

LICENSE PLATE AUCTION GROUP (LPAG)

1881 Pierce St.
Boards and Commissions Conference Room
Lakewood, CO 80214

May 18, 2015

Minutes to the Meeting

Members in Attendance: Bobby Juchem, Gina Robinson, Bob Gall, Peter Pike, TH Mack Sr. (via telephone).

Guests or DBSCC members in Attendance: Chris Hochmuth – DOR, Kit Sage (via telephone), LeeAnn Morrill– AG’s Office (via telephone), Dylan Ikenouye—DOR, Marty Zimmerman & Shira – Zim Consulting (via telephone), Dawn Howard – CCDC.

All LPAG meetings are electronically recorded. Please refer to the meeting recording for further details.

CONVENE:

[Note: GoToMeeting had some technical/audio difficulties off and on through the meeting and there are some small gaps where there is no sound.]

Meeting was convened by Bobby at 9:16 am.

Roll was taken.

Minutes:

The minutes from the March 30, April 20th & 27th meetings were reviewed and tabled. There were still questions regarding the March 30 minutes and whether or not they had been corrected. TH didn’t believe the minutes were thorough enough. Chris reminded the group that the recordings were available. TH thought that reminders in the minutes to refer to the recordings for details would be OK. TH would get back with Maren to address this. ***[Refer to the recording for further details.]***

Nomination and Election of LPAG Vice-Chair:

There was some general discussion around who might fill this roll. There was discussion that this might be taken together with filing the vacancies that have yet to be filled it might be better to wait until the vacancies were filled and then address the Vice-Chair role. Bobby asked if anyone had names to put forward for the vacancies, several people did but as they had not spoken with them about being nominated, no names were “named” with the exception of Jim Smallwood nominated by Gina. Bobby tabled this discussion until nominations could be brought forward and vacancies filled. ***[Refer to the recording for further details.]***

Review of Complaint of Ethics against LPAG; Next Steps; Legislation – Next Year Planning: Bobby decided to take these three items together as they are now related based on the actions (or inaction) of the General Assembly:

- Bobby recapped the situation regarding the complaint, the General Assembly's decision not to move forward and the general feeling from the Governor's office of moving in the right direction once the ethics issues were resolved.
- Bobby noted that none of the proposed legislation moved forward, including any extension of spending authority – thus making it possible to make a solid plan for moving forward in the future.
- LeeAnn reported on what she found out about the Judicial Arbitrator Group (JAG) and what their role was in the ongoing issues with DBSCC and if the My Plates Report and the LPAG issues could be rolled into that. She noted that Judge Nancy Hoff was selected by the AG for DBSCC and that this might be a good fit that there wouldn't be a conflict.
- Judge Hoff's hourly rate is \$360/hour and she'd ask for a \$4,000 (11 hours) retainer. She would inform LPAG if she needed more time.
- There were questions if she could complete the work by the end of the fiscal year to accommodate the year end fiscal rules for FY'15. It was generally agreed that it could probably be handled in the time frame.
- Bob asked LeeAnn to recap what she thought the issues were that Judge Hoff would be looking into. She did:
 - The alleged misconduct of LPAG at the January event as detailed in the MyPlates.com report.
 - Failure of one of the LPAG member's to share the MyPlates.com report with the Board Chair, Legal Counsel, or the (LPAG) Board, upon demand once disclosed. As well as making the report known to Peter Pike's group via an email by Julie Risken expressing concern about ethical conduct by LPAG urging that group to support the pending legislation. The question being: 1) was the report mentioned in the email the MyPlates.com report and 2) did Mark Simon give it to her and 3) for what purpose.
 - There is also a question about the selling of a plate below the reserve amount at the January event but seems to be encompassed by the MyPlates.com report.
- Bobby asked if LPAG should move forward with the investigation and with Judge Hoff. General discussion ensued.
- TH asked if there was going to be an investigation of the people who wrote the report and why they chose to do that. LeeAnn thought these were good questions, and worth looking into, but noted that there was probably not any jurisdiction by JAG to look at 3rd parties or to make them cooperate with an investigation. They could certainly try to get information from them however.
- TH wanted it to be noted that an investigation of My Plates and the people associated with them and why they wrote the report to be a discussion.
- LeeAnn also suggested that it could be done internally by the Board Chair and herself as that would be an out looking investigation as opposed to Judge Hoff's investigation.
- TH asked again to have this noted in the minutes that MyPlates.com is investigated as well as any inappropriate behavior of LPAG board members.
- TH did not believe that the minutes from 4/27 reflected his motion regarding the inappropriate behavior and that it was necessary for DOR to be more vigilant about the minutes.

