

**MOTOR VEHICLE DEALER BOARD  
MINUTES  
May 16, 2013**

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

**BOARD MEMBERS:**

Beau Smith  
Jason Wagner  
John Schenden  
Stan Martin  
Joe Gebhardt  
Fred Wegener  
Chris Hefty

**MEMBERS ABSENT:**

Deborah Thompson

**SENIOR DIRECTOR OF  
ENFORCEMENT:**

**EXECUTIVE SECRETARY:**

Bruce Zulauf

**LEGAL ASSISTANT:**

Leland Bebee

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

Chris Rouze  
Matt Heap  
Gloria Breeden  
Margaret Jungmann  
John Opeka  
Erika Garcia  
Kaye Kopecky  
Eric Hartsough  
Bud Heinrich  
Rollie Inskeep  
Frank Macias  
Chuck Halberstadt

**ATTORNEY GENERAL'S OFFICE:**

Y.E. Scott  
Kit Spaulding

**BUDGET OFFICE:**

Mary Marvin, CAPSS  
Todd O'Connell, CIADA  
Tammi McCoy, CADA  
Art Erwin, Christopher's Dodge World  
Michael Shapiro  
Charles Stewart  
Jim Suple

Debby Rash

President of the Board, Beau Smith, opened the meeting of April 16, 2013, at 9:07 a.m. Mr. Smith turned the floor over to Executive Secretary Bruce Zulauf.

## **AGENDA REVIEW AND ANNOUNCEMENTS**

Mr. Zulauf informed the Board that there were no corrections to the agenda. Due to the brief agenda, the hearing scheduled has been moved to 10:00 and Conflicts Counsel will be present. Ms. Thompson is not present due to a vacation.

### **Meeting Dates:**

Board meeting dates are:

**June 18<sup>th</sup>**, alternate date June 26<sup>th</sup> – there is a possibility this will be lengthy meeting, there are 2 hearings scheduled, possibility for an exceptions hearing as well.

**July 16<sup>th</sup>**, alternate date July 25<sup>th</sup>

**August 15<sup>th</sup>** (originally scheduled for 8/20), alternate date August 29<sup>th</sup>

**September 17<sup>th</sup> and 26<sup>th</sup>** – anticipate the need for both dates, the 26<sup>th</sup> will be a board workshop for rulemaking, not getting into formal rulemaking.

**October 15<sup>th</sup> and 24<sup>th</sup>** – the 24<sup>th</sup> may be in formal rulemaking

**November 19<sup>th</sup> and 26<sup>th</sup>** – 26<sup>th</sup> will be rulemaking

**December 17<sup>th</sup> and 26<sup>th</sup>** – should not need the 26<sup>th</sup>

### **Dates for next year:**

January 21<sup>st</sup> alternate date January 23<sup>rd</sup>

February 18<sup>th</sup>, alternate date February 27<sup>th</sup>

March 18<sup>th</sup>, alternate date March 27<sup>th</sup>

April 15<sup>th</sup>, alternate date April 24<sup>th</sup>

May 20<sup>th</sup>, alternate date May 22<sup>nd</sup>

June 17<sup>th</sup>, alternate date June 26<sup>th</sup>

### **Dealer List**

The dealer list is now available on the website. We will try to get this on at the beginning of each month.

### **Salesperson Application**

Working on getting this on the website, it is almost complete. Staff has been trained on the application. Mr. Zulauf has asked the Associations to meet with him after the meeting to discuss getting the information out. He is anticipating the 3<sup>rd</sup> week of May to start using the application with July 1<sup>st</sup> being the cut-off date.

### **Fees**

The Executive Director has formally accepted the Board recommendations for fees. As a follow up, there was a lot of discussion regarding staff. Mr. Zulauf has started the process to increase spending authority. He submitted a decision item at the end of April and has asked for 6 staff positions. If approved it would be effective July 1, 2014.

