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TO: Commission for Common-Interest Communities and Condominium Hotels
FROM: Jennifer Oerding, Education and Information Officer
SUBJECT: Education Summary – February 2-4, 2016

DISCUSSION AGENDA EDUCATION COURSES

COMMUNITY ASSOCIATION MANAGER CONTINUING EDUCATION COURSES

1. **Ben C. Scheible**
“Common Interest Communities Law Update 2015”

Request: **3 Hours** **Legal** **Classroom**

Recommendation: **Approve – 3 hour – Legal Credit. The course content meets NAC 116 standards for legal education credit.**

Instructors: **Ben Scheible, Esq.**

Objective: **Participants will be able to identify, understand, and apply in practice recent CIC legislation.**

Standards: **Standards: NAC 116A.232**

- 1(a)** Contains current information on the management of a common-interest community or an association of a condominium hotel that will improve the professional knowledge of a community manager and enable a community manager to give better service to his or her clients.
- 1(b)** Contains information that relates to pertinent Nevada laws and regulations.
- 2(b)** Legislative issues concerning community managers and the management of a common-interest community or the association of a condominium hotel, including, without limitation, pending and recent legislation
- 2(c)** The administration of laws and regulations concerning community managers and the management of a common-interest community or the association of a condominium hotel, including, without limitation, licensing and enforcement
- 2(i)** Federal laws pertinent to the management of a common-interest community or the association of a condominium hotel, including, without limitation, the Fair Housing Act, 42 U.S.C. §§ 3601 et seq., and the Americans with Disabilities Act of 1990
- 2(k)** Issues pertaining to declarants and developers of common-interest communities and condominium hotels

- 2(m) The disclosures required in a transaction involving a unit in a common-interest community or condominium hotel
- 2(p) Contracts, including, without limitation, the preparation of requests for proposals and the obtaining of bids
- 2(s) Dispute resolution techniques and processes, including, without limitation, informal and formal mediation, arbitration and guidelines for internal association procedures related to hearings concerning violations of the governing documents and other dispute.

| | |
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| Introduction | 5 |
| I. MODULE ONE | |
| Renewal of CAM certificate | |
| A. Renewal of CAM Certificate SB 154 | 5 |
| II. MODULE TWO | |
| Reserve Studies and Preparation of Financial Statements | |
| A. R050-13 | 15 |
| III. MODULE THREE | |
| Foreclosure and Debt Collection. | |
| A. Debt/Lien Collection Including Super-Priority Lien SB 306 Background | 5 |
| a. Super-Priority lien and Supreme Court Decision | 5 |
| b. Revision to Foreclosure Process | 10 |
| c. New 60 day right of redemption | 5 |
| d. Bona Fide Purchaser Protection | 5 |
| e. Foreclosure mediation program and debt collection | 5 |
| B. Notice to Security Holders AB 141 | 10 |
| C. Foreclosure Process SB 453 | 5 |
| D. Foreclosure Mediation Program SB 512 | 5 |
| E. Deed in Lieu of Foreclosure AB 183 | 5 |
| IV. MODULE FOUR | |
| Homeowners' Associations | |
| A. Bids for Homeowners' Association Projects AB 238 | 10 |
| B. Homeowners Executive Boards SB174 | 5 |
| C. Homeowners Association Declarants Control AB 192 | 10 |
| D. Display of Nevada Flag AB 301 | 5 |
| E. Construction Defect Law AB 125 | 5 |
| V. MODULE FIVE | |
| Property Taxes and Fees | |
| A. Property Tax of Common Areas SB 377 | 5 |
| B. Increase in "Door Fee" AB 474 | 5 |
| VI. MODULE SIX | |
| Miscellaneous | |
| A. Squatters AB 386 | 10 |
| B. Service Animals | 10 |
| TOTAL: 150 min ÷ 50 class hr. = 3 Hours | 150 |

2. **APS, Inc.**
"Facilities Maintenance"

Request: 3 Hours General Classroom

Recommendation: Approve – 3 hours – General Credit. The course content meets NAC 116 standards for general education credit.

