

MOTOR VEHICLE DEALER BOARD MINUTES

November 21, 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:

Lucky Heggs
Michael Jorgensen
Chris Langley
Stan Martin
Steven Perkins
Jason White

MEMBERS ABSENT:

Ramona Graves Bode

EXECUTIVE SECRETARY:

Bruce Zulauf

LEGAL ASSISTANT:

Leland Bebee

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

Chris Rouze
Chris Hartman
Gloria Breedon
John Opeka
Frank Agos
Cheryl Morrison
Erica Garcia
Josh Dexter
Hunter Helton
Mark Kelley
Stephen Koenig
Mike Harlost
Helen Hayden
Catherine Black
Arleen Criddell Tapanen

ATTORNEY GENERAL'S OFFICE:

Brad Jones
Y.E. Scott

VISITORS:

Art Erwin, Christopher's Dodge World
Todd O'Connell, CIADA
Matthew Groves, CADA
Katrina Schmidt
Bill Kerth

President, Stan Martin, opened the meeting of November 21, 2017 at 9:02 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. Bode will not be in attendance today. Ms. Lisa Freimann and Mr. Dominic Scrivner have resigned from the Board. The Governor has appointed John Linton to fill the public member vacancy. The new motor vehicle dealer vacancy should be filled in the coming weeks.

The Board will receive a complete rulemaking record on or about November 30th for review and preparation for the public hearing scheduled December 6, 2017 at 9:00 a.m. There will be no rulemaking in January.

CALENDAR

Upcoming meeting dates:

- Wednesday, December 6, 2017 – Public 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 and the October 17, 2017 meetings were approved.

ATTORNEY GENERAL'S REPORT

Ms. Scott presented the following to the Board:

Blene A. Woldenyohanes #183767 – The Board denied this license at their September 19, 2017 meeting. The Attorney General requests an Executive session to advise the Board due to pending legal action.

A motion was made to enter Executive session for the expressed purpose of seeking legal advice in the matter of Blene A. Woldenyohanes – passed unanimously.

The Board entered into Executive session at 9:11 a.m. and resumed Open session at 9:28 a.m.

A motion was made to re-open the case of Blene A. Woldenyohanes for discussion – passed unanimously.

The Board deliberated in open session. A motion was made to reverse the Board's September 19, 2017 denial and grant the license – passed unanimously.

BACKGROUND INVESTIGATIONS TEAM

Ms. Breeden presented the following to the Board:

Salesperson Applications:

- **Gallegos, Richard Wayne #608084** – 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.

Mr. Heggs disclosed that Mr. Gallegos is applying for a license at a dealership that is a client of his Accounting firm. Mr. Heggs stated that he has no involvement with the dealership's account with his firm.

- **Haderthauer, Thomas Christopher #615376, #615373, 615366, and #615360** – 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.
- **Schmidt, Katrina Marie #161694** – Motion to grant the license – approved 4-1 (Langley opposed).
- **Toller, Desiree #173340** – Motion to deny the license based on unfitness of licensing character – approved unanimously.

EXECUTIVE SECRETARY'S REPORT

Mr. Zulauf presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Community Auto Center, LLC #41993** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Altitude Auto #42463** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

Mr. Jones recused himself from the roundtable and sat in the gallery.

- **Initial Decision – Vincent Sanchez, Motor Vehicle Salesperson License #27022** – Motion to revoke the license based on the Findings of Fact and Conclusions of Law – approved unanimously.

Mr. White recused himself.

- **Initial Decision – Bryan Alexander Smith, AKA Bryan A. Smith, AKA Bryan Smith, Motor Vehicle Salesperson License #186799** – Motion to accept the Findings of Fact, Conclusions of Law and uphold the hearing officer's recommendation to grant a conditional license – approved unanimously (Mr. Martin as chairperson voted).

Mr. Jones and Mr. White returned to the roundtable.

INVESTIGATIONS REPORT

Ms. Rouze presented the following to the Board:

Statistical Reporting – Ms. Rouze informed the Board that we started with 291 cases, 156 new cases were opened and 187 cases were closed for the month, giving the Division a balance of 260 open cases. There were 600 background inquiries performed.

Affidavits of Probable Cause:

- **AutoSource Nation, DL #43239** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to AutoSource Nation, Dealer #43239; 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.

- **Emich Chevrolet, DL #39307** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Emich Chevrolet, Dealer #39307; 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.
- **Groove Mazda, DL #41479** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Groove Mazda, Dealer #41479; 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.
- **Shortline Automotive, Inc., DL #216** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Shortline Automotive, Inc., Dealer #216; 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.
- **Justin R. Dalrymple, SP #151250** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Justin R. Dalrymple, Salesperson #151250; and that the case be assigned to the Colorado Department of Revenue, Hearings Division for a hearing on the merits – approved unanimously.

Mr. Perkins made a recommendation that the Division conduct a compliance audit of YSC Motors.

- **Phillip Jensen, SP #188740** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Phillip Jensen, Salesperson #188740; and that the Colorado Motor Vehicle Dealer Board summarily suspend his motor vehicle salesperson’s 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.

New Business – None

Public Comment – None

The meeting of the Motor Vehicle Dealer Board was adjourned at 10:26 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