

**Nevada Commission for Real Estate Appraisers
Department of Education
1820 E. Sahara Avenue
2nd Floor conference room
Las Vegas, Nevada 89104**

MINUTES

9:50 a.m.

Tuesday, March 21, 2006

President Huber called the meeting to order at 9:50 a.m.

1. Commission/Division Business

a) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

President Debbie Huber, Margaret Papez, David Stefan, James Bailey, Pamela Kinkade, and Kateri Cavin, Sr. Deputy Attorney General, acting as Commission Counsel.

b) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Gail Anderson, Administrator, Joanne Gierer, Legal Administrative Officer; Linda Pierson, Commission Coordinator; Brenda Kindred-Kipling, Appraisal Officer; Gina Session, Sr. Deputy Attorney General

President Huber administered the oath to the court reporter.

2. Disciplinary Actions:

- (a) NRED v. Critchlow, Braydon (9:53 a.m. – 10:10 a.m.)
Case Nos. 04.014.S, 04.037.S & 05.026.S
License No. A.0003929-CR**

Mr. Critchlow was present and was represented by Ronald Reynolds, Esq. Gina Session, Sr. Deputy Attorney General, represented the Division. Ms. Session stated there was a settlement reached in this matter. President Huber swore in Mr. Critchlow.

Ms Session read the stipulation.

Respondent agreed to pay \$5,000 in administrative fines within six (6) months after the effective date of the order, attend a fifteen (15) hour National USPAP course, a fifteen (15) hour course on appraisal procedures, a fifteen (15) hour course on appraisal practices, and a fifteen (15) hour course on the residential cost approach. Respondent must take and pass the exam for each course, which are to be taken in a live classroom setting and completed within twelve (12) months after the effective date of the order. The courses will be applied to continuing education credits. If the fine is not paid or the education is not completed within the time allowed, Respondent's license may be automatically suspended until the fine and education are completed, and the Division may institute debt collection proceedings.

Mr. Critchlow stated that he had read, signed, and understood the settlement.

Commissioner Papez questioned whether the Respondent could continue appraising without supervision. Ms. Session stated yes. Commissioner Papez asked Mr. Critchlow how long he'd been an appraiser. Mr. Critchlow stated nine years.

Commissioner Papez moved to accept the stipulation. Seconded by Commissioner Bailey. Commissioners Stefan, Papez, Bailey and Huber-yea; Commissioner Kinkade-nay. Motion carried.

(c) NRED v. Shepard, Brady (10:23 a.m. – 11:15 a.m.)
Case No. 06.042.S
License No. A.0005841-CR

Mr. Shepard was present and was represented by Jeffrey Whitehead, Esq. Gina Session, Sr. Deputy Attorney General, represented the division.

Ms. Session stated that a stipulation for settlement had been reached.

President Huber swore in Mr. Shepard and his witnesses.

Ms. Session read the stipulation.

President Huber asked Mr. Shepard if he had read, understood, and signed the stipulation. Mr. Shepard stated yes.

No questions from the Commissioners.

Commissioner Kinkade moved to accept the stipulation as stated. Seconded by Commissioner Stefan. Motion carried unanimously.

Mr. Shepard read a prepared statement.

Respondent's counsel called Brent Jones as witness. Mr. Whitehead questioned the witness.

Ms. Session cross-examined the witness.

Mr. Whitehead asked a follow-up question on redirect.

Commissioner Kinkade questioned the witness. No other questions from Commissioners.

Respondent's counsel called Robert Shearer as witness. Mr. Whitehead questioned the witness.

Ms. Session had no questions of the witness.

The witness was questioned by Commissioners Kinkade and Bailey.

Mr. Whitehead stated Respondent's suggested discipline.

Commissioner Kinkade suggested placing the Respondent under the supervision of a mentor to continue education rather than classroom hours.

The Respondent was questioned by Commissioners Bailey and Stefan.

Commissioner Stefan suggested that the hours become his new baseline, with the jobs signed off by the current supervisor.

