

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

MINUTES OF THE TELEPHONIC MEETING

Thursday, October 5<sup>th</sup>, 2017

By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Certified Real Estate Appraisers was held telephonically on October 5<sup>th</sup>, 2017.

**Agenda Item #1**                      **Call to Order/Roll Call**    **9:09 a.m.**

The meeting was called to order at 9:09 a.m. by David Derry, Chair.

Those present, constituting a quorum of the Board:

- David Derry, Chair, Certified General Real Estate Appraiser
- Alfred Ferrara, Certified General Real Estate Appraiser
- Renee Piszczek, Mortgage Lending Member
- Donald Faulkenburry, Public Member (joined the meeting at 9:32 a.m.)

Division Staff present in the meeting:

- Doug Fell, Investigator

Present from the Public:

- No one from the public was present for the meeting.

**Agenda Item #2**

**Review Agenda**

**9:10 a.m.**

Chair, David Derry, prompted the Board to review the meeting agenda.

Mr. Derry suggested to add to their meeting agenda the preliminary report of their legislative sunset audit under New Business. Mr. Derry noted that since the report was not final, they Board would have to discuss it under executive session.

**On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:**

**RESOLVED to approve the Agenda as amended.**

Due to all members having issues in downloading the Board packet, Chairman Derry called for a short break.

*Chairman Derry called for a break at 9:13 a.m.*

*Off the record at 9:13 a.m.*

*Back on the record at 9:33 a.m.*

**Agenda Item #3**

**Review/Approve Minutes**

**9:33 a.m.**

Chairman Derry proceeded to the review of the Board's July 28<sup>th</sup>, 2017 meeting minutes.

Mr. Derry noted a few minor corrections, such as removing the word "teleconference" on first page, as the meeting was in person; on second page, one of the motions should be clarified as Alfred Ferrara who

made the motion, not Donald Faulkenburry; and on page fourteen, he clarified that he was the only appraiser from the Kenai Peninsula who attended the course, not the only appraiser overall.

**On a motion duly made by Robert Tracy, seconded by Renee Piszczek, and approved unanimously, it was:**

**RESOLVED to approve the meeting minutes as amended.**

The Board then proceeded to review their August 29th, 2017 meeting minutes.

**On a motion duly made by Donald Faulkenburry, seconded by Robert Tracy, and approved unanimously, it was:**

**RESOLVED to approve the meeting minutes as drafted.**

**Agenda Item #4                      Ethics Disclosure/Review Ethics                      9:38 a.m.**

There were no ethical issues to report.

**Agenda Item #5                      Board Business                      9:39 a.m.**

*Doug Fell, Investigator, joined the meeting at 9:39 a.m.*

*Doug Fell, Investigator, left the meeting at 10:30 a.m.*

With no ethics violations reported, the Board proceeded to the next item on their agenda; Board Business.

Applications Review

The Board reviewed the application submitted by Joshua Horan, who was approved to take the national exam during their July 28<sup>th</sup>, 2017 meeting.

**On a motion duly made by Alfred Ferrara, seconded by Robert Tracy, and approved unanimously via a roll call vote, it was:**

**RESOLVED to approve the general real estate appraiser certificate application submitted by Joshua Horan, pending satisfactory appraisal report.**

**Roll Call Vote:**

Board Member	Approve	Approve Pending	Deny	Recuse	Absent
David Derry		X			
Alfred Ferrara		X			
Robert Tracy		X			
Renee Piszczek		X			
Donald Faulkenburry		X			

**TASK:**

**Fred Ferrara will choose and review the appraisal report for Mr. Horan's application.**

**TASK:**

**Licensing Examiner will contact the applicant and request for the appraisal report that Mr. Ferrara will choose.**

Chairman Derry noted that per the instructions provided by Kristi Klamet, the State's Policy Manager from the Appraisal Subcommittee in July of 2017, the Board is suggested to review more than one appraisal report for initial certification applications. Mr. Derry instructed Mr. Ferrara to contact the licensing examiner to request for additional appraisal reports if he deemed it necessary, to which Mr. Ferrara agreed.

