



2007 Kachina Chapter Executive Board

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This is a picture of the Kachina our Chapter has donated to the International Conference for the Silent Auction.

June Board Meeting & Seminar Meeting

☀ Wednesday, June 6, 2007

☀ 4:45pm

☀ 3rd Floor Conference Room

☀ Az State Land

Confirm your attendance with Caroline at carolint@acqsl.com

JUNE LUNCHEON

WHEN: Tuesday, June 12, 2007 **TIME:** 11:00am - 1:00pm
WHERE: Hilton Phoenix Airport / 2435 South 47th Street / Phoenix

- MENU:** Southwestern BBQ Buffet
- Tossed Salad with Raspberry Vinaigrette
 - Jicama Coleslaw
 - Tortilla Chips with Fresh Pico de Gallo
 - Barbeque Beef Short Ribs
 - Grilled Adobo Chicken with Cilantro Cream and Pepper Jack Cheese
 - Grilled Marinated Vegetables
 - Oven Roasted Red Bliss Potatoes
 - Freshly Baked Rolls with Butter
 - Featured Dessert Selection
 - Coffee, Decaffeinated Coffee, Hot Tea and Iced Tea

COST: \$25.00 per person, members & guests. Please have exact change or your check made out to "IRWA Kachina Chapter 28"

RSVP DEADLINE: 5:00pm, Thursday, June 7th, 2007

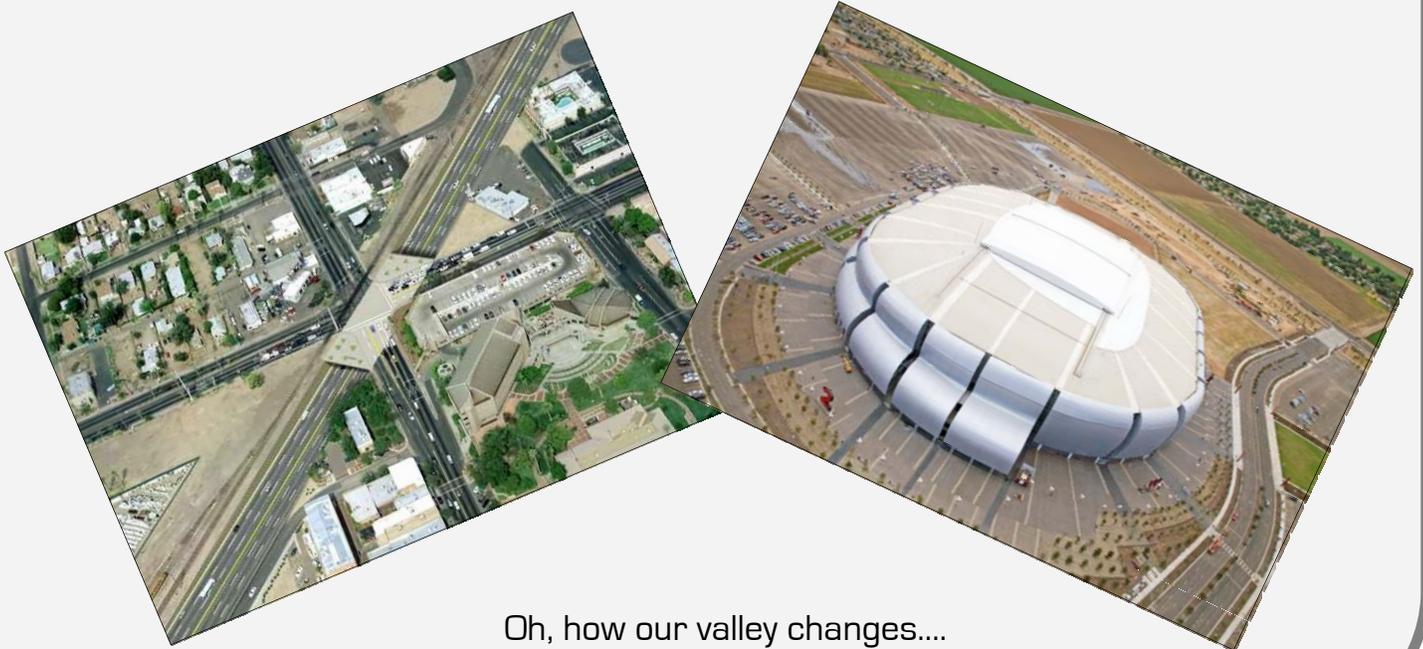
PRESIDENT'S MESSAGE
Caroline Tillman, R/W-RAC, Chapter President



Remember our June Luncheon on June 12, 2007, we are fortunate to have Richard (Rich) Simonetta, CEO of METRO, the public corporation formed to plan, build and operate our METRO light rail.

