

MINUTES
Texas Real Estate Commission
October 29, 2001
Conference Room 235, Texas Real Estate Commission
Austin, Texas

Chairman Michael Brodie called the regularly scheduled meeting of the Texas Real Estate Commission to order at 9:00 a.m., Monday, October 29, 2001. In addition to Chairman Brodie, members present were Kay Sutton, James Austin, Louise Hull, Larry Jokl, Mick Cantu and John Walton. Maria Gil and Paul Jordan were absent.

Staff present were: Wayne Thorburn, Administrator; Sabrina Hassumani, Assistant Administrator; Mark Moseley, General Counsel; Alan Waters, Director of Staff Services; Loretta DeHay, Director of Enforcement; Glen Bridge, Director of Information Services; Gwen Jackson, manager of the Education section; Michelle Bowens, manager of Licensing section; Lorie Deanda, manager of the Communication section; and Patricia Holder, Executive Assistant.

The Chairman led the attendees in the pledge of allegiance.

Chairman Brodie moved to agenda item two, minutes of the September 10, 2001 Commission meeting. Ms. Sutton, seconded by Mr. Jokl, moved to approve the minutes with a correction to the future meeting dates changing the February 7, 2002 date to February 4, 2002. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item three, staff reports; committee reports; report on ARELLO annual conference. Ms. Hassumani reported on the various licensing and education reports. Ms. Hassumani introduced a new employee in the licensing department, Toshuawa Rogers.

Ms. DeHay, Director of Enforcement, reported on the complaint statistics for the previous month and introduced Jannell Senn, a new staff attorney.

Mr. Bridge, Director of Information Services, introduced Bill Atkinson, the new manager of operations. Mr. Bridge reported on the increase in the use of the web site and discussed the use of the TREC Fax service.

Mr. Waters introduced two new employees, Yvette Rendon and David Howard. Mr. Waters reported that the payments out of the Real Estate Recovery Fund for fiscal year 2001 were at a record low for the past ten years. He also reported that the State Auditor's Office had reviewed the Texas on-line system used by licensees renewing on-line.

Mr. Thorburn reported that a "Request for Proposals Concerning Examination Services" had been distributed on October 15, 2001 and explained the current time-table regarding submissions. Mr. Thorburn recognized Esta Hardy, TREC coordinator for the State Employee Charitable Campaign for 2001, for her outstanding work in organizing activities and promoting participation during the campaign month. Mr. Thorburn reported that he had represented Commissioner Jokl at the Texas Association of Realtors' relocation committee task force meeting in September.

Mr. Thorburn recognized two TREC employees for 25 years of service. Mr. Waters presented a certificate of recognition to Nancy Guevremont, the Human Resources director and Ms. Bowens presented a certificate of recognition to Susie De La Rosa, licensing department.

Ms. Sutton reported on the Association of Real Estate License Law Officials (ARELLO) meeting held in Memphis, TN. Mr. Thorburn announced that the TREC had received first place awards in two categories of the Communications Excellence Award; for newsletter and web site. Ms. Hassumani presented the award for newsletter to Patricia Holder, TREC*Advisor* editor and Mr. Bridge presented the award for web site to Paul Simpson, TREC web site programmer.

Ms. Hull reported on her attendance at the AMPI meeting and the efforts of that organization to develop a license law in Mexico.

Chairman Brodie moved to agenda item four, general comments from visitors. There were no comments from members of the public.

Chairman Brodie moved to agenda item five, discussion and possible action to adopt: (a) amendments to 22 TAC §§537.11, 537.21, 537.22, 537.28, 537.33, 537.37, 537.41, 537.45 and 537.46; new §537.47 and §537.48. and repeal of §537.29 and 537.38, concerning standard contract forms; (b) amendment to 22 TAC §535.215, concerning inactive inspector status. Mr. Moseley presented agenda item 5(a) for discussion and possible action to adopt. Avis Wukasch, broker member of the Broker-Lawyer Committee, explained the process followed in revising these contracts and addenda. She also presented a summary of the changes that had been made in the forms. Mr. Moseley presented a group of comments that had been received after the last Broker-Lawyer Committee meeting. After discussion, Mr. Walton, seconded by Ms. Sutton moved to adopt the amendments to 22 TAC §§537.11, 537.21, 537.22, 537.28, 537.33, 537.37, 537.41, 537.45 and 537.46; new §537.47 and §537.48. and repeal of §537.29 and 537.38, concerning standard contract forms with an effective date of February 1, 2002. The motion was adopted by unanimous vote.