The next application reviewed by the Board is a reinstatement application submitted by Teresa Denton.

Chairman Derry asked the licensing examiner, Aiko Zaguirre, if there are any provisions within the Board's statutes and regulations for reinstatement. Ms. Zaguirre clarified that there are no requirements specified in the Board's statutes and regulations, however, according to the Division's centralized statute, AS 08.01.100(c), unless otherwise noted in the Board's regulations, only licenses that have lapsed for more than five years would need to re-apply again for certification or licensure. The Board can therefore, reinstate a certificate, given that it has not lapsed for more than five years and that the appraiser submits all the required documents, and pay the fees. Ms. Zaguirre noted that since the certificate has been lapsed for almost five years, she brought it to the Board for further consideration, however, if the certificate has not been lapsed long, she informed the Board that she can renew or reinstate it right away.

Mr. Derry asked Mr. Ferrara if he had any recollection of the Board reinstating a certificate in the past, to which Mr. Ferrara asserted. Mr. Ferrara recalled that the Board had previously reinstated an appraiser's certificate that has been lapsed for at least more than a year, but less than five years. Ms. Zaguirre asked Mr. Ferrara if he could provide her with the name of the certified appraiser so she can look more into it. Mr. Derry requested that the Board receive additional clarification before they approve Ms. Denton's reinstatement application.

**TASK:**

**Mr. Ferrara will email Ms. Zaguirre of the appraiser that the Board had previously reinstated.**

Ms. Zaguirre informed the Board that she will verify with her supervisor, Laura Carrillo, if whether or not the Board may reinstate without having any specific provisions for reinstatements.

On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and approved via a roll call vote, it was:

**RESOLVED** to table the reinstatement application submitted by Teresa Denton until the Board receives further clarification and/or legal opinion.

Board Member	Approve	Table	Deny	Recuse	Absent
David Derry		X			
Alfred Ferrara		X			
Robert Tracy				X	
Renee Piszczek		X			
Donald Faulkenburry		X			

Mr. Robert Tracy has recused himself from voting on Ms. Denton’s application due to a conflict of interest as he may potentially be working with the applicant.

Review of Continuing Education Course Applications

The Board proceeded to review the course approval applications that have initially been emailed to the Board prior to the meeting, as suggested by Chairman Derry.

On a motion duly made by Renee Piszczek, seconded by Alfred Ferrara, and approved unanimously via a roll call vote, it was:

**RESOLVED** to approve the following courses from CE Batch 080517:

- #16120 – “2017 Valuation Expo – Las Vegas”

- #16126 – “Solving Land Valuation Puzzles”
- #16127 – “Practical Applications in Appraising Green Commercial Properties”

**Roll Call Vote:**

Board Member	Approve	Table	Deny	Recuse	Absent
David Derry		X			
Alfred Ferrara		X			
Robert Tracy		X			
Renee Piszczek		X			
Donald Faulkenburry		X			

Review/Update Getting Started Document

After approval of continuing education course applications, the Board proceeded to the review of their getting started document.

Ms. Zaguirre asked the Board if whether or not a Bachelor’s Degree is required for an Institutional Certificate, as she has received an inquiry from an individual who is interested in applying for that type of appraiser certification. Ms. Zaguirre noted that only the State of Alaska has provisions for Institutional appraiser certification, which was why it is not clear as to whether or not the same minimum standards from the Appraisal Qualifications Board apply. Mr. Derry stated that as he reviewed the regulations for Institutional appraiser certification, there is nothing that specifically requires them to also have a bachelor’s degree, which is explicitly required for residential and general appraiser applications. The Board had a thorough discussion on the topic, and had agreed that per their current statutes and regulations, Institutional appraiser certification applications do not require a bachelor’s degree.

As a previous task, Ms. Zaguirre informed the Board that she amended the instructions page for certificate applications by examination, as the Board had an issue with an applicant who took the exam prior to submitting an application and getting approved for eligibility to sit for the test. Mr. Derry suggested to clearly state in the instructions by indicating the Board’s process in reviewing applications.

