

MINUTES
Texas Real Estate Commission
April 10, 2002
Radisson Plaza Hotel
815 Main Street
Crystal Room B
Fort Worth, TX

Chairman Michael Brodie called the regularly scheduled meeting of the Texas Real Estate Commission to order at 2:35 p.m., Wednesday, April 10, 2002. In addition to Chairman Brodie, members present were Kay Sutton, James Austin, Louise Hull, Larry Jokl, Maria Gil, Mick Cantu and Paul Jordan. John Walton was absent.

Staff present were: Wayne Thorburn, Administrator; Sabrina Hassumani, Assistant Administrator; Loretta DeHay, General Counsel; Linda Bayless, Director of Enforcement; Karen Alexander, Chief Accountant, Staff Services; Glen Bridge, Director of Information Services; 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 February 11, 2002 Commission meeting. Mr. Sutton, seconded by Ms. Gil, moved to approve the minutes as mailed. The motion was adopted by unanimous vote. The Chairman introduced Wallace Collins, former Administrator of the Texas Real Estate Commission.

Chairman Brodie moved to agenda item three, monthly staff reports; committee reports. Ms. Hassumani introduced Linda Bayless the new Director of Enforcement and Tadas Dabsys the agency contact with PSI, the new testing company. Ms. Hassumani gave a review of the various licensing reports. She also reported that the number of licensees was at its highest for the past five years.

Ms. Bayless, reported on the Enforcement division's complaint statistics and administrative actions for the previous month. Ms. Bayless introduced the investigators for the Dallas-Ft. Worth area, Dick Clark, Terrie Coffman and Larry Cook. She also introduced Katherine Martin, the investigator for the Austin area. Ms. Bayless reported that a new attorney, Lynn Latombe, had joined the staff.

Ms. Alexander, Chief Accountant, relayed information contained in the State Auditor's recent report on TexasOnline payments. She also reported on the maturation of two securities and their reinvestment. Ms. Alexander reported on a statewide salary parity study being conducted by the State Auditor's Office on accounting positions.

Mr. Bridge, Director of Information Services, reported on the statistics concerning online applications and online renewals for the calendar year. There was discussion concerning the online application process.

Chairman Brodie moved to agenda item four, general comments from visitors. Comments were offered by Mark Conner concerning licensee addresses being available to the public.

Mr. Brodie moved to agenda item five, discussion and possible action to propose (a) amendments to 22 TAC §535.101, concerning fees; (b) amendments to 22 TAC §535.210, concerning fees; (c) amendment to 22 TAC §533.38, concerning practice and procedure; (d) amendment to 22 TAC §535.63, concerning education and experience requirements for a license; (e) amendment to 22 TAC §535.65, concerning education and experience requirements for a license; and (f) amendment to 22 TAC §535.218, concerning inspector continuing education.

Ms. DeHay presented agenda item five (a) for discussion and possible action. Mr. Austin, seconded by Ms. Sutton

moved to propose the amendment to 22 TAC §535.101 concerning fees for real estate brokers and salespersons as submitted by staff. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item five(b) for discussion and possible action. Ms. Sutton, seconded by Ms. Hull, moved to propose the amendment to 22 TAC §535.210 concerning fees for inspectors as submitted. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item five (c) for discussion and possible action. Ms. Gil, seconded by Ms. Hull, moved to propose the amendment to 22 TAC §533.38 concerning practice and procedure as submitted by staff. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item five(d) for discussion and possible action. Mr. Cantu, seconded by Ms. Sutton, moved to propose 22 TAC §535.63 concerning education and experience requirements for a license as submitted by staff. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item five(e) for discussion and possible action. Ms. Gil, seconded by Ms. Sutton, moved to propose the amendment to 22 TAC §535.65, concerning education, experience, educational programs, time periods and type of license as submitted by staff. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item five(f) for discussion and possible action. Ms. Gil, seconded by Ms. Sutton, moved to propose the amendment to 22 TAC §535.218, concerning inspector continuing education as submitted by staff. The motion was adopted by unanimous vote.