Instructors: Lauren Scheer, Tony Lonardo

Objective: Upon completion participants will have a better understanding of the types of maintenance and the funding for each, the preparation of request for proposals and opening bids, project management, and the community manager’s responsibilities.

- Standards:**
- 1(a) Contains current information on the management of a common-interest community or an association of a condominium hotel that will improve the professional knowledge of a community manager and enable a community manager to give better service to his or her clients
 - 1(b) Contains information that relates to pertinent Nevada laws and regulations
 - 2(b) Legislative issues concerning community managers and the management of a common-interest community or the association of a condominium hotel, including, without limitation, pending and recent legislation
 - 2(d) Reserve studies
 - 2(e) Insurance and risk management in common-interest communities and condominium hotels
 - 2(f) Administering the office of a community manager, including, without limitation, personnel management and recordkeeping
 - 2(g) Accounting, including, without limitation, the preparation and monitoring of budgets, the monitoring of expenditures and reserves and the use of financial statements
 - 2(h) Inspecting a common-interest community or condominium hotel for the purposes of maintenance, planning or enforcing the governing documents
 - 2(j) Health and safety issues in common-interest communities and condominium hotels
 - 2(l) Planning and zoning for land use and other local laws and regulations pertinent to common-interest communities and condominium hotels
 - 2(p) Contracts, including, without limitation, the preparation of requests for proposals and the obtaining of bids
 - 2(q) The enforcement of financial obligations, including, without limitation, liens and collections procedures

Content:

| | |
|-------------------------|---|
| 1. Agenda – Overview | 1 |
| 2. Learning Objectives | 1 |
| 3. Types of Maintenance | 1 |
| a. Routine | |
| b. Preventative | |
| c. Corrective | |
| d. Scheduled | |
| e. Emergency | |
| 4. Routine | 2 |
| a. Chlorine in the pool | |

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| b. Watering plants/mowing | |
| c. Picking up trash | |
| d. Checking pool gates | |
| 5. Preventive | 2 |
| a. Changing the filters | |
| b. Lubricating gates | |
| c. Tree root tripping hazards | |
| d. Replace hoses | |
| e. Tree trimming | |
| f. Sewer jetting | |
| 6. Corrective | 2 |
| a. Gates won't close | |
| b. Air conditioning doesn't cool | |
| c. Something breaks | |
| d. Vandalism/Graffiti | |
| e. Pool equipment malfunctions | |
| 7. Scheduled | 2 |
| a. Fire extinguishers | |
| b. Acid washing pools | |
| c. Changing filters (also preventative) | |
| d. Painting | |
| e. Slurry Sealing | |
| f. See Reserve Study | |
| 8. Emergency | 2 |
| a. Water leaks | |
| b. Sewer back-ups | |
| c. Fire alarm malfunctions | |
| d. Roof leaks | |
| 9. NRS 116.3108 | 2 |
| a. (11) Defined emergency as means any occurrence or combination of occurrence: | |
| b. (a) Could not have been reasonably foreseen | |
| c. (b) Affects the health, welfare and safety of the units' owners or residents of the CIC | |
| d. (c) Requires the immediate attention of, and possible action by, the executive board: and | |
| e. Makes it impracticable to comply with the provisions of subsection 3 or 4 [meeting notification requirements] | |
| 10. Maintenance Responsibilities | 12 |
| a. Declaration & Plat Map | |
| b. Definitions | |
| c. Associated Responsibilities | |
| d. Homeowner Responsibilities | |
| e. Insurance Deductibles | |
| 11. Maintenance Manual | 8 |
| a. Organization | |
| b. Reserve Study | |
| c. Emergencies | |
| d. How to start | |
| i. Use Reserve Study | |

