

Manufacturer, depot and transporter plates: Rules and Regulations regarding the use of these plates will be addressed at the March Board meeting.

LICENSING REPORT:

Kaye Kopecky, Dealer Licensing Manager.

Wholesale application of **I-25 Express** was referred for the Board's review. Owners, Jerry & Karla Lee, addressed the Board. **Motion** to approve Wholesale license passed 4:2.

Dealer & Wholesaler Application Approved List was reviewed by the Board.
Rival Motorwerks: The Board was advised that Ms. Oslund removed her name of the Wholesale application.

At the last Board meeting, Mr. Sexton had requested Ms. Kopecky to research whether Papa Auto Sales and Leasing handles any leasing transactions. Ms. Kopecky advised the Board that Papa Auto Sales and Leasing is not involved in leasing transactions.

INVESTIGATION REPORT:

Eugene Tardy, Agent-In-Charge of Investigations, reported on the following agenda items and various discussion items:

Statistical Reporting – Monthly update. The Case Statistical Reporting, Licensing Statistics, and Activity Report were reviewed by the Board.

Hearing schedule:
A-1 Trucking and **Carfind:** The AAG requested to continue both cases from the scheduled date of 2/22/07 to the next Board meeting on March 6, 2007. The AAG inquired whether an oral Motion on the record is sufficient. Mr. Livingston advised that Motions made by the AAG orally on the record are legitimate.

Criminal Filing Log was reviewed with the Board.

Fines imposed & received log were reviewed with the Board.

Affidavits of Probable Cause:
A. Paradise Motors, DL#38313, BD07-007 - **Motion** passed unanimously to refer to Hearing.
B. Cool Cars Only, DL#4842, BD07-008 - **Motion** passed unanimously to refer to Hearing regarding the charges of abandonment of premises only. The charges regarding illegal, fraudulent activities will be eliminated.

Other Investigations Matters:
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- Christopher's Dodge World Report was reviewed by the Board.
- Pamela Dickinson: AAG requested that the Executive Secretary draft a letter to Respondent's legal counsel that the matter needs to be addressed with the Court of Appeal.

The issue of whether or not a deferred judgment is considered a conviction for licensure purposes was suggested for rule making.

Recess from 10.20 until 10.30 a.m.

COMPLIANCE REPORT:

Jerry Smith, Compliance Manager, presented the following cases for Board review and action. Motions passed as followed:

Salesperson Applicants – Motions passed as follows:

- Licenses Approved:
  Patrick Adamson
  Anthony DaGrosa
  Mitchell Wyatt

- Licenses Denied:
  Karen Maes - Motion passes unanimously.

The following salesperson and dealers have been **referred to a hearing** by the board:

Woodmen Nissan, DL#38911, Motion passed unanimously;
Spradley Barr Ford, DL#114, Motion passed 3:2 (1 abstained).

Pressler, Michael: matter was referred to hearing in 2005. **Motion** to remove Hearing referral and not to go forward - passed unanimously.

Webb, Rachel: Motion to remove Hearing referral and not to go forward - passed 5:0 (1 abstained).

ASSISTANT ATTORNEY GENERAL:

Office of the Attorney General, advised the Board that there is nothing to report at this time.

NEW BUSINESS:

John Thomas & Rebecca Davis – presentation: Update on portal project

John Kramer - presentation: Sunset Review – Recommendation 9: sale of government owned vehicles. **Motion** passed to change back to statutory requirements.

Senate committee meeting on 7 February 2007: **Sunset review recommendations** discussed. Regarding recommendation 5: The Board wishes to replace the "shall" with the word "may" in reference to the use of ALJs and Hearing Officers.

Rule Making: Mr. Carlson suggests creating a Rule Making Committee of three Board members – Ms. Wilson, Mr. Perkins and Mr. Carlson. The Rule Making Committee, AAG Tibbitts and AID Director Sexton agreed to conduct a workshop on 22nd of February, 2007 at 8.30 a.m. at the Gaming Conference Room.

PUBLIC COMMENTS:

Gabe Bueno addressed the Board in reference to the denial of his salesperson license. Motion to approve license failed 3:4. Therefore, the Board's **final order** was to maintain the **license denial**.

Recess for lunch from 12.30 until 1.30 p.m.

HEARINGS:

Millennium Autosport, DL#36228, BD07-011: Motion passed unanimously (1 abstained) to refer to **Summary Suspension Hearing.**

Meeting concluded at 3.00 p.m.

Robert C. Sexton
Executive Secretary