Mr. Brodie moved to agenda item six, discussion of comments on the reviews of (a) Chapter 531: Canons of Professional Ethics and Conduct for Real Estate Licensees; (b) Chapter 533: Practice and Procedure; (c) Chapter 534: General Administration; (d) Chapter 537: Professional Agreements and Standard Contracts. No comments had been received on the rule reviews.

Chairman Brodie moved to agenda item seven, discussion and possible action to reappoint Alan Waters to approve vouchers under Government Code §2103.061 and to act as investment officer. Ms. Alexander presented the agenda item for discussion and possible action. Mr. Austin, seconded by Ms. Hull moved to reappoint Alan Waters to approve vouchers and to act as investment officer for TREC. The motion was adopted by unanimous vote.

The Chairman moved to agenda item eight, discussion and possible action to appoint one member of the Texas Mortgage Broker Committee. Mr. Thorburn presented the agenda item for discussion and possible action. After discussion, Ms. Sutton, seconded by Ms. Gil, moved to reappoint Ron Wakefield to a 3 year term on the Texas Mortgage Broker Committee. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item nine, discussion and possible action on Strategic Plan for 2003-2007. Ms. Hassumani presented a report on the progress of developing the Strategic Plan for 2003-1007. She stated that the document was due by June 15, 2002 and a draft would be submitted at the next commission meeting for approval. No action was taken on this matter.

Mr. Brodie moved to agenda item ten, discussion and possible action regarding Administrator's analysis of impact of relocating 15 of TREC's employees currently located at the Austin headquarters to a site outside of the Austin city limits. Chairman Brodie reported that during the appropriation hearings last session, a rider had been added which required 15 TREC employees be moved outside of Austin to help lower leasing costs.

Mr. Thorburn presented his report concerning this directive showed that it would be more cost effective and efficient to keep all TREC employees at the Austin Headquarters. After discussion, Mr. Jokl, seconded by Ms. Gil, moved to approve and endorse the report.

The Chairman moved to agenda item eleven, Consideration of complaint information. Ms. Bayless requested authorization to initiate an investigation of Janet Lee Adams, Nichelle Catrice Coleman, Billie Sherrill Reynolds, Clement Dion Rolfe and Maria Elena Weathers for failure to provide information in connection with their license renewals as required by 22 TAC §535.91(a). Ms. Sutton, seconded by Ms. Gil, moved to authorize the investigation. The motion was adopted by unanimous vote.

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

Chairman Brodie moved to agenda item thirteen, executive session to discuss pending litigation pursuant to Texas Government Code, § 551.071 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 3:27 p.m. The executive session ended and the open meeting resumed at 3:53 p.m.

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

RF 02-009, Alejandro Perez v. Lomax Segura, in the amount of \$25,000 in actual damages and \$4,500 in attorney fees. Ms. Sutton, seconded by Ms. Gil, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-011, R.C. and Beverly Simmank v. Dennis Rodney Bailey, in the amount of \$34,760 in actual damages. Ms. Gil, seconded by Ms. Sutton, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-012, Kirk and Glenda Joubert v. Dennis Rodney Bailey, in the amount of \$8,197 in actual damages. Ms. Gil, seconded by Mr. Hull, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-013, Wardell and Marjorie Lashley v. Linda Rivers, in the amount of \$19,500 in actual damages and \$30,500 in attorney fees. Mr. Austin, seconded by Mr. Jokl, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-014, Frederick and Marvelous Stennis v. Judy Trevino Cervenka , in the amount of \$19,000 in actual damages and \$31,000 in attorney fees. Mr. Jordan, seconded by Mr. Jokl, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-016, Carlos and Leonor Espinosa v. Jose Hernandez, in the amount of \$1,800 in actual damages and \$1,000 in attorney fees. Ms Hull seconded by Mr. Jokl, moved to approve payment. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item fifteen, scheduling of future meetings. Meetings were previously scheduled for June 3, 2002, July 22, 2002 and September 9, 2002. After discussion, future meeting dates were scheduled for November 4, 2002, January 6, 2003 and February 24, 2003. The Chairman adjourned the meeting at 4:00 p.m.

APPROVED this the 3rd day of June A.D. 2002.

C. Michael Brodie
Chairman

ATTEST: _____
Wayne Thorburn
Administrator