

MINUTES
TREECE RELOCATION TRUST MEETING
DECEMBER 20, 2010, CKEROKEE COUNTY COURT HOUSE
11:00 A.M.

Meeting called to order by Chairman Bicknell at 11:00 a.m.

Roll Call: Dahmen, McBride, Delmont, Bicknell, Hamilton

Staff: Bob Jurgens

MMSC (McBride/Delmont) to approve the minutes of the 12/13/10 meeting

MMSC (McBride/Delmont) to approve the accounting report, reflecting \$145,608.61 bank balance in Exchange State Bank, and \$10.00 in American Bank. Jurgens added that \$152,525 had been received from the EPA to date.

Old Business:

Legal Services Contract: **MMSC** (McBride/Dahmen) to ratify the contract with Wm Morin, Attorney at Law, Pittsburg, as signed by Chairman Bicknell, reflecting the change from the draft, not requiring the provision of malpractice insurance.

Offers to Purchase Status: Jurgens reported letters had been sent this past Thursday. Staff reviewed all appraisals and found an error in numbering by Dillon & Witt, impacting records on about 5 properties. This error has been corrected. Staff followed the 10-40% variance. 42 letters were sent. Rental agreements (4) were sent out. Staff is asking the Trustees to review the vacant properties valuations today. A schedule of meetings is being offered today to those property owners in attendance. Jurgens will meet with owners today & tomorrow, who received letters, to discuss how the values were reached and answer any questions. Betty McBride commented, for those property owners in attendance, how we hired three appraisal firms, and that state statutes required the Trust to offer the average of the three appraisals. If property owners take issue with the offer, they must submit supporting documentation to the Trustees. Jurgens continued, sharing that 8 parcels had some issues in the staff review process, and are being studied. Only those over 10% are eligible for review.

Conference call Procedures: Information was provided for those Trustees who may not be able to make a meeting in person, and yet desire to participate via conference call.

New Business:

Phase II Appraisals: Jurgens shared that 12-18 vacant parcels have been identified. Staff is making efforts now to locate owners.

Chairman Bicknell asked John Houser of the Rural Water District to discuss utility concerns. Mr. Houser indicated that 2 sections (680 acres) and a portion of another section are not in the RWD's certificated service area, and that annexation of this acreage will be required if the District is to serve it. The RWD still needs easements for some of the service lines in Treece that are not on public right of way (i.e. service lines to homes). Laying of service lines by the RWD has not been discussed. The RWD may need to chat with the EPA and the Cherokee County Commission for approval. Chairman Bicknell indicated that a decision will need to be made after it is determined how many properties might refuse to sell to the Trust. He further indicated the Trust cannot be involved in utility issues. It may be necessary to analyze the cost/benefit of capping service lines vs. installing new lines on public right of way.

Public Questions: Prior to going into executive session, the Chairman asked if any of the citizens in attendance had any questions: The owner of the property at 307 Washington (ORW-24) "How can we determine what average is? There is no way we can replace our home for \$25-27/s.f. I thought you (the Trust) was going to take into consideration that this is our home." Discussion ensued as to whether ORW 14 should have been given a letter. Verification to follow.

Mr. Mrs. Jim Palmer-(ORM-31) "The offer will barely cover the balance on our mortgage to pay it off. We have kids and we can't afford to move." Jurgens, "With mobile homes, we can consider moving expenses."

Wallen, "One appraiser only measured one side of my home, and one side of my porch." Dillon & Witt didn't measure and said they weren't going to consider any outbuildings." McBride shared that State

Statutes require us to utilize the average of three appraisals within a range of 10%. Jurgens reviewed the appraisal process and shared that the Trust cannot go above the appraised values. Delmont encouraged staff and property owners to review their square footage measurements to make certain they are correct.

MMSC (Delmont/Hamilton) That from 11:50 to 12:20 the Trustees go into executive session to discuss and review property values.

12:20 pm, **MMSC (McBride/Hamilton)** to go back into regular open session.

MMSC (Delmont/Hamilton) Vacant lot values will be determined by averaging the averages of the three appraisal firms on a per square foot basis.

MMSC (McBride/Delmont) Storage structure values will be determined by average of the three appraisal firms on an individual structure basis & the lot they set on.

MMSC (McBride/Dahmen) That renter letters be sent out, based on the average of the three appraisal firms on each individual property, acknowledging that 12 months rent and moving costs will be provided, with 6 months of rental costs to be paid at time of final agreement, and the remaining 6 months at time of closing paperwork.

MMSC (McBride/Delmont) On Commercial property (NR-1 parcel), to offer the average values as determined by the three appraisal firms.

MMSC (Dahmen/Hamilton) to adjourn.

Jim Dahmen, Secretary 12/20/10