

**BOARD OF REAL ESTATE APPRAISERS MEETING  
February 8, 2008**

**MINUTES – INDEX**

	<b><u>PAGE #</u></b>
<b>ADJOURN</b>	<b>6</b>
<b>COMPLAINT INVESTIGATIONS:</b>	<b>4</b>
Case # 8035 9465	
Case # 8035 9464	
Case # 8035 9059	
Case # 8035 7859	
Case # 8055 005	
Case # 8035 8821	
Case # 8035 9282	
Case # 8035 8820	
Case #8035 9283	
<b>EXECUTIVE SESSION</b>	
Minutes Approval – January 11, 2008	<b>2</b>
February 8, 2008	<b>5</b>
Minutes and Attestations	<b>7</b>
<b>ORDER OF BUSINESS BY THE CHAIR:</b>	
Call to Order, Roll call, Determine Quorum	<b>2</b>
Minutes Approval	<b>2</b>
Citizen Participation	<b>2</b>
<b>POLICY MATTERS:</b>	
General Updates	<b>3</b>

# MINUTES

## BOARD OF REAL ESTATE APPRAISERS

February 8, 2008  
Colorado Division of Real Estate  
1560 Broadway, Suite 925  
Denver, CO 80202

A meeting of the Colorado Board of Real Estate Appraisers was held on Friday, February 8, 2008, at 1560 Broadway, Suite 925, Denver, Colorado at 9:00 a.m.

Notice of the meeting was published timely and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

### **ORDER OF BUSINESS BY THE CHAIR:**

#### **Call to Order, Roll call, Determination of a Quorum-**

The meeting was called to order at 9:02 a.m. Chair Thomas Fellows made a quorum determination.

**Board Members in attendance:** Chair Thomas Fellows, Michael Morton, Tony Navarro, Zach Urban, and David Kelly. Vice-Chair Karen Tool and Keren Prior attended via telephone.

Also attending were Marcia Waters, Investigations and Compliance Director, Mike Beery, Board of Real Estate Appraiser Program Manager, Lisa Brenner Freimann, Assistant Attorney General, and several members of the Board's staff. The meeting was open to the public, and several members of the public attended.

#### **Minutes Approval:**

After review, Zach Urban moved and David Kelly seconded the motion to approve the Minutes of January 11, 2008.

#### **Motion unanimously carried.**

#### **Executive Session Minutes:**

After review, the Board acknowledged and approved the Executive Session Minutes from the January 11, 2008 meeting.

#### **Citizen Participation:**

Chairperson Fellows introduced Lou Garone and Joe O'Dorisio, previous board members attending the meeting.

## **ORDER OF BUSINESS:**

### **Policy Matters, Updates and Information**

Mr. Beery updated the Board on the continuing education audit. The Division has mailed 200 continuing education audit letters. Audit results should be available at the next meeting.

Mr. Beery reported on case management issues. A case management report was sent to the ASC. We have reduced the number of cases that are greater than one year old by 32% since the ASC follow-up audit in September. We continue to make progress in this area.

Mr. Beery reported on the reporting of disciplinary actions to the ASC for the National Registry. The Division has implemented a procedure to send automatically a report to the ASC each time a stipulation is signed.

Mr. Beery updated the Board on the mass appraisal audit. A letter was sent to the ASC asking for the ability to audit certified appraisers who have mass appraisal experience. The ASC Policy Manager told the Appraiser Program Manager to move forward with the audit. The audit should be completed by April 30, 2008.

Mr. Beery discussed the possibility of rescheduling or cancelling April's Board Meeting. April's meeting currently is set on the same date as the AQB meeting in San Francisco and the ARRO meeting also is in April. The Board discussed that cancelling the April meeting might be a problem because proposed legislation might require comment from the Board. Staff reported that legislation relating to appraisal problems with valuing conservation easements is likely to be introduced. Due to the Board's concern with cases and proposed legislation impacting April's meeting, the cancellation of the meeting will be discussed further at the next meeting.

Mr. Beery updated the Board on case status. Twelve cases were received in January. We have 83 cases currently assigned for investigation. All of the cases are less than a year old and most are less than six months.

Mr. Beery reported that the Division will be having another 'lock in date' on February 29, 2008. Appraiser volunteers will help review appraisals related to applications for credential upgrades.

Mr. Beery reported on Pueblo real estate broker, Maurice Goring. An article in the Pueblo Chieftain indicates that Mr. Goring was convicted on two counts of racketeering. The appraiser involved in the case was Alvin Jack Woolford. Mr. Woolford signed a voluntary surrender agreement that was equivalent to revocation of his license.

## **COMPLAINT INVESTIGATIONS:**

Two cases against the same respondent (Future Davis, Investigator)  
Case No. 8035 9465 New Case No. 2007081183  
The report alleges violations of Standard 1-1(a), 1-1(b), 1-4, and 2-1(a).

Case No. 8035 9464 New Case No. 2007081182  
The report alleges violations of Standard 1-1(a), 1-1(b), 1-4, and 2-1(a).  
Mike Beery presented this matter to the Board.

Mr. Morton moved and Mr. Kelly seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law occurred in Case Number 80359465 and 80359464. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 6 disciplinary case (up to 6-month suspension, up to \$14,000 fine, up to 75 hours of qualifying education within allotted timeframe, up to 20 appraisals under a supervisor approved by the Board while acting as an unlicensed assistant, while suspension is in effect).

