

Meeting Summary
Motor Vehicle Dealer Board
Monday, January 23, 2017

Vice-Chairman Joe Tate called the Dealer Board meeting to order at 9:28 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. The roll was called and there were 14 Board members present. Present were members Ted Bailey, Dan Banister, Liza Borches, Gardner Britt, David Duncan, Steve Farmer, Robert Fisher, David Gripshover, Clay Huber, Ron Kody, Chris Maher, Geoff Malloy and Jacques Moore. **NOTE:** Gardner Britt and Jacques Moore were absent during the Committees. (Absent: Michael Bor, Rick Holcomb, Matt McQueen, Senior Saghafi and Maurice Slaughter). Executive Director William Childress, Peggy Bailey, Prin Cowan, Lisa Mack-Nelson, Wanda Neely and Ann Majors represented the Dealer Board. Janet Baugh represented the Attorney General's Office. Alice Weedon was the recording secretary.

PUBLIC COMMENT

There was no public comment.

The November 14, 2016 meeting summary was approved.

STATUTORY COMMITTEE REPORTS

Dealer Practices Committee:

Chairman Ron Kody summarized discussions held and actions that were taken during the Committee Meeting.

- **Insight Motors, LLC and Issac Abban, Jr.** Chairman Kody made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact finding conference as prepared by the hearing officer concerning Insight Motors, LLC and Isaac Abban Jr., for alleged violations of Va. Code section §46.2-1575 (9). The Board mandates that Insight Motors, LLC and Isaac Abban Jr., hereby be assessed a civil penalty of \$250.00 and that Isaac Abban Jr., shall successfully complete the dealer-operator course by July 23, 2017. Successful completion of the dealer-operator class by the mandated July 23, 2017 will reduce the civil penalty assessed by the Board by \$150.00. Failure to successfully complete the dealer-operator course by July 23, 2017 will result in suspension of all licenses and certificates issued by the Board until such time Isaac Abban Jr., successfully comply with the Board's mandates and remit an additional \$150.00 civil penalty for failing to meet all requirements as stipulated on or before July 23, 2017.

Rob Fisher seconded. The motion carried unanimously.

Licensing Committee

Chairman Joe Tate summarized discussions held and actions that were taken during the Committee Meeting.

- **Alvin Robinson, Jr., Sales Applicant.** Chairman Tate made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact finding conference as prepared by the hearing officer concerning Alvin Robinson for alleged violations of Va. Code section §46.2 - 1575(1). Based on due consideration, the Board mandates that Alvin Robinson hereby be assessed a civil penalty of \$500 and be allowed to apply for a salesperson license.

Chris Maher seconded. The motion carried unanimously.

- **Demetrius D. Watkins, Sales Applicant.** Chris Maher made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact finding conference as prepared by the hearing officer concerning Alvin Robinson for alleged violations of Va. Code section §46.2 -1575(1) and (13). Based on due consideration, the Board mandates that Demetrius Watkins hereby be assessed a civil penalty of \$500 and be allowed to apply for a salesperson license.

Mr. Watkins was present and spoke on his own behalf. (Mr. Watkins was not present during the Licensing Committee).

David Gripshover seconded. The motion carried unanimously.

NOTE: The Licensing Committee voted to deny Mr. Watkins a license; however in giving him the opportunity to speak at Full Board, it was in that conversation the motion changed. The Board requested feedback of Mr. Watkins employment as a salesperson within 90 days.

Advertising Committee

Chairman David Duncan summarized discussions that were held during the Committee Meeting.

- **Lustine Toyota and L. N. Kairys and James Giddings.** Chairman Duncan made the following motion: The Board has reviewed and considered the facts and evidence and the report of an informal fact-finding conference as prepared by the hearing officer concerning Lustine Toyota, Inc. and L. N. Kairys for alleged violations of Va. Code section §46.2-1575 (1) and (7), and 46.2-1581.12. Based on due consideration, the Board mandates that the Lustine Toyota, Inc. dealership satisfactorily pass an inspection conducted by a Motor Vehicle Dealer Board field inspector on or before July 23, 2017. Failure to pass the inspection on or before July 23, 2017 will result in suspension of all licenses and certificates issued by the Board until such time as Lustine Toyota, Inc., and and L. N. Kairys successfully comply with the Board's mandates.