President Huber suggested a downgrade to licensed appraiser, and education and fines. Commissioner Bailey agreed. Commissioner Kinkade stated that none of the previous credits should count.

Lengthy discussion ensued.

President Huber polled the Commissioners for opinions on discipline:

- Commissioner Stefan suggested a one week USPAP class, a fine, and accept a portion of current hours.
- Commissioner Papez suggested a downgrade to licensed residential, a USPAP class, a fine, and accept a portion of the current hours.
- Commissioner Kinkade suggested a fine, start hours over again, a USPAP class, advanced residential case studies, a downgrade to licensed residential, and 45-60 hours of classes.
- Commissioner Bailey suggested a downgrade to licensed residential, start complex hours over, a USPAP class, and a two day case study course.
- President Huber suggested a downgrade to licensed, fines, existing hours should count, a 15 hour USPAP class, and advanced case studies classes.

Commissioner Kinkade suggested Respondent be fined the maximum fine per violation. Commissioner Bailey agreed.

Commissioner Kinkade moved that Respondent's certification be reduced to licensed residential, fines in the amount of \$1,000 per Claim for Relief for a total \$2,000 to be paid in six months, with the Division having recourse for debt collection, a 15 hour USPAP class, a 15 hour advanced residential case studies or equivalent class, all to be taken in a classroom, within 12 months and not to count toward continuing education credits; those files already completed no more than one year prior to the hearing date may be considered for a new application for certified residential appraiser. Seconded by Commissioner Bailey. Motion carried.

(b) NRED v. Graham, Harold Richard
Case Nos. 03.028.S & 03.080.S

(11:30 a.m. – 12:15 p.m.
1:35 p.m. – 4:45 p.m.)

License No. A.0000203-CG

Mr. Graham was present and was not represented by counsel.

Gina Session, Sr. Deputy Attorney General was present for the Division.

Case number 03.080.S

Preliminary matters:

Ms. Session amended the wording in the complaint for paragraphs 22, 23, 25, and 26 on page three (3) to read “cost approach.” Mr. Graham stated he understood the amendments.

President Huber swore in the Respondent and the State’s witnesses.

The respondent’s answer to the complaint was distributed.

Ms. Session presented an opening statement for the state.

Mr. Graham presented an opening statement.

Ms. Session called state’s witness Richard Scott Dugan. State’s Exhibit 1 was presented. Mr. Graham objected, stating that the exhibit is incomplete. Ms. Session stated that the second exhibit would contain the documents Mr. Graham stated are missing. Exhibit 1 was admitted as evidence with Respondent’s objection noted.

Mr. Graham cross-examined the witness. Ms. Session objected to the relevancy of some of the questions. President Huber allowed the questioning. After further questioning by Mr. Graham, Ms. Session again objected based on relevancy. President Huber disallowed further questioning of this line.

Ms. Session questioned the witness on re-direct.

The witness was questioned by Commissioners Stefan, Papez, and Bailey. Commissioner Kinkade asked a procedural question regarding witness questioning, then stated she would reserve questions of this witness for later.

Recessed for lunch at 12:15 p.m.

Hearing called to order at 1:35 p.m.

Ms. Session called Ms. Kindred-Kipling as a witness. During the questioning of this witness, State’s Exhibits 2 and 3 were presented and admitted with no objection from the Respondent.

Mr. Graham cross-examined the witness. Ms. Session objected to some of the questioning. Objections sustained.

No re-direct from Ms. Session.

The witness was questioned by Commissioner Papez, during which State's exhibit 4 was presented and admitted with no objection from the Respondent. The witness was questioned by Commissioners Kinkade, Stefan, and Bailey.

Ms. Session concluded the State's case 03.080.S regarding 9807 Highridge Drive, Las Vegas, Nevada.

Mr. Graham gave testimony regarding his written reply to the factual allegations in case 03.080.S. There were no questions from the Commissioners.

Ms. Session cross-examined Mr. Graham. State's Exhibit Five (5) was presented and admitted with no objection from the Respondent. Commissioners Stefan and Papez questioned the witness.

President Huber recessed the hearing at 4:25 p.m.

