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

JOSEPH (J.D.) DECKER, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA, Petitioner, vs. ANTHEM HIGHLANDS COMMUNITY ASSOCIATION, PENNIE PUHEK, JAMES LAUTH, and CHARLES HERNANDEZ, Respondents.	Case Nos. 2015-291

FILED
AUG 03 2016
NEVADA COMMISSION OF COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

Office of the Attorney General
555 E Washington Ave, Suite 3900
Las Vegas, Nevada 89101

OPPOSITION TO RESPONDENT JAMES LAUTH'S MOTION TO DISMISS AND COUNTERMOTION FOR PARTIAL SUMMARY JUDGMENT

The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Adam Paul Laxalt, Attorney General of the State of Nevada, and Michelle D. Briggs, Senior Deputy Attorney General, hereby files its Opposition to Respondent James Lauth's Motion to Dismiss, and submits its Countermotion for Partial Summary Judgment. This opposition and countermotion is made and based on the following Memorandum of Points and Authorities as well as any and all pleadings on file herein and any oral argument that may be heard at the time of the hearing of this matter.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Without any doubt, Anthem Highlands Community Association has problems with its management. The Association's board exhibits the behavior of a high school clique, where board members who are friends favor one another no matter what, and where board members who disagree with each other are disavowed by the other group in all circumstances. This juvenile behavior has resulted in substantial legal expenses to the Association. In certain circumstances, this loyalty among the group of friends on the board is in direct conflict with each board member's individual fiduciary duty to act in good faith and in

the best interests of the Association. That is exactly what happened in this case. RESPONDENT PENNIE PUHEK posted disparaging, retaliatory comments about another homeowner on a neighborhood social networking site. LAUTH, PUHEK'S friend, alleges PUHEK'S retaliatory actions are protected by her free speech rights. Is LAUTH'S position in the best interests of the Association? Absolutely not. No board member should ever support another board member retaliating against a homeowner. As more than just the complaint is considered in LAUTH'S motion, it should be treated as a motion for summary judgment, and not a motion to dismiss. The Division agrees that there are no material issues of fact in dispute, but the Division should prevail on summary judgment and submits its countermotion for summary judgment as to LAUTH.

II. FACTS

The intervention affidavit was brought against PUHEK and the Association. The certified letter from the complainant was sent to the board of directors for the Association.[1] The board did not respond to the certified letter.

The letter to the board detailed the posts made by PUHEK on NextDoor, a neighborhood specific social networking site, about Robert Stern in January 2015.[2] PUHEK'S post in reply to Mr. Stern's post states:

> You are pathetic and shameless. You have terrorized the community and its last two management companies, so you can make a buck. I am asking all homeowners in Anthem Highlands to help finally get rid of this cancer and boycott anything he does or sells and make sure you vote against him and anyone else he supports in upcoming Board elections. He is trying to write another book at our associations expense. His primary residence is North Carolina, but he comes back to Las Vegas during election time to terrorize our community so he can write more books. Please mark your calendars for the next Board meeting in February to come find out what you can do to get rid of pure evil.[3]

Ken Brensinger posted a response to PUHEK saying: "I agree! It's a shame what he

[1] See Letter to Board dated January 20, 2015 attached at Ex. 1.
[2] See id.
[3] Nextdoor postings attached at Ex. 2.

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put our community through."[4] Not a board member at that time, Brensinger was appointed with LAUTH'S approval to fill a vacancy on the board a few weeks later.[5]

PUHEK also posted:

> If people only knew what he has really done (which you can find out at a board meeting). Stern wants to cut out all of our great community events (everything that brings our community together like snow day, the fall Festival, jazz nights for adults, and the luau) and tries to block any community enhancements. He has even filed complaints with the state (never won any) over us trying to upgrade our landscape common areas and entrances, so we can compete with other communities like Inspirada and increase our home values. It's not like he even cares, he doesn't live here most of the year. It's about creating chaos for the community so he can write books. I am so glad we have a strong board and I hope the community re-elects them so we can continue with our awesome landscape upgrades this year.[6]

As set forth in the complaint, the Division's Administrator met with PUHEK and HERNANDEZ and discussed the intervention affidavit filed in this matter. PUHEK vigorously defended her right to say whatever she wanted to say on the neighborhood networking site, and had to be asked to leave Mr. Decker's office due to her behavior. HERNANDEZ supported PUHEK. HERNANDEZ sent a letter to the Division saying he spoke to the rest of the board about issuing a letter of censure to PUHEK and all of them agreed it was not necessary.[7] The Division investigated the case as a retaliation claim, and requested an individual response from all the board members.[8]

The Division's letter to the board members requests a response to the following allegation:

> Pennie Puhek, the Association's vice president, included disparaging, potentially defamatory, remarks about a fellow homeowner, Robert Stern, for dissemination to other homeowners due to Mr. Stern's complaints about the Association and its board. These actions that Pennie Puhek demonstrated was also backed by Charles Hernandez, the Association's President, in a letter to Joseph (J.D.) Decker, the Nevada Real Estate Division's Administrator, dated January 29th, 2015. Such conduct may be a violation of NRS 116.31183.[9]

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[4] See id.
[5] See Board Meeting Minutes dated February 25, 2015 attached at Ex. 3.
[6] Nextdoor postings at Ex. 2.
[7] See Letter from Charles Hernandez dated January 29, 2015 attached at Ex. 4.
[8] See Division Letter dated February 25, 2015 attached at Ex. 5.
[9] See id.

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RESPONDENT LAUTH personally responded to the investigation by signing a form affidavit prepared by the Association's attorney, Ted Boyack.[10] LAUTH'S affidavit states that he did not think the board should issue PUHEK a letter of reprimand and that her comments were made as a private citizen and not a board member.[11] LAUTH's affidavit states that the board has "no business or authority to censure her free speech rights as a private citizen."[12]

The Division discovered later that the Association's board adopted a resolution on fiduciary and ethical responsibility just six months prior to PUHEK'S post.[13] LAUTH voted in favor of the resolution.[14] The resolution provides that "Board members owe a fiduciary duty to the Association, which includes a duty of loyalty, a duty of care and a duty of confidentiality."[15] The resolution lists several provisions to restrict the conduct of board members based on the duties they owe to the Association, including treating others with respect and not making personal attacks.[16]

LAUTH did not provide the Board's resolution to the Division during the investigation and did not reference it in any way in his affidavit to the Division.[17] The Association's attorney who provided a written response to the investigation also did not mention the Association's fiduciary duty resolution.[18]

III. LEGAL ARGUMENT

A. WHILE LAUTH'S AFFIDAVIT MAY NOT REVEAL HIS MOTIVE FOR SUPPORTING PENNIE PUHEK, HIS MOTION MAKES IT VERY CLEAR THAT HE WAS MOTIVATED BY HIS DISLIKE FOR ROBERT STERN.

LAUTH'S motion claims his position in this matter is justified based on unsupported allegations that Robert Stern complained about the Association and the former manager,

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[10] See Affidavits of Charles Hernandez and James Lauth attached at Ex. 6.
[11] See id.
[12] Id.
[13] See Association Directors Fiduciary and Ethical Responsibility Resolution ("Board Resolution") attached at Ex. 7.
[14] See Board Meeting Minutes dated June 25, 2014 attached at Ex. 8.
[15] Board Resolution at Ex. 7.
[16] See id.
[17] See Affidavits at Ex. 6.
[18] See Boyack Letter dated March 23, 2015 attached at Ex. 9.

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Carmen Eassa. LAUTH's attorney even includes his personal history representing Ms. Eassa who he alleges was so upset dealing with Mr. Stern that she quit her job. He failed to mention that she immediately went to work for Ted Boyack's office. Of course none of this is relevant except to show the real motivation of the board members. All the Stern bashing found in the Motion makes it very clear why the board members responded the way they did to the investigation. The HERNANDEZ, PUHEK, and LAUTH clique dislikes Stern, so any action taken by any one of them against him is acceptable regardless of whether or not it is a breach of their fiduciary duty to the Association.

LAUTH can make unsupported, vague arguments that all of Stern's complaints were closed by the Division to make him look bad, but the Informal Conference Agreement ("ICA") speaks for itself.[19] The board, including LAUTH and HERNANDEZ, approved the ICA which gave Stern over $32,000 in costs he incurred in a civil case the Association filed against him in 2013.[20] The ICA also settled 10 cases that were pending with the Division.[21] For LAUTH to allege those complaints resolved through the ICA were "summarily disposed of as having no basis" is inaccurate and a mischaracterization of the facts.[22]

Moreover, there is no connection to be made between the Division not pursuing a complaint with the Commission and the board acting properly. Just like a not guilty verdict does not equate to innocence. The Commission's jurisdiction is limited to violations of law. Disputes over the governing documents of an association may be absolutely valid, but not appropriate as a complaint before this Commission. You do not see any specific allegations that Stern brought mentioned by LAUTH. It is easier for those that disagree with Stern to focus on his approach as opposed to his substance. PUHEK states some of his objectives in her posts. She states Stern wants to limit community social events and upgrades to common areas.[23] How funds are spent by the Association's board is a legitimate concern of any

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[19] See Informal Conference Agreement (ICA) attached at Ex. 10.
[20] See id.
[21] See id.
[22] Motion at 3, ln. 19.
[23] Nextdoor postings at Ex. 2 (quoted above).

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homeowner. To argue that Stern is some sort of menace to the community who does not deserve the protections of NRS 116, because he opposes spending money on social events and potentially unnecessary common area improvements is wrong. It is the reason the Nevada Legislature adopted NRS 116.31183 prohibiting retaliatory action.

The Division believes and sees that when boards act in accordance with NRS 116, they do not have the problems that are prevalent in the Association. If PUHEK had not retaliated against Stern, and if the board, including LAUTH, had acted like reasonable board members and not like friends of PUHEK, the Association would have less internal conflict today. Blinded by their dislike of Stern, they fail to see how their reaction to him fueled the fire and only caused liability to their community. LAUTH, HERNANDEZ and PUHEK dislike Stern so much that they cannot even see that a neutral third party, the Division, might be trying to help them. LAUTH blames the Division and actually states that this is his "last stand against the Division," as if having the Association defend him is justifiable.[24] Taking a stand is much easier when it's on someone else's dime. The Association is paying out of pocket for the defense of itself and all three board members in this case, just to assert their right to say whatever they want to say about another owner. Stern is not even a homeowner in the Association anymore. LAUTH claims not only were PUHEK'S comments okay, but protected by the free speech rights of the First Amendment. This position is counter to the Association's board resolution on fiduciary duty and ethical responsibility. It is counter to NRS 116.31183, and it can only be explained by his bias against Stern.

B. LAUTH'S AFFIDAVIT DOES NOT JIBE WITH THE BOARD'S RESOLUTION ON FIDUCIARY DUTY AND ETHICAL RESPONSIBILITY.

LAUTH would like this Commission to believe that he was acting in good faith when he submitted his affidavit in this case. In response to the Division's investigation, LAUTH takes the position that PUHEK can say whatever she wants to say to the owners in the Association about another owner regardless of any potential liability it may cause. The Division's opening

[24] Motion at 5, ln. 21.

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letter includes the allegation that PUHEK'S conduct may be retaliatory action under NRS 116.31183 which allows for a private right of action by the owner.[25] LAUTH'S only response is that she wasn't acting in her capacity as a board member and her speech is protected.[26] NRS 116.31183 does not say anything about whether a board member is acting in their capacity as a board member. Whether the board sanctioned her conduct was not at issue.

LAUTH did not provide the Division with the board's resolution on fiduciary duty and ethical responsibility or make any mention of it in his affidavit.[27] The resolution, approved by LAUTH a few months prior,[28] specifically restricts the speech of the board members in upholding the fiduciary duty each board member has to the Association.[29]

The resolution states:

> A fiduciary is defined in Black's Law Dictionary as the highest standard of care that there is in being responsible for someone else's property. A violation of these duties may result in personal liability to a Director.[30]

It goes on to say that the intent of the resolution is "to assure sound management of the Association."[31] One provision of the resolution states:

> * Each Director shall treat fellow Directors, owners and residents with courtesy and respect and shall not make personal attacks against anyone.[32]

The resolution actually requires board members to treat owners with courtesy and respect and prohibits personal attacks against anyone.[33] The Division could not agree more with the resolution. The resolution proves that LAUTH agrees with the Division's position at least in theory and when Stern is not involved. If LAUTH and the other board members acted in accordance with the resolution, this case would not be before the Commission now. There is no way to reconcile the resolution and LAUTH'S affidavit. PUHEK'S posts are clearly

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[25] See Ex. 5.
[26] See Ex. 6.
[27] See id.
[28] See Ex. 8.
[29] Board Resolution at Ex. 7.
[30] Id.
[31] Id.
[32] Id.
[33] Id.