**TASK:**

**Licensing examiner will update the instructions page for certificate applications by examination to the correct Board review process.**

**Agenda Item #6**

**Investigations Report**

**9:28 a.m.**

With no other topics to discuss under Board Business, Chairman Derry prompted Doug Fell, the new Board's investigator, to present his report.

Mr. Fell read the investigations report that he forwarded to the licensing examiner that was included in the Board meeting packet. Mr. Fell reported that since July of 2017, one matter regarding an application issue was opened and closed, and two other matters are currently open and still under investigation.

After Mr. Fell's report, Mr. Derry suggested that he should take the Uniform Standards of Professional Appraisal Practice (USPAP) course, so that he would learn more about the appraisal profession, as this is where the program heavily relies on. Mr. Derry added that the Board can sponsor the course, and advised that he take the course in person, which is readily available in Anchorage. Ms. Zaguirre stated that she has a couple of copies of the 2017-2018 USPAP, which she can provide Mr. Fell with. Mr. Ferrara suggested that the Board should be able to supply all members and its staff a copy of the 2018-2019 USPAP material, given their current surplus.

Mr. Derry asked if this could be an option, and Ms. Zaguirre asked the Board if they can make a motion for her to submit to her supervisors for approval.

**On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved via a roll call vote, it was:**

**RESOLVED to provide all Board members and staff, namely the licensing examiner and investigator, a copy of the Uniform Standards of Professional Appraisal Practice Booklet, each time a new one is issued, as purchased with Board's funds.**

**Roll Call Vote:**

Board Member	Approve	Table	Deny	Recuse	Absent
David Derry		X			
Alfred Ferrara		X			
Robert Tracy		X			
Renee Piszczek		X			
Donald Faulkenburry		X			

**Agenda Item #7 Review of Renewal Audit Certificates**

**10:30 a.m.**

After their investigations report, and on voting to purchase USPAP booklets for the Board, they proceeded to review of continuing education certificates submitted by certificate-holders who have been randomly selected for audit.

For the record, Ms. Zaguirre stated that she had initially reviewed all certificates, and have provided the Board with a list of all individuals who have been randomly selected to be audited. Ms. Zaguirre also created an audit check sheet so that the Board would have a guide of what to look for in a particular audit packet.

The Board proceeded to review the renewal audit certificates of individuals subject to a random audit.

**On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved via a roll call vote, it was:**

**RESOLVED to approve the renewal audit certificates of the following certified appraisers:**

NAME
BRAD HIGGINBOTHAM
BRANDY EBER
CECILIA MENDONSA
DAVID WHITMORE
ELLIS HINES
ETTA TULL
FRANKLIN KING
GEOFFREY OLIVER
GERALD RANDALL
HEATH BROWN
HEATHER MARTIN
JAMES CANARY
KIRK OLSEN
MARJORIE BELLRINGER
STEVEN ZENKER
WILLIAM WESTOVER

**Roll Call Vote:**

Board Member	Approve	Table	Deny	Recuse	Absent
David Derry		X			
Alfred Ferrara		X			
Robert Tracy		X			

<b>Renee Piszczek</b>		<b>X</b>			
<b>Donald Faulkenburry</b>		<b>X</b>			

After a thorough review, the Board found some certified appraisers who have failed their random audit.

**On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and approved via a roll call vote, it was:**

**RESOLVED to deny the renewal audit certificates of the following certified appraisers:**

<b>NAME</b>
<b>DOUGLAS DELAGRANGE</b>
<b>JOHN EMERY</b>
<b>NANCY DAWN</b>
<b>SCOTT LANTTO</b>

**Roll Call Vote:**

<b>Board Member</b>	<b>Approve</b>	<b>Table</b>	<b>Deny</b>	<b>Recuse</b>	<b>Absent</b>
<b>David Derry</b>		<b>X</b>			
<b>Alfred Ferrara</b>		<b>X</b>			
<b>Robert Tracy</b>		<b>X</b>			
<b>Renee Piszczek</b>		<b>X</b>			
<b>Donald Faulkenburry</b>		<b>X</b>			

*Chairman Derry called for a short break at 10:39 a.m.*

*Off the record at 10:39 a.m.*

*Back on the record at 10:46 a.m.*

**Agenda Item #7**

**Old Business**

**10:46 a.m.**

With no further discussion in the review of the continuing education audits, the Board proceeded to old business.