Public Comment

None

President Huber called the hearing back into session at 4:30 p.m.

Commissioner Bailey questioned the witness.

Hearing recessed at 4:45 p.m.

President Huber questioned how discipline will be handled when both cases are heard. Ms. Session stated discipline could be discussed separately after each case, or the Commissioners could discuss violations separately and then discuss discipline for both at the same time. The Commissioners agreed to consider the violations for each case separately, then decide discipline for both cases together.

President Huber recessed the meeting at 4:47 p.m.

8:32 a.m.

Wednesday March 22, 2006

President Huber called the meeting to order at 8:32 a.m.

Disciplinary Action

NRED v. Graham, Harold Richard – continued (8:30 a.m. – 12:15 p.m.)

Case Nos. 03.028.S & 03.080.S

License No. A.0000203-CG

Graham hearing continued from March 21, 2006 - Case No. 03.080.S (8:30 a.m. – 10:30 a.m.)

Mr. Graham was questioned by Commissioner Kinkade and President Huber.

Ms. Session gave a closing statement for the State.

Mr. Graham gave a closing statement.

Discussion of factual allegations

Commissioner Stefan moved to accept Factual Allegation #1 as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #2 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #3 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Bailey moved to accept Factual Allegation #4 as proven. Seconded by Commissioner. Motion carried.

Commissioner Bailey moved to accept Factual Allegation #5 as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #6 as proven. Seconded by Commissioner Bailey. Discussion ensued. Commissioner Kinkade withdrew the motion, which was acceptable to Commissioner Bailey as second. After discussion, Commissioner Stefan requested the allegation be split.

Commissioner Stefan moved that Factual Allegation #6a has not been proven. Seconded by Commissioner Papez.

Commissioner Stefan moved to accept that Factual Allegation #6b as proven. Seconded by Commissioner Kinkade. Motion carried with Commissioner Papez voting against.

Commissioner Bailey moved to accept Factual Allegation #7 as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #8 as proven. Seconded by Commissioner Bailey. Motion carried with Commissioners Stefan and Papez voting against.

Commissioner Bailey moved to accept Factual Allegation #9 as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #10 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #11 as proven. Seconded by Commissioner Bailey for purposes of discussion. Discussion ensued. Motion carried.

Commissioner Papez moved to accept Factual Allegation #12 as proven. Commissioners Stefan and Bailey seconded. Motion carried.

Commissioner Bailey moved to accept Factual Allegation #13 as proven. Seconded by Commissioner Stefan for discussion purposes. Discussion ensued. Motion not carried, with Commissioner Bailey voting aye, remainder voting nay. Commissioner Kinkade moved that Factual Allegation #13 has not been proven. Seconded by Commissioner Stefan. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #14 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #15 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Papez moved that Factual Allegation #16 has not been proven. Seconded by Commissioner Bailey second. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #17 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved that Factual Allegation #18 has not been proven. Seconded by Commissioner Stefan. Motion carried.

Commissioner Bailey moved that Factual Allegation #19 has not been proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved that Factual Allegation #20 has not been proven. Seconded by Commissioner Bailey. Motion carried.

Violations of Law/Claims for Relief

Commissioner Kinkade moved to accept the First Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioner Papez voting against.

Commissioner Kinkade moved to accept the Second Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioners Papez and Stefan voting against.

Commissioner Kinkade moved to accept the Third Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried with Commissioner Papez voting against.

Commissioner Kinkade moved to accept the Fourth Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioner Papez voting against.

Commissioner Kinkade moved to accept the Fifth Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioner Papez voting against.

Commissioner Kinkade moved to accept the Sixth Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried.

Commissioner Kinkade moved to accept the Seventh Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioners Stefan and Papez voting against.

Commissioner Kinkade moved to accept the Eighth Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried with Commissioners Papez and Stefan voting against.

Case Number 03.028.S – Harold Richard Graham (11:00 a.m. – 12:15 p.m.)

Ms. Session presented an opening statement for the state.

Mr. Graham presented his opening statement.