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| ii. Past invoices | |
| e. Importance of keeping it updated | |
| 12. Maintenance Calendar | 4 |
| a. Importance of a Maintenance Calendar | |
| b. Reminders | |
| 13. Budgeting for Maintenance | |
| a. Operating | 5 |
| b. Reserves | |
| c. Other | |
| i. Special Assessments | |
| ii. Capital Projects | |
| 14. NRS 116.31135 | 2 |
| a. 2. The cost of repair or replacement in excess of insurance proceeds, deductibles reserves is a common expense | |
| 15. NRS 116.31135 | 2 |
| a. 1. Any portion of the common-interest community for which insurance is required under NRS 116.3113 which is damaged or destroyed must be repaired or replaced promptly by the association unless: | |
| b. (a) the common interest community is terminated, in which case NRS 116.2118, 116.21183, and 116.21185 apply | |
| c. (b) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety; or | |
| d. (c) Eight percent of the unit owners, including every owner of a unit or assigned limited common element that will not be rebuilt, vote not to rebuild | |
| 16. Perimeter Walls | 2 |
| a. Declaration | |
| b. NRS116.31073 when the declaration is silent | |
| 17. When do you need to go out to bid? | 8 |
| a. NRS 116.31086 | |
| b. 2. As used in this section, “association project” includes, without limitation, a project that involves the maintenance, repair, replacement or restoration of any part of the common elements or which involves the provision of services to the association | |
| c. NAC 116.405 Executive Board: determination by Commission of whether members have performed their duties | |
| d. 8. Caused the association to: | |
| e. (d) Obtain when practicable , at least three bids from reputable service providers who possess the proper licensing before purchasing any such service for use by the association; | |
| f. NRS 116.31086 Solicitation of bids for association projects; bids to be opened at meeting of the executive board | |
| g. 1. If an association solicits bids for an association project, the bids must be opened during a meeting of the executive board | |
| h. NRS 116.31085 | |
| i. 2. An executive board may not meet in executive session to open or consider bids for an association project as defined in NRS 116.31086, or to enter into, renew, modify, terminate or take any other action regarding a contract | |
| 18. When do you need a contractor | 4 |
| 19. Record Keeping | 3 |

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| 20. Licenses Required | 7 |
| a. State Licenses | |
| i. See Page 42 in Supplementary Materials | |
| b. Local Licenses/Building Permits | |
| i. See Page 17 in Supplementary Materials | |
| ii. for lists of exceptions | |
| c. Handyman | |
| i. NRS 624.031(5) | |
| ii. Page 11 in Supplementary Materials | |
| 21. Insurance Required | 5 |
| a. Contractor's License Bond | |
| b. Insurance | |
| c. Performance Bond | |
| d. Warranty Bond | |
| 22. Request for Proposal | 12 |
| a. When do you need and RFP? | |
| b. Using Professionals to Create RFP | |
| i. Apples to Apples | |
| ii. Change Orders | |
| c. Items to have in an RFP | |
| i. See page 48 in Supplementary Materials | |
| d. List of Contractors to Send the RFP | |
| e. Create RFP | |
| f. Select Contractors to send | |
| g. Schedule Pre-bid Meeting | |
| 23. Opening Bids | 7 |
| a. Laws Regarding Opening Bids | |
| i. NRS 116.31086 | |
| ii. Options to Comply | |
| b. Selecting a Contractor | |
| i. Verifying license and insurance | |
| ii. Checking referrals | |
| iii. Inspect prior to similar jobs | |
| c. Comparing bids | |
| d. Create spreadsheet for comparison | |
| c. Contractor Selection | |
| 24. Contracts | 2 |
| a. Attorney | |
| b. Who can sign | |
| 25. Payment Options | 2 |
| a. Upon completion | |
| b. 30% down / 60% upon completion / 10% retention | |
| 26. Planning with a Contractor | 5 |
| a. Notify contractor of winning bid | |
| b. Schedule pre-construction meeting | |
| i. Contractor | |
| ii. Subcontractor | |
| iii. Manager / Board members | |
| 27. Pre-Construction Meeting | 15 |

