

**COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM  
HOTELS MEETING MINUTES JUNE 7-9, 2016**

**GRANT SAWYER BUILDING  
555 E. WASHINGTON AVENUE  
ROOM 4412  
LAS VEGAS, NV 89101**

**VIDEO CONFERENCE TO:  
LEGISLATIVE BUILDING  
401 SOUTH CARSON STREET  
ROOM 2134  
CARSON CITY, NV 89701**

**JUNE 7, 2016**

**9:00 A.M.**

**1-A) Introduction of Commissioners in attendance**

In Las Vegas: Barry Breslow, Stephen Aichroth, Ken Williams, James Rizzi, Richard Layton, Doris Woods, and Senior Deputy Attorney General Sarah Bradley as Commission Counsel.

Scott Sibley was not present.

**1-B) Introduction of Division Staff in attendance**

In Las Vegas: Joseph Decker, Administrator; Sharon Jackson, Ombudsman; Teralyn Thompson, Administration Section Manager; Stacey Spoerl, Education and Information Officer; Darik Ferguson, Chief Compliance Audit Investigator; Claudia Rosolen, Commission Coordinator; Christine Worrell, Auditor; and Senior Deputy Attorney General Michelle Briggs serving as Division Counsel.

In Carson City: Michael Jory, Deputy Administrator, and Chris Cooke, Compliance Audit Investigator.

**2) Public Comment**

In Las Vegas: Jonathan Friedrich, former Commission for Common-Interest Communities and Condominium Hotels commissioner, commented. Mr. Friedrich stated that Commissioner Williams is a defendant in a civil suit in Federal Court. Mr. Friedrich asked that Commissioner Williams abstain from voting on any issue coming before the Commission until his case in Federal Court is adjudicated.

**3-C) Disciplinary action: Hearing and possible action by the Commission**

**NRED v. Rennae Ragsdale, for possible action**

**Case Nos. 2014-2721; 2014-2965; 2015-846**

**Type of Respondent: Community Manager**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Rennae Ragsdale was not present.

#### Preliminary Matters

Ms. Briggs stated that the Division has not received a response to the complaint. Ms. Briggs stated that the Division filed a notice of default and has not received a response.

#### State's Witness

Commission Coordinator Claudia Rosolen testified regarding proof of service.

#### Allegations:

Ms. Briggs asked the Commission to enter a default against Ms. Ragsdale and that the factual allegations contained in the complaint to be accepted as true.

Commissioner Rizzi moved to consider the factual allegations as true pursuant to NAC 116.580. Commissioner Aichroth seconded.

Motion carried unanimously.

#### Violations of Law:

Ms. Briggs asked that the violations of law contained in the complaint be accepted as they are alleged.

Commissioner Aichroth moved to consider the violations of law paragraphs 19 through 29 as true, pursuant to NAC 116.580. Commissioner Rizzi seconded.

Motion carried unanimously.

#### Division's Recommendation for Discipline

Joseph Decker gave the Division's recommendation for discipline:

- Respondent's community manager certificate to be revoked.
- To pay an administrative fine of \$55,000 for committing the violations of law.
- To pay restitution to Millstream Homeowners' Association, in the amount of \$2,400 no later than 90 days from the date of the Order.
- The Division may institute debt collection proceedings for failure to timely pay the total fine or any installment thereof. Further, if collection goes through the State of Nevada, then respondent shall also pay the costs associated with collection.

Commissioner Woods moved to accept the Division's recommendation for discipline. Commissioner Williams seconded.

Commissioner Woods amended her motion to include fees and costs as follow:

- To pay to the Division a total fine of \$60,135.76.
- The total fine reflects an administrative fine of \$55,000 for committing the violations of law, plus \$5,135.76 for the Division's attorney's fees and costs.
- The fine must be paid in full no later than 90 days from the date of the Order.

Commissioner Williams seconded.

Motion carried unanimously.

**3-D) Disciplinary action: Hearing and possible action by the Commission  
NRED v. Carlos Calderon, for possible action**

**Case No. 2015-1137**

**Type of Respondent: Executive Board**

Parties Present:

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Carlos Calderon was not present.

Preliminary Matters

Ms. Briggs stated that the Division has not received a response to the complaint. Ms. Briggs stated that the Division filed a notice of default and has not received a response.

State's Witness

Commission Coordinator Claudia Rosolen testified regarding proof of service.

Allegations:

Ms. Briggs asked the Commission to enter a default against Mr. Calderon and that the factual allegations contained in the complaint to be accepted as true.