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disrespectful and she personally attacks Stern. But LAUTH'S affidavit says PUHEK'S free speech rights are paramount.

If LAUTH were acting in good faith; however, he would have said he does not support any board member violating NRS 116.31183. If LAUTH were acting in good faith, he would have provided the board's resolution to the Division and said the board previously agreed board members should not make personal attacks against anyone. LAUTH'S affidavit supporting PUHEK is cowardly, not in good faith, and not in the best interests of the Association. LAUTH'S response opens the Association up to a retaliation claim under NRS 116.31183 and to discipline before this Commission at substantial cost to the Association. Given his approval of the resolution just a few months prior, the only logical conclusion is that his change of opinion is due to his dislike of Stern and his friendship with PUHEK. Meaning he was acting for reasons of self-interest, prejudice or revenge. That is a violation of his fiduciary duty. No reasonable board member would respond to an allegation of retaliation and say First Amendment rights prevail.

C. THE MATERIAL FACTS IN THIS CASE ARE NOT IN DISPUTE ALLOWING THE COMMISSION TO DECIDE THE ISSUES OF LAW SUMMARILY.

The material facts are not disputed. Every fact alleged in this opposition and counter-motion is supported by Association records or documents provided by LAUTH, or on his behalf. There is no need for testimony to determine any material fact. LAUTH acted out of his feelings for Stern and PUHEK when he responded to the investigation, instead of providing a neutral, unbiased response. LAUTH'S fiduciary duty mandates that he always respond to an investigation of the Division from a neutral position and with the interests of the Association in mind. The resolution proves that LAUTH knew what an unbiased response should be when faced with disrespectful conduct and personal attacks by a board member. LAUTH failed to uphold the resolution he and the rest of the board approved. His duty of loyalty was misplaced when he chose to support his friends, HERNANDEZ and PUHEK, over what was best for the Association.

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IV. CONCLUSION

LAUTH'S motion to dismiss should be denied as it refers to documents outside the complaint. LAUTH'S response to the Division's investigation was unreasonable. LAUTH misled the Division's investigator by not providing the Association's resolution on fiduciary duty and claims First Amendment rights prevail over NRS 116.31183. LAUTH'S response favors his friend, PUHEK, regardless of the consequence to the Association. LAUTH knowingly and willfully violated his fiduciary duty to the Association. As no issues of material fact exist, the Division requests that the Commission summarily find in favor of the Division.

DATED this 2nd day of August, 2016.

ADAM PAUL LAXALT
Attorney General

By: _____
MICHELLE D. BRIGGS
Senior Deputy Attorney General
555 E. Washington Ave. Ste 3900
Las Vegas, Nevada 89101
(702) 486-3420
Attorneys for Real Estate Division

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CERTIFICATE OF SERVICE

I hereby certify that I am an employee of the Office of the Attorney General and that on the 2nd day of August, 2016, I served the foregoing **OPPOSITION TO RESPONDENT JAMES LAUTH'S MOTION TO DISMISS AND COUNTERMOTION FOR PARTIAL SUMMARY JUDGMENT** by causing a true and correct copy thereof to be served via U.S. Mail, Postage Prepaid (and via e-mail as requested by Mr. Marcin) addressed to the following:

Edward D. Boyack, Esq.
Boyack Orme & Taylor
401 N. Buffalo Drive #202
Las Vegas, Nevada 89145
Attorney for Anthem Highlands Community Association and Charles Hernandez
US Certified Mail Number: 7003 2260 0004 1894 4347

Gregory P. Kerr, Esq.
3556 E. Russell Rd., 2nd Floor
Las Vegas, NV 89120
Attorney for James Lauth
US Certified Mail Number: 7012 1010 0000 1176 8003

John B. Marcin, Esq.
jbm@marcin.com
Attorney for Pennie Puhek

Michele Ezaro
An Employee of the Office of the Attorney General

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Las Vegas, Nevada 89101

EXHIBIT “1”

EXHIBIT “1”

Exhibit 1
1/6

January 20,2015

Board of Directors

Anthem Highlands Community Association

% Terra West Management Services

6655 S. Cimarron Road Suite 200

Las Vegas , Nevada 89113 VIA CERTIFIED MAIL

Dear Board:

Enclosed is a posting on NEXTDOOR by Pennie Puhek that is retaliatory in nature defaming me to six neighborhoods including Anthem Highlands. She asks "all homeowners in Anthem Highlands to help finally get rid of this cancer and boycott anything he does or sells...." This in response to my legitimate book signing event posted as an event on Nextdoor. She falsely states that "his primary residence is North Carolina, but he comes back to Las Vegas during election time to terrorize our community so he can write more books." She asks home owners to "mark your calendars for the next board meeting in February to come find what you can do to get rid of pure evil."

Her retaliatory actions as Vice President of AHCA are clearly a violation of NRS 116.31183 and continue a pattern of this board's retaliatory actions against me because I complained in good faith about alleged violations,recommended replacement of counsel, Ted Boyack, and Community Manager, Carmen Eassa, and requested in good faith to review books , records and other papers of the association.

Exhibit 1
1/6

January 20,2015

Board of Directors

Anthem Highlands Community Association

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AHCA are clearly a pattern of this use I complained amended community good faith to the association.

ENDER: COMPLETE THIS SECTION

1 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: Board of Directors
Attn:
c/o Terra West
6655 S. Cimarron Rd #200
Las Vegas, NV 89044

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name) Cynthia Carillo C. Date of Delivery 1-22-15

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7014 2870 0000 3732 1175

PS Form 3811, July 2013 Domestic Return Receipt

I did not respond to her.

She continued her assault on Nextdoor with a subsequent post that same day(attached). She continued to defame me with more false statements intended to harm my reputation and my book signing event. She continued to falsely portray that my filed complaints with the Ombudsman were all lost. They were not. Two of my complaints resulted specifically in me being paid $32,009.25 and having the $18,603.02 removed as an enforceable paid assessment. The Ombudsman was the mediator that led to the Informal Conference Agreement. The board approved that settlement. Bottom line is I prevailed on those complaints. Ms. Puhek is clearly delusional as she encourages the continued board supported vendetta against me. Her false statements as a board officer are libelous and AHCA is accountable.

I forwarded to my list of homeowners and other board members what she had done. She apparently obtained a copy from one of you and wrote me an email(attached) with you copied. It is clear that she owns and stands by her statements. She states ," I am first and foremost a unit owner and can say whatever I want." Perhaps, but there are consequences for certain speech that apparently she believes do not apply to her and the board. She's wrong.

I ask that Ms. Puhek as a partial remedy be fined $1,000 by the Department of Real Estate Commission and any other action the Commission's powers permit to remove Ms.Puhek from serving in any capacity in the Anthem Highlands Community Association.

As an additional remedy I ask that AHCA pay me $250,000 in damages and all attorney's fees and costs of bringing the

separate action.

I ask that this matter be placed on the next regularly scheduled agenda and that this letter be made a part of the minutes of said meeting.

Sincerely,

Robert A. Stern

2639 Lochleven Way Henderson, Nevada 89044

enclosed: Pennie Puhek's January 18.2015

NEXTDOOR 6 neighborhoods

defamatory posting.

EXHIBIT “2”

EXHIBIT “2”

Post in General

Book Signing HOAWARS.com 16 Jan

Robert Stern from Anthem Highlands

HOA BOOK SIGNING INFORMATION
Join ANTHEM resident and author Robert Stern for a book signing.
HOA WARS, What Happens in Vegas Can Happen Anywhere
Tuscany Grill, 11105 S. Eastern Avenue, Phone 702 940-1400
Thursday, January 29, from 5pm to 8pm
HORS D'OEUVERS and NO HOST BAR
Shared with Anthem Highlands + 5 neighborhoods in General
REPLY 41
Victor thanked you

Pennie Pubek from Earlstone 18 Jan

You are pathetic and shameless. You have terrorized the community and its last two management companies , so you can make a buck. I am asking all homeowners in Anthem Highlands to help finally get rid of this cancer and boycott anything he does or sells and make sure you vote against him and anyone he supports in upcoming Board elections. He is trying to write another book at our associations expense. His primary residence is North Carolina, but he comes back to Las Vegas during election time to terrorize our community so he can write more books. Please mark your calendars for the next Board meeting in February to come find want you can do to get rid of pure evil.
Thank Flag
Melonie, Robert and Howie thanked Pennie

Ken Brensinger from Anthem Highlands 18 Jan

I agree! Its a shame what he put our community through.
Thank Flag
Melonie and Michael thanked Ken

Pennie Pubek from Earlstone 18 Jan

If people only knew what he has really done(which you can find out at a board meeting). Stern wants to cut out all of our great community events (everything that brings our community together like snow day,

the fall Fesitval, jazz nights for adults, and the luau) and tries to block any community enhancements. He has even filed complaints with the state (never won any) over us trying to upgrade our landscape common areas and entrances, so we can compete with other communities like Inspirada and increase our home values. It's not like he even cares, he doesn't live here most of the year. It's about creating chaos for the community so he can write books. I am so glad we have a strong board and I hope the community re-elects them so we can continue with our awesome landscape upgrades this year.
Thank Flag
Melonie, Eric, Michael and 3 others thanked Pennie

Stuart Kugelstadt from Anthem Highlands 19 Jan

You can argue that his methods are "harsh" but he does have some valid points:
The HOA wanting to purchase a golf cart to tour the neighborhoods, leasing a building for HOA meetings, replacing cement mailbox bases with rocks.
I believe he has succeeded in getting our quarterly HOA fees waived several times. I would rather see our money put back in our pockets than spent on unnecessary "luxury" items that don't really enhance our living experience in the neighborhood. How do others feel about this topic?
Thank Flag
Alma and Kenneth thanked Stuart

Michael Kolpak from Madeira Canyon 19 Jan

I've lived in 3 different HOAs in Vegas and this one is run very well. As long as you take care of your property and act like a good neighbor you shouldn't have any problems. That said, I'm always wary of how our money is spent. The community events are great and make this a great place to live in. The only expenditure I didn't like was the donation to Wallin elementary awhile back....frankly we shouldn't be donating any money to the school district, that's not what an HOA is for. HOA managers have to remember this is not "their" money to spend as they see fit, that they are empowered to manage "our" money responsibly.
Thank Flag
Margaret, Alma, Eric & Anna and 1 other thanked Michael

Ken Brensinger from Anthem Highlands 19 Jan

If you knew how much money that our Association had to pay out (Legal and otherwise) while this man was getting information for his book. I would have rather had that money spent on putting ("rocks"??) stone veneer around the bases of these ugly mailboxes and improve the asthetics of our homes and community. (See the Edenburg Community)
As for the golf cart, it eliminates the gas and personal vehicle expense that the volunteers would have to pay out of their own pockets for transportation when handling issues in the community.
And yes, I would like to have a "Resident Center" where our neighbors could get information regarding our community as well as have a place for Board and Neighborhood Watch meetings, and a safe place for our children to go if needed.

Book sales are up at our expense.
Thank Flag

Melonie and Pennie thanked Ken

Pennie Puhek from Earlstone 19 Jan

I think the confusion comes from some homeowners in Madeira canyon thinking they are part of Anthem Highlands. They are not, they just drive through Anthem Highlands to get to their home. Having this website connected to both communities only adds to the confusion. Anthem Highlands is a group of 11 neighborhoods which does not include Madeira Canyon. All of the social events everyone talks about are put on by the awesome HOA at Anthem Highlands and are for Anthem Highlands residents only. We have asked to have joint events since our communities and residents socialize together, but our request was declined. In regards to donations to Wallin, myself and my husband personally donated $1000 for one of the gardens to be built when we found out that our HOA could not give a charitable donation under our governing documents. Not sure what Madeira's governing documents say.

