

## **LICENSE PLATE AUCTION GROUP (LPAG)**

Colorado Department of Revenue  
1881 Pierce, Room 110, Lakewood Colorado  
November 26, 2012

### **Minutes to the Meeting**

Members in Attendance: Maren Rubino (chair), Rich Medina, Dave Ferrill; Mark Simon (by phone), Gary Sanford, Gina Robinson (by phone)  
Guests in Attendance: Bob Gall, Dylan Ikenouye, Peter Pike, Maurice Knaizer (by phone)

### **CONVENE:**

The meeting was convened by Maren at 10:04 a.m.

### Approval of 9/24/12 Minutes

Maren stated that the approval of the 9/24 minutes would be postponed until the next meeting.

### **NEW BUSINESS:**

#### Discuss Recommendations from Rebound Solutions

Rich noted that the previous meeting consisted largely of a presentation by William Browning and Guy Mellor of Rebound Solutions concerning the business model established for the LPAG by the General Assembly. Dave noted that the conclusion he had reached, based on the report from Rebound Solutions, is that this is not the best model for a successful operation. Rich added that issues include the make-up of the board and the involvement of stakeholders.

Maren stated that a letter had been received from the Colorado Disability Benefits Support Program (DBS), over the signature of Peter Pike, DBS Executive Director, concerning their support for the "contingency option" for the initial auction. Maren read the letter into the record. Peter explained that there appears to have been a change of heart on the part of the LPAG concerning the "contingency option." Dave acknowledged that there *has* been a change in perspective, noting that we all new at this business and are learning as we go. It's to be expected that thing will evolved, as we try to determine how to be successful in this venture. Rich added that we need to be creative to develop inventory. The most important consideration is to develop and nuture a business model that has sustainability, and that is *not* now available.

Gina explained that Mark is seeking a hybrid between the two models presented last time – something between the contingency v. funded options – whereby there would be a project manager provided by outside funding. She added that Mark is pursuing outside investments in the amount of about \$105,000. Gary said he would like to hear from Mark about his idea, especially where he is pursuing the funding.

Maren observed that is appears the LPAG members are more interested in a long-term perspective of success, rather than short-term "quick hits." Rich added that we need answers to lots of questions.

[NOTE: Mark arrived at the meeting as the conversation was in progress.] Mark explained that a subcommittee (he, Gina and Gary) have drafted a list of "deliverable" for a contractor. He put on the screen the "Statement of Work – LPAG Project Management" document, which would be for a six-month contract. Mark explained this would get us to the starting line. Rich wondered if that is too tall an order for a short-term contract. Gina said there are candidates who have contracted with the Governor's Office who could do this for the amount being considered.

To a question from Peter Pike, Mark responded that is a hybrid option (between “contingency” and “funded”) that would not require legislation, except for spending authority.

To a question from Dave, Mark recapped that this would be a two-part contract – to advance the administrative requirements for the auction, and to further develop strategy for the LPAG. Maren requested that LPAG members review the document and provide responses/recommendations to Gina, Gary and Mark.

**OLD BUSINESS:**

Legislative Agenda for 2013

Mark stated that he has secured possible sponsors for legislation (Gerou and Aguilar), the same two who sponsored the original enabling legislation for the LPAG. He explained that we would need to have our specific proposal finalized by December 5.

Mark reviewed the provisions he had in mind for the 2013 legislation:

- The 5% cap on implementation/operating expenses – to increase to 10% for commissions; keep the administrative cap. The group agreed to pursue “up to 20%” for commissions.
- Increase spending authority – currently about \$22K.
- Incentives – for owners to turn in valuable combinations.
- Use of symbols – the group agreed the use of symbols on the standard American keyboard, or “as approved by the LPAG.” Mark noted that some of those will be available only through auction; we need to give ourselves the opportunity for success.
- Rule-making for “business decisions” – Maurice observed there is an available analogy with the Lottery; the group agreed to study that option.
- State tax deduction – this is for a transaction that is not already happening.
- Private-sector representation on LPAG – we would have to be watchful over conflict of interest issues.
- Alternative Materials – the Division of Motor Vehicles (DMV) would authorize standards for materials, manufacture and vendors.
- Move from Governor’s Office to DMV – the group agreed to hold off on that recommendation for now.

Maren announced the next meeting would be on December 17. Dave noted that he would not be available to take the minutes at that meeting.

Maren adjourned the meeting at 12:05 p.m.

Submitted – Dave Ferrill, Secretary