**Regulations Project Update**

The Board was again presented with the draft of their proposed regulation changes that they have already approved. Ms. Zaguirre asked the Board if they would like to have an oral public testimony for their pending regulations project when it goes out for public comment.

After much thorough consideration, the Board has decided not to have any oral testimonies, and to go about public noticing the proposed changes and receive public comments as per usual, through mail or email.

**Review Recommendations for AMC**

Since the Board has been informed that they would have to go through a statutory change before they could even regulate Appraisal Management Companies (AMCs), Ms. Zaguirre suggested that the Board should have a meeting in Juneau while the regular legislative session is ongoing so that they could lobby and find a sponsor for the statutory change. Mr. Derry stated that since the Board has originally been contacted by a legislative aid from Representative Andy Josephson's office, he will contact them further in order to pursue AMC regulations.

In line with the review of AMC recommendations, the Board would also like to receive updates after the AARO Conference set in October 13<sup>th</sup> to 16<sup>th</sup> in Washington, D.C., from attendees, Mr. Robert Tracy, and Records and Licensing Supervisor, Renee Hoffard.

**TASK:**

**Chairman Derry will contact the office of Representative Josephson to sponsor the statutory change necessary in order to implement AMC regulations.**

**TASK:**

**The licensing examiner will ask the Publications specialist to create business cards for Mr. Tracy for his attendance in the AARO Conference.**

**Agenda Item #9                      ASC Updates                      10:44 a.m.**

**Agenda Item #8                      Lunch                      12:00 p.m.**

**Agenda Item #7                      Old Business                      1:25 p.m.**

*Chairman Derry called for a short break at 1:35 p.m.*

*Off the record at 1:35 p.m.*

*Back on the record at 1:50 p.m.*

**Agenda Item #10                      Budget Report/Division Update                      1:50 p.m.**

*Janey Hovenden, Division Director, joined the meeting at 2:01 p.m.*

*Janey Hovenden, Division Director, left the meeting at 3:00 p.m.*

**Agenda Item #12**

**Public Comment/Correspondence**

**3:08 p.m.**

There was no one from the public present for comment.

**Agenda Item #7**

**Old Business**

**3:09 p.m.**

**Roll Call vote:**

<b>Board Member</b>	<b>Approve</b>	<b>Deny</b>	<b>Recuse</b>	<b>Absent</b>
<b>David Derry</b>	X			
<b>Alfred Ferrara</b>				X
<b>Robert Tracy</b>				X
<b>Renee Piszczek</b>	X			
<b>Donald Faulkenburry</b>	X			

**Regulations Project Update**

With no further issues regarding their application fees, the Board proceeded to re-review their pending regulations project. Since the Board had previously tabled the regulations project due to wanting to have a completed fee analysis, the Board revisited the draft for re-approval.

**On a motion duly made by Renee Piszczek, seconded by Donald Faulkenburry, and approved unanimously by a roll call vote, it was:**

**RESOLVED to approve as amended, under Chapter 02, General Occupational Licensing Functions, 12 AAC 02.370 Board of Certified Real Estate Appraiser fees, and recommend for final processing, including the previously approved proposed changes to regulations.**

**Roll Call vote:**

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			
Alfred Ferrara				X
Robert Tracy				X
Renee Piszczek	X			
Donald Faulkenburry	X			

**Agenda Item #11**

**New Business**

**3:20 p.m.**

With no further discussions, Chairman Derry prompted the Board to proceed to their New Business topics.