### **Motion unanimously carried.**

Case # 8035 9059 New Case No. 2007060781 (Future Davis, Investigator):  
Mike Beery presented this matter to the Board. The report alleges violations of Standard 1-4, 2-1(a), 3, 3-1(e), and 3-1(g).

Mr. Kelly moved and Mr. Navarro seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law have occurred in Case Number 80359059. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 4a disciplinary case (\$1,000 to \$2,000 fine with appropriate course work).

### **Motion unanimously carried.**

Case # 8035 7859 New Case No. 2007060794 (Chris Stanley, Investigator):  
Mike Beery presented this matter to the Board. The report alleges violations of the USPAP Standards Conduct Section Rule and Competency Rule; Standard 1-1(a), 1-1(b), 1-1(c), 1-2(e), 1-4(a), 1-4(b), 1-5(b), 12-61-710(1)(h), C.R.S., and Board Rule 1.13.

Mr. Kelly moved and Mr. Navarro seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law have occurred in Case Number 80357859. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 5 disciplinary case (\$2,000 to \$14,000 fine and course work).

### **Motion unanimously carried.**

Case # 805 5005 New Case No. 2004070553 (Christ Stanley, Investigator):

Mike Beery presented this matter to the Board. The report alleges violations of the USPAP Standards Competency Rule; Standard 1-1(a), 1-1(c), 1-3(a), 1-4(a), 1-5(a), 2-2(b)(ix), 12-61-710(1)(h), C.R.S., Board Rule 1.13 and Board Rule 11.2.

Mr. Urban moved and Mr. Navarro seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law have occurred in Case Number 8055005. The Board voted to refer the case to hearing with a settlement offer consistent with a Level 5 disciplinary case (\$2,000 to \$14,000 fine and course work).

**Motion unanimously carried.**

Mr. Kelly recused himself from discussion or voting on the four cases below.

Mike Beery presented this matter to the Board.  
(Chris Stanley and Carl Hegewald Investigators)  
Case # 8035 8821 New Case No. 2007040538  
Case # 8035 9282 New Case No. 2007081003  
Case # 8035 8820 New Case No. 2007040537  
Case # 8035 9283 New Case No. 2007081004

These four cases involve the same complainant and two respondents. The report alleges violations of the USPAP Standards Conduct Section Rule, Competency Rule, Scope of Work, Supplemental Standards; Standard 1-1(a), 1-1(b), 1-1(c), 1-2(a), 1-2(b), 1-2(c), 1-2(e), and 1-4(a)

Mr. Morton moved and Mr. Urban seconded that the Board find that reasonable grounds exist to believe that violations of appraisal law have occurred in Case Numbers 80358821, 80359282, 80358820, and 80359283. The Board voted to refer the cases to hearing with a settlement offer consistent with a Level 5 disciplinary case (\$2,000 to \$14,000 fine and course work).

**Motion unanimously carried.**

**EXECUTIVE SESSION**

Mr. Navarro moved that the Board of Real Estate Appraisers enter into executive session pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(II) and (III) to discuss with the Board's attorney the status and strategy of disciplinary cases referred to the alternative diversion program, expedited settlement procedure or hearing by the Board and that are the subject of pending or imminent litigation and other attorney-client privileged communications at 11:30 a.m. Mr. Morton seconded the motion and the Board entered into Executive Session.

**Motion unanimously carried.**

The Board re-entered open session at 12:12 p.m.

**ADJOURN:**

The Colorado Board of Real Estate Appraiser's meeting adjourned at 12:13 p.m. on February 8, 2008.

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Thomas Fellows, Chair

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Karen Tool

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David Kelly

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Michael Morton

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Tony Navarro

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Keren Prior

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Zach Urban

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Erin Toll, Director  
Colorado Division of Real Estate

## **EXECUTIVE SESSION MINUTES**

After a two-thirds majority vote and pursuant to §24-6-402(3)(A)(II), C.R.S., the Colorado Board of Real Estate Appraisers held Executive Sessions during its regular public meeting held on February 8, 2008. The Board publicly announced the subject matter of the Executive Sessions, which was to confer with the Board's attorney regarding the status and strategy of disciplinary cases referred to the alternative diversion program, expedited settlement procedure or hearing by the Board and that are the subject of pending or imminent litigation, continuing education issues and other attorney-client privileged communications.

## **ATTESTATIONS**

Pursuant to § 24-6-402(2)(d.5)(I)(B), C.R.S., as counsel for the Board, I attest that it is my opinion that all matters discussed during the executive sessions of the Colorado Board of Real Estate Appraiser's meeting held on February 8, 2008, constituted privileged attorney-client communications and, therefore, the contents of such discussions neither are reflected within these minutes nor is the content of such discussions maintained in electronically recorded format.

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Lisa Brenner Freimann #31175  
Assistant Attorney General  
Attorney for the Colorado Board of Real  
Estate Appraisers

Pursuant to §24-6-402(2)(d.5)(I)(B), C.R.S., as Board Vice Chair I attest that the executive sessions of the Colorado Board of Real Estate Appraisers held on February 8, 2008, was confined to the topic authorized for discussion pursuant to §24-6-402(3)(a)(II), C.R.S.

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Thomas Fellows, Chair  
Colorado Board of Real Estate Appraisers