

BRIAN SANDOVAL
Governor

STATE OF NEVADA

BRUCE H. BRESLOW
Director



JOSEPH (JD) DECKER
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION

2501 E. Sahara Avenue, Suite 303
Las Vegas, Nevada 89104
(702) 486-4606 Fax (702) 486-4520
E-mail: crosolen@red.state.nv.us
www.red.state.nv.us

**NOTICE & AGENDA OF PUBLIC
MEETING**

OF THE
NEVADA COMMISSION FOR COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS

AUGUST 27-28, 2014

The Nevada Commission for Common-Interest Communities and Condominium Hotels will conduct a meeting **WEDNESDAY, AUGUST 27, 2014 beginning at 9:00 a.m. and beginning at 9:00 a.m. each day thereafter through THURSDAY, AUGUST 28, 2014 or until the Commission concludes its business** at the following locations:

AUGUST 27, 2014 @ 9:00 A.M.
LEGISLATIVE BUILDING
401 SOUTH CARSON STREET,
ROOM 2134
CARSON CITY, NEVADA 89701

VIDEO CONFERENCE:
GRANT SAWYER BUILDING
555 E. WASHINGTON AVENUE,
ROOM 4412
LAS VEGAS, NEVADA 89101

AUGUST 28, 2014 @ 9:00 A.M.
LEGISLATIVE BUILDING
401 SOUTH CARSON STREET,
ROOM 2134
CARSON CITY, NEVADA 89701

VIDEO CONFERENCE:
GRANT SAWYER BUILDING
555 E. WASHINGTON AVENUE,
ROOM 4412
LAS VEGAS, NEVADA 89101

COMMISSIONERS WILL BE LOCATED IN CARSON CITY, NEVADA
THIS MEETING CAN BE VIEWED ON THE INTERNET AT
<http://www.leg.state.nv.us/>

STACKED AGENDA: Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items may be taken out of the order presented on the agenda at the discretion of the Chairperson. Items may also be combined for consideration, pulled or removed from the agenda at any time. Persons who have business before the Commission are solely responsible to see that they are present when their business is conducted. Public comment may be limited to three minutes per person at the discretion of the Chairperson. The Commission may only take action on those items denoted as potential action items. Prior to the commencement and conclusion of a contested case or a quasi judicial proceeding that may affect the due process rights of an individual the Commission may refuse to consider public comment (NRS 233B.126).

NOTICE: Reasonable efforts will be made to assist and accommodate physically handicapped persons desiring to attend the meeting. Please contact Claudia Rosolen at (702)486-4606, prior to the meeting so arrangements may be conveniently made.

1) **COMMISSION/DIVISION BUSINESS:**

- A) Introduction of Commissioners in attendance.
- B) Introduction of Division staff in attendance.
- C) Presentation by Bruce Breslow, Director of the Department of Business and Industry, regarding the role of the Commission and its responsibilities.

2) **PUBLIC COMMENT**

MEMBERS OF THE PUBLIC ARE ENCOURAGED TO ADDRESS THE COMMISSION REGARDING ANY MATTER. HOWEVER, NO ACTION MAY BE TAKEN ON A MATTER. NO COMMENTS MAY BE MADE REGARDING A MATTER THAT IS OR MAY BE THE SUBJECT OF A FORMAL COMPLAINT BEFORE THE COMMISSION. COMMENT MAY NOT BE LIMITED BASED ON VIEWPOINT. PERSONS WHO DESIRE TO SUBMIT WRITTEN TESTIMONY SHOULD SUBMIT TEN (10) COPIES TO THE COMMISSION COORDINATOR. ***PUBLIC COMMENT MAY BE LIMITED TO THREE MINUTES PER PERSON AT THE DISCRETION OF THE CHAIRPERSON.***

3) **DISCIPLINARY ACTION: HEARINGS AND POSSIBLE ACTION BY THE COMMISSION**

- A) NRED v. Cottonwood Court Townhomes Homeowners' Association, INC.; Ann Tissue; Gilber Tissue; and William Maston
Case No. IN-1620
Type of Respondent: Board members

- B) NRED v. University Heights HOA; Troy Stansbury; Dan O'Brien; Mark Day; and Stephen Myers
Case No. IN-1636
Type of Respondent: Board members

4) **LICENSE DENIAL APPEAL: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION:**

(Note: Portions of this discussion may be closed in accordance with NRS 241.030.)

- A) Motion to close session to review the license denial appeal of **KERRY MICHELE GUERRA Case No. S-CAM-LDA-15-001** and why applicant should or should not be granted a license.
- B) Consideration in closed session.
- C) Discussion and possible action in open session.

