

MOTOR VEHICLE DEALER BOARD MINUTES

October 17, 2017

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
Lucky Heggs
Stan Martin
Steven Perkins
Dominic Scrivner

MEMBERS ABSENT:

Lisa Freimann
Michael Jorgensen
Chris Langley
Jason White

EXECUTIVE SECRETARY:

Bruce Zulauf

LEGAL ASSISTANT:

Leland Bebee

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

Chris Rouze
Gloria Breedon
John Opeka
Frank Agos
Cheryl Morrison
Erica Garcia
Josh Dexter
Hunter Helton
Mike Harlost
Helen Hayden
Brandi Cane
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE:

Brad Jones
Skip Spear

VISITORS:

Art Erwin, Christopher's Dodge World
Todd O'Connell, CIADA
Matthew Groves, CADA

President, Stan Martin, opened the meeting of October 17, 2017 at 9:08 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. Freimann and Messrs. Jorgensen, Langley and White will not be in attendance today. Mr. Skip Spear, Conflicts Counsel, has one proposed Order for Board review and discussion. There will be a rulemaking stakeholder session this afternoon at 1:30 p.m.

CALENDAR

Upcoming meeting dates:

- Thursday, October 26, 2017 (tentative) – Rulemaking stakeholder meeting – 9:00 a.m.
- Tuesday, November 21, 2017 – Regularly scheduled Board meeting – 9:00 a.m.
- Wednesday, December 6, 2017 – Rulemaking Hearing – 9:00 a.m.
- Tuesday, December 19, 2017 – Regularly scheduled Board meeting – 9:00 a.m.

MINUTES

The minutes of the September 19, 2017 meeting – tabled until next month – approved unanimously (Mr. Martin as chairperson voted).

BACKGROUND INVESTIGATIONS TEAM

Ms. Breeden presented the following to the Board:

Dealer Applications:

- **Charlie’s Auto and Truck Sales #4368** – Motion to grant the ownership change – approved unanimously (Mr. Martin as chairperson voted).

Mr. Perkins suggested the Board consider using different credit scoring format; specifically, the “Fair Isaac” score versus the “Vantage” score the Division currently utilizes. Ms. Rouze will research the matter and discuss findings with the Board at a future date.

- **Security Motors, LLC #43996** – Motion to grant the license – approved unanimously (Mr. Martin as chairperson voted).

Salesperson Applications:

- **Mumdzhyan, Araik V. #175459** – Motion to deny the license based on unfitness of licensing character – approved unanimously (Mr. Martin as chairperson voted).

EXECUTIVE SECRETARY’S REPORT

Mr. Zulauf presented the following to the Board:

- **Proposed Final Order – Century Auto, Inc., Dealer #40220** – Motion to accept the Proposed Final Order **drafted by Conflicts Counsel Skip Spear** – approved unanimously (Mr. Martin as chairperson voted).

- **Proposed Stipulation and Final Agency Order – Tio Charlies, Inc., Dealer #4679** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).
- **Proposed Stipulation and Final Agency Order – Car-Tunes, Dealer #7506** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).
- **Proposed Stipulation and Final Agency Order – Stevinson Lexus of Lakewood, Dealer #55** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).

Board took a 10 min. break.

- **Proposed Stipulation and Final Agency Order – Lee’s Used Cars, Dealer #3290** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).
- **Proposed Stipulation and Final Agency Order – All Terrain Motorsports, Inc., Dealer #8937** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).
- **Proposed Stipulation and Final Agency Order – All Terrain Motorsports, Inc., Powersports Dealer #40262** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).
- **Proposed Stipulation and Final Agency Order – Rimrock Trade Center, Dealer #36487** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously (Mr. Martin as chairperson voted).

INVESTIGATIONS REPORT

Ms. Rouze presented the following to the Board:

Statistical Reporting – Ms. Rouze informed the Board that we started with 301 cases, 149 new cases were opened and 159 cases were closed for the month, giving the Division a balance of 291 open cases. There were 480 background inquiries performed.

Affidavits of Probable Cause:

- **The Hertz Corporation, DL #41491** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to The Hertz Corporation, Dealer #41491; 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 (Mr. Martin as chairperson voted).
- **Ortega’s Auto Repair, DL #37756** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Ortega’s Auto Repair, Dealer #37756; 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 (Mr. Martin as chairperson voted).
- **Scott, Chris Allen, SP #188695** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Scott, Chris Allen, Salesperson #188695; and that the Colorado Motor Vehicle Dealer Board summarily suspend his motor vehicle salesperson

license in accordance with C.R.S. 24-4-104 as he has engaged in deliberate and willful acts and his conduct poses a threat to the public health, safety and welfare – approved unanimously (Mr. Martin as chairperson voted).

ATTORNEY GENERAL’S REPORT

Mr. Jones presented the following to the Board:

- **Verbal update regarding legal developments concerning Colorado’s Sex Offender Registry** – Motion to table until next month – approved unanimously (Mr. Martin as chairperson voted).
- **Verbal presentation regarding the filing of Notice of Charges with the Office of Administrative Courts concerning 1st Choice Motors, Motor Vehicle License #4208** – Motion was made to assign this matter to the Office of Administrative Courts– approved unanimously (Mr. Martin as chairperson voted).

New Business – None

Public Comment – None

The meeting of the Motor Vehicle Dealer Board was adjourned at 10:36 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