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| a. Designate Project Manager for Association and Point of Contact for Contractor | |
| b. Complete construction schedule | |
| c. Determine association / contractor responsibilities | |
| d. Traffic control | |
| e. Communication with residents | |
| i. Flyers must be approved by project manager | |
| f. Discuss Liquidated Damages | |
| g. Contract Days | |
| h. Project Hours | |
| i. Entry into community | |
| j. Ordering Supplies and Materials | |
| k. Storage of Materials | |
| l. Disposal of Trash / Construction Debris | |
| m. Call Before you Dig | |
| n. <i>Record, document and take minutes of the pre-construction meeting!</i> | |
| 28. Construction Schedule and Critical Path | 15 |
| a. Certain items must be done before another can be done | |
| b. If one item is Critical Path and a subcontractor cannot complete that part of the job, all other subcontractors will have to reschedule | |
| i. Causes delays – contractors have other scheduled jobs | |
| c. One reason not to have change orders! | |
| d. Construction (all Critical Path) | |
| i. Mobilization – Clock starts at NTP | |
| ii. Demolition | |
| iii. Construction | |
| 1. Certain framing | |
| 2. Electrical | |
| 3. Painting and Patching | |
| 4. Flooring | |
| 5. Carpentry | |
| e. Clean-up | |
| i. Substantial completion – clock stops | |
| ii. Inspection date set | |
| f. Demobilization – Final payment (minus retention) | |
| 29. Inspection | 5 |
| a. Use of Experts | |
| i. Project Walk-thru | |
| ii. Punch List | |
| iii. Completion Notice | |
| b. Release of Retention | |
| i. If in time frame (date completed) | |
| ii. Liquidated damages per RFP & Contract | |
| 30. Red Flags | 5 |
| a. Staff not on site | |
| b. Suppliers requesting joint checks | |
| c. Bond company calls | |
| d. Subcontractors or suppliers call | |
| e. Equipment not performing properly or not maintained | |
| 31. When Something Goes Wrong | 5 |

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| a. Nevada Contractors Board | |
| b. Notify Bond Companies | |
| c. Contact Utilities / Other Entities Involved | |
| d. Time is of the Essence! | |
| e. Mechanics Liens | |
| i. See page 54 in Supplementary Materials | |
| TOTAL: 150 min ÷ 50 class hr. = 3 Hours | 150 |

**3. Office of the Ombudsman
“Community Managers, HOA Boards and Ethics”**

Request: 3 Hour General Classroom

Recommendation: Approve – 1 hour – General Credit. The course content meets NAC 116 standards for general education credit.

Instructors: Stacey Spoerl

Objective: Participants to gain a basic understanding of the definitions of ethics, ethical principles, fiduciary duties, and Board ethical responsibilities.

Standards: 1(a) Contains current information on the management of a common-interest community or an association of a condominium hotel that will improve the professional knowledge of a community manager and enable a community manager to give better service to his or her clients.

Content:

| | |
|---|----|
| I. Introduction | 25 |
| a. Introduce role as Program Trainer | |
| b. Learning tools Real Estate Division web-site | |
| II. Ethics | 10 |
| a. Community Manager Involvement | |
| III. Ethical Principles | 5 |
| IV. Foundations of Ethical Behavior | 10 |
| a. Integrity | |
| b. Honesty | |
| c. Respect | |
| d. Personal responsibility | |
| e. Dependability | |
| V. Differences | 15 |
| a. Ethics vs. Law | |
| b. Situational Ethics | |
| c. Justification for use of ethics | |
| VI. Best Interest of the Association | 15 |
| a. Board actions | |
| b. Good business judgement | |
| VII. Checklist of Fiduciary Duties | 20 |
| a. Review of Board Fiduciary Duties | |
| b. Involvement in Ethical Situations | |

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| c. Unethical actions of Board Members | |
| c. Unethical actions of Unit Owners | |
| d. Unethical actions of Community Managers | |
| VIII. Test Your Ethical Beliefs | 20 |
| IX. Code of Ethics | 20 |
| X. Summary / Questions | 10 |
| a. Summary / Questions | |
| b. Open Forum | |
| TOTAL: 150 min ÷ 50 class hr. = 3 Hour | 150 |