5) **8/27/14 @ 1:30 P.M. FOR POSSIBLE ACTION: ADOPTION HEARING FOR LCB FILE No. R049-13**

Adoption hearing by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R049-13 which establishes the following:

- Prohibit a management agreement from providing for the compensation of a community manager or his or her employer based on the fines imposed against or collected from units' owners or tenants or guests of units' owners;
- Add the language from statute, "or his or her employer" to the regulation concerning the require that the community manager maintain insurance covering liability for errors or omissions, professional liability or a surety bond to compensate for losses actionable under chapter 116A in an amount of \$1,000,000 or more;
- Require that a client maintain crime insurance in accordance with NRS 116.3113; and
- Not allow a management agreement to indemnify of a community manager for intentional misconduct, gross negligence or criminal misconduct.

6) **8/27/14 @ 1:45 P.M. FOR POSSIBLE ACTION: ADOPTION HEARING FOR LCB FILE No. R152-13**

Adoption hearing by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R152-13 which establishes the following:

- Revise the minimum number of hours a course must consist of to receive for continuing education approval.

7) **8/27/14 @ 2:00 P.M. FOR POSSIBLE ACTION: ADOPTION HEARING FOR LCB FILE No. R153-13**

Adoption hearing by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R153-13 which establishes the following:

- Require a financial institution which is located outside of this State and which is holding certain funds belonging to an association in this State to appoint the Real Estate Administrator as its agent for the service of process; and
- Require the Division to prepare a form which is prescribed for use for the appointment for service of process for any action or proceeding filed against the financial institution.

8) **8/28/14 @ 9:00 A.M. WORKSHOP FOR LCB FILE No. R050-13**

Workshop by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R050-13 which establishes the following:

- Revising provisions governing reserve studies;
- Revising provisions governing the duties of a member of the executive board of a homeowners' association;
- Amending provisions governing the preparation of financial statements by an association;
- Revising provisions governing the qualifications and duties of a person who conducts reserve studies; and
- Providing other matters properly relating thereto.

9) **8/28/14 @ 9:30 A.M. WORKSHOP FOR LCB FILE No. R065-14**

Workshop by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R065-14 which establishes the following:

- Prescribing requirements for notice provided to a person against who a fine for violation will be imposed;
- Prohibiting a governing board from imposing a fine in a manner not in accordance with the governing documents;
- Providing for procedures for an association to conduct a hearing on an alleged violation;
- Allowing a party to make a recording or request a transcript of a hearing on an alleged violation or arrange for an interpreter at a hearing on an alleged violation at his or her expense;
- Authorizing a party aggrieved by the decision of an executive board or hearing committee to submit a claim to mediation or a program of dispute resolution maintained by the Real Estate Division of the Department of Business and Industry; and
- Providing other matters properly relating thereto.

10) 8/28/14 @ 10:00 A.M. WORKSHOP FOR LCB FILE No. R066-14

Workshop by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R066-14 which establishes the following:

- Authorizing the Real Estate Division of the Department of Business and Industry to investigate a violation under certain circumstances;
- Requiring the Real Estate Administrator to file a formal complaint under certain circumstances;
- Allowing the Commission for Common-Interest Communities and Condominium Hotels to consider whether a member of the executive board of a unit owners' association has taken or failed to take certain actions when determining whether the member has performed certain duties; and
- Providing other matters properly relating thereto.

11) 8/28/14 @ 10:30 A.M. WORKSHOP FOR LCB FILE No. R052-13

Workshop by the Commission for Common-Interest Communities and Condominium Hotels to receive comments regarding proposed regulations known as LCB File No. R052-13 which establishes the following:

- Adopting provisions governing motions filed after the close of a hearing before the Commission for Common-Interest Communities and Condominium Hotels; and
- Providing other matters properly relating thereto.

12) DIVISION BUSINESS:

- A) Ombudsman's report.
- B) Program Training Officer's Report.
- C) Administrative Program Officer's report on:
 1. Number and types of associations registered within the State;
 2. Homeowner Association and Compliance Audits;
 3. Alternative Dispute Resolution filings and subsidy claims;
 4. Notices of Sales.
- D) Compliance Section's report.
- E) Administrative fine report pursuant to NAC 116A.350 (4).
- F) Licensee and board member discipline report.
- G) Administrator's report on:
 1. Any changes to personnel status;
 2. Fiscal Year 14 license statistics for community managers.
- H) Discussion of Division Advisory Opinion regarding the need for photographic evidence of a violation under NRS 116.31031.
- I) Legal Matters Update:

1. Report to Commission regarding filing of Case No. A-13-688795-B; State of Nevada, Real Estate Division and Financial Institutions Division v. Account Recovery Solutions, ATC Assessment Collections, Nevada Association Services, and Terra West Collections Group;
2. Status of Supreme Court Case No. 63178 (Horizons at Seven Hills Homeowners Association v. Ikon Holdings, LLC) and No. 62748 (Nevada Association Services, Inc. v. Eighth Judicial District Court and Real Parties in Interest, Elsinore, LLC and Peccole Ranch Community Association).

