

LICENSE PLATE AUCTION GROUP (LPAG)

Colorado Department of Revenue
1881 Pierce St., Lakewood Colorado
September 4, 2014

Minutes to the Meeting

Members in Attendance: Bobby Juchem, Rich Medina (via telephone-then in person), Mark Simon via telephone, Bob Gall, Zach Pierce (via telephone), TH Mack Sr. (via telephone), Gina Robinson (via telephone), Peter Pike, Ryan Carson.

Guests in Attendance: Chris Hochmuth – DOR, Dylan Ikenouye – DOR (via telephone), LeeAnn Morrell – AG’s office (via telephone), Marty Zimmerman – Zim Consulting, Kit Sage

CONVENE:

- Meeting was called to order at 12:02 pm by Bobby Juchem. Roll Call was taken and a Quorum was present.

Minutes:

Minutes of the August 13th and 19th meetings were presented (including the Executive session on the 13th). It was moved by Gina and 2nd by TH to approve both sets of minutes. The motion passed.

Marty asked about the availability of the minutes and possibly the recordings of the meetings as he had a request from someone about this. Bobby directed Marty to the Departments website. <http://www.colorado.gov/cs/Satellite/Revenue-MV/RMV/1251621500643> Marty asked about the recordings. Bobby thought the “typed up” minutes were sufficient and that it was not necessarily to make the recording available. LeeAnn agreed, noting that nothing prohibited the Group from making the recordings public if they so desired, but that the “typed up” minutes were sufficient.

Mark asked who maintained the recordings. Chris noted that Maren maintained them and if someone wanted them, they should apply to Maren for them. Mark asked about having them published on the web site. There was general discussion about if and why they should be provided since the “typed up” version were already published and considered to be the final version. Bobby ended the discussion as it appeared the Group was wandering off topic.

Mark asked if this would be put on the agenda for the next meeting. Bobby agreed.

[Note: Currently, the Departments website is unable to accommodate the posting of recordings or videos. crh]

Marty Zimmerman – Auction Debrief:

- 🗨️ There were 63 bids from 51 people raising \$10,850. Seven have already paid, waiting for three more payments.
- 🗨️ Marty discussed the ebb and flow of the auction and some of the last minute technical difficulties that were worked through to get the auction up and running, including getting all of the links from Facebook and ColoradoPlates.com to HandBid.com to work properly. Work-arounds were put into place but are now fixed and won't be issues for future Auctions.
- 🗨️ The Auction was promoted on Channels 2, 7, 9 and 31. Channel 2's was the most entertaining. Channel 9's was the most professional and Channel 7's was abysmal and Marty was not going to load it on the website. There was good publicity and promotion that can definitely be improved upon.
- 🗨️ From here, Marty segued into his Proposal for the Contract extension:
 - 📌 Change how social media is done. Sprocket Communications and Lauren did a great job of getting people to "like" the Facebook page with 3,000 "likes" in a short period of time. But the website wasn't ready and showed the \$10,000 reserve for the live event. This, as already discussed, caused a loss in momentum and didn't get these people back. There was targeted Facebook ads for the 2nd tier plates, but it was too little too late. Consequently Marty decided Sprocket was not the best avenue for social media marketing, they were better at other things and Zim Consulting could do the social media piece, better and cheaper.

As an aside, Marty noted that there was a gentleman who inquired about the #1 for \$100,000 and would be interested in #'s 1-5. He has friends who would be interested and he was considering being part of the Event Planning Committee.

Other people called and asked about other types of plates, colleges, first names, etc. They were excited.

Peter discussed the context of "success" as this was never really defined. Specifically, that in less than 30 days and given the hurtles involved, this was great!

Bob mad the following motion: "The License Plate Auction Group acknowledges and deeply appreciates Marty Zimmerman and his team's personal efforts in completing a successful online auction." The motion was 2nd by Peter. Bobby called the vote:

- Rich – Yes
- Bob – Yes
- Peter – Yes
- Zach – Yes
- TH – Yes
- Gin – Yes
- Mark – Yes

- Motion passed.