Thank Flag

Melonie, Pam and Ken thanked Pennie

Pennie Puhek from Earlstone 19 Jan

Ken, you are correct. The ATV cart is not only used by management for additional common area inspections, but is used by the volunteers of the landscape and compliance committee to do their inspections of the community as well and look for things that need to be taken care of. It's understandable that Mr. Stern would not think the ATV expense was worthwhile since he doesn't have a clue (or cares) that committee members spend several hours a week volunteering to make sure their community is clean and gets the updating of the landscape it needs. We have major renovations planned this year to update the 13 yrd old aging landscape. Even as a previous board member for 2 years, he rarely came to a meeting and instead engaged in cyber bullying trying to disrupt the progress and upgrades the community was trying to accomplish. This is nothing new. The book might be interesting if it had anything to offer other than delusions and statements of self importance by the author. Boring!!!!!

Thank Flag

Melonie and Ken thanked Pennie

Pennie Puhek from Earlstone 19 Jan

Actually Stuart you are wrong. He didn't get anything waived and had nothing to do with any credits. This was the board giving the credit once the budget needs were addressed. Every single person who agrees with anything he says never came to a board meeting to see if what he was saying was true. Twisted, or embellished. They just bought into those ridiculous self serving emails blasts.

Thank Flag

Melonie and Ken thanked Pennie

Susan Kugelstadt from Anthem Highlands 19 Jan

Pennie
By attacking him in the manner that you did is throwing gasoline on the fire and not likely to get a favorable response. I'm not saying you should not speak your mind, just a bit "softer" so we don't keep this apparent feud going on forever.
I disagree with the justification of a golf cart, I would rather give you a gas card and save thousands of dollars for the purchase, insurance, maintenance, repairs etc. on a golf cart, but I am of a different mind set than the typical consumer.
Thank Flag
Eric & Anna, Kenneth and Erica thanked Stuart

Ken Brensinger from Anthem Highlands 19 Jan

Thank you Stuart for your opinion. I'm not a board member, just a resident like you, and I have an opinion like you. A gas card would be nice, however, it wouldn't pay for the oil and depreciation that you would use with your own vehicle, as well as the time that our volunteers invest to make this a better place to live. It's one thing to expect VOLUNTEERS to provide their time and energy to improving our community, however, exceptional for them to go out of their way & provide a personal financial investment as well. (Notice that I emphasize the word VOLUNTEERS.) Sure they don't have to, but there are some residents that want to make this place a home, to create a sense of community, and a better place to live.
My question to you sir, is what have you done to help.
Thank Flag
Melonie and Jody thanked Ken

Pennie Pulock from Earlstons 20 Jan

Well Stuart, you will have to exuse me as I am sure you don't have a clue to what he personally put each Board member and their family through and still continues to do so through cyber bullying. He filed over 30 complaints with state intended to harass is and all were thrown out. I guess I should have a "softer" approach even though I was routinely called names such as " skank" and had to file a restraining order(and was granted based on evidence) because of the threat to bring a gun to a meeting. The entire board had to request an injunction against his abusive behavior. That's what the prior lawsuit was about. He won't stop and it's all for his own personal gain. I think if you had both sides you would think very differently, but neither you nor anyone who defends him ever showed up to a meeting or requested the board and managements side. We just want the harassment to stop and he won't because he can make money off the chaos. I challenge you to find one board member over the last five years that will defend his actions. If I sound hostile, I am. How about being fair and getting both sides before making judgements about how people respond to things.
Thank Flag
Melonie thanked Pennie

Pennie Pubek from Earlstone20 Jan

Oh and my personal vehicle cannot drive on the trails we have spread out over 26 acres that we routinely check for vandalism and landscape upkeep . Would break the concrete. I don't ask for any acknowledgement for the 10-15 hours I spend a week volunteering (for the last 3 years) but myself and the rest of the Board members would sure like some see support instead of criticism from those who are receiving his lying and twisted email blasts

Thank Flag

Melonie and Kirk thanked Pennie

Jody Fassetta from Madeira Canyon20 Jan

Pennie,

When is the next board meeting?

Thanks!

Thank Flag

Melonie and Kirk thanked Jody

Susan Kugelstadt from Anthem Highlands20 Jan

Hi Pennie

Please don't misunderstand. I am not attacking you or the board. Each side has valid points as I see it. I am not taking sides in this struggle, only voicing my opinion on expenses that seem unnecessary. How do other HOA's do inspections? How did our HOA do inspections prior to the cart?anyway I apologize if I came across as being critical, I'm just asking questions as a home owner in our community, after all it is our money. Once my personal issues are addressed I can be more active and directly involved with the community. Anyway thank you for taking the time to respond as well as serving our community

Thank Flag

Kenneth and Kirk thanked Stuart

Pennie Pubek from earlstone21 Jan

Next board meeting is 2-25-15 at 6pm at the Terra West Eastern office

Thank Flag

Melonie and Kirk thanked Pennie

Kenneth Sawyer from Solana21 Jan

Please think about how you send a message out. In this case, most if not all of these messages went to other neighborhoods as well. You can be more selective when you discuss a hot topic within your particular neighborhood and not include disinterested neighborhoods. I, and probably others, are not interested in Anthem Highlands/Earlstone HOA wars or your disputes.

This can be a usefull tool without all the bickering.

If you are offended by my message, it was not intended that way and its a you problem.

Thanks

Edited on 21 Jan
Thank Flag
Ann and Stuart thanked Kenneth

Shannon Snavely from Anthem Highlands 21 Jan

Should "Four Squares" compensate me for driving there? Or provide my ride to volunteer for them? I don't think so. How about reaching out to the numerous residents that walk their dogs regularly to get those routes covered? Joggers? Or any of the many others that regularly utilize the trails?

I would be willing to cover the area that I walk regularly.
Thank Flag
Melonie, Stuart, Kenneth and 1 other thanked Shannon

Pennie Pubek from Earlstone 22 Jan

Kenneth, you should not be seeing this anyway. You have chosen in your profile to get messages from these neighborhoods. Probably should sdjust your profile because your are correct that this woukd not be your concern. Thank you.
Thank Flag

Kenneth Sawyer from Solera 22 Jan

Pennie, I, like others, have adjoining neighborhoods as an option to read. So if you lose a dog etc.. I see it and that's good. You on the other hand can prevent me from seeing it by choosing when you write your posting to list it under your neighborhood only. I am not going to change my ability to read friendly neighborhood postings from an adjacent neighborhood just because certain neighbors choose to post a message to everyone instead of just the neighborhood they are part of. I will be happy to walk you through it.

Ken
Thank Flag
Kirk thanked Kenneth

Frank Anthony from Anthem Highlands23 Jan

Kenneth, you are correct, it is a useful tool for obtaining information regarding one's community and surrounding neighborhoods. However, unless you know all the facts regarding issues within your own community or other neighborhood's you really should consider not voicing your opinion.

Edited on 23 Jan

Thank Flag

Melonie thanked Frank

Frank Anthony from Anthem Highlands23 Jan

Stuart, All is not as it appears when you only receive information from one person. There are two options to find out what is going on in the community. 1) Attend Board meetings. 2) if you unable to attend you can look on the website after the minutes of the meeting are posted and read what was discussed and what motions passed/failed. Different ideas from both board members and unit owners are placed on the agenda which is posted on the website before aboard meeting for discussion and before voting on. Pro's and con's are looked at before voting, thats the process. Some ideas are good some are not never the less good, bad or stupid items must be discussed at board meetings. But its a majority that vote to pass or fail an agenda item no single individual can pass or fail anything. My suggestion or point, show up at board meetings maybe volunteer for some committees, become a pro-active member of our community and you will see the truth of what really goes on in our community.

Thank Flag

Melonie and Ken thanked Frank

Kenneth Sawyer from Solera23 Jan

Frank, I will voice my opinion as I see fit thank you. I will give you the benefit of the doubt and assume you wish you had worded that response differently.

Also, It seems your current board members have another issue on their hands, with a sitting board member possibly libeling Robert Stern.

Glad this isnt my HOA board. Might be time to get some fresh blood?

Good luck.

Thank Flag

Kenneth Sawyer from Solera23 Jan

In addition, per Pennie's own MB posting she and her husband personally donated $1000 when she couldnt use others peoples money (Anthem Highland Owners?) to make a donation. I do not believe HOA dues should be used for such a purpose and its a good thing the governing documents prevented her from doing this.

Its not your money, its the Anthem Highland property owners money.

"In regards to donations to Wallin, myself and my husband personally donated $1000 for one of the gardens to be built when we found out that our HOA could not give a charitable donation under our governing documents".

Edited on 23 Jan
Thank Flag

Stuart Kugelstadt from Anthem Highlands23 Jan

Hi Frank
Please re-read Pennies first post. She is an active board member and her comments could put us at financial risk. This is not the kind of leadership we need regardless of my personal involvement at this time. We need someone who is calm cool and collective. Unfortunate the community may pay (literally) for this, what appears to be a personal war. How many lawyers are we having to pay for this kind of nonsense?
Thank Flag
Kenneth thanked Stuart

Kenneth Sawyer from Solera23 Jan

I agree Stuart. Roberts posting, in of itself ,was a simple book signing and offer to sell a book. I saw nothing offensive in it (Other then it probably should have been listed in the classifieds LOL). It was Pennie who attacked Robert on this MB. She could have said nothing, and this may have ended with just Roberts one MB posting of a book offer.

Its unfortunate that she put her neighborhood at risk financially and should have restrained herself.

I think a sitting HOA board member needs to be smarter then this and know when to say nothing.
Thank Flag

Pennie Puhek from Galstone23 Jan

Stuart, It appears you are responding on behalf of Mr. Stern since nobody else would make silly comments about issues of free speech or imagined liability.. This was his most famous bully tactic. This is s public website just like Facebook. It was opened and is used by homeowners not HOA's. Free speech is allowed and welcomed. This website has nothing to do with any HOA or any board . Your comments of "libel" are laughable. I have the right as a private person to comment on anything I like. Nowhere did I say

or imply that I was commenting as a board member and if I did that would be my right as well. Here's the thing, I can prove everything I say. It's documented. This whole string of postings is silly I admit, but the arrogance of his self serving posting got to me. I will not comment further unless he puts out more lies or self promotion that need to be addressed. He is not worth any of us wasting our time . His creator will provide justice in the end. Peace out!!!!!

Thank Flag

Melonie and Kirk thanked Pennie

Pennie Pubek from Earlstone23 Jan

And Kenneth you should feel very lucky he didn't live in your community. Sun city wasn't so lucky either.

Thank Flag

Kenneth Sawyer from Solera23 Jan

Pennie, I think I am lucky I dont live in Anthem Highlands period LOL. I have decided to buy the book, and see Roberts view point. I might learn something as well. Your welcome to provide your viewpoint in a private email, if you wish.

As to your comment to Stuart for his comments being silly and such? If Robert, is the guy you say he is, then I suspect it will not be so silly, once that summons appears.

Has Robert ever won a judgement against the HOA board?

I hope it all goes away, but it probably wont.

Thank Flag

Pennie Pubek from Earlstone23 Jan

Never won anything Kenneth. Its public record so you can confirm it if you choose. And you have just acknowledged your bias and the issue we have. You want to see his view point (if you can even understand it since its contradictory and poorly written) when you don't even have ours.That would be Stuarts bias as well when he states we both have valid points, but I guarantee he never attended any board meeting where it was discussed or never contacted management for information to see if any allegations were true or twisted. You must have lots of free time to waste your money and effort. Dont buy it, I will let you borrow my copy. And you are probably correct in that it is hard to kill a cockroach.

Thank Flag

Kirk thanked Pennie

Kenneth Sawyer from Solera23 Jan

Pennie, If you had read my entire MB posting, I asked for your view point as well.
I think your rage about Robert has blinded you a bit. My offer of seeing your viewpoint still stands.

You may have lost a few votes here, as you could have handled this better.