Steve Farmer seconded. The motion carried unanimously.

Transaction Recovery Fund Committee:

Chairman Chris Maher summarized discussions held and actions that were taken during the Committee Meeting.

(1) Jonah Mericle vs. TNT Select Motors and Harlen H. Devold, Jr. and (2) Christine H. Black vs. Thomas Auto Works and Clarence A. Thomas. Chairman Chris Maher summarized for the Board the discussion held in the committee meeting regarding (1) Jonah Mericle vs. TNT Select Motors and Harlen H. Devold, Jr. and (2) Christine H. Black vs. Thomas Auto Works and Clarence A. Thomas. Based on that discussion and the recommendations in these cases, Mr. Maher made the following motion: Pursuant to VA Code Section 46.2-1527.1 et. seq. of the Code of Virginia, which is known as the Motor Vehicle Transaction Recovery Fund (“Fund”), the Board has reviewed and considered the claims submitted for payment from the Fund and based on due consideration and recommendation of the hearing officer, the Board believes the following claims should be payable from the Fund:

Jonah Mericle vs. TNT Select Motors/Harlen Devold, Jr.	\$3,559
Christine H. Black vs. Thomas Auto Works/Clarence Thomas	\$9,058

Rob Fisher seconded. The motion carried unanimously.

OLD BUSINESS

Internet Task Force. William Childress indicated that at the November meeting, Chairman Holcomb appointed Mr. Kody and Mr. Tate as Co-chairs for a committee to discuss internet advertising. As of now, including the Vice-Chairs, the committee is comprised of Chris Maher, Clay Huber, Michael Bor, and John Summer (JTZ Enterprises). After the meeting others in attendance volunteered to serve on this committee, they are: Anne Gambardella and Mike Sharapp (VADA), and Pete Iarraci (VIADA). William informed the Board that that the American Association of Motor Vehicle Administrators (AAMVA) was forming a working group to examine internet sales. This working group will look into vehicle advertising and sales electronically, to include the internet. Since AAMVA represents the nation, William has asked AAMVA to allow him to be a part of this working group. Travel expenses will be minimum since most of the work will be accomplished via phone conferences and emails. William’s application is being reviewed and he will keep the Board informed regarding this issue. Ron Kody suggested that the task force start the process by having telephone conference call sometime in February, which the Board staff will arrange.

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

General Assembly. William Childress indicated that there is nothing being introduced that is affecting the Board; however, they are still introducing bills. VADA and VIADA indicated that they do not have anything nor know of any legislation that would affect the Board as of the meeting.

EXECUTIVE DIRECTOR’S REPORT:

Inclement Weather: William Childress discussed the recently cancelled January 9th Board meeting, which was cancelled due to inclement weather (snow). This was the first time a Board meeting had ever been cancelled. William apologized for this inconvenience, as some Board members had checked into their hotel rooms only to discover shortly afterwards that Richmond area State Agencies were closed on Monday, thus cancelling the meeting. William presented a policy for inclement

weather/emergency closing proposal to the Board for their consideration. With the Board's permission, William sought the authority to cancel a scheduled meeting by noon the Friday prior to the scheduled Board meeting. Cancelling the meeting by noon the Friday before the scheduled Monday meeting will give the Board sufficient time to notify all Board members (email and text message), respondents, the trade associations, the caterer, the Westin Hotel, and DMV (Law Enforcement, the Executive Secretary, and the audio visual staff). The MVDB staff will also post the closing on the Board's web-site. In cancelling the meeting it would automatically push the meeting to the 3rd Monday of that month. By consensus of the Board, the Executive Director was delegated to cancel and reschedule meetings based on the criteria discussed. Some Board members requested to be notified by text message in the event of a cancellation. The Board staff will collect Board member's cell numbers to notify them of a cancellation.

Office and Staff Issues: William indicated that the staff office is going through some cost cutting measures and renovations for the better of the office. These items will be shared in future Board meeting. Also, William announced that Dean Harbour was hired as the field representative in the District 2 area and the applications for the District 6 area have been submitted and interviews will begin January 24.

NEW BUSINESS FROM THE FLOOR

There was no new business from the floor.

The next meeting will be scheduled for March 14, 2016.