Member Appreciation Program (MAG) – Our very own Debra Carter is the recipient of the MAG award. This award recognizes the IRWA member who has recruited the most new members to the Association. As a reward, Debra will receive a \$25 coupon for each new member she sponsored, which can be used toward IRWA courses, dues, registration fees and other products/services. Way to go Debra!!!

On September 5, 6 & 7 we will be holding our annual Education Seminar. This year we will be offering both a one day course and a two day course, in addition to our seminar day. Our seminar day will be Friday, September 7, 2007, with the classes being held on the 5th and the 6th. We are in the process of finalizing the speakers and their topics. We should have this information available within the next month or so. Keep your eyes peeled for the registration forms and requests for sponsorships.



Oh, how our valley changes....



What's Happening.....in Region One

Chris Banks, SR/WA, Region 1 Vice-Chair

Conference Education Courses

- . You do not have to attend the conference to register for a class
- . Class hours are 8:00 am - 5:00 pm daily
- . Classes may be used to fulfill education requirements for the SR/ WA designation, Certification and Recertification programs
- . Registration forms received after May 21, 2007 will be processed at the "On-site" Registration Desk

Course 200: Principles of Real Estate Negotiation

Friday, June 15 8:00 am - 5:00 pm

Saturday, June 16 8:00 am - 5:00 pm

This course presents a unique blend of the legalities and communication skills associated with successful, real-world right of way negotiations. With an emphasis on the practical as opposed to the theoretical, the focus is on improving settlement rates of right of way acquisition. Also included is an overview of federal laws and regulations, communicating effectively throughout the negotiation process, negotiating with attorneys and other powerful owners, common issues, tactics, and pitfalls in negotiations, preparing an acquisition package, acquisition closing documentation, owner occupants entitled to relocation assistance, preparing for administrative settlements, legal settlements, condemnation and alternative dispute resolution.

Course 400: Principles of Real Estate Appraisal

Friday, June 15 8:00 am - 5:00 pm

Saturday, June 16 8:00 am - 5:00 pm

This course is designed for the new appraiser and for those contemplating entering the appraisal field. It covers the principles of real estate and real property valuation and serves a refresher course for the experienced right of way professional. The basic principles are outlined, including the theory of appraisal practice, types and uses of appraisals, types of value, factors creating value, area and site analysis, highest and best use analysis, sales comparison approach, reconciliation and final value determination, partial acquisitions, economic principles, the appraisal process, market analysis, cost approach.

Course 604: Environmental Due Diligence and Liability

(Formerly listed as 601)

Friday, June 15 8:00 am - 5:00 pm

This new (pilot) course provides right of way professionals with an understanding of the environmental due diligence process and the liabilities associated with purchasing property. It's designed for professionals with little or no environmental background who may encounter environmental issues during their normal duties (acquisition/ relocation, appraisal, etc.). Topics include an overview of the Innocent Purchaser Defense, and ASTM Phase I ESA standard, EPA's "All Appropriate Inquiry" rule. Participants will learn how to order due diligence services and establish expectations, how to analyze reports and their impacts on the proposed project.

SR/WA Study Session

Friday, June 15 8:00 am - 5:00 pm

Saturday, June 16 8:00 am - 5:00 pm

The Senior Member designation represents professionalism in the field of right of way and a commitment to lifelong leadership. This study and review session is designed to prepare candidates for the SR/ WA comprehensive examination by reviewing the seven core disciplines in the right of way profession: engineering, law, negotiation, valuation, environment, relocation and asset management. The exam (U.S. version) will be administered at the conclusion of the review session. Although not required, students are encouraged to take the examination. Education, experience and core course requirements do not have to be completed in order to sit for the SR/ WA comprehensive examination. NOTE: Attendance does not guarantee successful completion of the SR/ WA examination.

