

LICENSE PLATE AUCTION GROUP (LPAG)

Colorado State Patrol

15055 S. Golden Road, Golden CO-- Main Building

September 29, 2014

Minutes to the Meeting

Members in Attendance: Bobby Juchem, Maren Rubino, Mark Simon, Bob Gall, Zach Pierce, Peter Pike, TH Mack (via telephone), Gina Robinson (via Telephone) and Ryan Carson (via telephone).

Guests in Attendance: LeeAnn Morrill – AG’s office (via telephone) Chris Hochmuth – DOR, (via telephone) Patricia Jaeger & Lenya Flora (CDBS).

CONVENE:

- Meeting was called to order at 9:15 am by Maren Rubino (Bobby was running late). Roll Call was taken and a Quorum was present.

Minutes:

Maren asked for a motion to approve the minutes from August 25, 2014. It was moved by Bob and 2nd by Mark to approve the minutes – motion passed.

Maren asked for a motion to approve the minutes from September 4th, 2014. It was moved by Bob and 2nd by Mark – Motion passed.

Maren asked for a motion to approve the minutes from September 8th, 2014. It was moved by Bob and 2nd by Mark – Motion passed.

Maren asked for a motion to approve the minutes from September 12th, 2014. It was moved by Bob and 2nd by Peter – Motion passed.

Business – Public Welcome:

Debrief Auction – Zim Consulting – Marty Zimmerman:

- Initial Auction ran from 8/21 to 9/2. Sold 10 out 13 plates for \$10,850.
 - Lessons learned
 - Auction was too long – should be a week long.
 - Missed opportunities with seeking various audiences.

Peter asked what the optimal time to market an auction would be. Marty noted for the upcoming auction there will be 5.5 weeks which is obviously better than 23 days.

Bob reminded the group that the first auction was only for “B” level plates and obviously “A” plates would be marketed differently. Marty said he’d address this a little later in his report.

Peter wanted to know how to put into context the gross revenue generated for the auction results. Bob reminded everyone that many of these upfront costs will not have to be spent again, that they were “ramp-up” costs so each succeeding auction should cost less – Marty concurred, further noting that eventually the auction will end up being a fixed cost. Marty also recommended keeping the \$500 minimum bid.

TH wanted to be sure that LPAG can identify the breakeven point for auctions as he believed that there were many people watching LPAG. Also, he wanted to revisit the pricing of Corporate Plates at a higher price or higher better sponsorships.

- Next Auction
 - Oct 24 – 31st
 - Plate list for this auction already approved
 - Online marketing already started
 - *Denver Business Journal* is going to do an article on how the first Auction went and promoting the second auction
 - Cross promotion at a number of sports bars
 - Marketing the 2014 and 2015 plates to Hospitals for year of births...
 - Marketing BEARS to any school/club/franchise that has Bears as their mascot
 - Marketing COLTS to the same as above and also stables, horse clubs, etc.
 - New group doing Social Media with some new different creative ideas

- Marty needed clarification/decision on:
 - Other non-profits and their events
 - Colorado Bio-Science Association – November 6th event
 - Want to auction BIOTECH
 - Good advertising for LPAG’s January event
 - 450 high level donors
 - Golden Civic Foundation -- November 15th event
 - 400 High level donors for the west end of town
 - Coors family
 - Want to auction GOLDEN
 - Question is can LPAG do this:
 - LeeAnn had some questions and clarifications – discussion about how these would work ensued. The key point was that the above named charities would follow LPAG’s procedures, terms & conditions etc. and keep 25% of the proceeds and 75% goes to LPAG. The key statute involved is C.R.S. 42-1-405. LeeAnn’s reading of this statute is that if it’s a Re-Auction of a plate that has already been auctioned and paid for and now wishes to donate it back.