10:00 a.m. Motion was made by Joe Tate moved that "Pursuant to Section 2.2-3711 of the Code of Virginia, the Motor Vehicle Dealer Board hereby moves to conduct a closed meeting to Section 2.2-3711A(7). Whereas the purpose of the closed meeting is to discuss a legal matter with the Board's legal representative. Jacques Moore seconded. The motion carried unanimously.

10:02 a.m. The Board went into closed session.

10:48 a.m. Full Board reconvened.

Joe Tate read the Certification under §2.2-3712(D). Alice Weedon conducted roll call and all Board members voted AYE, signifying that the Board's discussion during closed session did not exceed the scope of the motion.

Motion was made by Joe Tate to rescind the cease and desist letter the Board directed the Executive Director to send to Tesla during the November Board meeting. Chris Maher seconded. The motion carried unanimously.

Motion was made by Joe Tate to send a cease and desist letter to Tesla requesting that they stop all sales activity at the Tysons Corner Mall, which is an unlicensed location. Dan Banister seconded. The motion carried unanimously.

There being no further business to come before the Motor Vehicle Dealer Board, Vice-Chairman Tate adjourned the meeting at 10:51 a.m.

Meeting Summary
Dealer Practices Committee
Monday, January 23, 2017

Chairman Ron Kody called the Dealer Practices Committee meeting to order at 9:02 a.m. in Room 702 of the DMV Headquarters Building at 2300 W. Broad Street in Richmond. Present were Committee members Liza Borches, Steve Farmer, Robert Fisher, Clay Huber, Chris Maher, Geoff Malloy and Joe Tate. (Absent: Michael Bor, Gardner Britt, Matt McQueen, Senior Saghafi). Other Board members present: Dan Banister, Ted Bailey, David Duncan and David Gripshover. Executive Director William Childress, Peggy Bailey, Prin Cowan, Ann Majors, Lisa Mack-Nelson and Wanda Neely represented the Dealer Board. Janet Baugh represented the Attorney General's office.

The November 14, 2016 meeting summaries were approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

Review and Action: Informal Fact-Finding Conferences:

- **Insight Motors, LLC and Isaac C. Abban, Jr.** On November 15, 2016, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1575 (9). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$250. In addition to the \$250 civil penalty, it is recommended that additional formal training is made and if this training is accomplished within 6 months, then a reduction of the civil penalty by \$150.

Mr. Abban was present and spoke on his own behalf.

Motion was made by Steve Farmer to accept the hearing officer's recommendation of assessing a civil penalty of \$250 with a reduction by \$150 if he successfully completes the 2-day Dealer-Operator course within 6 months. Joe Tate seconded. The motion carried unanimously.

NEW BUSINESS FROM THE FLOOR

There was no new business from the floor.

The next meeting was scheduled for March 13, 2017

The meeting adjourned at 9:07 a.m.

Meeting Summary
Dealer Licensing Committee
Monday, January 23, 2017

Chairman Joe Tate called the Dealer Licensing Committee meeting to order at 9:07 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members Dan Banister, Ted Bailey, Liza Borches, David Duncan, Rob Fisher and David Gripshover. (Absent: Jacques Moore, Senior Saghafi and Maurice Slaughter). Other Board members present: Ron Kody, Clay Huber, Steve Farmer, Chris Maher and Geoff Malloy. Executive Director William Childress, Peggy Bailey, Lisa Mack-Nelson, Prin Cowan, Wanda Neely and Ann Majors represented the Dealer Board. Janet Baugh represented the Attorney General's office.

The November 14, 2016 meeting summary was approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS

OLD BUSINESS FROM THE FLOOR:

There was no old business from the floor.

NEW BUSINESS

NEW BUSINESS FROM THE FLOOR

Review and Action: Informal Fact-Finding Conferences:

- **Alvin Robinson, Jr., Sales Applicant.** On November 30, 2016, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1575 (1). Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$500 and approval of a salesperson's license.

Motion was made by Liza Borches to accept the hearing officer's recommendation by assessing a civil penalty of \$500 and approval of a salesperson's license. Rob Fisher seconded. The motion carried unanimously.

Review and Action: Informal Fact-Finding Conferences:

- **Demetrius D. Watkins, Sales Applicant** On September 29, 2016, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1575 (1) & (13). Based on the information provided at the conference, the hearing officer recommended denying Mr. Watkins a salesperson's license.