Good Luck to you and your community.
Thank Flag
Shannon thanked Kenneth

Kenneth Sawyer from Solera23 Jan

Pennie, Lets take any further discussion off this thread and take them private through this site.
Thank Flag

Robert Stern from Anthem Highlands24 Jan

John Liberty who was President of Anthem Highlands for a year wrote the foreword of the book and you can read what he wrote about me and my integrity by going to hoawars.com and click EXCERPTS.
John is currently a Lieutenant on the Las Vegas Metro Police force.
Also on February 19th we(John and I) will host an open house at my home from 5pm -7pm for any homeowners who want to see documentation or ask questions. All that we ask is that you RSVP through a private message to me on this site noting your desire to attend. Let me also know what your concerns are and issues you would like addressed and I will prepare a special packet for you providing the documentation to support reality. Facts matter. Elections matter.
I will also be inviting current board member Ronnie Young who is on record as opposing the continued retaliatory actions taken against me by this current board. Transparency is the best disinfectant. And if any homeowners from other communities want to attend you are more than welcome. Just RSVP as requested.
John Liberty will also be at the book signing this thursday January 29th 5pm to 8pm
Tuscany Grill on Eastern. Lots of people from all over Las Vegas will be coming including professor Dr. Gary Solomon who wrote HOA SYNDROME as well as Jonathan Friedrich a homeowners advocate who has served as a Commisioner on the Department of Real Estate Commission that hears HOA cases.
I will be on media next week including Wake Up with the Wagners; KXNT radio 840/100.5 with Carlos and Dayna after 8:30am on thursday; on friday the 30th a full hour with Jim Villanucci on KXNT starting at 4pm discussing HOAs and taking your calls. We may even get calls from you know who and the lemmings. Stay tuned.
Delete
Kenneth and Kirk thanked you

Pennie Pulak from Carlstone24 Jan

Funny how if Sterns delusions are true, why wasn't there ever any reprimand to the board from the state regarding his fabricated allegations? It's public record, call and ask. And if he defeated tyranny (excuse

me while I throw up) ask him specifically what each complaint was and how he prevailed. He prevailed on nothing because the state shut him down by basically dismissing his petty complaints. Yep, over 30 and he didn't receive a confirmation that one of them was valid from the real estate division. And while I don't want to involve Ronnie Young, but Stern did, there is no record publicly or privately that Stern can provide you of Mr. Young supporting Sterns actions or behavior, because no sane person would. I believe Mr. young is an honest guy and won't lie, so just ask him if he supported Stern publicly or privately. Maybe Stern should be asking as well so he isn't accused of libel.

Thank Flag

Melonie and Kirk thanked Pennie

Kenneth Sawyer from Solera 25 Jan

Pennie, If all that's true... Why did the HOA pay him a settlement?

Thank Flag

Wilson thanked Kenneth

Ken Bressinger from Anthem Highlands 25 Jan

Just thought that I would include this in this thread as explained in the Nextdoor Neighbor guidelines. I'm assuming that if the thread gets to "out of hand" then the LEAD will help to moderate.

What is Nextdoor

Nextdoor is the private social network for you, your neighbors and your community. It's the easiest way for you and your neighbors to talk online and make all of your lives better in the real world. And it's free.

Thousands of neighborhoods are already using Nextdoor to build happier, safer places to call home.

People are using Nextdoor to:

Quickly get the word out about a break-in

Organize a Neighborhood Watch Group

Track down a trustworthy babysitter

Find out who does the best paint job in town

Ask for help keeping an eye out for a lost dog

Find a new home for an outgrown bike

Finally call that nice man down the street by his first name

Nextdoor's mission is to use the power of technology to build stronger and safer neighborhoods.

Our mission

We created this company because we believe that the neighborhood is one of the most important and useful communities in a person's life. We hope that neighbors everywhere will use the Nextdoor platform to build stronger and safer neighborhoods around the world.

If you are interested in joining our team, please view our current job openings.

Based in San Francisco, California, Nextdoor was founded in 2010 and is funded by Benchmark Capital, Greylock Partners, Kleiner Perkins Caufield & Byers, Tiger Global Management, and Shasta Ventures as

well as other investors and Silicon Valley angels.

Core values
Invest in community
Put our members first
Be a good neighbor
Communicate openly
Act like an owner

Our manifesto
We are for neighbors
For neighborhood barbecues. For multi-family garage sales. For trick-or-treating
We're for slowing down, children at play.
We're for sharing a common hedge and an awesome babysitter.
We're for neighborhood watch. Emergency response. And for just keeping an eye out for a lost cat.
We believe waving hello to the new neighbor says, "Welcome" better than any doormat.
We believe technology is a powerful tool for making neighborhoods stronger, safer places to call home.
We're all about online chats that lead to more clothesline chats.
We believe fences are sometimes necessary, but online privacy is always necessary.
We believe strong neighborhoods not only improve our property value, they improve each one of our lives.
We believe that amazing things can happen by just talking with the people next door.
We are Nextdoor. We are simply you and your neighbors, together.

Privacy
Fences are sometimes necessary. But online privacy is always necessary. Nextdoor makes it safe to share online the kinds of things you'd be okay sharing with your neighbors in person.

Here's how:
Every neighbor has to verify their address.
Every neighbor signs in with their real name. Just like in person.
Your website is protected by password and encrypted by HTTPS.
We never share your info with advertisers.
To learn more about privacy, visit Frequently Asked Questions about privacy, or read our complete Privacy Policy.

Safety
Nextdoor makes it safe to share online the kind of things you'd be okay sharing with your neighbors in person.

Here's how:
Every neighbor must verify their address.
Each neighbor signs in with their real name. Just like in person.

You choose where your information is shared.
Your website is securely encrypted using the HTTPS Internet protocol.
Information shared will never show up in Google or other search engines.
Nextdoor never shares your personal information with third-party advertisers.
To learn more about verification, visit Frequently Asked Questions about verification.

To learn more about safety, visit Frequently Asked Questions about safety.

If you have a personal safety concern, report it here.

To learn more about being a member, see our Member Agreement and Privacy Policy.

Nextdoor Guidelines for Neighborly Behavior
Our mission is to use the power of technology to build stronger and safer communities everywhere. We hope to inspire each Nextdoor member to be a better neighbor. We challenge members to hold themselves, and each other, to the highest standard of neighborly behavior:

Treat everyone with respect
Assume good intentions in others and give them the benefit of the doubt.
Disagree without being disagreeable; focus on issues and do not engage in personal attacks.
Practice moderation and do not over post in a way that dominates conversations.
Send private messages or post to a Group when a limited audience is more appropriate.
Refrain from using profanity or posting messages that will be perceived as discriminatory.
Share helpful information

Answer fellow members' questions.
Share information about crime and safety issues.
Recommend local businesses and services (without spamming or inappropriate self-promotion).
Sell, share, or give away personal items that you no longer want or need.
Discuss community issues (but avoid campaigning).
Spread the word about local events.
Provide support to fellow members in need.
Honestly represent yourself

Use your real name, not an alias, pseudonym, or abbreviation.
Join as an individual not as a couple, family, or organization.
Take the time to add a photo and to fill out your profile
View answers to Frequently Asked Questions about these Guidelines.
Thanked! Flag
You and Delores thanked Ken

Stuart Kingsland from Anthem Highlands 25 Jan

As long as we can be civil and have an open, frank discussion, I think it's healthy. Those who don't like this, or any other thread topic can simply not read it/ them. I think fellow home owners should be aware of

what is going on where they live. This is the purpose of this forum. Has Robert, Ken or myself called anyone disparaging names?
Thank Flag
Kenneth and Kirk thanked Stuart

Frank Anthony from Anthem Highlands25 Jan

Kenneth, I do not ... "wish I worded my response differently", I will voice my opinions as I choose and see fit to.
Thank Flag

Robert Stern from Anthem Highlands25 Jan

youtu.be/TqoN_In9cIE
Edit Delete

Robert Stern from Anthem Highlands28 Jan

I want to thank all of the residents of all communities especially Madera Canyon and Solera who clearly do not have a dog in any fight and yet sent me private messages of support against the tyranny and defamation I have been subjected to.

Please join me Thursday for appetizers and cocktails 5PM-8PM at Tuscany Grill on Eastern and if you can listen in on Friday KXNT 840AM/100.5 FM 4pm as I will be the guest of Jim Villanucci discussing HOA issues and taking calls from listeners.
Edit Delete

Robert Stern from Anthem Highlands29 Jan

WOW What a spectacular turn out for the book signing tonight from all communities.
Thank you so much for all the support. It was gratifying. Tomorrow I am on Jim Villanucci KXNT at 4pm for a full hour. 840AM and 100.5 FM. taking listeners calls. It was gratifying how many people were concerned and willing to support defeating the tyranny of a rogue board and rogue board members and pledging not to vote for them should they seek reelection. AMEN!
Edit Delete

EXHIBIT “3”

EXHIBIT “3”

Anthem Highlands Community Association

Board of Directors Meeting Minutes
Terra West Management Services
11135 S. Eastern Ave., Suite 120
Henderson, NV 89052
February 25, 2015 ~ 6:00 PM

Board Members Present

Charles Hernandez	President
Pennie Puhek	Vice President
James Lauth	Treasurer
Ken Brensinger *	Director
Ronnie Young	Director

*Ken Brensinger joined the meeting at New Business; Agenda Item B, and began voting. He did not vote on agenda items prior to joining the meeting.

Others Present

Carmen Eassa, Community Manager, CMCA	Terra West Management Services
Mark Bower, Operations Manager	Valley Crest Landscape
John Peart, Account Manager	Valley Crest Landscape
Ted Boyack, Association Counsel	Boyack, Beck & Taylor
Homeowners	

I. **Call to Order and Establishment of Quorum**
Charles Hernandez called the meeting to order at 6:00 PM and a quorum was established to conduct business.

II. **Homeowners' Forum:** The floor was opened to owners' comments on agenda items in accordance with NRS 116. The following comments were made:
Mr. Stern requested his comments, Attachment A, two (2) pages, be included in the minutes

III. **Approval of Meeting Minutes**
December 10, 2014 Regular Session
Charles Hernandez moved to approve the December 10, 2014 Regular Session meeting minutes as presented. Pennie Puhek seconded the motion. Motion carried unanimously.

IV. **Landscape Report by Valley Crest Landscape**
Mark Bower was present to discuss the status on the flower installation; landscape report, and pending landscape proposals regarding plant replacements throughout the community. Concerns and recommendations were presented to the Board regarding plant replacements.

V. **Review of Financial Reports**
A. November 2014
Motion by Charles Hernandez: I move to acknowledge that we have fulfilled our duty as a Board to review the financial statements for November 2014 in accordance with NRS 116.31083 subject to the year-end audit. The motion was seconded by James Lauth. Motion carried unanimously.
B. December 2014
Charles Hernandez moved to postpone review and approval of the December 2014 financials to the March 25, 2015 meeting. Ronnie Young seconded the motion. Motion carried unanimously.

VI. **Committee Report and Actions**

A. ARC Committee Report: Frank Capello provided an update regarding the status of the ARC submittals and 90 day completion forms.

B. Landscape Committee Report: James Lauth provided an update regarding the completion of Phase 3 of the drip irrigation expansion to improve the watering of the trees

Resignation of James Lauth as Landscape Committee Chairman: The Board acknowledged James Lauth resignation from the Landscape Committee.

C. Appoint Jon Johnson to the Landscape Committee: Charles Hernandez moved to appoint Jon Johnson to the Landscape Committee. Pennie Puhek seconded the motion. Motion carried unanimously.

D. Compliance Committee Report: Pennie Puhek provided an update on the success of the leaching walls and chosen protocols.

E. Social/Newsletter Committee Report: Pennie Puhek provided an update on the past and upcoming social events; on Snow Day there were approximately 600-700 people in attendance, Egg Hunt is scheduled for April 4th, Art Walk is scheduled for April 18 & 19. Candidate Meet and Greet to follow the Art Walk and Egg Hunt events. Also discussed was the upcoming Luau event.

F. Neighborhood Watch Committee Report: James Lauth provided the Neighborhood Watch update report to the Board.

VII. **Pending litigation**

Ted Boyack, association counsel, was present and provided an update regarding the Chapter 40 Steep Slope issue. The construction defect, Glengarry steep slope, is pending and moving forward toward a resolution.