Mr. Moseley presented agenda item 5(b) for discussion and possible action. After discussion, Ms. Sutton, seconded by Mr. Walton, moved to adopt the amendment to 22 TAC §535.215, concerning inactive inspector status. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item six, discussion only of proposed amendment to 22 TAC: (a) §535.72, concerning reporting of MCE course completion; (b) §535.208 and §535.400, concerning online license and registration applications. Mr. Moseley presented the agenda items for discussion.

The Chairman moved to agenda item seven, discussion and possible action to approve the annual internal audit report. Mr. Waters introduced Rene Gonzalez of Garza, Gonzalez and Associates. Mr. Gonzalez made a presentation regarding the annual internal audit report. After discussion, Ms. Sutton, seconded by Mr. Austin, moved to approve the report as presented. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item eight, discussion and possible action to make appointments to Texas Real Estate Broker-Lawyer Committee. The Chairman stated that out of the twenty-nine applicants,

three individuals had been interviewed during the meeting held October 28, 2001. Mr. Jokl, seconded by Ms. Hull, moved to appoint Rob Orr of Burleson and Norman Dierschke of San Angelo to the Broker-Lawyer Committee. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item nine, discussion and possible action to authorize director of enforcement to file complaints and initiate investigations under Texas Civil Statutes, Article 6573a, §15B(e). Mr. Moseley presented the agenda item for discussion and possible action. After discussion, Mr. Austin, seconded by Ms. Sutton, moved to allow the director of enforcement to file complaints and initiate investigations concerning violations of 22 TAC §535.91(a), failure to provide information in connection with a license renewal and 22 TAC §535.92(f), failure to complete the required Mandatory Continuing Education hours needed to renew a license within the time required by the rule. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item ten, complaint matters and contested cases. Ms. DeHay requested authorization to initiate investigations on the following persons for failure to provide information in connection with their license renewals: Joseph N Okojie; Jennifer Suzanne Somma; and Billy Tab Weaver. Ms. Sutton, seconded by Mr. Walton, moved to authorize initiating the investigations. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization to initiate an investigation of Gwynn Teal Carpenter for paying a commission to or associating with an unlicensed person in violation of Sections 15(a)(6)(F) and (S) of the Real Estate License Act. After discussion, Mr. Jokl, seconded by Mr. Austin, moved to authorize the investigation. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization to initiate investigations on the following persons for failing to complete their Mandatory Continuing Education hours or pay the \$200 fee needed to renew a license within the time required by the rule: Thomas Matthew Echols, Jr.; Marcella Ann Hallee; Tracy Evan Hammer; Nancy M. Hooker; Larry L. Jagours; Marilyn Jean Kasko; and William Roger Vanwyk. Ms. Sutton, seconded by Mr. Austin, moved to authorize initiating the investigations. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item eleven, entry of orders in contested cases. No orders were presented for entry.

Chairman Brodie moved to agenda item twelve, executive session to discuss pending litigation pursuant to Texas Government Code, § 551.071, consider evaluation of the administrator under Texas Government Code, §551.074(a)(1) and, if necessary, to receive legal advice from general counsel on posted agenda items under Texas Government Code, §551.071. The executive session began at 10:05 a.m. The executive session ended and the open meeting resumed at 10:22 a.m.

Chairman Brodie moved to agenda item thirteen, discussion and possible action to authorize payments from the recovery funds or other action on items considered in executive session. Mr. Moseley presented the following claims to be paid without contest:

RF 02-001, Randall Young v. Wanda Ragsdall, in the amount of \$30,000 in actual damages and \$20,000 in attorney fees. Mr. Austin, seconded by Ms. Sutton, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-002, Estavez-Monroe Real Estate Company v. Rick O'Con, in the amount of \$18,256 in actual damages and \$1,500 in attorney fees. Ms. Sutton, seconded by Mr. Austin, moved to approve payment. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item fourteen, scheduling of future meetings. After discussion, it was decided that in addition to the meetings scheduled for December 3, 2001 and February 4, 2002 in Austin, meetings would be scheduled for April 10, 2002 in Fort Worth, and June 3, 2002, July 15, 2002 and September 9, 2002 in Austin. The Chairman adjourned the meeting at 10:30 a.m.

APPROVED this the 3rd day of December, A.D. 2001.

C. Michael Brodie
Chairman

ATTEST: _____
Wayne Thorburn
Administrator