Ms. Session called Brenda Kindred-Kipling as State's witness. State's Exhibit 6 was presented and admitted, with no objection from the Respondent.

Mr. Graham had no questions of this witness.

The witness was questioned by Commissioners Papez, Kinkade, and Stefan.

Ms. Session concluded the State's case.

Mr. Graham presented his case, calling no witnesses.

Recessed for lunch 12:18 p.m. - 1:20 p.m.

(5*) EDUCATION

EDUCATION CONSENT AGENDA

- 1) **Appraisal Institute**
 - a) Washington Appraisal Summit 2006,

6 hours

- b) Advanced Residential Report Writing, Part 2 30 hours
- c) Advanced Residential Applications & Case Studies, Part 1 15 hours

2) **American Society of Farm Managers & Rural Appraisers**

- a) Appraisal Review Under USPAP, 24 hours
- b) Introduction to appraisal Review, 16 hours
- c) Advanced Appraisal Case Studies, 18 hours
- d) Tax Deferred 1031 Exchange, 7 hours
- e) Identifying Intangible Assets, 15 hours
- f) Appraisal Review Under Uniform Appraisal Standards for Federal Land Acquisition, 18 hours

3) **Institute for Real Estate and Appraisal Studies**

- a) Professional & Technical Compliance with USPAP X, 4 hours
- b) Professional & Technical Compliance with USPAP XI, 4 hours

4) **McKissock Appraisal School**

- a) Appraisal Trends, 8 hours
- b) Appraising FHA Today, 8 hours

Commissioner Papez moved to approve items on the Consent Agenda. Seconded by Commissioner Bailey. Motion carried.

EDUCATION – FOR DISCUSSION

5) **Acheson Appraisal**

- a) Defensive Report Writing, 4 hours

Brenda Kindred-Kipling recommended approval. Commissioner Kinkade moved to approve. Seconded by Commissioner Bailey. Motion carried.

6) **Institute for Real Estate & Appraisal Studies**

- a) Development of an Appraiser Internship Program “Training the Trainer” 7 hours

Carl Dutch from the Institute for Real Estate & Appraisal Studies was present and explained the class details and answered questions. Discussion ensued. Commissioner Kinkade moved to approve as a one time offering to provide an audit to bring back to the Commission after the class. Seconded by Commissioner Bailey. Motion carried.

b) Welcome to the Appraisal Profession II -3 hours

Ms. Kindred-Kipling stated that her concern regarding this class is that there is not enough detail in the course description to show how it will relate to Nevada. Mr. Dutch explained some of the details of the class. President Huber polled the Commissioners on class approval. Commissioner Bailey stated he leans toward approving. Commissioner Kinkade stated that with the stipulation of having Nevada specific information, it looks like a good offering. Commissioner Stefan agreed if the correct information can be supplied it would be a good course. Commissioner Papez stated there wasn't enough information to decide. President Huber stated the class should come before the Commission again when Nevada knows what the regulations will be. Commissioner Kinkade suggested the class be approved contingent on the regulation changes. President Huber asked the Commissioners to think about this matter and it would be addressed again when the Commission returns to the business session.

(2-b) Disciplinary Action-continued

NRED v. Graham, Harold Richard
Case Nos. 03.028.S & 03.080.S
License No. A.0000203-CG

(1:25 p.m. – 4:08 p.m.)

1:25 p.m. Graham hearing reconvened on case number 03.028.S.

Mr. Graham continued his testimony.

Before proceeding with cross-examination, Ms. Session amended the complaint on page 5, paragraph 6, to correct a typo, which should read "Respondent did not submit a signed certificate."

Ms. Session cross-examined Mr. Graham.

Mr. Graham was questioned by Commissioners Stefan, Papez, Bailey, and Kinkade.

Ms. Session recalled Ms. Kindred-Kipling in rebuttal to testimony given by the Respondent during questioning by the Commissioners.

The witness was questioned by Commissioner Papez.

Ms. Session presented a closing statement for the State.

Mr. Graham had no closing statement.

Hearing concluded at 4:08p.m.