VIII. **Manager's Report**

A. Summary of Executive Session Matters:
The Board of Directors held fourteen (14) hearings regarding violations; reviewed the delinquency and collection reports as well as homeowner correspondence. Six (6) ARC applications were submitted for review.

B. Action Items: The Board reviewed the list of action items as presented.

IX. **Unfinished Business**

A. Approve to allocate funds for wreath refurbishment: $1,500 for the AHCA master; $1,000 for Edinburgh; and $1,000 for Haddington
Charles Hernandez moved to postpone indefinitely the wreath refurbishment agenda item above as presented. Ronnie Young seconded the motion. Motion carried unanimously.

X. **New Business**

A. Acknowledge Linda Rich resignation from the Board due to potential sale of home
The Board acknowledged Linda Rich's resignation from the Board.

B. Possible appointment of interim board member to fill vacant position until the May 2015 election
Charles Hernandez moved to appoint Ken Brensinger to fill the vacant position on the Board until the May 27, 2015 election. Pennie Puhek seconded the motion. Discussion ensued to fill the vacant position. James Lauth voted in favor. Ronnie Young voted no. Motion carried.

C. Approve to include cover letter with assessment statements announcing four (4) open positions to the Board; three (3) positions will serve 2 year terms (2015-2017) and one position to serve one (1) year term (2015-2016)
Charles Hernandez moved to approve to send cover letter to the membership announcing four (4) open positions to the Board; three (3) positions will serve 2 year terms (2015-2017) and one position to serve one (1) year term (2015-2016). James Lauth seconded the motion. Discussion ensued to amend the motion to include the person receiving the least amount of votes will serve the one year term. Charles Hernandez moved to amend the motion to send a cover letter with assessment statements announcing four (4) open positions to the Board; three (3) positions will serve 2 year terms (2015-2017) and the person receiving the least amount votes will serve the one (1) year term (2015-2016). Ronnie Young seconded the motion. Motion carried unanimously.

D. Renew CDs AHCA Master Operating and Reserve; Edinburgh Reserve and Haddington Reserve
Upon review of the financials and upcoming expenses Pennie Puhek moved to place with US Bancorp, Haddington Reserve account matured CD for $200,000 and Edinburgh Reserve account matured CD for $180,000 for a term of 9 months. Charles Hernandez seconded the motion. Motion carried unanimously. Pennie Puhek moved to invest $245,000 of the matured CD in the master reserve account for a term of one year CD at Beal Bank and the remaining 370,000 in CD for one year with U.S. Bancorp. Charles Hernandez seconded the motion. Motion carried unanimously.

E. Approve to terminate Community Access Systems (CAS) gate service company and replace with The LEECO (The Lee Company) gate service effective March 31, 2015 for Haddington and Edinburgh
Charles Hernandez moved to approve to terminate Community Access Systems (CAS) gate service company and replace with The LEECO (The Lee Company) gate service effective March 31, 2015. LEECO will perform quarterly maintenance on the entry and exit gates for $120.00 for Haddington and $120.00 for Edinburgh. James Lauth seconded the motion. Motion carried unanimously.

F. Approve to obtain bids to install additional lighting in the paseos and parks for safety purposes
Charles Hernandez moved to approve to obtain bids to install additional lighting in the paseos and parks for safety purposes. Ronnie Young seconded the motion. Motion carried unanimously.

G. Approve proposal for immediate placement of additional lighting in both Sommerville parks due to reported criminal activity in the common areas
Charles Hernandez moved to approve the ISG Lighting proposal to install additional lighting in both Sommerville parks in the amount of $6,430.00 for the north park lighting and $8,925.00 for the south park lighting for safety purposes. Ronnie Young seconded the motion. Motion carried unanimously.

H. Approve to obtain bids for additional lighting for Haddington and Edinburgh park area; and approve entry area landscape lighting outside of Haddington gates
Charles Hernandez moved to obtain bids for additional lighting for the Haddington and Edinburgh park area only. Ronnie Young seconded the motion. Motion carried unanimously.

I. Approve to offer option to unit owners with recorded side lot easement agreement with the association the opportunity to mutually terminate the agreement
Charles Hernandez moved to offer an option to unit owners with recorded side lot easement agreement with the association the opportunity to mutually terminate the agreement. Pennie Puhek seconded the motion. Discussion ensued regarding the side lot maintenance offer. Motion carried unanimously.

J. Approve reserve study site visit and update to take place after May 1st and to be completed by June 30th based on improvements completed in 2014 and to be completed in 2015
Charles Hernandez moved to approve reserve study site visit and update to take place after May 1st and to be completed by June 30th based on improvements completed in 2014 and to be completed in 2015. Pennie Puhek seconded the motion. Discussion ensued regarding the sealing of the asphalt path behind Montrose. Motion carried unanimously.

K. Approve to hold extra Regular Open Session Board Meeting on March 25, 2015 at 6 PM
Charles Hernandez moved to approve to hold an extra Regular Open Session Board Meeting on March 25, 2015 at 6 PM. Pennie Puhek seconded the motion. Discussion ensued regarding the additional board meeting. Motion carried unanimously.

L. Possible change in guard service at Haddington and Edinburgh
Charles Hernandez moved to obtain proposals for guard service at Haddington and Edinburgh. Ronnie Young seconded the motion. Discussion ensued to postpone the agenda item to the next meeting. Charles Hernandez moved to postpone obtaining proposals for guard service at Haddington and Edinburgh to the March 25, 2015 meeting. Motion carried unanimously.

M. Approve to obtain bids for three (3) year management contract due to proposed cost increase
Charles Hernandez moved to approve to obtain bids for three (3) year management contract due to proposed cost increase. Pennie Puhek seconded the motion. Discussion ensued regarding the renewal terms of the management contract. Motion carried unanimously.

N. Approve Valley Crest Landscape proposals for landscape renovations at community parks , Anthem Highlands Drive, and Bicentennial Pkwy

Charles Hernandez moved to approve the Valley Crest Landscape proposals as noted in Attachment A for landscape renovations at the community parks, Anthem Highlands Drive and Bicentennial Parkway in the amount $356,574.62 of which $6,720.00 is for annual seasonal change of flowers. Pennie Puhek seconded the motion. James Lauth voted no. Motion carried.

Pennie Puhek moved to approve John Smith, Horticulturist, to review the Sommerville Community south park proposal enhancements (#6057332), not to exceed two (2) hours, to see if the cost meets industry standards. Charles Hernandez seconded the motion. Motion carried unanimously.

Pennie Puhek moved that once John Smith provides his evaluation of proposal #6057332 (noted in Attachment A), a committee of two (2); Ronnie Young and Ken Brensinger, will make the final decision on the amount with an amount not to exceed. Charles Hernandez seconded the motion. Motion carried unanimously.

O. Acknowledge Valley Crest Phase 3 irrigation expansion project completed on Democracy Dr. and Dewar Highlands as approved and adopted in the 2014 master operating budget

Charles Hernandez moved to acknowledge the Valley Crest Phase 3 irrigation expansion project completed on Democracy Dr. and Dewar Highlands as approved and adopted in the 2014 master operating budget in the amount of $12,760.00. James Lauth seconded the motion. Motion carried unanimously.

P. Approve to set Candidate Meet and Greet, Date and location

Charles Hernandez moved to approve to set the Candidate Meet and Greet on March 25th after the regular session meeting, April 4th after the Egg Hunt and April 18 at the Art Walk event. Pennie Puhek seconded the motion. Discussion ensued regarding the Meet and Greet. Motion carried unanimously.

Q. Approve proposal from The Ballot Box to receive ballots and tally votes

Charles Hernandez moved to approve The Ballot Box proposal to perform the full service in the amount of $3,990.00. Pennie Puhek seconded the motion. Motion carried unanimously.

R. Rescind and Revise motion made at Jan. 24, 2013 Board Meeting regarding candidate confidentiality

Charles Hernandez moved to rescind and revise/clarify the motion made at Jan. 24, 2013 board meeting regarding candidate confidentiality; management can release the number of candidates running for the Board but it's up to the Unit Owner to disclose their candidacy. Pennie Puhek seconded the motion. Discussion ensued the motion is not a rule but a directive to management. Ronnie Young voted no. Motion carried.

S. Approve to obtain proposals for bench seating in Sommerville park

Charles Hernandez moved to approve to obtain proposals for bench seating in Sommerville Park south. Ronnie Young seconded the motion. Motion carried unanimously.

T. Approve to send letter to membership regarding unit owner misstatement of facts and allegations against the Board and management company in reference to absentee ballots and receiving a secret ballot if unit owner resides outside the community

Charles Hernandez moved to approve to send letter to membership from association counsel regarding unit owner misstatement of facts and allegations against the Board and management company in reference to absentee ballots and receiving a secret ballot if unit owner resides outside the community. Pennie Puhek seconded the motion. Discussion ensued regarding the purpose of the letter. James Lauth and Ken Brensinger voted in favor. Ronnie Young voted no. Motion carried.

XI. Homeowner Correspondence

Letter dated Jan. 20, 2015 from Unit Owner to the Board of Directors

The Board acknowledged receipt and review of the letter dated Jan. 20, 2015 from the Unit Owner as presented.

XII. Homeowners' Forum - The forum was open to homeowners and the following comments were made:

Opposing opinion regarding agenda item T under New Business, turning lane on Democracy and Anthem Highlands Drive, traffic coming out of Portpatrick, recent development activity in the area and landscape improvements for Portpatrick were discussed.

XIII. **Next Scheduled Meeting:** The next regular session meeting will be held on March 25, 2015 at 6:00 PM at the Terra West Henderson Office.

XIV. **Adjournment:**
Charles Hernandez moved to adjourn the meeting at 8:12 PM as there was no further business to conduct. Pennie Puhek seconded the motion. Motion carried.

Respectfully Submitted:
Carmen Eassa, Community Manager, CMCA®
Terra West Management Services

Approved By:

Board Signature	Title	Date
	President	3-25-2015

EXHIBIT “4”

EXHIBIT “4”

January 29, 2015

J.D. Decker
Nevada Real Estate Division
2501 E. Sahara Ave #303
Las Vegas, NV 89104

VIA FAX AND CERTIFIED MAIL

Mr. Decker,

I am writing this letter in regards to the proposal you presented to me in our phone conversation on January 26th. When I returned your call after you left me a voice message, you stated that after doing some research and having spoken to the Divisions attorney, if the Board of Directors would agree to write a letter of reprimand, in addition to filing a complaint with the Division against fellow Board member Pennie Puhek for comments she made on a public website as a private person, that you "would not take any actions against the Board." You also stated that this "might all go away if she were gone."I faxed you the letter of reprimand that you proposed we issue to Ms. Puhek on Tuesday, January 27th. After consulting with other Board members, we feel that a reprimand would be inappropriate, since we do not feel that Ms. Puhek's comments to a posting by the author of a recently published book advertising his book signing was acting in her capacity as a Board member and the Board has no business or authority to censure her free speech rights as a private citizen. It appears that you feel otherwise based on your statement "we are going to take action against Pennie." Please be advised that this Board will not be part of any retaliation or attempt to censure any of its membership and it is our sincere hope, since we declined your proposal, that the Board will not face any retaliatory actions from the Division. As a reminder, we are not a sub association of Sun City Anthem as was your belief. Should you have any further questions or requests, I feel its best at this time for you to speak directly with our association legal counsel Ted Boyack who can be reached at ted@edblaw.net

Sincerely,
Charles Hernandez
President, Anthem Highlands Community Association

EXHIBIT “5”

EXHIBIT “5”

BRIAN SANDOVAL
Governor

BRUCE H. BRESLOW
Director

JOSEPH (J.D.) DECKER
Administrator

SHARON JACKSON
Ombudsman

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION
COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS PROGRAM
CICOmbudsman@red.state.nv.us
www.red.state.nv.us

February 25, 2015

Via Certified Mail Return Receipt Requested
7010 3090 0002 2398 2244

Anthem Highlands Community Association
C/o Terra West Management Services
Attn: Carmen Eassa
P.O. Box 80900
Las Vegas, Nevada 89180

Re: Case No 2015-291; Anthem Highlands Community Association (the "Association")

Dear Pennie Puhek:

The State of Nevada Real Estate Division (Division), Enforcement Section for Common-Interest Communities and Condominium Hotels, received a complaint against the Association's Vice President and the Division has opened an investigation to determine if there has been a violation of Nevada Revised Statutes (NRS) 116 and/or Nevada Administrative Code (NAC) 116.

