

# MOTOR VEHICLE DEALER BOARD MINUTES

**June 19, 2018**

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

**BOARD MEMBERS:**

Ramona Graves Bode  
Michael Jorgensen  
Chris Langley  
John Linton  
Stan Martin  
Steven Perkins  
Jason White

**MEMBERS ABSENT:**

Carrie Ann Baumgart  
Lucky Heggs

**SENIOR DIRECTOR OF ENFORCEMENT:**

Flavio Quintana

**EXECUTIVE SECRETARY:**

Bruce Zulauf

**LEGAL ASSISTANTS:**

Leland Bebee  
Beth Spellerberg

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

Chris Rouze  
Chris Hartman  
Gloria Breedon  
John Opeka  
Frank Agos  
Cheryl Morrison  
Erika Garcia  
Eric Teklu  
Rob Urbach  
Tim Rotter  
Brian Schurmann  
Arleen Criddell Tapanen

**ATTORNEY GENERAL'S OFFICE:**

Brad Jones  
Alexandra Creel, Intern  
Hayley Dane, Intern

**VISITORS:**

Shirley Aldrich, J. Bode Used Cars  
Turk Walid, Colorado Auto Finders  
Art Erwin, Christopher's Dodge World  
John Emerson, Angels Auto Sales  
Joseph Orrino, Evolve Automotive, LLC  
Jami Y. McCoy, CIADA

President, Stan Martin, opened the meeting of June 19, 2018 at 9:01 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. Ms. Baumgart and Mr. Heggs will not be in attendance today. Rulemaking is scheduled for July, August and September.

Board officer, Mr. Christopher Langley, 1<sup>st</sup> vice-president, is vacating his seat after serving one term. Board officer, Mr. Michael Jorgensen, 2<sup>nd</sup> vice-president, is vacating his seat after 4 ½ years and Mr. Stan Martin, president, is vacating his seat after serving two terms. Mr. Zulauf presented all three with plaques of appreciation for their service to the Colorado Department of Revenue, the Auto Industry Division and the citizens of Colorado.

The Governor should be making new appointments as early as next week.

## **MINUTES**

The minutes of the May 15, 2018 meeting were approved unanimously.

## **BACKGROUND INVESTIGATIONS TEAM**

Ms. Breeden presented the following to the Board:

### **Dealer Applications:**

Mr. Jones requested the Board enter into Executive Session to discuss dealer application for Evolve Automotive Partners, which was tabled last month so that General Counsel can address the Board's questions regarding no-fee owner of a dealership.

A motion was made to enter Executive Session pursuant to C.R.S. 24-6-402(3)(a)(II); for the expressed purpose of seeking legal advice for specific legal questions regarding whether a business entity can be designated as a no-fee owner under C.R.S. 12-6-108(1)(b) – passed unanimously.

### **The Board entered into Executive Session at 9:15 a.m. and resumed Open Session at 9:49 a.m.**

Mr. Jones stated that, during the course of Executive Session, legal questions were discussed regarding Evolve Automotive Partners dealer application.

Mr. Jones also stated that Mr. Langley left during Executive Session pursuant to a subpoena in his capacity as a law enforcement officer and that six board members were in fact present at the time.

- **Evolve Automotive Partners #44108** – Motion to grant the license – approved 3-2 (White and Perkins opposed).

### **Salesperson Applications:**

- **Cereceres Moreno, Jesus E. #187602** – Motion to table for more information on status of probation – approved unanimously.

- **Pinho-Tamburi, Harley K. #639767** – Motion to deny the license based on unfitness of criminal character – approved unanimously.
- **Turk, Walid O. #642938** – Motion to deny the license based on unfitness of financial character, unfitness of criminal character, and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.

Board took a 10 minute break.

## **EXECUTIVE SECRETARY REPORT**

Mr. Zulauf presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Summers Auto Sales, Inc. #40814** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – New Country Auto Center #37379** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Rudys Wholesale #43388** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Nissan of Durango #43522** – Motion to accept the Proposed Stipulation and Final Agency Order – fails 3-2 (Perkins, Bode and Linton opposed).

Motion made to have Executive Secretary renegotiate stipulation, with a letter of reprimand as disciplinary action. – approved 3-2 (Jorgensen and White oppose).

Mr. Jones recused himself and left the room.

- **Initial Decision – Phillip Jensen, Motor Vehicle Salesperson License #188740** – Motion was made to accept the Findings of Fact, Conclusions of Law, set aside the hearing officer’s recommendation and revoke the license – approved unanimously.
- **Initial Decision – David Michael Van Driel, Motor Vehicle Salesperson License #185389** – Motion was made to accept the Findings of Fact, Conclusions of Law, set aside the hearing officer’s recommendation and revoke the license – approved unanimously.

Mr. Jones returned to the room.

## **INVESTIGATIONS REPORT**

Ms. Hartman presented the following to the Board:

**Statistical Reporting** – Ms. Hartman informed the Board that we started with 290 cases, 143 new cases were opened and 124 cases were closed for the month, giving the Division a balance of 309 open cases. There were 415 background inquiries performed.

## **Affidavits of Probable Cause:**

- **AutoNation Dodge Ram Arapahoe #4410** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to AutoNation Dodge Ram Arapahoe, Dealer #4410; 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.
- **J & H Auto LLC, DL #42867** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to J & H Auto LLC, Dealer #42867; 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.
- **O’Meara Ford Center Inc., DL #90** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to O’Meara Ford Center, Inc., Dealer #90; 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.
- **Spirit Lake Motorsports, DL #41890** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Spirit Lake Motorsports, Dealer #41890; 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.
- **Twin Pine Motor Sports, DL #43889** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Twin Pine Motor Sports, Dealer #43889; 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.
- **Jacob Alexander Harding, SP #182825** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Jacob Alexander Harding, Salesperson #182825; and that the case be assigned to the Colorado Department of Revenue Hearings Division for a hearing on the merits – approved 4-1 (Perkins opposed).

Mr. Jones introduced interns, Alexandra Creel and Hayley Dane, who will be working in the Attorney General’s office this summer.

**New Business** – None

**Public Comment** – None

The meeting of the Motor Vehicle Dealer Board was adjourned at 10:59 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