

SOUTH DAKOTA REAL ESTATE COMMISSION
MAY 4 & 5, 2011
CULTURAL HERITAGE CENTER
900 GOVERNORS DRIVE
PIERRE, SOUTH DAKOTA

The South Dakota Real Estate Commission convened at 8:30 a.m. on May 4, 2011, in the Education Room of the Cultural Heritage Center, Pierre, SD. Present for the meeting were Chairperson Paula Lewis and commission members Charles Larkin, Doug Nelson and Mark Wahlstrom. Commission member Dennis Eismach was not present at the meeting. Also present were legal counsel Lindsey Riter-Rapp, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling and Department of Labor & Regulation legal counsel Aaron Arnold.

The executive director updated the Commission on changes to the agenda. Motion made and seconded to accept the agenda as amended. Motion carried.

Motion made and seconded to approve the minutes of the March 15 & 16, 2011, meeting. Motion carried.

Following discussion, motion made and seconded to accept the March 2011 financial report. Motion carried.

Hearing examiner Hillary Brady, at 9:00 a.m., convened the formal hearing on complaint 2011-014, SDREC vs. Paul Riss & Keith Carlyle. Present for the hearing, in addition to the commission members, were legal counsel Lindsey Riter-Rapp, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling, Department of Labor & Regulation legal counsel Aaron Arnold, court reporter Cheri Wittler, defendants Paul Riss and Keith Carlyle and witness Jesse Herrington. The hearing closed at 11:40 a.m.

The Commission recessed for lunch at 11:41 and reconvened at 1:00 p.m.

Chairperson Paula Lewis at, 1:02 p.m., convened the hearing on the application appeal of Brian Randall. Present for the hearing, in addition to the commission members, were legal counsel Lindsey Riter-Rapp, executive director Dee Jones Noordermeer, licensing program administrator Norma Schilling, Department of Labor & Regulation legal counsel Aaron Arnold, court reporter Cheri Wittler and applicant Brian Randall. The hearing closed at 1:39 p.m.

Motion made and seconded to enter into executive session at 1:41 p.m. for deliberation. Motion carried.

Motion made and seconded to come out of executive session at 2:30 p.m. Motion carried.

Motion made and seconded to deny the property manager application of Brian Randall. Motion carried.

Commission member Dennis Eismach appeared telephonically at 2:40 p.m.

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The Commission reviewed information requested at the last meeting regarding a home inspection applicant. Motion made and seconded to deny the home inspector application of Gary Ivers. Motion carried with commission member Eisnach voting telephonically and commission members Nelson and Wahlstrom abstaining.

Motion made and seconded to withdraw the formal complaint against Sharon McGroarty. Motion carried with Paula Lewis recusing herself from participation.

Commission member Eisnach excused himself from the meeting at 3:00 p.m.

Legal counsel Lindsey Riter-Rapp updated the Commission on formal hearings that have been continued. Legal counsel Lindsey Riter-Rapp was instructed to contact the attorneys in the Paul Vallette complaint regarding the time frame in the civil action pending against Mr. Vallette.

Compliance officers Brian Jackson and Michelle Metzinger joined the meeting at 3:15 p.m.

Motion made and seconded to enter into executive session at 3:18 p.m. for deliberation of complaints. Motion carried.

Motion made and seconded to come out of executive session at 4:00 p.m. Motion carried.

Motion made and seconded to dismiss complaint 2011-010 and have the executive director write a letter to the responsible broker regarding the management fees being charged by the licensee. Motion carried.

Motion made and seconded to file a formal complaint against Sue Cramer and Sabrina Arnold. Motion carried.

Brian Jackson and Michelle Metzinger left the meeting at 4:10 p.m.

Legal counsel Lindsey Riter-Rapp updated the Commission on the cases that are on appeal.

Discussion was held on earnest money deposits. Following discussion, changes will be made on the purchase agreement regarding earnest money deposits.

The executive director briefed the Commission on her findings regarding hearing process of other boards and commissions.

The Commission recessed at 4:35 p.m. and reconvened at 8:35 a.m.

Former commission member, Eileen Fischer stopped by to bid her farewell to the Commission and to express her appreciation for the opportunity to serve as a commission member.

Legal counsel Robert Riter joined the meeting at 8:45 a.m.

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Discussion was held on revising the agency agreement addendum. Verbiage will be changed on the agency agreement under item II to the following: "In an appointed agency relationship, the responsible broker and, if applicable, the responsible broker's designated broker will act in a limited agency capacity." A "not applicable" option will be added to the broker instructions for those cases when a broker does not offer appointed or limited agency.

Michelle Kleven, Executive Vice President of the South Dakota Association of REALTORS® joined the meeting at 8:50 a.m. Dawn Dovre, Public Affairs Director of the Department of Labor & Regulation joined at 8:55 a.m. and commission member Eisnach joined telephonically at 9:15 a.m.

Dawn Dovre, Public Affairs Director of the Department of Labor & Regulation briefed the Commission on the Department of Labor & Regulation board and commission directors' meeting.

Legal counsel Robert Riter addressed the Commission on legal proceedings which was followed with discussion between the Commission and the Department of Labor and Regulation staff.

Legal counsel Robert Riter left the meeting at 9:55 a.m. and commission member Eisnach excused himself at 9:57 a.m.

Compliance office Brian Jackson joined the meeting at 10:05 a.m.

Compliance officer Brian Jackson briefed the Commission on his meeting with Lutheran Social Services of South Dakota regarding first time home buyer education. Following discussion, Mr. Jackson was instructed to work with the Department of Labor & Regulation to see what information and assistance they can put together for first time home buyers. Michelle Kleven will check with the Association of REALTORS® for assistance in getting this information out.

Brian Jackson and Michelle Kleven left the meeting at 10:40 a.m.

Dee Jones Noordermeer handed out packets to the Commission on her resignation as the executive director and information on her position. Motion made and seconded to reluctantly accept the resignation of Dee Jones Noordermeer. Motion carried. Discussion was held with Dawn Dovre, Public Affairs Director of the Department of Labor & Regulation regarding the hiring process of a new executive director. The Commission will hold a telephonic meeting on May 24, 2011, at 10:30 a.m. to filter the applications for the executive director position. Motion made and seconded to have the Department of Labor & Regulation negotiate a fee with Dee Jones Noordermeer to have her continue to work as a consultant until a replacement is hired and trained. Motion carried.

The executive director informed the Commission that she had received a letter from Jeanne Jackson-Heim of Idaho stating that she will be running for treasurer of ARELLO.

The executive director and commission member Larkin gave updates on the ARELLO Mid-Year Meeting held in Destin, FL, April 4-6, 2011.

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The Commission requested that discussion for a strategic plan and the citation program be added to the next meeting agenda.

Discussion was held on online renewals and online services.

The next meeting of the Commission will be held June 14 & 15, 2011 in Pierre.

There being no further business, motion made and seconded to adjourn at 11:50 a.m. Motion carried.

Paula Lewis, Chairperson

Dee Jones Noordermeer, Executive Director

I, Dee Jones Noordermeer, hereby certify that the above is a true and correct copy of the minutes of the South Dakota Real Estate Commission meeting held on May 4 & 5, 2011.

Dee Jones Noordermeer, Executive Director