The actual complaints are confidential in accordance with NRS 116.757.

Each board member is directed to provide a notarized response to the following allegation:

a. Pennie Puhek, the Association's vice president, included disparaging, potentially defamatory, remarks about a fellow homeowner, Robert Stern, for dissemination to other homeowners due to Mr. Stern's complaints about the Association and its board. These actions that Pennie Puhek demonstrated was also backed by Charles Hernandez, the Association's President, in a letter sent to Joseph (J.D.) Decker, the Nevada Real Estate Division's Administrator, dated January 29th, 2015. Such conduct may be a violation of NRS 116.31183.

Please provide all documents to support your defense to the allegations and any other documents or items you feel are relevant to this investigation. **If possible, please provide all documents on a compact disk, or some other electronic format.**

2501 East Sahara Avenue Ste 202 · Las Vegas, Nevada 89104-4137
Telephone (702) 486-4480 · Facsimile (702) 486-4520 · Statewide Toll Free (877) 829-9907

Enclosed is an affidavit form for each board member who receives a copy of this letter to complete with their statement concerning the above-mentioned allegations and have notarized. This affidavit is also available on our website at www.red.state.nv.us as an interactive form (#652).

Your notarized written response and any documentation must be submitted to the Division at the address on the first page no later than March 11, 2015.

Please be advised that pursuant to NAC 116.405(5), the Commission may find that a member of the executive board violated his or her duties pursuant to NRS 116.3103 by impeding or otherwise interfering with an investigation by the Division. NAC 116.405(5) states in part:

> In determining whether a member of the executive board has performed his or her duties pursuant to NRS 116.3103, the Commission may consider whether the member of the executive board has:
> 5. Impeded or otherwise interfered with an investigation of the Division by:
> (a) Failing to comply with a request by the Division to provide information or documents;
> (b) Supplying false or misleading information to an investigator, auditor or any other officer or agent of the Division; or
> (c) Concealing any facts or documents relating to the business of the association. . .

Upon review of the requested documents, the undersigned may be contacting you for further information and/or an interview.

Thank you in advance for your anticipated cooperation. Should you have any questions, you may contact me at (702) 486-4480or by email at gdalessandro@red.state.nv.us.

Sincerely,

Gina M. D'Alessandro
Compliance/Audit Investigator II

Enclosure: Affidavit Form

cc. (each board member)

EXHIBIT “6”

EXHIBIT “6”

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION
Administrative Office

Affidavit Form

STATE OF NEVADA
County of Clark

Affidavit of Charles Hernandez
Date 3-25-2015
Time Taken 4:00 PM O'Clock
City HENDERSON State NV

Charles Hernandez deposes and says:
Name

I freely and voluntarily give this affidavit to Gina M. D'Alessandro who is known to me as Compliance / Audit Investigator II for the Nevada Real Estate Division.

Case No.: 2015-291

1. I am an adult resident of Clark County, Nevada, over the age of majority, and otherwise competent to testify as to the facts contained herein.

2. I am a current board member of Anthem Highlands Community Association [hereinafter "Anthem Highlands"].

3. All of the facts contained herein are true and correct to the best of my personal knowledge except those stated upon information and belief, and as to those matters, I believe them to be true.

4. Ms. Pennie Puhek is currently serving as Vice President of Anthem Highlands.

5. Based on information and belief, Ms. Puhek has posted comments on certain website about the book of a homeowner of Anthem Highlands, Mr. Robert Stern.

6. Prior to Ms. Puhek's postings, Anthem Highlands had no knowledge of her plans to post the comments.

7. Ms. Puhek posted the comments as a private citizen and individual resident/homeowner.

8. Ms. Puhek did not post her comments in her capacity as Vice President or other agent of Anthem Highlands.

9. Ms. Puhek did not seek permission from Anthem Highlands' board of directors to post her comments.

10. Ms. Puhek does not need the board's permission to make comments as an individual homeowner/resident of Anthem Highlands.

11. I did not "back" Ms. Puhek's actions in my letter to Joseph (J.D.) Decker, dated January 29, 2015.

12. Previously, I had discussed with Mr. Decker during a telephone conversation regarding Ms. Puhek's comments about Mr. Stern.

13. Mr. Decker had suggested the board to issue a letter of reprimand and file a complaint with the Division against Ms. Puhek for her comments.

14. In the letter, I stated that after consulting with other board members, we as a board felt that a letter of reprimand to Ms. Puhek was inappropriate.

15. We believed that Ms. Puhek's comments were directed to Mr. Stern promotion of his book signing as a private citizen, not a board member.

16. We did not feel that Ms. Puhek was acting in her capacity as a board member or vice president of Anthem Highlands.

17. We believed that the board had no business or authority to censure her free speech rights as a private citizen.

18. Furthermore, the board had no interest in being part of any retaliation or attempt to censure any of its membership.

(Use additional pages if necessary)

I have read the foregoing affidavit consisting of ____ pages, and it is true and correct to the best of my knowledge and belief.

I AGREE THAT IF REQUESTED BY THE NEVADA REAL ESTATE DIVISION, I WILL VOLUNTARILY APPEAR AS A WITNESS IN ANY PROCEEDING RELATING TO THE ABOVE MATTER WITHOUT THE NECESSITY OF BEING SERVED WITH A SUBPOENA.

Subscribed before me this 25 day of MARCH, 2015 in the County of CLARK State of NEVADA,

Signature of Notary

Signature

Name Charles Hernandez

Address 2729 BORTHWICK AVE

Henderson NV 89044

City State Zip

Area Code 702 Phone 824-7380

09/25/09

STUART F. BERMAN
Notary Public, State of Nevada
Appointment No. 08-7937-1
My Appt. Expires Sep 9, 2016

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION
Administrative Office

Affidavit Form

STATE OF NEVADA
County of Clark

Affidavit of James Lauth
Date 3-25-15
Time Taken 1600 HRS O'Clock
City HENDERSON State NV

James Lauth deposes and says:
Name

I freely and voluntarily give this affidavit to Gina M. D'Alessandro who is known to me as Compliance / Audit Investigator II for the Nevada Real Estate Division.

Case No.: 2015-291

1. I am an adult resident of Clark County, Nevada, over the age of majority, and otherwise competent to testify as to the facts contained herein.

2. I am a current board member of Anthem Highlands Community Association [hereinafter "Anthem Highlands"].

3. All of the facts contained herein are true and correct to the best of my personal knowledge except those stated upon information and belief, and as to those matters, I believe them to be true.

4. Ms. Pennie Puhek is currently serving as Vice President of Anthem Highlands.

5. Based on information and belief, Ms. Puhek has posted comments on certain website about the book of a homeowner of Anthem Highlands, Mr. Robert Stern.

6. Prior to Ms. Puhek's postings, Anthem Highlands had no knowledge of her plans to post the comments.

7. Ms. Puhek posted the comments as a private citizen and individual resident/homeowner.

8. Ms. Puhek did not post her comments in her capacity as Vice President or other agent of Anthem Highlands.

9. Ms. Puhek did not seek permission from Anthem Highlands' board of directors to post her comments.

10. Ms. Puhek does not need the board's permission to make comments as an individual homeowner/resident of Anthem Highlands.

11. We the board members discussed whether a letter of reprimand or a complaint to the Nevada Real Estate Division was appropriate to address Ms. Puhek's actions.

12. After consulting with other board members, we as a board felt that a Division complaint or a letter of reprimand to Ms. Puhek was inappropriate.

13. We believed that Ms. Puhek's comments were directed to Mr. Stern promotion of his book signing as a private citizen, not a board member.

14. We did not feel that Ms. Puhek was acting in her capacity as a board member or vice president of Anthem Highlands.

15. We believed that the board had no business or authority to censure her free speech rights as a private citizen.

16. Furthermore, the board had no interest in being part of any retaliation or attempt to censure any of its membership.

(Use additional pages if necessary)

I have read the foregoing affidavit consisting of 2 pages, and it is true and correct to the best of my knowledge and belief.

I AGREE THAT IF REQUESTED BY THE NEVADA REAL ESTATE DIVISION, I WILL VOLUNTARILY APPEAR AS A WITNESS IN ANY PROCEEDING RELATING TO THE ABOVE MATTER WITHOUT THE NECESSITY OF BEING SERVED WITH A SUBPOENA.

Subscribed before me this 25 day of March, 2015 in the

County of Clark

State of NEVADA,

Stuart F. Be

Signature of Notary

James Lauth

Signature

Name James Lauth

Address 2672 LOCHLEVEN WAY

HENDERSON NV 89044

City State Zip

Area Code 702 Phone 979-9036

09/25/09

STUART F. BERMAN
Notary Public, State of Nevada
Appointment No. 08-7937-1
My Appt. Expires Sep 9, 2016

652

EXHIBIT “7”

EXHIBIT “7”

ANTHEM HIGHLANDS COMMUNITY ASSOCIATION

DIRECTORS FIDUCIARY AND ETHICAL RESPONSIBILITY RESOLUTION

Members of the Board of Directors of a Common Interest Community volunteer their services to the Association for numerous reasons ranging from a desire to participate more closely in making decisions that affect the community to a desire to undertake a significant challenge. Frequently, however, Directors accept positions on the Board without an appreciation and understanding of the nature of the responsibility that they have undertaken. Board members owe a fiduciary duty to the Association, which includes a duty of loyalty, a duty of care and a duty of confidentiality. These duties begin at the time a person becomes a Director and, except for the duty of confidentiality, terminate once he or she is no longer a Director. A fiduciary is defined in Black's Law Dictionary as the highest standard of care that there is in being responsible for someone else's property.

A violation of these duties may result in personal liability to a Director. While a Director may be protected by either the Association's Directors and Officers liability insurance policy or a personal liability insurance policy, a Director must be aware of the responsibility he/she has and the duties he/she owes to the Association, not any individual owner, in order to avoid potential liability. There are instances when forementioned coverage did not cover an individual acting outside of their authority. Directors must also be aware of the potential for conflicts of interest to develop and the appropriate method of addressing such conflicts should they arise.

WHEREAS, the Board wishes to avoid self-dealing, actual or apparent, in its administration of the Association; and

WHEREAS, the Board wishes to adopt requirements for directors in order to assure sound management of the Association;

NOW THEREFORE BE IT RESOLVED THAT the following shall apply:

* Any discussion of the Board regarding Association business shall take place at a properly noticed meeting and not done through e-mails. All items must be discussed at a meeting UNLESS an emergency as defined under NRS 116. This does not extend to committees.

* All communications and correspondence intended to direct or instruct the Community Manager must go through the Board President. The Board President is the liaison to the management company as per their contract. Specifically, Article III, Section 2 of the Management Contract outlines the Board's process of directing the actions of the management company which is delegated to the Board President. Board members should not violate this agreement.

* No Director shall use his or her official capacity to make or participate in making an Association decision in which he or she may have a direct or indirect financial interest (other than an undivided homeowner interest).

* A Director shall disclose to fellow Directors the potential for a conflict of interest as soon as it is apparent and will work to avoid even the appearance of impropriety. Personal interest will be put aside and advanced only in the best interest of the Association.

* Each Director shall exercise his or her powers and duties in good faith, to the best of each Director's abilities and with the utmost loyalty to the Association and owners.

* No Director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial status through the use of certain contractors or suppliers.

* No Director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.

* No Director shall receive any compensation from the Association for acting as a volunteer other than to be reimbursed for Association expenses incurred that had prior approval and knowledge of a majority of the Board.

* No promise of anything not approved by the Board as a whole at a meeting can be made by any Director to any subcontractor, supplier or contractor during negotiations.

* No Director shall knowingly misrepresent any facts to anyone involved with the community that would benefit himself/herself in any way.

* Each Director shall respect the Association's property as corporation property and not take it or use it for self-serving purposes.

