

MINUTES

TREECE RELOCATION TRUST MEETING

SEPTEMBER 13, 2010

CHEROKEE COUNTY COURT HOUSE

Meeting called to order by Chairman Bicknell

Roll call: Bicknell, McBride, Hamilton, Dahmen present; Delmont, absent. Jurgens & Singer-KDHE MMSC (McBride/Hamilton) to approve the minutes of the 8/26/10 meeting.

Item: Appraisal Proposal Review:

MMSC (McBride/Hamilton) to accept the unopened (Mid America Appraisals) proposal, delayed by late postal delivery due to holiday backlog.

Appraisals received from: Appraisal Services of SW Missouri; BP Appraisals; McColm Appraisal; Dillon & Witt; Mid America Appraisers. Chairman Bicknell asked Bob Jurgens; "In your opinion, did the respondents meet the submission requirements?" Bob indicated they had, with a few of the questions in some of the proposals were not answered in the Technical portion of the responses, but may be answered in the Cost portion of the responses.

(MMS)(McBride/Hamilton), that the By-Laws be changed to require a unanimous (100% of the quorum) decision, from the present majority vote of the Trustees, to provide better decisions. After discussion; MMSC (McBride/Hamilton) to table the motion.

Item: Vendor qualifications: Jurgens reminded the Trustees that appraisers would be making determinations based on a Fair to Good analysis for the properties.

Question: What issues can the Trustees go into Executive Session? Chairman Bicknell said that would be discussed later in the meeting.

Bob Jurgens reported that approximately 50 applications are in hand and appear to be complete.

McBride asked: How many of the properties will require Quiet Title action?

Jurgens: About 12+/-

Chris Grunewald (Attorney) I see no institutional issues as per the TRAT legal setup.

McBride: Can we ask the people to file a quit claim deed on questionable ownership property?

Grunewald: The risks are you do not know who is going to come forward. Court time and TRAT funds could be expended & delay the process. You may want to go through the clean titled ones first. Those w/o deeds or renters may need to be shifted to the second or third round effort. Defective deed properties may need to shift in priority. TRAT may need to engage a Real Estate Attorney, as I have no experience in that field.

Bicknell: Hopefully, only 12 will be an issue. The responsibility of providing proof of ownership rests on the property owners shoulders. We may need to make a contingent offer to those property owners and hold the funds in escrow until title is cleared.

Question: Attorney/Client privilege, does that include the Technical & Cost proposal review?

Grunewald: In Executive Sessions, you can consult with your attorney and determine who is/should be in the executive session. In this case, it seems reasonable to include the Trustees, necessary KDHE staff (Jurgens & Singer) critical to the discussion, and your attorney.

MMSC (Hamilton/McBride) to go into executive session. Chair suggested from 10:40 to 11:40, with Jurgens & Singer included.

Grunewald: Reminder, no binding actions can be taken in executive session.

MMSC (McBride/Hamilton) to go back into Open Session.

MMSC (Dahmen/Hamilton) to go into Executive Session for 10 minutes (11:50).

MMSC (McBride/Hamilton) to go back into Open Session.

MMSC(McBride/Hamilton) to recommend the following firms be engaged by the TRAT; Mid America Appraisals Inc.; McColm Appraisal Services; Dillon & Witt Appraisers; and based upon discussions to authorize KDHE staff to submit negotiated changes to the firms and bring the final results back to the Trust.

Item: Discussion on secretarial duties and costs related thereto. Chris Grunewald will research whether one of the members of the Trust can be engaged to provide secretarial duties and receive compensation for those services.

Item: KSA 49-514 Re: Offer requirements to property owners. "TRAT may offer an average of comparable properties in Cherokee County." Per statute, the TRAT must offer average unless one appraisal is way out of line, that appraisal may be tossed out, and the other two appraisals considered.

Item: Jurgens reported they had received a couple of applications after the initial deadline, and have moved them into Phase II of the process. They also have one having a question on occupancy, which will require further investigation.

Item: Highway 69 property of Jim Woods Marketing: Owners have requested to be included in the buy-out. Representative Gatewood has expressed his opinion on Legislative Intent and feels it should be included. Discussion: The Jim Woods property and a property owned by Zomes appear to not qualify because neither of them is in the City Limits of Treece and or on the Treece water system. The Chair suggested the issue be held over for later discussion.

Report: Jurgens reported under Phase I application process, KDHE has 48 houses in the City of Treece, 11 homes outside the City limits; 9 rental (6 of the 9 renters are asking for relocation assistance); 11 vacant lots; 3 business properties, for a total of 82 properties in Phase I.

Item: Chris Grunewald opined that certain applications and deed/legal topics may need research and select KDHE staff members can be included in attorney/client privilege & executive sessions. However, certain Attorney General written communications may need to be selective distribution, due to attorney/client privilege.

Chairman Bicknell; if we need confidentiality, the TRAT will request such.

Attachment to the minutes: Various deed issues the TRAT may be faced with in the future.

MMSC (McBride/Hamilton) to approve the draft monthly expenditures/income report as submitted by staff.

Item: Jurgens suggested the Trustees might want to consider an RFP for a Closing Company, who can provided guidance on matters relating to deed difficulties. Jurgens and Grunewald volunteered to work up a draft RFP for this purpose.

Item: Grunewald submitted the issue of Child Support Enforcement.

MMSC (Dahmen/McBride) IN the event Child Support issues arise, the TRAT will address the issue with the SRS by directing them to communicate directly with Chris Grunewald at the AG's office.

Item: Next meeting: Public meeting: September 29th, 6:00 p.m. at the McDonald County facility in Picher, OK.

Next Trustee meeting: October 1, 10:00 a.m. at the Cherokee County Court House.

MMSC (McBride/Hamilton) to adjourn.

Jim Dahmen, Secretary, 9/13/10