Discussion on Factual Allegations:

Commissioner Kinkade moved to accept Factual Allegation #21 as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Papez moved to accept Factual Allegation #22 as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #23 as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion not carried. Commissioner Papez moved that Factual Allegation #23 has not been proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #24 as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion not carried. Commissioner Bailey moved that Factual Allegation #24 has not been proven. Seconded by Commissioner Stefan. Motion carried with Commissioner Kinkade voting against.

Commissioner Papez moved to accept Factual Allegation #25 as proven. Seconded by Commissioner Stefan. Motion carried

Commissioner Papez moved to accept Factual Allegation #26 as proven. Seconded by Commissioner Stefan. Motion carried.

Commissioner Bailey moved to accept as Factual Allegation #27 as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Papez requested this be amended to have two parts. After discussion the Commissioners agreed to separate into two parts. Commissioner Kinkade moved that Factual Allegation #28a has not been proven. Seconded by Commissioner Bailey. Motion carried. Commissioner Papez moved to accept Factual Allegation #28b as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #29 as proven. Motion died for lack of a second. Discussion ensued. Commissioner Kinkade moved to accept Factual Allegation #29 as proven. Seconded by President Huber. Motion not carried, with Commissioners Bailey, Papez, and Stefan voting against. Further discussion ensued. Commissioner Kinkade moved to accept Factual Allegation #29 as proven. Seconded by President Huber. Motion carried.

Commissioner Kinkade moved to accept as proven Factual Allegation #30. Seconded by President Huber. Discussion ensued. Motion carried.

Commissioner Kinkade moved to accept as proven Factual Allegation #31. Seconded by Commissioner Bailey. Motion carried.

Commissioner Papez moved that Factual Allegation #32 has not been proven. Seconded by Commissioner Bailey. Discussion ensued. Motion carried.

Commissioner Stefan moved that Factual Allegation #33a has not been proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #33b as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #33c as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #33d as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #33e as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #34 as proven. Seconded by Commissioner Kinkade. Discussion ensued. Commissioner Stefan withdrew the motion. Discussion ensued. Commissioner Stefan asked to leave his motion in place. President Huber stated the withdrawal was not accepted, so the motion stands. Motion carried.

Discussion ensued prior to a motion being made. Commissioner Kinkade moved to accept Factual Allegation #35 as proven. Seconded by Commissioner Stefan. Motion carried.

Commissioner Kinkade moved to accept Factual Allegation #36 as proven. Seconded by Commissioner Papez. Discussion ensued. Motion carried.

Commissioner Stefan moved to accept Factual Allegation #37 as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion not carried.

Commissioner Stefan moved that Factual Allegation #37 was not proven. Seconded by Commissioner Kinkade. Motion carried.

Violations of Law/Claim for Relief

Commissioner Kinkade moved to accept the Ninth Claim for Relief as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Kinkade moved to accept the Tenth Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Stefan moved to accept the Eleventh Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Papez moved to accept the Twelfth Claim for Relief as proven. Seconded by

Commissioner Stefan. Motion carried.

Commissioner Kinkade moved to accept the Thirteenth Claim for Relief as proven. Seconded by Commissioner Bailey. Discussion ensued. Motion not carried, with Commissioners Papez, Stefan, and Bailey voting against. Commissioner Stefan moved not to accept as proven. Seconded by Commissioner Papez. Motion carried with Commissioners Kinkade and Huber voting against.

Commissioner Stefan moved not to accept the Fourteenth Claim for Relief as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Stefan moved to accept the Fifteenth Claim for Relief as proven. Seconded by Commissioner Papez. Motion carried.

Commissioner Papez moved not to accept the Sixteenth Claim for Relief as proven. Seconded by Commissioner Stefan. Motion carried.

Commissioner Papez moved to accept the Seventeenth Claim for Relief as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved to accept the Eighteenth Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Bailey moved to accept the Nineteenth Claim for Relief as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Papez moved to accept the Twentieth Claim for Relief as proven. Seconded by Commissioner Kinkade. Motion carried.