Commissioner Layton moved to consider the factual allegations as true pursuant to NAC 116.580. Commissioner Aichroth seconded.

Motion carried unanimously.

Violations of Law:

Ms. Briggs asked that the violations of law contained in the complaint be accepted as they are alleged.

Commissioner Rizzi moved to consider the violations of law paragraphs 18 through 22 as true pursuant to NAC 116.580. Commissioner Layton seconded.

Motion carried unanimously.

Division's Recommendation for Discipline

Joseph Decker gave the Division's recommendation for discipline:

- Respondent shall be deemed removed from serving as a board member and officer for any common-interest community located within the state of Nevada and shall not serve as a board member or officer for any common-interest community in the state of Nevada for no less than 10 years from the date of the Order.
- Respondent shall pay to the Division a total fine of \$9,771.20. The total fine reflects an administrative fine of \$6,000 for committing the violations of law, plus \$3,771.20 for the Division's attorney's fees and costs.

- Respondent shall pay restitution to the associations in the total amount of \$44,521 with Diamond Head Villas Association, Inc. to receive \$22,260.50 and Diamond Head Villas Association Phase II to receive \$22,260.50.

Commissioner Layton moved to accept the Division's recommendation for discipline. Commissioner Rizzi seconded.

Commissioner Rizzi amended the motion to include that payment to the Division and the associations shall be paid in full no later than 90 days from the date of the Order. Commissioner Layton seconded.

Motion carried unanimously.

**3-E) Disciplinary action: Hearing and possible action by the Commission**  
**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez;**  
**and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

Parties Present:

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was present.

Bruce Flammey was present representing Robert Stern.

Robert Stern was not present.

Preliminary Matters:

Ms. Briggs stated that the State and respondent Robert Stern reached a settlement. Ms. Briggs provided the Commission with a copy of the stipulation for partial settlement of disciplinary action.

Acting Chairman Breslow asked Mr. Flammey if Mr. Stern was in favor of the obligations under the terms of the stipulation.

Mr. Flammey stated that Mr. Stern understood and agreed with the terms set forth in the stipulation.

Acting Chairman Breslow read the partial stipulation for settlement for respondent Robert Stern into the record.

Commissioner Layton moved to accept the partial settlement for respondent Robert Stern. Commissioner Williams seconded.

Motion carried 5 to 1 with Commissioner Aichroth opposed.

**3-E-1) For possible action: Motion for pre-hearing conference to bring a more define complaint or, in the alternative, to clarify the complaint.**

**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez; and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

Parties Present:

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was present.

Discussion:

Mr. Boyack spoke to the motion.

Ms. Briggs spoke against the motion.

Mr. Boyack responded to Ms. Briggs argument.

Acting Chairman Breslow questioned Mr. Boyack. Acting Chairman Breslow asked if Mr. Hernandez would agree to voluntarily stand down from the board until the next Commission meeting in the south as a condition for a pre-hearing conference.

Mr. Boyack objected to the suspension.

Ms. Briggs opposed the continuance for a pre-hearing conference.

Commissioner Williams made a statement.

Commissioner Aichroth questioned Mr. Boyack.

Ms. Briggs responded to Mr. Boyack's argument.

Acting Chairman Breslow questioned Mr. Boyack.

Commissioner Rizzi questioned Mr. Boyack.

Commissioner Williams questioned Ms. Briggs.

Commissioner Aichroth moved to deny the motion for a pre-hearing conference to bring a more define complaint or, in the alternative, to clarify the complaint. Commissioner Layton seconded.

Commissioner Rizzi asked if Mr. Hernandez would agree to voluntarily stand down from the board.

Mr. Hernandez stated no.

Motion carried unanimously.

**3-E-2) For possible action: Motion to dismiss the complaint in its entirety.**

**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez; and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was present.

**Discussion:**

Mr. Boyack spoke to the motion.

Ms. Briggs spoke against the motion.

Mr. Boyack responded to Ms. Briggs argument.

Commissioner Williams moved to deny the motion to dismiss the complaint in its entirety. Commissioner Woods seconded.

Motion carried unanimously.

**3-E-3) For possible action: Disciplinary hearing and possible action by the Commission.**

**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez; and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was present.

Ms. Briggs made an opening statement.

Mr. Boyack made an opening statement.

Mr. Boyack requested the rule of exclusion of witnesses.

State's Witness:

Sharon Jackson testified.

Ms. Briggs submitted State's Exhibit 1 which was accepted into evidence with no objection.