Contract Proposal for Extension: (See attached at the end of the minutes)

- ✚ Marty sent out the proposal to the Group for review. Mark sent some feedback and Marty made adjustments based on this feedback.
- ✚ Handbid's part has been discounted by \$11,250
- ✚ Sprocket's part, as adjusted without the social media piece, has been discounted by \$12,500
- ✚ Chris Bowyer (graphics designer) was as good as it could be from the beginning.
- ✚ Zim Consulting's piece will be discounted \$1,500 (including building the ColoradoPlates.com site for the visually impaired to meet the Cross Disability's request).
- ✚ Total contract of \$33,500 with savings of \$25,250.
- ✚ Optional pieces that can cut more costs in if desired:
 - Zim picking up the social media piece, subtract out \$6,250
 - Zim picking up the silent auction piece for a live event, subtract out \$1,000
 - Total contract \$32,500 with savings of \$32,500
- ✚ This contract extension goes from September 6, to February 5th – 6 months.

Peter asked how much of this was contingent upon specific deadlines. Marty answered that if he could have everything set by mid-November, everything would be good. Zach agreed that a number 1 priority for the group was to make sure the group is providing everything Marty needs to put on the event.

Marty did ask if he could get a list of plates approved before the next regular meeting so that he could have them for an October online auction.

Zach asked about the optional services and what else might be provided. Marty discussed Zim's ability to perform all of the administrative support that the DMV is currently providing to relieve them of this pressure (taking minutes, doing the recordings, sending the notices, etc.). Bobby had reiterated Maren's position that as long as things with LPAG didn't really change, the DMV would continue in its current roll. Bobby added further that if in February, Zim's contract didn't get extended then LPAG would be right back where they were.

Marty understood and further offered that one of the other optional pieces was guiding LPAG through the 501(c)(3) pieces.

As there were no other questions, Marty left the room so LPAG could discuss his proposal.

Bob asked how much money was left and if we could afford the extension. Gina reported that \$193,128.20 available (not including what hasn't been billed since August). To date, LPAG has spent \$106,771.80.

TH thought the Group should move conservatively.

Zach wanted to mention that as he was looking at the restructuring of LPAG it had become clear to him that LPAG had put Zim Consulting through the wringer with changes and policy discussions and rules and statutes and that going forward there really needed to be a separate Event Planning Committee that would allow Marty to function and do the job he was hired for and to keep policy discussions out of the mix which is what forced LAPG to cancel the live auction.

Bobby referenced the discussions of the last meeting where the meetings are divided into Event Planning (first) then having any policy discussions.

Bob moved that LPAG extend Marty's contract at the \$33,500 price. Bobby seconded the motion. TH asked if there was a clear cut descriptive of performance from both sides. Bob said that it was incumbent upon LPAG to clean up their act so as to move forward.

Zach noted that the current MOU with Zim was pretty vague. He thought it would be possible to insert more specific deliverables and take aways. TH and Zach both agreed that Zim needed to let LPAG know what his expectations were of them.

Bobby noted that in the proposal, most of these details are there except their expectations of LPAG. Rich thought it was a pretty comprehensive statement of work. Zach agreed and thought it might be incorporated into the MOU. Rich thought the best course of action was to move forward with the proposal and the extension as stated. TH agreed if the specific performances were outlined and if the proposal can be used for this, great.

LeeAnn said that the initial contracting with Zim was done through a Purchase Order. She suggested that the extension be done the same way and that the MOU and proposal be incorporated into the PO. Gina agreed, saying that a new PO be cut and the proposal and MOU but cut and pasted into the body of the PO including the expectations from both sides.

There was general consensus that Marty needed to have expectations of LPAG incorporated into the proposal.

To clarify, the extension of Zim's contract will be \$33,500 from September 6 to February 5th, 2015, and that the proposal and MOU will be included into a new PO as issued by the Governor's office including the expectations of each party upon the other.

Bobby called the vote:

- > Peter – Yes
- > TH – Yes
- > Zach – Yes
- > Bob – Yes
- > Rich – Yes
- > Gina – Yes
- > Mark – Yes
- > Motion Passed.

Marty was brought back into the room and informed of his successful extension. A new PO will be cut by the Governor's office as described above.

Event Planning:

Marty wanted to create an Events Committee immediately that was people based and not logistics based, leveraging their networking capabilities in bringing people with interest and money to the table to both bid on the auction and work on the committee(s). This committee would be 5-6 people who will work hard. He already had 3 in mind. He also would be working with members of LPAG individually to get their input.