Course 103: Ethics and the Right of Way Profession

Thursday, June 21 8:00 am - 5:00 pm

This course combines lecture and practical learning exercises as a means of exchanging ideas and solutions to ethical conflicts. The concept of ethics is discussed as well as IRWA's Rules of Professional Conduct and Disciplinary Procedures. Participants will learn how to recognize inappropriate professional behavior, identify situations that lead to ethics-related complaints and practical suggestions for resolving conflicts of ethics when they occur. Successful completion of this Course (or Course 104, "Standards of Practice for the Right of Way Professional"), is a requirement for registration and recertification of the SR/WA Designation and Certification Program. Successful completion of one of these courses is mandatory every five years for recertification purposes.

Review Appraisals

Gaye Rutan

Reviewing perspectives

Appraisals are a funny thing. Our way of doing business in the United States relies on appraisals for loans, estate planning, eminent domain and everything in between. The reader of the report is either happy or unhappy with the value depending on the context they are coming from in reading the report. For example, in the residential market people wait with baited breath to find out what their house will appraise for so they can close their loan. If (excuse me I should say 'when') the home appraises for sufficient value and the loan closes, then the home owner is happy. The basis for property owner happiness is 'Will the appraised value cover my loan?'

In condemnation work, property owners are more likely to be dissatisfied with the value. Their dissatisfaction is not based on 'will the loan close?' but is usually focused on 'they are taking my property and I have no choice!' Then negotiations begin with an upset property owner. Fortunately (or unfortunately) we can always put responsibility for value on the appraiser.

Review Appraisals have their own set of happiness standards. These standards are based on whether the appraisal report communicates the value conclusion in a manner that the reader can follow.

Reviewer's examine the Highest and Best Use, Larger Parcel, explanation of adjustments, conclusions and (this is the most important), communication of these items in the report. This is where this article begins; appraiser communications.

Appraisers' and Review Appraisers are responsible for many things other than value. We must conform to USPAP (Uniform Standards of Appraisal Practice). USPAP has appraisers be responsible for knowing and applying customary appraisal practices, Supplemental Standards (aka the clients special requirements or conditions), and communicating that value conclusion in a report. The definition of communication is, 'the imparting or interchange of thoughts, opinions, or information by speech, writing, or signs'. Communicating means effective communication from the client's perspective not the appraiser's.

USPAP standard 2-1

Each written or oral real property appraisal report must:

- * clearly and accurately set forth the appraisal in a manner that will not be misleading;
- * contain sufficient information to enable the intended users of the appraisal to understand the report property; and
- * clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment.

When the client doesn't understand how the appraiser derived his value, then this standard is not met.

The most common mistake I see in appraisals is in communicating the report. As a former fee appraiser I am familiar with the tendency to wrestle with an appraisal and then conclude to a value with little or no explanation. Much of the analysis is left in the appraiser's mind rather than put to paper.

Most appraisers make the assumption that the reader is going to draw conclusions from one section of the report to the next. A typical reader won't do that.

The job of the Review Appraiser is to see that the report conforms to USPAP and to see that the report is sufficiently detailed so that the land owner can understand how the value is derived. When an appraisal report explains the appraiser's thought process, the agent has much less difficulty in negotiating the acquisition. An appraisal report that doesn't have sufficient explanation as to how the appraiser derived his/her opinion of value causes more upset in the negotiating process. What works well is to have a brief summary of your conclusions in the same paragraph as the value conclusion. It isn't necessary to provide your entire analysis detail by detail but when there is sufficient information to give the reader a clear indication of why you concluded to the value in the report, then the communication in the report is stronger. Explain one or two points that support your opinion of value.

Below are a couple of examples....

In an escalating market the comments might look something like this:

'The sales ranged from \$9.00/SF to \$18.00/SF. The Market value conclusion is \$17.50/SF. The property is a typical property but in this increasing market, a conclusion at the upper end of the range of sales is appropriate. Supporting data for this conclusion includes the neighborhood data discussion in this report, the increasing sales prices and the frequency of sales. For instance, in 2004 there were four industrial sales, in 2005 there were seven and since the first of the year there have been eight sales of industrial property in this area, [the value is dated mid-year]. These market indicators support a value for the Appraised Property at the upper end of the range of sales.'