Mr. Boyack made an objection for relevance of the State's line of questioning.

Ms. Briggs provided background on the context for relevance.

The Commission overruled the objection.

Ms. Briggs submitted State's Exhibits 2 to 9 which were accepted into evidence with no objection.

Ms. Briggs submitted State's Exhibit 10 which was denied and not admitted.

Ms. Briggs submitted State's Exhibit 11 which was accepted into evidence with no objection.

Mr. Boyack cross-examined Ms. Jackson.

Ms. Briggs re-directed.

Ms. Briggs re-submitted State's Exhibit 10 which was accepted into evidence with no objection.

Mr. Boyack re-cross examined Ms. Jackson.

The Commission questioned Ms. Jackson.

The witness was dismissed.

State's Witness:

Darik Ferguson testified.

Ms. Briggs submitted State's Exhibits 12 to 14 which were accepted into evidence with no objection.

Mr. Boyack cross-examined Mr. Ferguson.

The witness was dismissed.

State's Witness:

Jody Fassette testified.

Ms. Briggs submitted State's Exhibit 15 which was accepted into evidence with no objection.

The hearing was continued to the next day due to time constraints.

**8) Public Comment**

None.

**10) For possible action: Adjournment**

The meeting recessed at 04:30 p.m. on June 7, 2016.

**GRANT SAWYER BUILDING  
555 E. WASHINGTON AVENUE  
ROOM 4412  
LAS VEGAS, NV 89101**

**VIDEO CONFERENCE TO:  
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401 SOUTH CARSON STREET  
ROOM 2134  
CARSON CITY, NV 89701**

**JUNE 8, 2016**

**9:00 A.M.**

**1-A) Introduction of Commissioners in attendance**

In Las Vegas: Scott Sibley, Barry Breslow, Stephen Aichroth, Ken Williams, James Rizzi, Richard Layton, Doris Woods, and Senior Deputy Attorney General Sarah Bradley as Commission Counsel.

**1-B) Introduction of Division Staff in attendance**

In Las Vegas: Joseph Decker, Administrator; Sharon Jackson, Ombudsman; Teralyn Thompson, Administration Section Manager; Stacey Spoerl, Education and Information Officer; Darik Ferguson, Chief Compliance Audit Investigator; Claudia Rosolen, Commission Coordinator; and Senior Deputy Attorney General Michelle Briggs serving as Division Counsel.

In Carson City: Michael Jory, Deputy Administrator, and Chris Cooke, Compliance Audit Investigator.

**2) Public Comment**

None.

**3-E-3) For possible action: Disciplinary hearing and possible action by the Commission.**

**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez; and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was not present.

Mr. Boyack requested the rule of exclusion of witnesses.

Commissioner Rizzi disclosed that his firm received a summons from Mr. Boyack's firm for a common-interest community that his firm is currently managing. Commissioner Rizzi stated that this will not affect his ability to be impartial in his vote.

Mr. Boyack and Ms. Briggs agreed and consented to having Commissioner Rizzi continuing to hear the current matter.

State's Witness:

Ms. Briggs resumed direct examination of Jody Fassette.

Ms. Briggs submitted State's Exhibits 16 to 18 which were accepted into evidence with no objection.

Mr. Boyack cross-examined Ms. Fassette.

Mr. Boyack submitted Respondent's Exhibit A which was accepted into evidence with no objection.

Ms. Briggs re-directed Ms. Fassette.

The Commission questioned Ms. Fassette.

Ms. Briggs re-directed Ms. Fassette.

Mr. Boyack re-cross-examined Ms. Fassette

Ms. Briggs re-directed Ms. Fassette.

The witness was dismissed.

State's Witness:

Ronnie Young testified.

Mr. Boyack cross-examined Mr. Young.

Ms. Briggs made an objection on Mr. Boyack's line of questioning.

The Commission overruled the objection.

The Commission questioned Mr. Young.

Mr. Boyack re-cross-examined Mr. Young.

The witness was dismissed.

State's Witness:

Joseph Decker testified.

Mr. Boyack cross-examined Mr. Decker.

Ms. Briggs re-directed Mr. Decker.

The Commission questioned Mr. Decker.

Mr. Boyack re-cross-examined Mr. Decker.

Ms. Briggs re-directed Mr. Decker.

The witness was dismissed.

Respondent's Witness:

Steven Parker testified.

Mr. Boyack submitted Respondent's Exhibit B which was accepted into evidence with no objection.

Ms. Briggs cross-examined Mr. Parker.