[The following is copied and pasted from the 4/27 minutes:

- ***TH moved that, anyone found to have operated in an unethical, corrupt, divisive, disruptive or damaging manner to LPAG or the disabilities community be exiled suspended or terminated, from the LPAG board or group the LPAG has purview over. [There was extensive word-smithing of this motion. Also note that divisive, in this context shall not mean a dissenting vote or opinion.]***
- ***Bobby asked Zach to weigh in and segue to the possible effects on the Legislation and any amendments which he did, stating that and recommending that it was the Administration's***

- stance that there be an amendment to “strike below” of all the existing language and just extend the spending authority in light of the ethical questions.**
- **Bobby took the Group back to TH’s motion above. Peter Pike 2nd the motion. There was some discussion to fine tune the motion. Bobby asked for the vote:**
 - **Terri – Yes**
 - **TH – Yes**
 - **Ryan – Yes**
 - **Peter – Yes**
 - **Gina – Yes**
 - **Bobby – Yes**
 - **Motion passed.**

- Bob wanted to do an in-house investigation prior to doing something with JAG so as to not air dirty laundry. Bob also noted that he had spoken with MyPlates.com over a year ago and was aware they were wishing to expand to other states and thought that their wanting to know what was going on in Colorado was within their business rights.
- TH had no problem airing dirty laundry as it was more transparent, and wanted to nominate someone from the Board to head up the internal investigation. LeeAnn responded that the internal investigation would be out looking, that the LPAG should not be investigating itself for two reasons: 1) January auction event LeeAnn gave legal counsel.... **[Audio stopped...]** and should really be done by an outside group. 2) LeeAnn has had consistent track record of having a difference of opinion with some of the LPAG board members which would lead to an appearance of a conflict of interest to have LeeAnn doing any investigating.
- TH moved to hire Judge Hoff by retainer of \$4,000 (\$360/hr.) to conduct the investigation of the alleged unethical conduct by LPAG. Bob 2nd the motion. Peter commented that he felt that he had been misled by the authors of the report.
- TH wanted it noted in the minutes that Peter made the above remark, that Peter believed he was lied to by the people who wrote the report and that it spoke to character and intent. **[Refer to the recording for further details.]**
- TH also wanted it noted in the minutes that he thought it would be hilarious to find out how many people hear him (TH) yell “sold” as the auctioneer. Because he would be interested to hear their recollection of the hearing TH yell out the word “Sold”. **[Refer to the recording for further details.]**
- Bobby called the vote on the motion:
 - TH – Yes
 - Peter – Yes
 - Gina – Yes
 - Bobby – Yes
 - Bob – Yes
 - Motion passed.
- TH moved that there be an immediate investigation of My Plates and Steve Farrar.
- Bobby wanted to wait until hearing the report of Judge Hoff. TH wanted to hear from LeeAnn as to the pros and cons of waiting or not and was anxious to move forward anyway.
- LeeAnn discussed the various pros and cons, specifically noting that there were jurisdictional concerns, and that they probably wouldn’t get anywhere as My Plates and Mr. Farrar as they had no authority to make them cooperate. Additionally, LeeAnn believed that the investigation could be construed as damaging, defaming or slanderous to My Plates reputation and hurting their chances in competing in the market with other vendors who might do auctions with the State of Colorado.
- TH believed that all findings of investigations about My Plates should be published and made public regardless. Additionally, TH wanted it in the minutes that the Board Chair and the legal counsel did not

know that My Plates was sending people to the January Auction. ***[Refer to the recording for further details.]***

- TH noted additionally that the report was for public use and all parties who were made aware will be acknowledge or noted.
- Bobby steered the group back to the motion for the investigation of My Plates and Steve Farrar towards the end/completion of the JAG report. Peter Pike 2nd the motion.
 - TH – Yes
 - Bob – Yes
 - Peter – Yes
 - Gina – Yes
 - Bobby – Yes
 - Motion passed.

Zim Consulting Invoice Presentation and Approval:

- Marty presented his bill for March/April. Gina got clarification as to how much was for LPAG and how much was for DBSCC. [See Attachment(s)] ***[Refer to the recording for further details.]***
- Marty disclosed further that DBSCC had been approached to work with them as a coordinator, having been exonerated by Judge Hoff, but turned them down as he did not want to work with them.
- Marty made some quick amendments to his report/invoice and resent it.

Treasurers Report:

Gina reported no changes

Public Testimony:

Dawn Howard thanked the group for letting her attend.