Commissioner Kinkade moved to accept the Twenty-first Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried.

Commissioner Kinkade moved to accept the Twenty-second Claim for Relief as proven. Seconded by Commissioner Bailey. Motion carried.

Discipline phase

Hearing recessed until Thursday, March 23, 2006, at 8:30 a.m.

Public Comments

None

Meeting recessed at 5:45 p.m.

**Sawyer Building
555 E. Washington Avenue
Room 4500
Las Vegas, NV 89101**

8:36 a.m.

Thursday March 23, 2006

President Huber called the meeting to order at 8:36 a.m.

(2-b) Disciplinary Action-continued

**NRED v. Graham, Harold Richard (8:36 – 8:40 a.m.)
Case Nos. 03.028.S & 03.080.S
License No. A.0000203-CG**

Ms. Session stated that she would like to offer a joint recommendation with the Respondent for discipline.

Respondent has agreed to a voluntary surrender of his license in lieu of other discipline.

Commissioner Kinkade questioned Ms. Session on the details of the agreement.

Commissioner Kinkade moved to accept the Division's proposal for voluntary surrender of license as presented by the Division. Seconded by Commissioner Bailey. Motion carried.

Case concluded at 8:40 a.m.

(3*) Discussion and possible action on Advisory Review Committee Informal Conference Results

**(3-1) John L. Green (8:40 a.m. – 8:50 a.m.)
Case No. 03.065.S**

Brenda Kindred-Kipling stated that A.003366-RES is a new license number for Mr. Green. Ms. Kindred-Kipling explained the details of the settlement agreement, and explained that the 12 month period for discipline to be completed is due to Mr. Green leaving on a six (6) month mission to Peru. Ms. Kindred-Kipling was questioned by Commissioners Papez and Kinkade. Commissioner Kinkade moved to accept the stipulation for settlement of disciplinary action. Motion carried.

(3-2) **Scott Vollmer**
Case No. 03.051.S

8:50 a.m. – 8:55 a.m.

Ms. Kindred-Kipling explained the details of the settlement agreement. Ms. Kindred-Kipling was questioned by Commissioners Stefan and Kinkade. Commissioner Bailey moved to accept the stipulation for settlement of disciplinary action. Seconded by Commissioner Papez. Motion carried.

(4*) Commission/Division Business:

(4- 1) Discussion regarding Attorney General case status report

Kateri Cavin gave a summary of this report. Gina Session provided clarification on the Himes v. Stephens case in answer to a question from Gail Anderson as to the next avenue of appeal.

(4-9) Discussion and possible action on proposed changes, additions and deletions to NAC Chapter 645C, LCB File No. R158-05, including review of public comments from regulation workshop held January 11, 2006.

Brenda Kindred-Kipling explained that the commission can still make changes before the final adoption, which will be on the June 2006 meeting agenda.

Ms. Kindred-Kipling suggested areas of the regulations for the Commission to consider changing:

- NAC 645.400 should be changed to read 2006.
- Set a standard rate of 75% for passing pre-licensing course exams. This also can be addressed at the adoption hearing in June.
- Remove ACE Credit as a distance education course delivery mechanism approval body. Section 645C.248.2.
- Add a regulation stating that a supervisor cannot charge an intern for the internship program. Discussion ensued. Ms. Kindred-Kipling agreed to check other state regulations and provide the information to the Commission before the June hearing.

Ms. Anderson discussed the regulation adoption process.

President Huber asked about regulations pertaining to the process for an intern to change supervisors, specifically the 30 day period for interns to find a new supervisor. Discussion ensued. Ms. Kindred-Kipling stated that she would prefer to wait until the licensing manager can participate in the discussion to clarify any issues that would impact that department. Ms. Anderson stated the issue is addressed in NRS 410. Consensus was that some of the language in NRS 410 needs to be changed.

Commissioner Kinkade stated that she would like to discuss the selection process for the Appraisal Advisory Review Committee, NAC 645C.600-620. Commissioner Papez stated the qualifications are located in NRS 645C.190.(3). Commissioner Kinkade stated her concern is the process for checking the qualifications for a potential candidate. Ms. Kindred-Kipling and Ms. Anderson explained the process for selecting ARC members.