Mr. Boyack re-directed Mr. Parker.

The Commission questioned Mr. Parker.

Mr. Boyack re-directed Mr. Parker.

The witness was dismissed.

Respondent's Witness:

Ken Brensinger testified.

Ms. Briggs cross-examined Mr. Brensinger.

The hearing was continued to the next day due to time constraints.

**8) Public Comment**

None.

**10) For possible action: Adjournment**

The meeting recessed at 04:30 p.m. on June 8, 2016.

**DEPARTMENT OF BUSINESS AND INDUSTRY  
2501 E. SAHARA AVENUE  
2<sup>ND</sup> FLOOR CONFERENCE ROOM  
LAS VEGAS, NEVADA 89104**

**NO VIDEO CONFERENCE**

**JUNE 9, 2016**

**9:00 A.M.**

**1-A) Introduction of Commissioners in attendance**

In Las Vegas: Scott Sibley, Stephen Aichroth, Ken Williams, James Rizzi, Richard Layton, Doris Woods, and Senior Deputy Attorney General Sarah Bradley as Commission Counsel.

Barry Breslow was not present.

**1-B) Introduction of Division Staff in attendance**

In Las Vegas: Joseph Decker, Administrator; Sharon Jackson, Ombudsman; Teralyn Thompson, Administration Section Manager; Stacey Spoerl, Education and Information Officer; Darik Ferguson, Chief Compliance Audit Investigator; Claudia Rosolen, Commission Coordinator; and Senior Deputy Attorney General Michelle Briggs serving as Division Counsel.

Commissioner Williams asked to have better accommodation for future Commission meetings.

**2) Public Comment**

None.

**3-E-3) For possible action: Disciplinary hearing and possible action by the Commission.**

**NRED v. Anthem Highlands Community Association; Robert Stern; Charles Hernandez; and Ronnie Young, for possible action**

**Case Nos. 2015-3615; 2015-2155; 2015-3100; 2015-2207**

**Type of Respondent: Board Officer and Director**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Ted Boyack was present representing Charles Hernandez and Anthem Highlands Community Association.

Charles Hernandez was not present.

**Respondent's Witness:**

Ms. Briggs resumed cross-examination of Mr. Brensinger.

Mr. Boyack re-directed Mr. Brensinger.

The Commission questioned Mr. Brensinger.

Mr. Boyack re-directed Mr. Brensinger.

Ms. Briggs re-cross-examined Mr. Brensinger.

The witness was dismissed.

Ms. Briggs gave her closing statement.

Mr. Boyack gave his closing statement.

Factual Allegations:

Chairman Sibley read the factual allegations into the record.

Commissioner Layton moved to accept the factual allegations as true. Commissioner Aichroth seconded.

Motion carried 4 to 1 with Commissioner Williams opposed and Chairman Sibley abstained.

Violations of law:

Commission Counsel stated that all the violations are to be considered without the two respondents that had previously settled.

Commissioner Rizzi moved that factual allegation 69 was not proven. Commissioner Aichroth seconded.

Motion carried 3 to 2 with Commissioner Woods and Commissioner Layton opposed. Chairman Sibley abstained.

Commissioner Williams moved that factual allegation 70 was proven. Commissioner Layton seconded.

Motion carried with Chairman Sibley abstained.

Commissioner Rizzi moved that factual allegation 71 was not proven. Commissioner Aichroth seconded.

Motion carried with Chairman Sibley abstained.

Commissioner Rizzi moved that factual allegation 72 was not proven. Commissioner Aichroth seconded.

Motion carried with Chairman Sibley abstained.

Commissioner Rizzi moved that factual allegation 73 was not proven. Commissioner Aichroth seconded.

Motion carried with Chairman Sibley abstained.

Commissioner Rizzi moved that factual allegation 74 was not proven. Commissioner Layton seconded.

Motion carried with Chairman Sibley abstained.

Commissioner Rizzi moved that factual allegation 75 was not proven. Commissioner Layton seconded.

Motion carried with Chairman Sibley abstained.

#### Division's Recommendation for Discipline

Michelle Briggs gave the Division's recommendation for discipline:

- Respondent Charles Hernandez shall be deemed removed from the board of the Association.
- Respondent Charles Hernandez shall not serve as a board member of any homeowners' association in the State of Nevada for a period of not less than 5 years.
- Respondent Charles Hernandez shall personally pay an administrative fine consisting of Division costs of the hearing \$4,023.00 and a third of the pre-investigation costs.
- Respondent Anthem Highlands Community Association (the "Association") shall require that all current board members and the board member who is elected to replace respondent Charles Hernandez take "The Board Leadership Development Workshop" course offered by the Nevada Chapter of the Community Associations Institute in Las Vegas within 6 months.
- Respondent Association shall immediately commence a special election in compliance with all requirements of Chapter 116 for the replacement of respondent Charles Hernandez.