New Business:

🔗 Release of Configurations:

- GRLFGHT – an email has been presented the Group to forego their first right of refusal and allow the plate to be transferred between family members and reinstated for medical and sentimental reasons. ***[Refer to the recording for further details.]*** It was moved by Gina and 2nd by Bob to release the plates back to the family. Bobby called the vote:
 - TH – Yes
 - Bob – Yes
 - Gina – Yes
 - Peter – Yes
 - Bobby – Yes
 - Motion passed.
- BUCKS30 – an email has been presented the Group to forego their first right of refusal due to a sudden death and settling of the estate. Chris was able to confirm that the 13 months had not yet accrued and that the request did not need to come to LPAG and had already been addressed by the Department of Revenue. ***[Refer to the recording for further details.]***
- There was general discussion about how to address these types of requests in the future and how the Department's Rule 36 comes into play.

- 🔗 **Pre-approved auctions:** Marty reminded the Group that they had already approved (Marty thought it was at the 2/28 meeting) that the organization Disability Law Colorado to auction off two configurations at their Attorney's Night Out on May 23rd. They were still set to do so: ESQUIRE and JUSTICE. Marty wanted to be sure that the Group was still OK to move forward with this. After some recollection and

discussion it was agreed by the Group that they could indeed to move forward as the event had already been published and marketed.

Zim Consulting – Cont.’d:

- Marty noted that LPAG Auction site is currently registered to Hand Bid and they wanted to know if LPAG wanted to let it go or transfer it and to whom. LeeAnn recommended keeping it and having it assigned to the Governor’s office as that is where LPAG is currently housed. Bobby asked to make this the first agenda item for the June meeting and asked if everyone could have the quotes for how much to move and registered etc. ready to go as the meeting is June 29th and spending authority ends June 30th. Gina will work with Marty to get it all ready to go pending LPAG approval so that it can be accomplished quickly.
- The revised invoices were received via e-mail, reviewed and discussed.
 - March \$577.50
 - TH moved to pay the \$77.50 above the \$500 cap for March \$577.50 Bob 2nd
 - Bobby Called the vote:
 - TH – Yes
 - Bob – Yes
 - Peter – Yes
 - Gina – Yes
 - Bobby – Yes
 - Motion passed.
 - Bobby Called for the vote on the base amount of \$500 for the March invoice:
 - TH – Yes
 - Bob – yes
 - Peter – Yes
 - Gina – Yes
 - Bobby – Yes
 - Motion passed.
- Bobby Then wished to have a meeting with DBSCC to resolve bad blood and begin to re-initiate legislative items and generally moving forward. He asked LeeAnn about whether it was better to meet before, during or after the investigation. Gina thought that at least the two Executive teams could meet. Gina said that she would reach out and coordinate this meeting. As soon as something is arranged Bobby will send out a meeting update.

Public Testimony:

Kit has nothing

Patent Questions/Update:

LeeAnn had nothing.

Update on auctioned plates:

Tony wasn’t present.

Proposal to hire auction house to hold another auction:

Bobby believed that this would be holding off on this until legislation was updated. Peter thought research could continue to find an appropriate auction house/vendor in place for the time when auctions can proceed. Peter moved to conduct research to find the right auction or programs to run the event in the future. This could involve Marty and Zim Consulting through 6/30/2015. TH 2nd the motion. Gina had concerns that Marty would hit his hours/allocation limit. Everyone agreed the Board could do it. Bob asked if the State conducted auctions 'in-house" or if there was a vendor they had used. Gina said she'd check it out. Bob said he'd check out the Aspen Chamber of Commerce to see who they used. Bobby called the vote:

- TH – Yes
 - Bob – Yes
 - Gina – Yes
 - Peter – Yes
 - Bobby – Yes
 - Motion passed.
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- Gina Brought the Group back to Marty's April Invoice of \$730 (capped at \$500). The Group reviewed and discussed the April Invoice. ***[Refer to the recording for further details.]*** Gina moved to pay \$500 (to the cap) of Marty's invoice. Bob 2nd the motion. Bobby Called the vote:
 - TH – Yes
 - Bob – Yes
 - Gina – Yes
 - Peter – Yes
 - Bobby – Yes
 - Motion passed.

Peter reminded the Group why we're all here.

Meeting adjourned at 11:40 a.m.

Note: To request an electronic copy of the recording of this meeting, please contact Chris.Hochmuth@state.co.us via email.

Respectfully submitted
Chris Hochmuth
Administrative Services Supervisor
Title and Registration Sections
Department of Revenue