* Each Director shall not undermine the decisions and actions of the Board of Directors by acting outside of Board Meetings unless the action and/or decision is against the law and then the Director shall send a certified letter to the Board, at the current mailing address, advising them of the same.

* Each Director shall follow the Association's Enforcement Policy consistently and not take matters into his or her own hands to help eliminate liability to the Corporation with all matters including the collection of assessments.

* Each Director shall have sufficient familiarity with the Governing Documents (Articles, CC&R's, Bylaws, Rules and Policies), NAC 116 and N.R.S. 116 so that he or she can use them to assist the Board in the procedural and substantive decision-making process.

* Each Director shall seek to understand and fulfill the responsibilities of his or her position as a Director, including the additional responsibilities he or she may assume as an officer and/or committee members. If unable to perform these duties because of the time required or any other reason, that Director must advise the full Board.

* Each Director shall prepare in advance for meetings so as to make the best use of all participants' time. This includes review of relevant material received prior to meetings.

* Each Director shall be prepared to vote on issues properly noticed and properly placed on an agenda at a meeting and will not abstain unless there is a valid reason for an abstention and will advise the remaining Directors of the reason for that abstention to be placed in the minutes.

* Each Director acknowledges that if he or she is delinquent on paying their assessments that they may not vote, by Nevada law, on any issue in executive session where disciplining or a fine may be imposed on any other owner.

* Each Director acknowledges that they do not have individual authority to enforce the governing documents by confronting owners or acting outside of the adopted Enforcement Policy. Each Director shall respect, abide by and carry out the decisions of the majority of the Board unless against Nevada law.

* A Director shall not discuss Executive Session business outside of Board meetings, unless expressly authorized to do so by a majority Board or by the person who may have been discussed during the Executive Session meeting. This includes disclosing to a spouse, significant other or roommate. This duty extends even after his or her term has expired. This includes discussion via e-mails.

* Each Director shall ensure that their e-mail systems are being used appropriately and will not forward any Board /Association specific communications to anyone other than another Director unless a majority of the Board agrees to that disclosure. This includes having a separate e-mail account from spouses or other family members where confidential communications could possibly be read by mistake or intentionally. A system will be set up to ensure this inappropriate disclosure does not happen. Directors understand that e-mails can be used in court and will keep this in mind when using any written communication about Association business through the Internet.

* Copies of Attorney/Client communications are privileged and copies are not to be distributed beyond the Board, unless expressly authorized to do so by the Board. This duty extends even after his or her term has expired.

*Each Director shall be familiar with the Management Contract and expect no more from the Manager than is detailed in the contract. If additional services are desired, an agenda item will be requested for those purposes.

* Each Director shall treat all fellow Directors, owners and residents with courtesy and respect and shall not make personal attacks against anyone. Each Director will approach Board decisions prepared and with an objective, open mind.

Caution: It is not the intent of these resolutions to establish a Director's standard of care for a particular situation. Rather it is intended to assist Directors in acting in a manner which may well be above the standard of care in order to avoid claims or accusations having merit as well as those without merit.

Duly adopted by the Anthem Highlands Community Association Board of Directors on

June 25, 2014.

President: Charles Hernandez

Secretary: Linda Rich

NRED015

EXHIBIT “8”

EXHIBIT “8”

Anthem Highlands Community Association

Board of Directors Meeting Minutes
Terra West Management Services
11135 S. Eastern Ave., Suite 120
Henderson, NV 89052
June 25, 2014 – 6:00 PM

Board Members Present		Board Member Absent	
Charles Hernandez	President	Linda Rich	Secretary
Frank Capello	Vice President		
James Lauth	Treasurer		
Ronnie Young	Director		

Others Present

Carmen Eassa, Community Manager, CMCA	Terra West Management Services
Mark Bower, Operations Manager	Valley Crest Landscape
John Peart, Account Manager	Valley Crest Landscape
Homeowners	

I. **Call to Order and Establishment of Quorum**
Charles Hernandez called the meeting to order at 6:02 and a quorum was established to conduct business.

II. **Homeowners' Forum** - The floor was opened to owners' comments on agenda items in accordance with NRS 116. The following comments were made:
- Landscape, weeds and side lot maintenance at Edinburgh - reported by Edinburgh Liaison
- Street sweeping schedule
- Accessing Association website

III. **Approval of Meeting Minutes**

A. <u>April 23, 2014 Regular Session</u>
Charles Hernandez moved to approve the April 23, 2014 Regular Session meeting minutes as presented. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

B. <u>May 28, 2014 Organizational</u>
Charles Hernandez moved to approve the May 28, 2014 Organizational meeting minutes as presented. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

IV. **Landscape Report by Valley Crest Landscape**
Mark Bower and John Peart were present to discuss the status of the landscape throughout the community and concerns moving forward. A landscape maintenance schedule was presented to the Board. Discussion was held regarding irrigation of the 100 trees on Anthem Highlands Drive and proposal to remedy mature growth of Texas Rangers growing along Democracy near Montrose to eliminate any view obstruction issues and other landscape maintenance performed throughout the community.

V. **Review of Financial Reports**

A. April 2014
Motion by James Lauth: I move to acknowledge that we have fulfilled our duty as a Board to review the financial statements for April 2014 in accordance with NRS 116.31083 subject to the year-end audit. The motion was seconded by Frank Capello with Ronnie Young and Charles Hernandez voting in favor. Motion carried unanimously by the Board members present.

B. March 2014
Motion by James Lauth: I move to acknowledge that we have fulfilled our duty as a Board to review the financial statements for March 2014 in accordance with NRS 116.31083 subject to the year-end audit. The motion was seconded by Frank Capello with Ronnie Young and Charles Hernandez voting in favor. Motion carried unanimously by the Board members present.

VI. **Committee Report and Actions**

A. ARC Committee Annual Appointments
Frank Capello moved to approve and appoint the following ARC Committee members for another one year term: Frank Capello, Laura Zappacosta, Pennie Mossett-Puhek, Linda Rich, and Alex Laws. Charles Hernandez seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

B. ARC Committee Report: Frank Capello reported the Committee has been reviewing the ARC submittals and are pending final inspections of the completed improvements.

C. Landscape Committee Report: James Lauth reported his meeting with John Peart, Valley Crest, to address grass, the status of the dying trees and replacement of the trees on Anthem Highlands Drive.

D. Compliance Committee Report: No report was given.

E. Social/Newsletter Committee Report: No report was given.

F. Neighborhood Watch Committee Report: James Lauth reported he will be setting up a meeting with all of the N. W. captains to upgrade the notification process of reporting issues/concerns to all the residents in a timely manner.

VII. **Legal**

A. Update on Anthem Highlands vs. Developers Regarding Yellow Brass, California Superior Court, County of Los Angeles, Case No. BC448383
Terry Riedy, Canepa, Riedy & Rubino; The Board reviewed the emailed correspondence from counsel regarding proposed national settlement. The case is on-going.

B. Bank of America vs. Anthem Highlands
Tim Elson, Lewis, Brisbois, Bisgaard, & Smith LLP (LBBS); The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

C. Chapter 40 Steep Slope
Ted Boyack - Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending reimbursement of expenses from Lennar.

D. Montesa LLC, et al., vs Anthem Highlands Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck – Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

E. Elsinore v. Anthem Highlands, Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck– Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

F. Vestedspec Inc. et. al v. Anthem Highlands, Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck– Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

G. Appleton Properties LLC et. al v. Anthem Highlands, Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck– Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

H. Equisource LLC et. al v. Anthem Highlands, Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck– Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

I. Custom Estates LLC et. al v. Anthem Highlands, Case No. A-13-685833 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck– Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

J. Southern Nevada Acquisitions, et al vs. Anthem Highlands Case No. A-13-685798 (Formerly Higher Ground)
Kaleb Anderson, Lipson, Neilson, Cole, Seltzer, & Garin and Colby Beck – Boyack, Beck & Taylor; The Board reviewed the emailed correspondence from counsel noting the case is on-going pending Nevada Supreme Court ruling on super-priority lien.

VIII. Manager's Report

A. Summary of Executive Session Matters: An executive session was held prior to the regular session to discuss collection, compliance and legal matters. Management reported that there were 35 violation hearings held in the Executive Session and 15 ARC Applications were submitted for review.

B. Action Items: The Board reviewed the list of action items as presented. Management to send an email blast to Edinburgh and Haddington to announce street sweeping schedule; re-send Valley Crest the side lot maintenance for Edinburgh and Haddington and check with I.T. department for PDF editable capability for the proposed purchase of tablets for Board meeting package.

IX. Unfinished Business

A. Proposal for Bollard lighting scope of work for paseos
Charles Hernandez moved to postpone the agenda item, proposal for the bollard lighting scope of work for the paseos, to the August 27th meeting pending 2015 budget review. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

B. Approve design concept from Attanasio Landscape Architecture for median conversion from Bicentennial Pkwy all along Anthem Highlands Drive
Charles Hernandez moved to postpone the agenda item, design concept from Attanasio Landscape Architecture for median conversion from Bicentennial Pkwy all along Anthem Highlands Drive, to the August 27th meeting pending further review. Frank Capello seconded the motion. Discussion: James Lauth was not in favor of the median conversion. The Board members present also agreed. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

C. Approve to obtain bids for concrete sidewalk areas at Portpatrick
Charles Hernandez moved to approve to obtain bids for concrete sidewalk areas at Portpatrick.
Frank Capello seconded the motion. Discussion was held by James Lauth regarding the meandering sidewalk design. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

X. New Business

A. Approve to renew 3 month CD maturing in May 2014 Master Operating #6095, $300,000 and approve 3 CDs for Master Reserve Account #0075, $615,000 and Edinburgh and Haddington CDs
Charles Hernandez moved to approve to renew the CDs for 3 month for the master operating in the amount of $615,000 and renew 3 month CDs for Edinburgh reserve account in the amount of $180,000 and renew 3 month CD for Haddington reserve account in the amount of $200,000. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

B. Approve Valley Crest landscape proposal to expand irrigation for the trees on Anthem Highlands Drive
Charles Hernandez moved to approve Valley Crest landscape proposal to expand the irrigation for the 100 trees on Anthem Highlands Drive in the amount of $8,800.00 at $88.00 per tree. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

C. Approve proposal for Haddington and Edinburgh street sweeping 6 times per year to begin in October
Charles Hernandez moved to approve proposal for Haddington and Edinburgh street sweeping service at 6 times per year to begin in October. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

D. Approve to renew the current management contract with Terra West Management Services for one year beginning September 1, 2014. Approve Community Assistant Annual Wage increase.
Charles Hernandez moved to approve to renew the current management contract with Terra West Management Services for one year beginning September 1, 2014 and approve a 10% increase for Community Assistant, Tanya Matysek, to $16.39/hour. Frank Capello seconded the motion. Discussion was held to add a step increase with the management contract regarding the dedicated employees' annual reviews. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

E. Approve addendum to the management agreement to offer the homeowners the ability to accept their statement electronically from Terra West Management Services
Charles Hernandez moved to approve addendum to the management agreement to offer the homeowners the ability to accept their statements electronically from Terra West. Frank Capello seconded the motion. Discussion was held regarding the electronic statement option. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

F. Adopt AHCA Directors Fiduciary and Ethical Responsibility Resolution
Charles Hernandez moved to adopt AHCA Directors Fiduciary and Ethical Responsibility Resolution. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.
Approve to purchase tablets as property of the association for board meetings
Charles Hernandez moved to postpone to the July 23rd meeting the purchase of tablets as property of the association for board meetings. Frank Capello seconded the motion. Discussion was held regarding the purpose and benefit of the tablets. The Board asked management to inquire about PDF editing capability for the proposed tablets. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

G. Approve one inspection per month for the master and gated communities instead of previously approved second inspection for the months from March-September
Charles Hernandez moved to approve one inspection per month for the master and gated communities instead of previously approved second inspection for the months from March-September. Frank Capello seconded the motion. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

H. Create homeowner IDs for Anthem Highlands social events
Charles Hernandez moved to approve to look into creating homeowner IDs for Anthem Highlands' social events. Frank Capello seconded the motion. Discussion was held as to how to implement the I.D. cards if the cost is feasible. James Lauth and Ronnie Young voted in favor. Motion carried unanimously by the Board members present.