Commissioner Williams moved to order the following discipline:

- Respondent Charles Hernandez shall personally pay an administrative fine consisting of Division costs of \$4,023.00 to be paid within 90 days of the date of the Order.
- Respondent Charles Hernandez shall be deemed removed from the board of the Association as of June 9, 2016.
- Respondent Charles Hernandez shall not serve as a board member of any homeowners' association in the State of Nevada for a period of not less than 5 years from June 9, 2016.
- Respondent Anthem Highlands Community Association (the "Association") shall require that all current board members and the board member who is elected to replace respondent Charles Hernandez take "The Board Leadership Development Workshop" course offered by the Nevada Chapter of the Community Associations Institute in Las Vegas within 6 months.
- Respondent Association shall immediately commence a special election in compliance with all requirements of Chapter 116 for the replacement of respondent Charles Hernandez.

Commissioner Layton seconded.

Commissioner Williams amended his motion to extend the timeframe for the board members and the board member who is elected to replace respondent Charles Hernandez to take the course offered by the Nevada Chapter of the Community Associations Institute in Las Vegas to 1 year if the course is not available within 6 months. Commissioner Layton seconded.

Motion carried 3 to 2 with Commissioners Rizzi and Aichroth opposed. Chairman Sibley abstained.

**6-7) Leach Johnson Song & Gruchow.**

**“Fair Housing Act: Federal Law in Relation to Common-Interest Communities and their Governing Documents”**

**Request: 3 Hours                      Legal                      Classroom**

**6-8) Leach Johnson Song & Gruchow.**

**“Neighbor to Neighbor Disputes”**

**Request: 1 Hour                      Legal                      Classroom**

Stacey Spoerl recommended having 6-7 and 6-8 as general education courses not legal courses. Ms. Spoerl stated that the sponsor of the courses agrees to the changes. Ms. Spoerl stated that the Division is recommending approval.

Commissioner Rizzi disclosed that his firm is currently in litigation with Leach Johnson Song & Gruchow. Commissioner Rizzi stated that this will not affect his ability to be impartial in his vote.

Commissioner Woods disclosed that her association uses Leach Johnson Song & Gruchow periodically. Commissioner Woods stated that this will not affect her ability to be impartial in her vote.

Commissioner Layton disclosed that his association uses Leach Johnson Song & Gruchow periodically. Commissioner Layton stated that this will not affect his ability to be impartial in his vote.

**6-1) University of Nevada, Las Vegas: Division of Education Outreach, Continuing Education.**

**“60-Hour Association Manager Pre-Certification Course”**

**Request: 60 Hours                      Pre-certification                      Classroom**

**6-2) Ultimate Choice Restoration.**

**“Water 101 Damage”**

**Request: 1 Hour                      General                      Classroom**

**6-3) Mutual of Omaha Bank.**

**“Advanced Investing for Community Associations”**

**Request: 1 Hour                      General                      Classroom**

**6-4) University of Nevada, Las Vegas: Division of Education Outreach, Continuing Education.**

**“Overview of NRS116 and NAC116”**

**Request: 3 Hours                      General                      Classroom**

**6-5) University of Nevada, Las Vegas: Division of Education Outreach, Continuing Education.**

**“Declarant Transition and Resales”**

**Request: 3 Hours                      General                      Classroom**

**6-6) Maddox Segerblom and Canepa, LLP.**

**“Mediation and How to Prepare Your Board”**

**Request: 1 Hour                      General                      Classroom**

**6-9) Wolf Rifkin, Shapiro, Schulman & Rabkin, LLP.**

**“Drones and the HOA. Serious Privacy and Safety Issues”**

**Request: 1 Hour                      General                      Classroom**

**6-10) Wolf Rifkin, Shapiro, Schulman & Rabkin, LLP.**

**“Short Term Rentals- Is it even legal?”**

**Request: 1 Hour                      General                      Classroom**

**6-11) Wolf Rifkin, Shapiro, Schulman & Rabkin, LLP.**

**“Squatters and the HOA.” “How can our police departments help and what can we do?”**

**Request: 1 Hour                      General                      Classroom**

**6-12) Wolf Rifkin, Shapiro, Schulman & Rabkin, LLP.**

**“Meetings within the HOA.” “What are the common downfalls and getting to specifics.”**

**Request: 3 Hours                      General                      Classroom**

Ms. Spoerl stated that the Division is recommending approval for items 6-1 to 6-12.