- Mark pointed out that LPAG is authorized to pay 20% to the Auctioneer and keep 5% for administration; thus treating the charities as the auctioneer and then if LPAG wanted to kick in their 5% admin fee as a donation. LeeAnn had concerns about the 5% as it might put LPAG in a difficult financial situation.
- LeeAnn was OK with what Mark proposed at the 80/20 split.
- Bob suggested that the LPAG look at it from this prospective: LPAG “could establish a policy when there’s this type of auction that the group is not actively participating in we are giving another entity the plate to sell, that we are determining the fair market value of that plate is 80% of the sale price.” This would help to establish a fair market value.
- LeeAnn noted that the configurations are the LPAG’s assets and establishing a value is tricky. The better way to go is with Mark’s suggestion above, where the charity acts as the auctioneer. Plus the requirement from statute that the money has to come into LPAG’s funds.
- Mark found that statute allowing for the 20% to be paid the auctioneer under: SB13-170 C.R.S. 42-1-403 (5)(i) “To authorize an auctioneer or other seller of a registration number to retain a commission of no more than twenty percent of the sale price.” LeeAnn believes that under this, LPAG can hire a non-profit to auction LPAG’s configuration for a 20% commission, pursuant to LPAG’s terms and conditions and LPAG gets the remaining 80%. Mark noted that he believed that this was the legislative intent, to share the wealth.
- Marty was going to present this to those two charities and work towards moving forward. The group generally asked how the charities were vetted. LeeAnn thought that LPAG could delegate that authority to Marty without problem. Marty agreed to ensure that the minimum bids are met and would be willing to provide a write up on each of the groups for the group’s consideration. He also noted that they did need marketing time, so he wanted to proceed, contingent upon successful vetting.
 - [A member of the public whose name was unintelligible] confirmed the validity of these groups, how committed they were, how deep the pockets were, etc.
- Mark moved that these two groups be allowed to proceed as described above. Bob 2nd the motion. There was some discussion about the minimums and it was clarified that the reserve bid for these two plates are \$600 ea.
 - Bobby called for the vote:
 - Maren – Yes
 - Peter – Yes
 - Zach – Yes
 - Mark – Yes
 - Bob – Yes
 - Bobby – Yes
 - Gina – Yes
 - TH – Yes
 - Ryan – Yes
 - Motion passed.

● Live Event Planning

- Wednesday January 28, 2015 – best date for all involved
- 6-9pm
- History Colorado has been confirmed and transferred the deposit from the previous event. (Exhibits open @ no cost)
 - Mary asked what the group wanted to do in addition to the Auction
 - Key Note Speaker? -- Group thought so
 - Amy VanDyken (\$10-20,000 appearance fee – kind of puts her out of the question, unless someone has a personal connection.)
 - Comedian – Josh Blue, others?
 - Mark thought a mix of entertainment and auction was a good idea but really wanted someone with a disability, such as Michael J. Fox.
 - Patricia thought Josh was a good idea
 - Marty a couple of lists to work from based on price range and local vs. not, disabled vs. not, etc.
 - Tentative schedule
 - 6-7 cocktails, exhibits and silent auction
 - 7 – Videos (w/TH & Peter)
 - Why we're here—keynote speaker -- Auction
 - No booths – wasn't working
 - Brewery's (local craft sorts of things) – other donated alcohol.
 - Peter asked about the timing for Marketing and how long Marty needed.
 - Marty noted that if the group made some basic overview decisions today he had plenty of time to get things done. If the group was going to be involved in every decision down to the details, he'd need more time.
- Bobby asked for a motion to approve a keynote speaker – TH moved that LPAG give Zim Consulting the authority to find an "A" list keynote speaker not to exceed \$5,000. Mark 2nd.
 - Gina just wanted to be sure that Marty worked with Zach and her (the Treasurer) on the budget piece.
 - Bobby called for the vote:
 - Gina – Yes
 - Ryan – Yes
 - TH – Yes
 - Peter – Yes
 - Bob – Yes
 - Zach – Yes
 - Maren – Yes
 - Mark – Yes
 - Bobby – Yes
 - Motion Passed

- Restructuring Committee Discussion:
 - Zach started the discussion by giving an overview of why this discussion became necessary.
 - His “Ah-Ha” moment was when he discovered that there were 3 different groups in the Governor’s office when the same end goal.
 - Colorado Advisory Council for Persons with Disabilities
 - Disabilities Support Contract Committee
 - License Plate Auction Group
 - All these groups have the same goal of advocacy, policy and support – is there a better way to consolidate the programming. Possibly a new group that encompasses all three of these with a Board of Directors to oversee. Hiring an outside facilitator with key members of all the groups to sort of work this out and create a structure that really works.
 - He’d like to use the month of October to set up the Stake Holder Process.
 - He also believed there was a huge opportunity to consolidate and make all three groups more effective.
 - Peter asked how the paid staffing would work.
 - Zach said that there would still be non-profits involved and this would get worked out with the structure.
 - Peter asked about the timing as auctions were scheduled and he didn’t want to lose the momentum.
 - Zach pointed back to the Facilitator and members of each group and the stake holder process who would think the entire thing through and work their way through all of these things.
 - Bob asked how the Colorado Advisory Council was funded. Gina answered that it comes out of the Governor’s office with a line item in the budget of \$9,030.
 - Maren was very encouraged by what she had heard for the long term.
 - Peter asked about possibilities of Conflicts of Interest for applying for future funding.
 - Marty said that based on what he’d heard the three groups would still exist and function, just with an overarching Board to help guide them and deal with the broader questions as each of the groups involved had their own expertise.
 - TH asked to have the whole discussion summarized as he didn’t hear any of the discussion.