Mr. Zulauf suggested that as the agenda is brief, we ask for public comments or new business before the hearing so that people did not have to wait through the hearing.

## MINUTES

The minutes of the April 16, 2013, Board meeting were unanimously approved.

## ATTORNEY GENERAL'S OFFICE REPORT

Y.E. Scott did not have any Stipulations to present.

## EXECUTIVE SECRETARY'S REPORT

Mr. Zulauf presented the following to the Board:

Ms. Scott recused herself and left the room.

- **Initial Decision – Michael Shapiro, Salesperson #183096** – Motion to accept the Hearing Officer's Findings of Fact and Conclusions of Law and modify the recommendations to issue a conditional salesperson license; conditioned upon a letter from the employing Dealer, upon change of employment requires a letter from the new employer – approved unanimously.

Ms. Scott returned to the room.

## BACKGROUND INVESTIGATIONS TEAM

Matt Heap presented the following:

- **Dealer Affidavit: Land Rover Denver East #42203** – Motion that the Board finds probable cause for a hearing based upon the Affidavit of Probable Cause presented to the Board today respective to Land Rover Denver East, dealer #42203; that the case be assigned to the Colorado 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.
- **Salesperson Applications: Beatty, Paul T. #166745** – Motion to deny the application on the basis of unfitness of criminal character, financial character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.
- **Fina, Jeffery L. #183891** - Motion to approve the license application – approved unanimously.
- **Hodges, Michael L. #183773** - Motion to deny the application on the basis of unfitness of criminal character, unfitness of financial character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.
- **Hofer Jr., David H. #182636** - Motion to deny the license on the basis of unfitness of licensing character and unfitness of criminal character – approved 5-1 (Wagner).
- **Rhodes, Demarcus A. #182964** – Motion to approve the license application – approved unanimously.

- **Smith, David N. #20509** – Motion to deny the license on the basis of unfitness of licensing character, unfitness of criminal character, unfitness of financial character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.
- **Vigil, Ronald #183590** - Motion to approve the license application – approved 4-2 (Wegener, Martin).

## **INVESTIGATION REPORT:**

Agent in Charge Chris Rouze presented the following:

**Statistical Reporting** – Ms. Rouze informed the Board that we started with 420 cases, 177 new cases were opened and 169 cases were closed for the month, giving the Division a balance of 428 open cases.

### **Affidavits of Probable Cause:**

- **Grand Valley Auto Sales, DL #37458** - Motion that the Board finds probable cause for a hearing based upon the Affidavit of Probable Cause presented to the Board today respective to Grand Valley Auto Sales, dealer #37458; that the case be assigned to the Colorado 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.
- **Voyage Cars LLP, DL #39689** - Motion that the Board finds probable cause for a hearing based upon the Affidavit of Probable Cause presented to the Board today respective to Voyage Cars LLP, dealer #29689; that the case be assigned to the Colorado 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. Zulauf announced the retirement of Criminal Investigator Chuck Halberstadt effective May 31<sup>st</sup>. Mr. Zulauf invited the Board members to Investigator Halberstadt's retirement party. Mr. Smith thanked Mr. Halberstadt for his service on behalf of the Board.

**New Business** – There was no new business.

**Public Comment** – There was no new business.

**Appeal of Denial of Dealership License Application, Case #DLD13-030 Consolidated Finance Corporation d/b/a Consolidated Finance Corporation, Applicant/Respondent #42486** pursuant to a Notice of Denial. This hearing is being conducted pursuant to the Colorado Administrative Procedure Act, 24-4-105 of the Colorado Revised Statutes.

Charles Stewart, appearing on behalf of Consolidated Finance Corporation.  
Y.E. Scott, Esq. Senior Assistant Attorney General representing the Dealer Board.

The Board heard testimony.

A motion was made to uphold the denial of the license – approved unanimously.

The regular meeting of the Motor Vehicle Dealer Board was adjourned at 12:05 p.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