Bobby was concerned that this would lead LPAG back down the path of having meetings that needed to be noticed and minutes and votes etc. He asked LeeAnn for suggestions as to how to avoid this sort of thing. Lee Ann discussed the broad interpretation of the open meetings act and how it worked. The key pieces were 1) if there were two or more members involved and 2) if formal action/policy action taken, business of the Group.

Discussion about the open records laws and meetings again ensued.

LeeAnn thought that the best way to do it would be to have the Events Committee be **1 LPAG** member and then any/all of Marty's team, members of the public, government workers etc. – could meet and make recommendations back to LPAG for any required votes.

Marty asked what if the committee was run out of CCDC, as they were the event sponsor. LeeAnn thought that at the end of the day it was still LPAG's event and they couldn't delegate their policy and decision making to someone else.

Marty believed the best way to work would be to have **1 LPAG** member on the committee, and he would still meet with the various members of LPAG individually and take their input into the event and bring back policy/budget decisions back to LPAG for votes. Zach and LeeAnn agreed and thought this was the best way to move forward.

TH volunteered to be the 1 LPAG member on the committee, there was no objection.

Treasurer's Report: Bobby noted that we had already covered some of this earlier in the contract discussions (see attached)

Restructuring Committee Discussion:

Zach proceeded by saying that the Group hit a turning point where it was identified that they could be more efficient. The primary obstruction for LPAG is that it is inherently is policy heavy and that there is no structure to vet policy. Zach wanted to lay out the following options, noting that it would probably take legislation to make the changes that might be needed. LPAG should discuss all options on the table, over the next several weeks; make a recommendation on two or three so the Governor's office could formulate a bill. Zach identified 4 options:

- Place LPAG under a State Agency (e.g. Revenue)

- Policy gets vetted through Revenue and uses their Legislative Agenda
- Moves LPAG to a Type I board with more oversight from Barbara Brohl and limits LPAG's flexibility.
- Convert LPAG to some sort of Non-Profit similar to Pinnacol.
 - Tax deductibility issue gets solved.
 - More Autonomy and not mired in structure.
- Create more of a connection between LPAG and the Advisory Council for Persons with Disabilities or even a subcommittee thereof.
- Look at other state models such as the State of Washington, private vs. public sector model.

Zach wanted to emphasize that making sure the Group is re-structured is priority number one. Until this is done or a recommendation has been made, specific policy issues (such as right of first refusal, expense reimbursement, etc.) have to be put on hold until there's agreement on structure.

Bob asked about the timeline and how soon this needed to take place. Zach he was having a meeting regarding these issues today, and he'd know better, but sooner rather than later. Bob asked if this should wait until after the first live auction. Zach believed this conversation should exist separately and both could take place at the same time.

Bobby asked for clarification as to what the push was for the re-structuring. Zach wanted to be sure it was understood that this wasn't initiated because of any one person or dynamic of personality, personnel or individuals. This is driven out of an inefficient structure. One member of the Group could initiate legislation which has not been vetted by the Governor's office, which then may put them into a situation of having to oppose it.

Rich didn't think it would be a good idea for LPAG to fall under DOR as it would add a huge layer of bureaucracy. He didn't think the Advisory Council was a good spot, since they were dealing with license plate policy and not anything with PWD's. Gina pointed out that she was the representative from the Advisory Council to LPAG so there was a connection.

Zach said his intention was not to take away any autonomy for running a successful auction but to provide an outlet for structuring policy discussion. Bobby asked about putting together a set of By-Laws. Zach thought that would fall under his 4th option and should be explored. Rich asked if LPAG should fall under the Governor's office. Zach said, yes, more part of option 4, with legislation falling under DOR's legislative agenda.

Rich requested that Zach actually show up at the next meeting for the continuation of this discussion. Zach said he would.

Bobby tabled the balance of this discussion until the next time.

The next regular meeting will be 9/29/14 at 9:00 a.m. However, there will need to be a special phone meeting to approve a list of configurations for an October auction. It was agreed that this would be September 8th at 1:00pm for the sole purpose of approving configurations.

Bobby adjourned the meeting at 1:58 p.m.

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