Discuss Timeline Appropriate for Legal Actions against Appraisers

Chairman Derry asked that this topic be added to the agenda at the request of Mr. Ferrara, who had to leave in the morning due to a family emergency. Mr. Derry proposed that the Board discuss the issue to their next meeting. Mr. Faulkenburry expressed his concern that this issue might have to require the Board to go through a statutory change, which Mr. Derry agreed to. The Board briefly discussed the topic but as suggested earlier, decided to consider further on their next meeting.

USPAP Course Approval Process and Uniformity

Chairman Derry asked that this topic be added to the meeting to ask for clarification from Ms. Klamet regarding the minimum standards regarding USPAP courses. Mr. Derry explained that as indicated in their regulations, all courses would have to be submitted to the Board for approval. Mr. Derry asked if the Board can change their regulations reflecting approval for all national USPAP courses, to which Ms. Klamet agreed. Ms. Klamet also stated that as for the AQB/IDECC approved courses, just like with the Board allowing their designee to approve reciprocal applications, they can also have the staff approve that on their behalf. Mr. Derry stated that all the AQB/IDECC approved courses are forwarded only to him for approval, while all the rest of the course approval applications are submitted to the Board for review. Mr. Derry asked Ms. Zaguirre to add the topic again to their next agenda, as well as to their next regulations project. Ms. Klamet stated that for USPAP courses, the Board would need to make sure that

the sponsoring institution needs to have AQB/IDECC approval to offer the course. Mr. Faulkenburry reiterated that the reason why he was hesitant to automatically approve the USPAP courses regardless of the sponsor, was due to the differences of instructors and sponsors. Mr. Faulkenburry stated that should the Board receive any complaints received against a sponsor, the Board can easily identify them, which was why he preferred to keep the current regulations regarding all course approvals as it is. Mr. Derry explained that a USPAP course is required to be taught by an AQB approved appraiser as an instructor, making it a unique course. Mr. Derry added that per the Board's current regulations, they are reviewing the nature of the course, not the sponsor or the instructor.

**Agenda Item #13**

**Administrative Business**

**3:30 p.m.**

Task List

After discussion on the topics under New Business, Chairman Derry continued their meeting by prompting the Board to review their task list.

**TASK:**

**Ms. Zaguirre will follow-up with Mr. Tracy for an update on his research about AMC regulations. Ms. Zaguirre will also contact the Department of Law for clarification on the Board's statutory authority to implement AMC regulations.**

**TASK:**

**Mr. Ferrara will choose and review a work product for Ms. Keller's application.**

Set next meeting dates

As earlier suggested, the Board decided to meet after the public comment period for the regulation change that was submitted a few days before their meeting. Ms. Zaguirre noted that the comment period ends at August 28<sup>th</sup>, and the Board can meet via teleconference briefly on August 29<sup>th</sup> to adopt the regulation change. Mr. Derry also informed the Board that their legislative sunset audit is complete, and asked the Board if they would like to meet as well to hear the results in executive session, as it is confidential. Mr. Faulkenburry stated that the Board can decide regarding the matter on their meeting on August 29<sup>th</sup>, so that the other members can provide their input as well. The Board pondered on the best time that they can meet for their teleconference on August 29<sup>th</sup>.

On a motion duly made by Renee Piszczek, seconded by Donald Faulkenburry, and approved unanimously by a roll call vote, it was:

RESOLVED to schedule their next teleconference on August 29<sup>th</sup>, 2017, at 9:00 a.m.

Roll Call vote:

Board Member	Approve	Deny	Recuse	Absent
David Derry	X			
Alfred Ferrara				X
Robert Tracy				X
Renee Piszczek	X			
Donald Faulkenburry	X			

**Agenda Item #9**

**Adjourn**

**3:38 p.m.**

**With no further issues to discuss, Chairman Derry respectfully asked that the meeting be adjourned.**

Respectfully Submitted by:



Aiko Zaguirre, Licensing Examiner

Approved by:



David Derry, Chair