Commissioner Stefan stated that he has some concerns about high rise condo projects being built on commercial lands. Commissioner Stefan stated that mortgage companies are having trouble getting certified generals to appraise them because of the zoning requiring the “highest and best use” analysis. Discussion ensued. Brenda Kindred-Kipling stated statute NRS 280 governs that. Ms. Kindred-Kipling stated that if they can get a certified general appraiser to review the highest and best use and determine that it is residential, then the report can be completed.

(5*) Education

Continuation of item 6b on the Discussion Agenda:

Brenda Kindred-Kipling stated she is setting up a meeting with education providers, one in the north and one in the south. Ms. Kindred-Kipling further stated that new applications for education providers have been created.

Commissioner Stefan suggested that the class discuss federal regulations until the Nevada regulations are set.

Commissioner Bailey moved to approve item 6b. Seconded by Commissioner Kinkade. Discussion ensued. Ms. Kindred-Kipling stated that this will be a continuing education class credit. The class provider was present and commented on the course details. The provider stated that all classes are audio recorded. The class provider stated that the course will be offered for free until approximately mid-2007. Motion carried.

(5-7) McKissock Appraisal School

- a) Environmental Pollution: Mold & Air Quality, 2 hours**

Discussion ensued. Brenda Kindred-Kipling stated it can't be approved yet as the provider has no AQB approval yet. Commissioner Kinkade moved to table approval of this class. Seconded by President Huber.

(5-8) Lied Institute for Real Estate Studies

- a) Time, Place and Manner – Standards for Sign Regulation and Federal Compensation requirements, 4 hours**
- b) Designing Effective Signage and Protecting the Right to Use it, 4 hours**
- c) Protections and Compensations for the Value of Signage Under Federal Law, 4 hours**

**d) The Sign Valuation Process
and Damage Calculations, 4 hours**

Discussion ensued. Commissioner Papez moved to approve. Seconded by Commissioner Bailey. Motion carried.

**(5-9) Nevada Real Estate Division
a) Supervisor/Intern Training Course, 3 hours**

Commissioner Bailey moved to approve. Seconded by Commissioner Kinkade. Motion carried.

Mr. Dutch questioned if this course was put out for RFP competitive bid and if there would be a charge for the course. Gail Anderson stated that it was a course developed by the Division. Brenda Kindred-Kipling stated there will never be a charge for the course. Ms. Anderson stated that the commission would decide if the course would become mandatory for supervisors.

(4*) Commission/Division Business

(4-2) Discussion regarding Appraisal Officer current case load.

Brenda Kindred-Kipling presented a summary of this report, stating that there are approximately 90 cases.

(4-3) Discussion regarding Disciplinary report.

Joanne Gierer gave a summary of this report. Commissioner Kinkade stated that she would like feedback on whether fines are being paid on time. Gail Anderson gave an overview of the fines receivable process. Ms. Anderson stated that the Commission could be provided with reports that are public records.

(4-4) Discussion regarding Administrator's Report on personnel update.

Gail Anderson gave a summary of this report. Discussion ensued.

(4-5) Discussion and possible action on minutes for September 13, 2005 meeting.

Commissioner Stefan moved to approve the minutes as presented. Seconded by Commissioner Kinkade. Motion carried.

(4-6) Discussion and possible action on minutes for October 17, 2005 meeting.

Commissioner Kinkade moved to accept as presented. Seconded by Commissioner Bailey. Motion carried.

(4-7) Discussion and possible action on minutes for December 6, 2005 meeting.

President Huber questioned page 13, under discipline, "President Huber moved..." stating that when chairing she rarely makes motions, and wondered if another Commissioner made the motion. President Huber asked the Division to check the record and revise if necessary. Commissioner Bailey moved to accept as amended. Seconded by Commissioner Kinkade. Motion carried.

(4-8) Discussion and possible action regarding proposed changes for the 2007 Legislative Session.