4. Leach Johnson Song & Gruchow
“Litigation: Working Effectively with the Attorney when your HOA is named in a Lawsuit”

Request: **3 Hours** **General** **Classroom**

Recommendation: **Approve – 3 hours – General Credit. The course content meets NAC 116 standards for general education credit.**

Instructors: **Sean Anderson, Esq., Ryan Hastings, Esq., Ryan Reed, Esq., Donna Zanetti, Esq., Sara Barry, PCAM CMCA**

Objective: **Understand the stages of litigation and what is expected of the community manager and Board of Directors at each stage**

- Standards:**
- 1(a)** Contains current information on the management of a common-interest community or an association of a condominium hotel that will improve the professional knowledge of a community manager and enable a community manager to give better service to his or her clients
 - 2(c)** The administration of laws and regulations concerning community managers and the management of a common-interest community or the association of a condominium hotel, including, without limitation, licensing and enforcement
 - 2(e)** Insurance and risk management in common-interest communities and condominium hotels
 - 2(s)** Dispute resolution techniques and processes, including, without limitation, informal and formal mediation, arbitration and guidelines for internal association procedures related to hearings concerning violations of the governing documents and other disputes

Content:

| | |
|--|----|
| 1. Introduction and Overview of Class/Anatomy of Lawsuit | 5 |
| a. Pleadings | |
| b. Discovery | |
| c. Trial | |
| d. Post-Trial | |
| 2. Pleading Phases – Initial Steps and Deadlines | 5 |
| 3. Role of Insurer in Litigation | 10 |
| a. Review & understand your insurance contract | |
| 4. What To Do after Tendering the Claim | 5 |

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| a. Read the Complaint | |
| b. Gather and Preserve all relevant information | |
| c. Deliver relevant documents to the attorney | |
| d. Amend the Resale Disclosure to disclose pending litigation | |
| 5. Important Terms Related to the Pleading Phase | 10 |
| a. Legal Jargon | |
| 6. Options for Responding to a Complaint | 10 |
| a. Answer | |
| b. Motion | |
| 7. Discovery Phase – Definition and Common Types | 5 |
| a. Definition | |
| c. Common types | |
| 8. Role of Manager in Discovery | 5 |
| a. Preserve evidence, serve as point of contact, witness, respond to subpoena | |
| 9. Important Terms Related to Discovery Phase | 10 |
| 10. Confidentiality and Attorney Client Privilege | 10 |
| a. What is Confidential | |
| b. Who holds the Privilege | |
| 11. Types of Discovery and Managers Role in Fulfilling | 10 |
| a. Request for Admissions | |
| b. Request for Production | |
| 12. Depositions and Witnesses | 10 |
| a. Deposition – Formal Q & A – Cases won or lost on their strength | |
| b. Witness | |
| 1. Lay Witness | |
| 2. Expert Witness | |
| 13. Role Play – Volunteers to be Deposed by Instructor / Attorney | 10 |
| 14. Settlement Negotiations – Manager’s Role | 5 |
| a. Attorney has an obligation to present offers | |
| b. Board must be available to consider offers | |
| c. Managers Role – Facilitate transfer of information, arrange emergency board meetings, urge reasonableness | |
| 15. Offers of Judgement | 5 |
| a. Procedural device to encourage settlement (either side) | |
| b. Recipient has 10 days from date of service to accept /reject | |
| c. Offer accepted – offeror agrees to pay recipient full settlement amount of OOJ | |
| d. Offer rejected – and recipient fail at trial, recipient can’t recover fees and costs | |
| c. Court determination | |
| 16. Dispositive Motions | 5 |
| a. Standards for Motions to dismiss v. motions for Summary Judgement | |
| 1. Motion to Dismiss | |
| 2. Motions for Summary Judgement | |
| 17. Trial Phase | 5 |
| a. Pretrial conference and motions | |
| b. Jury v. Bench | |
| 18. Post-Trial | 5 |
| a. Appeals | |
| b. Post Judgement Actions | |
| c. Motions for Fees and Costs | |