Chairman Sibley disclosed that:

- One of his firms have some banking relations with Mutual of Omaha Bank;
- His employer receives compensation from Maddox Segerblom and Canepa, LLP;
- His employer receives compensation from Leach Johnson Song & Gruchow; and
- His employer receives compensation from Wolf Rifkin, Shapiro, Schulman & Rabkin, LLP

Chairman Sibley stated that this will not affect his ability to be impartial in his vote.

Commissioner Layton disclosed that his association does some banking with Mutual of Omaha Bank. Commissioner Layton stated that this will not affect his ability to be impartial in his vote.

Commissioner Layton moved to approve course 6-1 to 6-12 and to approve courses 6-7 and 6-8 as general education. Commissioner Williams seconded.

Motion carried unanimously.

**5-F) For possible action: Discussion and decision regarding giving the Division authority to approve continuing education courses on behalf of the Commission.**

Joseph Decker asked the Commission to delegate authority to the Division to approve continuing education courses on behalf of the Commission. Mr. Decker stated that the Division would work with sponsors and instructors in reviewing the courses. Mr. Decker stated that any denial would go in front of the Commission for review and decision. Mr. Decker stated it is possible under NRS 116.615 (3) and (4) *“The Commission, or the Administrator with the approval of the Commission, may adopt such regulations as are necessary to carry out the provisions of this chapter. The Commission may by regulation delegate any authority conferred upon it by the provisions of this chapter to the Administrator to be exercised pursuant to the regulations adopted by the Commission.”*

Commissioner Rizzi requested to have a report of the courses that the Division approves.

Commissioner Layton move to approve the delegation of authority to the Division to approve continuing education courses on behalf of the Commission. Commissioner Williams seconded.

Motion carried unanimously.

**4-A) Discussion and decision to approve minutes of the March 29, 2016 Commission meeting.**

Commissioner Layton moved to approve the minutes. Commissioner Woods seconded.

Motion carried unanimously.

**4-B) Discussion regarding Commissioners’ speaking engagement requests.**

No speaking engagements.

**5-A-1) Administrator’s Report: Personnel**

Joseph Decker presented this report. Mr. Decker stated that Compliance Section is fully staffed.

Mr. Decker stated that the Interim Finance Committee of the Legislature approved the Division’s request to convert a vacant investigator position to the Ombudsman Section to assist with mediations and the Alternative Dispute Resolution (ADR) cases.

Mr. Decker stated that Stacey Spoerl is the new education officer.

**5-A-2) Administrator’s Report: Division updates**

Joseph Decker presented this report. Mr. Decker stated that Licensing section is now accepting credit card transactions.

**5-A-3) Administrator’s Report: Update on LCB File No. R050-15**

Teralyn Thompson presented this report. Ms. Thompson stated that the regulation was workshopped in November 2015 and adopted by the Commission in March 2016. Ms. Thompson stated that LCB File No. R050-15 is scheduled to go in front of the Legislative Commission on June 28, 2016. Ms. Thompson stated that the regulation would increase the

Ombudsman's Office per door fee, the community manager application fee and the temporary certificate application fee.

**5-B-1) Ombudsman's Report on intervention**

Joseph Decker presented this report. Mr. Decker stated that 248 interventions have been received since July 2015. Mr. Decker stated that the number of intervention affidavits is decreasing because the Division is routing resolution issues to the informal conference program.

**5-B-2) Ombudsman's Report on informal conferences**

Joseph Decker presented this report. Mr. Decker stated that the Division held 42 informal conferences. Mr. Decker stated that the year-to-date resolution rate is 79%.

**5-B-3) Ombudsman's Report on alternative dispute resolution filings and subsidy claims**

Joseph Decker presented this report. Mr. Decker stated that 1,050 claims have been received for Alternative Dispute Resolution (ADR). Mr. Decker stated that a lot of cases are related to the super priority lien. Mr. Decker stated that banks are filing with the Division so that they can move forward and go to court. Mr. Decker stated that the ADR subsidy was approved by the Legislator and doesn't affect the operating budget. Mr. Decker stated that the fund was design to help unit owners that could not afford to pay but anyone can apply for it.