In a declining or flat market (we can't always tell right away which direction the market is headed until a few months have passed):

The sales ranged from \$9.00/Sf to \$18.00/SF. The Market value conclusion is \$13.50/SF. The property is a typical property in a flat or slightly declining market. In the neighborhood data, the discussion demonstrates that the sales price of properties of this type is not increasing significantly and that there is a decrease in the frequency of sales. For instance in 2006 there were 14 industrial sales, in 2007 there have only been 5 sales since the first of the year and we are only 1/2 thru the year. These market indicators reflect a flattening market. Note that the older sales are adjusted for market conditions (time) and the more recent sales are not time adjusted. The more recent sales are not adjusted for time (aka market conditions) as that would over inflate the market value in the report. The appraised property is a typical property and a typical or median value conclusion is supported given the current market is flat.'

Continued on next page....

Review Appraisals

Gaye Rutan

A third alternative might be to peg the value to a specific sale and give one or two sentences of your reasoning. Why you thought it is appropriate to use as a strong indication of value.

Simply adding a few lines of explanation to your value conclusion adds clarity to the report.

These same comments apply to sales adjustments for location, market conditions, size etc. If it's just your opinion for the adjustment, then explain two or three market elements you observed that support your opinion of value.

Many appraisers argue that if they say something specific in their conclusion, then when they testify, the attorney's crucify them. Of course they will! That is what attorney's do. If you expect them to do anything other than their job, don't put yourself in the position to testify.

One of the things you can do is to prepare for trial when the time comes and don't worry about it in the mean time. Corrections are always in order as the date of value invariably changes.

There are several other things you can do to prepare yourself to testify that will have the experience of testifying be less stressful, but that is another article.

May 10, 2007 *Art Thomason, The Arizona Republic*

JUDGMENT CONFIRMS MESA DIDN'T OWN LAND IT SOLD

Mesa turned a local brake shop owner into a national icon for property rights when the Arizona Court of Appeals ruled five years ago that the city wrongly seized his business through eminent domain so it could be sold to a developer.

Now, the city faces a Maricopa County Superior Court order confirming that Mesa didn't own a piece of property, including a well site that the city sold to a Phoenix development firm in June 2003.

The summary judgment, issued by Judge Michael D. Jones, is the latest major development in a protracted and complicated legal battle between Mesa and Japanese developer Masao Horiuchi, who vowed to spend millions to get his southeast Mesa land back.

"There was a sequence of events that happened that nobody was happy about," deputy city attorney Mark Ishikawa said Tuesday. "It is unfortunate, but we are trying to do what is right."

The dispute began four years ago when the city claimed rights of way and easements on the land for improvements.

The city had acquired the parcel, about 15,000 square feet, in 1985 through condemnation proceedings against the Crescent Valley Water Co.

But Horiuchi, who owns Augusta Ranch Limited Partnership, purchased the site in 1987 after he acquired property on which the nearby August Ranch golf course community was eventually built.

A lawsuit filed in 2003 by Horiuchi's partnership claimed that the city had no such rights to the property and illegally sold his land to A.R. Development of Phoenix for \$25,000.

Jones agreed in his summary judgment of March 19, confirming that the property is owned by Horiuchi's partnership and said it is entitled to recover fees and costs associated with the suit.

The city admitted making a mistake and apologized for it, but the land was never returned to Horiuchi.

Ishikawa said the mistake occurred after a file containing a record of the well site's acquisition by Horiuchi's partnership had been misplaced by the city's Real Estate Department.

But the attorney said he didn't know how title was cleared for the property's transfer to A.R. Development.

Vice Mayor Claudia Walters said Wednesday that the incident was another embarrassment for the city. "I think we all were equally appalled that it happened," Walters said.



Gregg Tuttle, Manager
SRP Land Department
Surveys Division



Surveyor's Corner

"Gregg - What is GEOCACHING?"

Well, summertime is upon us, and just maybe it's time for a little lighter fare than our normal "surveying intense" type of article.

[can you say "geo-cashing"?)

It is a sport or hobby involving hiding and finding objects, using GPS data to log the location of the cache and share this data with other potential players.

This is a popular 'sport' among handheld GPS owners.

With information regarding position, scavenger hunters search for containers containing treasure. This style of scavenger hunt is a real challenge, especially in suburban areas.

Anyone can participate, as long as you have a GPS unit. (*and, know how to use it!*)

The only rule you'll need is to make certain you leave something in the cache once you have found it, and not to place caches in delicate, historic or archaeological sites, (or in dangerous places!)