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| 19. Attorney's Fees | 10 |
| a. American Rule – each side pays own fees | |
| b. When can the HOA recover attorney's fees? | |
| c. NRS 116.4117(7) court may award reasonable attorney fees for failure to Comply with NRS, Declaration or bylaws | |
| 20. Questions | 10 |
| TOTAL: 150 min ÷ 50 class hr. = 3 Hours | 150 |

5. Community Association Solutions
“Financial Considerations in the CIC for the Reserve Study Specialist”

Request: **3 Hours** **General** **Classroom**

Recommendation: **Approve – 3 hours – General Credit. The course content meets NAC 116 standards for general education credit.**

Instructors: **Gary Lein, CPA, Sara Barry, CAM, PCAM CMCA**

Objective: **The Reserve Study Specialist should be able understand better how the reserve study fits into the financial health of the Common Interest Communities.**

- Standards:**
- 2(c)** The administration of laws and regulations concerning community managers and the management of a common-interest community or the association of a condominium hotel, including, without limitation, licensing and enforcement
 - 2(d)** Reserve studies
 - 2(g)** Accounting, including, without limitation, the preparation and monitoring of budgets, the monitoring of expenditures and reserves and the use of financial statements
 - 2(h)** Inspecting a common-interest community or condominium hotel for the purposes of maintenance, planning or enforcing the governing documents
 - 2(m)** The disclosures required in a transaction involving a unit in a common-interest community or condominium hotel;

Content:

| | |
|---|-----------|
| I. CALENDARING TIME TABLE/OVERVIEW | 15 |
| 1. Budget Time-Line | |
| 2. Appoint Budget Committee | |
| 3. Seeks all Committee's Participation - Survey | |
| 4. Research and Investigation _ Budget Worksheet | |
| 5. Review of Collection Policy – Recommend Changes or Continued Use | |
| 6. 1 st Draft | |
| 7. Agenda Item for Board | |
| 8. Adopt Operating & Reserve Budget | |
| 9. Schedule Budget Ratification Meeting | |
| 10 Mail Copies with Owners Noticing Meeting (if done at the same time) 0 Collection policy, Enforcement Policy and Budget | |
| 11. Budget Ratification Meeting | |
| 12. If Budget not rejected by 50% of Owners Plus 1 – the budget is automatically approved | |

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| II. MAINTENANCE PLANS AND SCHEDULES | 10 |
| 1. Why are they useful in the Budget Process? | |
| 2. Samples and their use. | |
| III. RESERVE STUDY – MAINTENANCE REQUIREMENTS PROIOR TO BUDGET PREPARTATION – LCB FILE NO. R050-13 | |
| 1. Who should prepare the study? | 5 |
| 2. What Licenses do they need to hold? | 10 |
| 3. Can Members of the Board do the study? | 5 |
| 4. Timeline for securing a study. | 10 |
| 5. What should be in the study? | 15 |
| 6. Understanding the types & methods of funding! | 15 |
| IV. FINANCIAL ANALYSIS – REVIEW PAST AND PRESENT FINANCIAL STATEMENTS | 15 |
| 1. Review last year’s financial statements | |
| 2. Review year-to-date financial statements | |
| 3. Project this year’s year-end results | |
| V. INVESTIGATION | |
| 1. Discussion of Budget and Reserve Issues | 10 |
| a. Water | |
| b. Gas Service | |
| c. Electrical Service | |
| d. Janitorial Service | |
| e. Landscaping Contractor | |
| f. Street Cleaning Service | |
| g. Gate Maintenance Contractor | |
| h. Reserve Study Provider | |
| i. Maintenance Contractor | |
| j. Management Company | |
| k. Pool Service | |
| l. Fire Extinguisher Inspection Service | |
| m. Sprinkler Systems | |
| n. Insurance | |
| 2. Review Reserve Study Portions | 10 |
| VI. REVIEW BUDGET DRAFT | 20 |
| VII. DISCUSS COVER LETTER AND MAILING | 10 |
| VIII. NRS 116.31185 – PROHIBITION AGAINST SOLICITIN OR ACCEPTING COMPENSATION | |
| TOTAL: 150 min ÷ 50 class hr. = 3 Hours | 150 |