Motion was made by Rob Fisher to accept the hearing officer's recommendation by denying a salesperson's license to Mr. Watkins. David Gripshover seconded. The motion carried unanimously.

There was no new business from the floor.

The next meeting was scheduled for March 13, 2017

The meeting adjourned at 9:10 a.m.

Meeting Summary
Advertising Committee
Monday, January 23, 2017

Chairman David Duncan called the Advertising Committee meeting to order at 9:10 a.m. in Room 702, DMV Headquarters, 2300 West Broad Street, Richmond, Virginia. Present were Committee members Ted Bailey, Dan Banister, Liza Borches, David Gripshover, Clay Huber, Ron Kody and Geoff Malloy. (Absent: Michael Bor, Matt McQueen and Maurice Slaughter). Other Board members present: Steve Farmer, Rob Fisher, Chris Maher and Joe Tate. Executive Director William Childress, Peggy Bailey, Lisa Mack-Nelson, Prin Cowan, Wanda Neely and Ann Majors represented the Dealer Board. Janet Baugh represented the Attorney General's office.

The November 14, 2016 meeting summary was approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

Review and Action: Informal Fact-Finding Conferences:

- **Lustine Toyota and L. N. Kairys & James Giddings.** On October 12, 2016, an informal fact-finding conference was conducted to address the alleged violations of VA Code Section 46.2-1575 (6) & (7) and 46.2-1581 (12). Based on the information provided at the conference, the hearing officer recommended that a satisfactory inspection be conducted.

Mr. Giddings was present and spoke on his own behalf.

The motion was made by Clay Huber to accept the hearing officer's recommendation that the dealer must have a satisfactory inspection. Liza Borches seconded. The motion carried unanimously.

The next meeting was scheduled for March 13, 2017.

NEW BUSINESS FROM THE FLOOR

There was no new business from the floor.

The meeting adjourned at 9:14 a.m.

Meeting Summary
Transaction Recovery Fund Committee
Monday, January 23, 2017

Chairman Chris Maher called the Transaction Recovery Fund Committee meeting to order at 9:14 a.m. in Room 702 of the DMV Headquarters Building at 2300 West Broad Street in Richmond. Present were Committee members: Dan Banister, Geoff Malloy, Steve Farmer, Robert Fisher, David Gripshover and Ron Kody. (Absent: Michael Bor, Matthew McQueen and Maurice Slaughter). Other Board members present: Ted Bailey, Liza Borches, David Duncan, Clay Huber and Joe Tate. Executive Director William Childress, Peggy Bailey, Lisa Mack-Nelson, Prin Cowan, Wanda Neely and Ann Majors represented the Dealer Board. Janet Baugh represented the Attorney General's office.

The November 14, 2016 summary was approved.

PUBLIC COMMENT

There was no public comment.

OLD BUSINESS

OLD BUSINESS FROM THE FLOOR

There was no old business from the floor.

NEW BUSINESS

- **Jonah N. Mericle vs. TNT Select Motors and Harlen H. Devold, Jr.** On December 14, 2016, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1527.3 against TNT Select Motors and Harlen H. Devold, Jr. Based on the information provided at the conference, the hearing officer recommended that the Board pay \$3,559 to Mr. Mericle from the Transaction Recovery Fund.

Motion was by David Gripshover to accept the hearing officer's recommendation and pay Mr. Mericle \$3,559 from the Recovery Fund. Rob Fisher seconded. The motion carried unanimously.

- **Christine H. Black vs. Thomas Auto Works and Clarence A. Thomas.** On December 14, 2016, an informal fact-finding conference was conducted to address the alleged violation of VA Code Section 46.2-1527.3 against Thomas Auto Works and Clarence A. Thomas. Based on the information provided at the conference, the hearing officer recommended that the Board pay \$9,058 to Ms. Black from the Transaction Recovery Fund.

Motion was by David Gripshover to accept the hearing officer's recommendation and pay Ms. Black \$9,058 from the Recovery Fund. Rob Fisher seconded. The motion carried unanimously.

NEW BUSINESS FROM THE FLOOR

The next meeting was scheduled for March 13, 2017

The meeting adjourned at 9:17 a.m.