Geocaching is an **outdoor** sport that involves the use of a Global Positioning System ("GPS") receiver to find a "geocache" (or "cache") placed anywhere in the world.

A typical cache is a small container containing a logbook and "treasure".

Geocaching is a unique take on an earlier game called Letterboxing in that it uses two recent technologies, the GPS and the Internet. Participants are called geocachers.

The following is quoted from WIKIPEDIA:

Similar to the 150-year-old letterboxing, which uses references to landmarks and clues embedded in stories, geocaching was made possible by the removal of selective availability from GPS on May 1, 2000. The first documented placement of a GPS-located cache took place on May 3, 2000, by Dave Ulmer of Beavercreek, Oregon.

The activity was originally referred to as *GPS stash hunt* or *gpsstashing*. This was changed after a discussion in the [gpsstash](#) discussion group at [eGroups](#) (now Yahoo!). On May 30, 2000, Matt Stum suggested that "stash" could have negative connotations, and suggested instead "geocaching."

For the traditional geocache, a geocacher will place a container, containing a log book (with pen or pencil) and trinkets or some sort of treasures, then note the cache's coordinates. These coordinates, along with other details of the location, are posted on a website.

Other geocachers obtain the coordinates from the Internet and seek out the cache using their GPS handheld receivers. The finding geocachers record their exploits in the logbook and online. Geocachers are free to take objects from the cache in exchange for leaving something of similar or higher value, so there is treasure for the next person to find.

Typical cache treasures are not high in monetary value but may hold intrinsic value to the finder. Aside from the logbook, common cache contents are unusual coins or currency, small toys, ornamental buttons, CDs, or books. Also common are objects that are moved from cache to cache, such as Travel Bugs or [Geocoins](#), whose travels may be logged and followed online. Occasionally, higher value items are included in geocaches,

Continued on next page....

Surveyor's Corner continued

Geocaches can range in size from "microcaches," too small to hold anything more than a tiny paper log, to those placed in five-gallon buckets or even larger containers. If a geocache has been vandalized or stolen, it is said to have been "muggled" or "plundered." The former term plays off the fact that those not familiar with geocaching are called "geo-muggles" or just muggles, a term borrowed from the Harry Potter series of books. If a cacher discovers that a cache has been muggled, it can be logged as needing maintenance, which sends an e-mail to the cache owner so it can be repaired, replaced, or archived (deactivated).

Variations of geocaches include:

- Traditional: This is the basic cache type. It is a container with a log book (at minimum) found at its listed set of coordinates and usually trade items.
- Night Cache: These traditional caches can only be found at night and involve following a series of reflectors with a flashlight to the final cache location.

Event Cache: This is a cache located at a gathering attended by geocachers. Caches placed at events are often temporarily placed for the event date only. This term is also used to describe the gathering itself.

To read the remainder of the WIKIPEDIA, please consult:

<http://en.wikipedia.org/wiki/Geocaching>

As you might now imagine, there are major geocaching organizations here within Arizona.

By searching on "Geocaching in Arizona" on GOOGLE, you get over 1,700 hits specific to that topic!!

There are sites specifically devoted to night hikes, and other variations on this theme.

This can be a fun hobby for an entire family, grandparents, parents, kids, neighbors, friends, etc.

It can be done solo or in any type of group and social combination imaginable.

So, do have a handheld GPS?

But you have not really gotten much use out of it?

Or, do you envision yourself a GPS navigation expert?

There are challenges and groups for all skill levels and for all types of interactions and independent minded individuals. Challenge yourself and challenge your friends, colleagues, ["*cow-orkers*"], and especially your own family members. You can design your own personal Geocache adventure, just for your own family. Help JOHNNY to get his Boy Scout merit badge, and also help SUSIE to get her Girl Scout merit badge related to this new and intriguing past-time, hobby and avocation. Maybe we can start a Kachina Chapter Geocaching group, and place items in the more interesting ROW locations, (just a thought!).

BUT, above all else, HAVE SOME FUN and LEARN SOMETHING NEW!

Well, that's it for this issue from the "*Surveyor's Corner*."

If anyone has feedback or comments, please feel free to share them.

Until next time, Thanks for reading about geocaching & geocachers.

Gregg Tuttle, Manager, SRP "Professional Geocaching Division"