13) COMMISSION BUSINESS: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION:

- A) For possible action: Discussion and decision to rescind/remove all Commission Advisory Opinions that have been previously adopted in violation of NRS 116.623 on the Real Estate Division's website, Real Estate and Commission books and records as determined by the Attorney General's Opinion dated February 14, 2014.
- B) For possible action: Discussion and decision to consider revising the information provided in Administrative Program Officer's reports.
- C) For possible action: Discussion on NAC 116A. 140 and NAC 116A.255 Continuing Education Law Classes for Commission hearing.
- D) Discussion regarding the number of alternative dispute resolutions filed for the NRS 38 Mediation Program since the program went into effect October 1, 2013 including the number of filings which resulted in resolution.
- E) Discussion regarding the number of alternative dispute resolutions filed utilizing the Referee Program since the program went into effect October 1, 2013 and the number of Referee cases for which a subsidy has been paid including the total subsidy the amount expended to date.
- F) For possible action: Discussion and decision to approve minutes of the June 4, 2014 Commission meeting.
- G) For possible action: Discussion and decision to approve minutes of the July 9, 2014 Commission meeting.
- H) Discussion regarding what information the Commission would like to have concerning sources and histories of proposed regulations.
- I) For possible action: Discussion and decision on proposed changes, additions and deletions to NAC 116, NAC 116A or NAC 116B including but not limited to:
 1. LCB File No. R050-13; including review of public comments from regulation workshop held August 28, 2014;
 2. LCB File No. R065-14; including review of public comments from regulation workshop held August 28, 2014;
 3. LCB File No. R066-14; including review of public comments from regulation workshop held August 28, 2014; and,
 4. LCB File No. R052-13; including review of public comments from regulation workshop held August 28, 2014.
- J) For possible action: Discussion and reconsideration of the Commission's action to approve courses "Property Owners Associations POA" Part 1 and "Property Owners Associations POA" Part 2 sponsored by MDL Group at the June 4, 2014 Commission meeting without retroactive application.
- K) For possible action: Discussion on NRS 116.4109.4(b) the maximum amount of the fee that an association may charge for preparing the certificate (RESALE).
- L) For possible action: Discussion and decision regarding election of officers for Fiscal year 2015.
- M) Discussion regarding Commissioners' speaking engagement requests.

THE DISCRETION OF THE CHAIRPERSON.

17) **COMMISSIONER COMMENTS**

18) **FOR POSSIBLE ACTION: ADJOURNMENT**

THIS NOTICE AND AGENDA HAS BEEN POSTED ON OR BEFORE 8:30 A.M. ON THE THIRD WORKING DAY BEFORE THE MEETING AT THE FOLLOWING LOCATIONS:

NV Real Estate Division
1179 Fairview Drive, Suite E
Carson City, NV 89701-5453

CAMEO, Inc.
9101 W. Sahara Ave. Suite 105-J24
Las Vegas, NV 89117

NV Real Estate Division
2501 E. Sahara Avenue, #102
Las Vegas, NV 89104-4137
Website: www.red.state.nv.us

Nevada State Library
100 Stewart Street
Carson City, NV 89710

NV Association of REALTORS
760 Margrave Drive, Ste. 200
Reno, NV 89502

Community Associations Institute - Nevada
Chapter
9171 W. Flamingo Rd. #100
Las Vegas, NV 89147

Sierra Nevada Association of REALTORS
300 South Curry St., #3
Carson City, NV 89703

Reno/Sparks Association
of REALTORS
5650 Riggins Court
Reno, NV 89502

Elko Board of REALTORS
557 W. Silver Street
Suite #201 B
Elko, NV 89801

Incline Village Board
of REALTORS
924 Incline Way, Suite 1
Incline Village, NV 89452

Greater Las Vegas
Association of REALTORS
1750 East Sahara Avenue
Las Vegas, NV 89104

CONTACT FOR SUPPORTING MATERIALS FOR LISTED AGENDA ITEMS:

Claudia Rosolen
Commission Coordinator
Nevada Real Estate Division
2501 E. Sahara Ave., Suite 303
Las Vegas, Nevada 89104
Phone#: 702-486-4606
Email: crosolen@red.state.nv.us