Gail Anderson presented information on amendments that she will ask for in upcoming legislation:

- An amendment in all chapters of law relating to confidentiality in investigations, so that the Division can share information with law enforcement agencies.
- An amendment relating to all licensees convicted of a felony, requiring that the Division be notified of the felony conviction within 10 days.
- Director Wycliffe would like an amendment increasing maximum fines from \$1,000 to \$10,000. Discussion ensued. Consensus among Commissioners was agreement to raise the fines.

(4-10) Discussion regarding the proposed revisions to Title XI – Real Estate Appraisal Reform Amendments” US House of Representatives Bill HR 1295.

Ms. Kindred-Kipling stated that at this time she has no further information on this issue and should have more by the June meeting.

(4-11) Commissioner comments.

Commissioner Bailey stated that the June meeting will be his last as his term is expiring.

Commissioner Kinkade expressed concern for continuing education credit at meetings since there is no monitoring for the actual time attendees are in the room. Commissioner Kinkade requested that someone proctor the sign-in sheets and suggested volunteers be recruited for this task. Ms. Anderson stated that in the north Ms. Kindred-Kipling’s assistant is available to do it. Commissioner Kinkade stated that she has received some comments from the industry and has some notes and ideas regarding the website and will be sending those to the Division. Commissioner Kinkade stated she wanted to thank Ms. Kindred-Kipling for getting the course outline together for the Commission.

President Huber thanked the Division for getting the agenda distributed to the Commissioners in ample time and precisely done and stated that it was very helpful.

(4-12) ACTION ON DATE, TIME, PLACE AND AGENDA ITEMS FOR UPCOMING MEETING (S).

Ms. Kindred-Kipling stated that the next meeting will be June 20-22, 2006 in Carson City. The Commissioners decided that the adoption hearing for regulations will be on the first day, 8:30 a.m., June 20, 2006.

Ms. Cavin suggested that hearing respondents be noticed for 8:30 a.m. on June 20, then Ms. Session can communicate with the respondents and/or their attorneys for specific time frames.

Ms. Anderson stated that the Legislative item will always be on agenda until June 2007.

(6*) PUBLIC COMMENT:

Mike Brunson recognized that the last couple of days have been intense and thanked the

Commission for their objectivity. Mr. Brunson stated that he saw a lot of focus on ownership and that there are no uniform standards required to address ownership and that is irrelevant to market value. Mr. Brunson also stated that the purchase contract is irrelevant to an objective analysis and appraisal. Mr. Brunson stated that a focus on the neighborhood and proximity is not as important as market area and the relevant purchaser base value. Mr. Brunson expressed concern about HR1295 and suggested the Commissioners read section 1122.D on discrimination, stating that it appears to limit appraisers not affiliated with a professional organization.

David Roberts questioned work hours and classroom time relative to trainees transferring to new supervisors. President Huber stated Ms. Kindred-Kipling would be able to answer that question.

Ron Limneos expressed concern regarding interns who have passed the exam and are waiting for background investigations to be completed. Mr. Limneos requested the issue be addressed to see if possibly the time frame could be shortened. Ms. Anderson gave some explanation regarding the process.

Bob Steffan, an instructor, and employee of the Clark County Assessor's office, stated that it may be possible for a person to renew their intern license and continue working while waiting for the background check to be completed.

Carl Dutch asked, because of the backlog waiting for background checks, how early does someone have to submit prior to January 1, 2008, to go under the new criteria. Ms. Kindred-Kipling stated the Division will address this issue as soon as the policy is determined.

Tom Campoli stated that every day he battles with his customers, such as lenders and mortgage companies, in conflict with ethics. Mr. Campoli would like to see a similar body (commission) to govern them.

Dave Roberts stated that supervisors should be compensated for their time and that he feels the trainee is asking for services. Mr. Roberts stated that the supervisor is losing money for turning over workload to a trainee, then getting nailed for intern issues.

(7*) **ADJOURNMENT:**

President Huber adjourned the meeting at 11:15 a.m.

Respectfully submitted,

Linda Pierson
Commission Coordinator