

**MOTOR VEHICLE DEALER BOARD
MINUTES**

October 18, 2016

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

BOARD MEMBERS:

Robert Endter
Justin Franks
Joseph Gebhardt
Lucky Heggs
Michael Jorgensen
Stan Martin
Steven Perkins
Dominic Scrivner

MEMBERS ABSENT:

Chris Langley

SENIOR DIRECTOR OF ENFORCEMENT:

**SENIOR DEPUTY DIRECTOR OF
ENFORCEMENT:**

Lewis Koski

EXECUTIVE SECRETARY:

Bruce Zulauf

LEGAL ASSISTANT:

Leland Bebee

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

Chris Rouze
Christine Hartman
Gloria Breedon
Martin Kenney
Erika Garcia
Michael Harlost
Nit Hamby
Melissa Muniz
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE:

Brenden Reese
Skip Spear

VISITORS:

Michael Laferrara, AutoNationa CJ West
Kirby Sawyer, Super Rrepair
Todd O'Connell, CIADA
Eric Hartsough, Dealer Services
Tammi McCoy, CADA
Art Erwin, Christopher's Dodge World

President, Joseph Gebhardt, opened the meeting of October 18, 2016 at 9:03 a.m. Mr. Gebhardt 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. Mr. Brenden Reese will represent the Attorney General's office in Ms. Scott's absence. Mr. Langley will not be in attendance today. Mr. Zulauf will agenda the Sunset Review recommendations for next month's meeting.

Mr. Zulauf distributed updated notebooks to the Board of reformatted laws and regulations. The regulations have been positioned directly under the statute. This new format will now be included on the flash drives mailed to the Board monthly as well as posted to the website. The notebooks also include laminated copies of licensing considerations. Copies of Sunset Review recommendations will be placed in the notebooks for next month's meeting.

Mr. Zulauf informed the Board that some of the Enforcement Group statutes will be moving from Title 12 to Title 44 sometime next year. He will keep everyone posted as changes/updates occur.

Conflicts Counsel, Mr. Skip Spear, will advise the Board on a case cited in the Executive Secretary's report.

MINUTES

The minutes of the September 20, 2016 meeting were unanimously approved.

EXECUTIVE SECRETARY'S REPORT

Mr. Zulauf presented the following to the Board:

Mr. Reese recused himself and left the room.

The Board went into Executive Session at 9:10 a.m. and Resumed Open Session at 9:17 a.m.

- **Initial Decision – Craig Reuer, Salesperson License #181948** – Motion was made to adopt the proposed Order as provided by Conflicts Counsel and revoke the license – approved unanimously.

Mr. Reese returned to the room.

- **Proposed Stipulation and Final Agency Order – Grand Valley Powersports, Inc., Dealer #38339** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Mercedes Benz of Colorado Springs, Dealer #38468** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

Mr. Reese recused himself and left the room.

- **Initial Decision – Ryan Middleton, Salesperson License #189115** – Motion was made to accept the Findings of Fact, Conclusions of Law and to amend the Order to revoke the license – approved 6-1 (Martin opposed).

Mr. Reese returned to the room.

BACKGROUND INVESTIGATIONS TEAM

Ms. Breedon presented the following to the Board:

Salesperson Applications:

- **Dale, Douglas Alan #163814** – Motion to grant the license – approved unanimously.
- **Degi, Bradley Youn Sul #30852** – 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.
- **Garvie, Robert Stuart #193071** – Motion to grant a conditional license based upon applicant providing the standard letter from the employing dealer which includes the normal terms and conditions – approved unanimously.

Mr. Endter recused himself and left the room.

- **Maes, Jason #31021** – Motion to grant a conditional license based upon applicant providing the standard letter from the employing dealer which includes the normal terms and conditions – approved unanimously.

Mr. Endter returned to the room.

- **Moore-Young, Wendy #194129** – Motion to grant the license – approved 6-1 (Martin opposed).

INVESTIGATIONS REPORT

Ms. Rouze presented the following to the Board:

Statistical Reporting – Ms. Rouze informed the Board that we started with 331 cases, 137 new cases were opened and 157 cases were closed for the month, giving the Division a balance of 311 open cases. There were 424 background inquiries performed.

Affidavits of Probable Cause:

- **5280 Motorcars, DL #42100** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to 5280 Motorcars, Dealer #42100; 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.
- **Auto Connect, DL #43462** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Auto Connect, Dealer #43462; 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.
- **Community Auto Center, LLC, DL #41993** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Community Auto Center, LLC, Dealer #41993; 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. Franks recused himself and left the room.

- **Maximum Auto Search, DL #39950** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Maximum Auto Search, Dealer #39950; and that the case be assigned to the Colorado Motor Vehicle Dealer Board 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.

Board took a 10 minute break. Mr. Franks returned to the room.

- **Super Rrepair, Inc., DL #7334** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Super Rrepair, Inc., Dealer #7334; and that the case be assigned to the Colorado Motor Vehicle Dealer Board 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.
- **United Auto, LLC, DL #41940** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to United Auto, LLC, Dealer #41940; 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.

ATTORNEY GENERAL'S REPORT

Mr. Reese presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Guerra Autos, Dealer #37304** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

Regulation 12-6-102(16) C.R.S. & Regulation 12-6-102(16)(3) – Mr. Zulauf encouraged Board members and the Associations to discuss, in the very near future, frequent occurrences of dealerships refusing to allow Division Investigators to inspect records without making an appointment or completing specific forms, which is in violation of Regulation 12-6-102(16)(3).

There was a general discussion about Sunset Review recommendations.

Public Comment – No public comment.

The meeting of the Motor Vehicle Dealer Board was adjourned at 11:47 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