**5-B-4) Ombudsman's Report on homeowner association and compliance audits**

This report was not presented. A summary chart was provided to the Commission and available to the public for review.

**5-B-5) Ombudsman's Report on Program Training Officer's Report**

Joseph Decker stated that the number of classes will go down in the next meeting report because the program training officer position needs to be filled.

**5-B-6) Ombudsman's Report on number and types of associations registered with the State**

Joseph Decker presented this report. Mr. Decker stated that the current number of registered associations is 3,131 with no new units.

**5-C) Compliance Section's report**

Darik Ferguson presented this report. Mr. Ferguson stated that the Enforcement Section has no cases that are over two years and older. Mr. Ferguson stated that now that the section is fully staffed they are going through the database verifying and updating all the information. Mr. Ferguson stated that there are 21 cases that are one year and older and five cases involving boards that are over a year old.

**5-D) Administrative fine report pursuant to NAC 116A.350 (4)**

Teralyn Thompson stated that she has nothing to report at this time.

**5-E) Licensee and board member discipline report**

Teralyn Thompson presented this report. Ms. Thompson stated that Leslie White, Audra Collins and Ryon Collins paid their fine in full. Ms. Thompson stated that Maria Limon, Anthem Highland/Ronnie Young and Martin Saxon were added to the report.

**7) For possible action: Discussion and decision on date, time, place, and agenda items for upcoming meetings; including setting meeting dates 2016.**

Teralyn Thompson stated that the next Commission meeting is scheduled for August 16-18, 2016 in the North.

Commissioner Rizzi stated that he will not be in attendance.

**3-A) Disciplinary action: Hearing and possible action by the Commission**  
**NRED v. Sierra Ranchos Property Owners Association; Roger Seifert; Scott Dalman; Scott Crow; Brent Johnson and Ron Wix, for possible action**  
**Case No. IN-1608**

**Type of Respondent: Executive Board**

**Parties Present:**

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

Kaleb Anderson was present representing the respondents.

**Preliminary Matters:**

Ms. Briggs stated that the State and the respondents Roger Seifert, Scott Dalman, Scott Crow and Ron Wix reached a settlement.

Chairman Sibley asked if respondents Roger Seifert, Scott Dalman, Scott Crow and Ron Wix were in favor of the obligations under the terms of the stipulation.

Mr. Anderson stated that they understood and agreed with the terms set forth in the stipulation.

**Settlement terms:**

- Respondent Sierra Ranchos Property Owners Association (the “Association”) agrees pay an administrative fine to the Division in the amount of \$1,000 to be paid within 60 days from the date the Stipulation and Order is signed by the Commission.
- The Association agrees to grant Greta Anderson a hardship exemption for the installation of the horse shelters on her property wherever she deems most appropriate even if such location is within the 60-foot setback.
- The Association agrees to remove all fines and any other penalties applied to Greta Anderson’s account as a result of the 60-foot setback violation.
- Roger Seifert, Scott Crow, Scott Dalman and Ron Wix agree not to serve as a member of the board of directors or as an officer for the Association or any other common-interest community located in the State of Nevada for no less than 5 years from the date the Stipulation and Order is signed by the Commission; unless, (1) the Association cannot fill all openings on its board of directors with the voluntary participation of owners within the Association, and (2) the Association is managed by a community manager who holds a certificate from the Division.

Commissioner Williams moved to approve the settlement. Commissioner Layton seconded.

Motion carried unanimously.

The remaining matter was continued to the next Commission meeting.

**3-B) Disciplinary action: Hearing and possible action by the Commission**

**NRED v. Belvedere Towers Owners Association, David Lonich; Terry Strongin; and Kelly Vander, for possible action**

**Case Nos. 2013-2937; IN-1621 (2012-2994); IN-1623 (2012-2870)**

**Type of Respondent: Executive Board**

This matter was continued.

**3-F) Disciplinary action: Hearing and possible action by the Commission**

**NRED v. Laurel Canyon Homeowners Association; James Schumann; and Robert Valentine, for possible action**

**Case Nos. 2015-1360; 2015-1361; and 2015-1363**

**Type of Respondent: Board Officer and Director**

Parties Present:

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

AJ Kung was present representing James Schumann and Robert Valentine.

Commissioner Williams stated that he had prior knowledge of some of the information regarding items 3-F, 3-G and 3-H. Commissioner Williams recused himself from those agenda items.

Chairman Sibley disclosed his employer receives compensation from the respondent's attorney's firm. Chairman Sibley stated that this will not affect his ability to be impartial in his vote.