Peter asked about the Sustainability and various configurations as these two items seem not to have appeared on the agenda. Mark also wanted to talk about the Open Records Discussion.

Peter Started with the sustainability, reminding the group that the decision was made to spend the first part of the meeting on event planning and the rest of the meeting on sustainability and he thought the Group needed to get back to that.

Maren said she could add Sustainability at 11:00 and leave it there as a permanent part until someone asked to be removed. Bobby was concerned that it ate into the public testimony portion of the

meeting and suggested having it at 10:30 instead. Mark suggested Sustainability at 11:00 with Public testimony at 10:50 and at 11:50 both. Bobby had no objections. Maren confirmed it for future agenda's

Peter then brought up the configurations. He noted that while the group has reviewed and reserved any number of personalized plates, they have not looked at anything under current regular sequencing of plates (###-AAA or AAA-###). He did not want to miss out on the opportunity to reserve those out of the regular sequences and asked what needed to happen. Marty and Maren noted that these had to be reserved in the same fashion as the others – in their 6 month request cycle, next due in January.

Marty then asked about marijuana plates that had been turned down in the past as offensive. Since marijuana is now legal how those plates could be put back into the mix. Maren reiterated how the offensive process worked, that if there were three complaints from the public the plate was pulled. Mark asked if there was an appeal process, and Maren discussed how those were handled through the Hearings section of the Department.

Mark asked if there were plates that were put on the offensive list before the public complained, such as 420. Maren answered that there was an internal process that was in place between Corrections and Revenue to deal with this.

Mark asked to see the list of plates that were denied. Multiple people reminded Mark that the list had already been provided to the Group. Mark continued on and wanted to see all offensive plates for LPAG to review and try to pull off certain configurations.

Peter wanted an agenda item every month to discuss various plates they month. Bobby said the better course of action was to send recommendations to Marty and he would accumulate them for the six month submission.

Bob reiterated the discussion he has brought up on many occasions about how single and double numbered plates, in other States, have sold for hundreds of thousands of dollars and that's where LPAG's focus should be.

● Old Business

- Consulting Fees: There was no real discussion.
- Amending Term #10 in the "Terms and Conditions"
 - Regarding transfer rights
 - Willing it to Charities, step children, corporate entities etc.
 - Bobby suggested that rather than burning 30 min. this, every send their scenario's to Bobby and he and his team would look at it and he would make a presentation at the next meeting of how they have seen it handled elsewhere and how they believe it should be handled.
 - Maren asked if there would be time for LeeAnn to review it. LeeAnn said that it kind of depended on how much material it was and how fast they could get it to her. Maren asked if it was the intent to make the changes prior to the next auction in October. It was generally believed that it was to be decided to have it done before the January Auctions.

- Bob asked if someone was working on getting LPAG turned into a 501(c)(3). Zach said he'd look into it but that it was virtually impossible, given LPAG's structure.
- Mark asked about the Open Records issue – specifically the recordings of these meetings. Mark wanted them posted on the LPAG website. **[Note: Currently the Department's website is not able to host recordings.]** Mark suggested that they get hosted on Marty site (www.coloradoplates.com) or DPA's web site, including minutes and agendas etc.
 - There was a brief discussion of putting them on the Google Drive but the amount of space allocated become an issue.
 - Mark asked Marty to get a price for hosting those recordings etc. Chris was tasked with providing to Marty the amount of storage necessary to host all of the past, current and future recordings, minutes etc. which he has done.
- Public Testimony:
 - Patricia Jaeger, CEO of the Independence Committee in Colorado Springs and Chair of the DBS Committee – They were very worried about what LPAG was doing so they decided to come and see what was happening and see what they could do to push this along. She believed that the three groups mentioned in Zach's restructuring had three pretty specific and different missions and wanted to be sure she was included in that Stake Holders group so that the appropriate oversight could be achieved. Zach assured her that this was his goal that he may have over simplified it in his previous discussion. Patricia thanked him and noted he'd see her again.
 - Peter offered his "why we are here" story.

Bobby adjourned the meeting at 11:52 a.m.

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