

APPROVED MINUTES

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT GOVERNING BOARD VIRTUAL SPECIAL MEETING

Monday, October 24, 2022
Virtual Special Meeting
11:00 a.m.

Members of the public who wished to attend the special meeting via video conference joined at <https://cochise.zoom.us/j/96192414939>.

1. GENERAL FUNCTIONS

1.01 Call to Order

Mr. DiPeso called the meeting to order at 11:00 a.m.

Board Members Present:

Mr. David DiPeso - Virtually
Mr. Don Hudgins - Virtually
Mr. Dennis Nelson - Virtually
Mr. Tim Quinn - Virtually
Mrs. Jane Strain – Virtually

2. NEW BUSINESS

2.01 Acquisition of Commercial Real Estate Purchase Contract

The administration requested the Governing Board adopt a motion to approve the Purchase and Sale Agreement relating to the purchase of 1060 Giulio Cesare Ave., Sierra Vista, Cochise County, Arizona (further described in Exhibit A) and authorize the College President, J.D. Rottweiler, Ph.D., or designee, to be and hereby take all further action necessary to process and complete the purchase of the property.

Dr. Rottweiler noted that at the request of the board, the action item is brought back for review and approval. After making the adjustments to the purchase and sale agreement with the legal team, and sending it back to the agency, the request to change the deed to a warranty deed has been denied. In the documents Dr. Rottweiler sent to the board members, there is a commitment from First American Title Company for title insurance. There is also an email from Stacy Patton, the underwriting counsel, to our real-estate agent, Mr. Haymore, stating that they will ensure fee simple title to buyer with a recorded quitclaim deed from the seller.

Dr. Rottweiler has been in correspondence with Board Chair DiPeso for counsel. The agreement has been reviewed through legal counsel, and now Dr. Rottweiler and Chair DiPeso bring it back to the board for approval.

Mr. Nelson led a discussion regarding the purchase agreement pertaining to the quitclaim deed and not a warranty deed. He sees it as a red flag. The college would be paying a million dollars for a quitclaim deed, if anything went wrong the college would not be as insured. Mr. Nelson does not feel comfortable agreeing to the purchase without the warranty deed.

Mr. DiPeso agrees with some of the things Mr. Nelson states, but believes it is a safe option to proceed with an Alta insurance policy, the highest form of title insurance. He does not see a huge problem with the agreement because they have guaranteed the title is correct.

Mr. Hudgins asked for Mr. Haymore's thought; he said it is unusual, but they sought legal counsel from their title offices and First American Title Company who stated this is their standard practice and standard practice for a lot of big companies. Mr. Haymore expressed that First American felt comfortable enough warranting this sale through a quitclaim deed. Mr. Haymore reminds the college there is still a 75-day inspection period after signing the contract. Therefore, the title insurance policy will continue to have things added and at any point the college will have three days to bail if there are any issues along the way. They are guaranteeing 100 percent, which is the same as a warranty deed.

Mr. Quinn moved and Mr. Hudgins seconded a motion to approve the Purchase and Sale Agreement relating to the purchase of 1060 Giulio Cesare Ave., Sierra Vista, Cochise County, Arizona (further described in Exhibit A) and authorize the College President, J.D. Rottweiler, Ph.D., or designee, to be and hereby take all further action necessary to process and complete this purchase of the property. There were no further discussions. The Governing Board approved with members, David DiPeso, Don Hudgins, Jane Strain, and Tim Quinn all voting aye and Mr. Nelson voting nay. **MOTION CARRIED.**

3. ADJOURNMENT

Mr. DiPeso adjourned the meeting at 11:12 a.m.

Respectfully Submitted:

Crystal Wheeler, Executive Assistant Office of the President

Mr. Dennis Nelson, Secretary of the Governing Board