Ms. Kung and Ms. Briggs agreed and consented to having Chairman Sibley continuing to hear the current matter.

Ms. Briggs made an opening statement.

Ms. Kung made an opening statement.

State's Witness:

Christina Pitch testified.

Ms. Briggs submitted State's Exhibits 1 to 11 which were accepted into evidence with no objection.

Commissioner Layton disclosed that he and his firm had business relations with Thoroughbred Management. Commissioner Layton stated that he is now retired and that this will not affect his ability to be impartial in his vote.

Ms. Kung and Ms. Briggs agreed and consented to having Commissioner Layton continuing to hear the current matter.

Ms. Kung cross-examined Ms. Pitch.

The witness was dismissed.

Ms. Briggs stated that the State and the respondents James Schumann and Robert Valentine reached a settlement.

Settlement terms:

- Respondent Schumann agrees to pay an administrative fine in the amount of \$1,000 to the Division by paying monthly payments in the amount of no less than \$50 per month until paid in full. The first payment shall be due on or before August 1, 2016 and on or before the first of each month thereafter; until the total fine is paid in full which shall occur no later than March 1, 2018.
- Respondent Valentine agrees to pay an administrative fine in the amount of \$1,000 to the Division by paying monthly payments in the amount of no less than \$50 per month until paid in full. The first payment shall be due on or before August 1, 2016 and on or before the first of each month thereafter; until the total fine is paid in full which shall occur no later than March 1, 2018.
- Respondents Schumann and Valentine agree to take no less than three hours of board member training classes offered by the Division as directed by the Division no later than June 9, 2017.

Chairman Sibley asked if James Schumann and Robert Valentine were in favor of the obligations under the terms of the stipulation.

Ms. Kung stated that James Schumann and Robert Valentine understood and agreed with the terms set forth in the stipulation.

Commissioner Layton moved to approve the settlement. Commissioner Rizzi seconded.

Motion carried with Commissioner Williams abstained.

**3-G) Disciplinary action: Hearing and possible action by the Commission**  
**NRED v. Jeffrey Allan Frederick, for possible action**  
**Case No. 2014-1057**  
**Type of Respondent: Community Manager**

**3-H) Disciplinary action: Hearing and possible action by the Commission**  
**NRED v. Penny D. Frederick (fka Penny Wood), for possible action**  
**Case No. 2014-1053**

**Type of Respondent: Unlicensed Community Manager**

Commissioner Williams stated that he had prior knowledge of some of the information regarding items 3-F, 3-G and 3-H. Commissioner Williams recused himself from those agenda items.

Parties Present:

Senior Deputy Attorney General Michelle Briggs was present representing the Division.

AJ Kung was present representing Jeffrey Allan Frederick and Penny D. Frederick

Ms. Kung asked the Commission to allow Mr. Frederick's license to be reinstated until the November hearing.

Ms. Briggs stated that the Division opposes Ms. Kung's request.

Ms. Kung responded to Ms. Briggs argument.

Ms. Briggs responded.

Commissioner Aichroth moved to reinstate Mr. Frederick's license and to continue the matters of Jeffrey Allan Frederick and Penny D. Frederick to the next southern Commission meeting. Commissioner Rizzi seconded.

Motion carried with Commissioner Williams abstained.

**4-C) Discussion regarding the State of Nevada Supreme Court 132 Nev. Advance Opinion 35 Horizon at Seven Hills Homeowners Association vs. IKON Holdings, LLC concerning a super priority lien pursuant to NRS 116.3116(2).**

This item was tabled.

**8) Public Comment**

In Las Vegas: Tim Stebbins, Henderson resident and director of the Nevada Homeowner Alliance PAC (NHA), commented. Mr. Stebbins stated that it is good to see a course about drones as they are becoming very popular. Mr. Stebbins stated that soon Nevada might have to start regulating the use of drones in common-interest communities.

**9) Commissioner Comments**

Commissioner Rizzi and Aichroth thanked the public for their patience with the accommodation.

Commissioner Williams stated that during public comment on Tuesday there was a statement about him being involved in a federal lawsuit. Commissioner Williams stated that the lawsuit involved other people not just him. Commissioner Williams stated that his full name is Kendall but uses Ken for brevity.

Chairman Sibley thanked Division Counsel for her ability and willingness to settle some of the cases that went in front of the Commission.

**10) For possible action: Adjournment**

The meeting adjourned at 4:56 p.m. on June 9, 2016.

Respectfully Yours,

Claudia Rosolen  
Commission Coordinator