I. Approve different location to hold future board meetings
Charles Hernandez moved to look into different locations to hold future board meetings to allow more homeowner participation. Frank Capello seconded the motion. Discussion was held to explore options to hold meetings at different locations to encourage more homeowner participation. James Lauth opposed and Ronnie Young voted in favor. Motion carried.

XI. Homeowner Correspondence

A. Discuss/Review: Letter dated April 28, 2014 from Unit Owner to the Board of Directors regarding statement
The Board acknowledges receipt and review of the letter dated April 28, 2014 from Unit Owner to the Board of Directors regarding account statement.

B. Discuss/Review: Letter dated May 7, 2014 from Unit Owner to the Board of Directors regarding cease and desist
The Board acknowledges receipt and review of the letter dated May 7, 2014 from Unit Owner to the Board of Directors regarding cease and desist letter.

XII. Homeowners' Forum - The forum was open to homeowners and the following comments were made:
The forum was open to homeowners. The following comments were made:

- ARC submittal regarding solar panel installation
- Use of laptop projector in lieu of tablets
- Homeowner discussed assessed fines regarding non-compliant violations on his account

XIII. Next Regular Scheduled Meeting: The next regular session meeting will be held on July 23, 2014 at 6:00 PM at the Terra West Henderson Office on 11135 S. Eastern Ave.

XIV. Adjournment:
Charles Hernandez moved to adjourn the meeting at 8:33 PM as there was no further business to conduct. Frank Capello seconded the motion. Motion carried.

Respectfully submitted by Terra West Management Services,

Approved By:

LCRich	Secy.	7/23/14
Board Signature	Title	Date

EXHIBIT “9”

EXHIBIT “9”

BOYACK & TAYLOR
Attorneys at Law

Edward D. Boyack
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Telephone: (702) 562-3415
Facsimile: (702) 562-3570

March 23, 2015

Gina M. D'Alessandro
Compliance / Audit Investigator II
Nevada Department of Business and Industry
Real Estate Division
2501 E. Sahara Ave., Ste. 202
Las Vegas, NV 89104

Re: Case No. 2015-291 Anthem Highlands Community Association

Dear Ms. D'Alessandro:

Our office has been retained to represent Anthem Highlands in this matter. Please direct all future correspondences to our office. We are writing in response to a Complaint that has been filed in Case No. 2015-291.

The Complaint alleges Pennie Puhek, Anthem Highlands' vice president made disparaging remarks about homeowner Robert Stern due to Mr. Stern's complaints about Anthem Highlands and its board in violation of NRS 116.31183. Please allow this correspondence and the accompanying affidavits as Anthem Highlands' response to the complaint, subject to future supplemental responses.

We believe that Anthem Highlands did not violate NRS 116.31183 because Ms. Puhek was not acting in her capacity as a board member of Anthem Highlands. Anthem Highlands could not legally regulate Ms. Puhek's speech when she makes comments as a private citizen, not as an agent of Anthem Highlands. Lastly, there is no indication that Mr. Stern's rights as an unit owner have been affected.

I.
Factual Background

While your correspondence dated February 25, 2015 is not clear on the specific comments alleged to have been made by Ms. Puhek, we believe the comments may be those made by Ms. Puhek on a website called Nextdoor. That website is a public website shared by multiple community neighborhoods. (See Affidavit of Ms. Puhek.) Residents may express their opinions about varying subjects of public interest on that website. (Id.) The website is not run, endorsed, monitored, or utilized by Anthem Highlands or its Board of Directors for businesses of the Association. (Id.)

As Ms. Puhek indicates in her affidavit, she is personally registered on the website as a resident of the Earlstone community, not as a board member of Anthem Highlands. (Id.) Earlstone is a neighborhood association with its own Board of Directors. (Id.) Ms. Puhek registered on the website using her own personal email address, which is not the email she uses for official board business. (Id.) According to Ms. Puhek, she has never posted anything on that website in her capacity as a board member of Anthem Highlands. (Id.)

With respect to the comments in question, Ms. Puhek was commenting on Mr. Stern's promotion of a book-signing for his book publication. (Id.) The book addresses an issue of public interest, which is homeowners associations in Southern Nevada. (Id.)

Prior to Ms. Puhek's postings, Anthem Highlands had no knowledge of Ms. Puhek's plans to make her comments.

Mr. Charles Hernandez is the president of Anthem Highlands. Mr. Hernandez had previously discussed Ms. Puhek's comments with Joseph (J.D.) Decker, the Nevada Real Estate Division's administrator. (See Ex. 1, correspondence from Charles Hernandez.) During their telephone conversation, Mr. Decker suggested for the board to issue a letter of reprimand as well as file a complaint with the Division regarding her comments. (Id.)

Thereafter, Mr. Hernandez discussed the suggestions with the other board members. (Id.) The board felt that a reprimand would be inappropriate since the board did not feel that Ms. Puhek made her comments in her capacity as a board member. (Id.) The board has no authority to censure Ms. Puhek's exercise of her free speech rights as a private citizen. (Id.)

Mr. Hernandez's correspondence to Mr. Decker, dated January 29, 2015, addressed these points. (Id.) In his correspondence, Mr. Hernandez emphasized that the board was not to "be part of any retaliation or attempt to censure any of its membership." (Id.)

II.
Anthem Highlands Did Not Violate NRS 116.31183 as Ms. Puhek Did Not Make Her Comments in Her Capacity as A Board Member or With the Board's Authorization.

NRS 116.31183(1) prohibits a board member, manager, or an officer of an HOA to take retaliatory action against a homeowner because the homeowner has:

> (a) Complained in good faith about any alleged violation of any provision of this chapter or the governing documents of the association"

(b) Recommended the selection or replacement of an attorney, community manager or vendor; or

(c) Requested in good faith to review the books, records or other papers of the association.

In this case, there is no indication that Ms. Puhek made her comments in her capacity as Anthem Highlands' vice president. Ms. Puhek did not act with the authority or permission of the Anthem Highlands' board of directors. She did not seek such authority or permission. As Ms. Puhek indicates in her affidavit, Ms. Puhek was personally registered on that website using her personal email address. She never posted on that website as an Anthem Highlands' board member. The website is open to residents and homeowners of multiple neighborhood communities. Anthem Highlands does not monitor or endorse the website. Anthem Highlands had no prior knowledge of Ms. Puhek's plan to post her comments.

III.
In Fact, Anthem Highlands Cannot Legally Infringe upon Ms. Puhek's Right to Free Speech Which Is Protected by Nevada Law.

Nevada law protects speech made in good faith in connection with an issue of public concern. See NRS 41.637. Such speech may include "[c]ommunication made in direct connection with an issue of public interest in a place open to the public or in a public forum which is truthful or made without knowledge of its falsehood." NRS 41.637(4).

Here, serving as a vice president does not take away Ms. Puhek's rights as a homeowner. She may still take actions, including making comments, as an individual homeowner and a private citizen.

Ms. Puhek's right to make her comments in her personal capacity is especially significant in this case given the circumstances. Here, Ms. Puhek made her comments on a public website "Nextdoor". The website is a forum available to residents of numerous neighborhood associations. The website is dedicated to discussion of topics of public interests and concerns, including operation of homeowners associations in southern Nevada. Of particular importance in this case is Mr. Stern's publication. Ms. Puhek's comments were made in response to Mr. Stern's promotional effort of his book on a topic of public interest–homeowners association. Mr. Stern had chosen to promote his publication on Nextdoor. Ms. Puhek's comments were directed at Mr. Stern's promotion of his book. Ms. Puhek's comments were "made in direct connection with an issue of public interest in a place open to the public or in a public forum." NRS 41.637(4).

Mr. Hernandez's correspondence to Mr. Decker only addressed the above points and in no fashion "backed" conduction in violation of NRS 116.31183. The correspondence explains the board's refusal to reprimand Ms. Puhek. The bases for the decision were 1) Ms. Puhek acted in her personal capacity, not as

Anthem Highlands' board member, and 2) Anthem Highlands has no authority to censure Ms. Puhek's right to free speech as a private citizen. There was simply no indication that Ms. Puhek had used, or misused, her position as Anthem Highlands' board member in making her comments. Mr. Hernandez did not support any conduct that could potentially violate NRS 116.31183 in his correspondence.

Based on the foregoing, Anthem Highlands did not violate NRS 116.31183. Ms. Puhek does not lose her rights to free speech as a private citizen merely because she serves on the board. Anthem Highlands had concerns that a letter of reprimand or a complaint with the Division could expose Anthem Highlands to potential liability for infringing upon Ms. Puhek's right to free speech under Nevada law.

IV.
There Was No Retaliatory Action in This Case Because No Actions Have Been Taken That Affect Stern's Rights as a Unit Owner.

The Commission for Common Interest Community and Condominium Hotels has defined "retaliatory action" under NRS 116.31183 to mean "actions that affect the unit owner's rights as a unit owner." (See Ex. 2, CCIC July 31, 2007 meeting minutes, page 11 of 14.) Commissioner O'Donnell moved to clarify NRS 116.31183 with this definition. (Id.) The decision was seconded by Commissioner Brainard. (Id.) The decision was unanimous. (Id.)

Here, there is no indication that Mr. Stern's rights as a unit owner have been affected. Ms. Puhek's comments were directed at Mr. Stern's publication and the promotion of his book signing. At most, any effect that may be inferred from Ms. Puhek's comments would be on Mr. Stern's publication, not his rights as a homeowner.

In sum, Ms. Puhek was not acting in her capacity, or in anyway pursuant to her role, as a board member/vice president of Anthem Highlands. Anthem Highlands had no authority to regulate her speech when she makes comments as a private citizen, not as an agent of Anthem Highlands. Lastly, there is no indication that Mr. Stern's rights as a unit owner have been affected.

We look forward to resolving this matter with you in the near future. Please do not hesitate to contact our office should you have any questions or concerns. We will cooperate with the Division in this investigation to the extent practicable and supplement information or documents upon request. Thank you for your courtesy.

Very truly yours,

EDWARD D. BOYACK

EDB: wyw

EXHIBIT “10”

EXHIBIT “10”

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY REAL ESTATE DIVISION

COMMON-INTEREST COMMUNITIES AND
CONDOMINIUM HOTELS PROGRAM OMBUDSMAN'S OFFICE

INFORMAL CONFERENCE AGREEMENT

Complainant: Robert Stern **File No.** See List Below

Respondent: Anthem Highlands (Rick Romano) President **Date** 2-20-14

We, the undersigned voluntarily entered into an informal conference through the Ombudsman's Program to resolve a dispute between us. We are satisfied that the provisions of the Agreement are fair and reasonable. We hereby have agreed to abide by and fulfill the following terms subject to a February 26, 2014 approval by the Anthem Highlands Community (AHCA) Board of Directors. Should the board not approve this agreement in its entirety February 26, 2014 this informal agreement is void.

1.) Anthem Highlands Community Association Board of Directors (AHCA) (Rick Romano) as President and representative agrees to pay 100% of all legal fees and costs associated with the civil case A-13-676994-C incurred by Robert Stern. AHCA will refund Robert Stern directly in the amount of $32,009.25 by March 19th to be picked up at the Eastern office of Terra West. Effective 2/27/14, all further legal fees and legal costs including the month of February will be negotiated between the AHCA Board of Directors and the Mr. Stern's Legal Counsel P. Sterling Kerr and paid by AHCA.

Under no circumstances is Mr. Stern liable for any further legal fees or cost pertaining to the matters of this agreement and AHCA agrees to pay all additional legal fees and legal costs from February 1, 2014 and forward except for any legal fees incurred under paragraph 2 as it pertains to the Referee Program.

AHCA will remove the $18.603.02 assessments attached to Robert Stern's homeowner account # 00296-02-45 within 2 years, by reducing the amount 25% every six months. The first reduction to be recorded August 27, 2014. If there are any violations pursuant to the following stipulations the assessment amount will be extended 6 months for each violation. These violations will be determined by a neutral third party through the Division's ADR (Referee) Program. The final decision of the Referee will be binding on

2/20/14 2-20-14

Complainant (s) **Date** **Respondent(s)** **Date**

Informal Conference Person Sharon Jackson

Informal Conference Person Vivian Brown

both parties without appeal rights. Based on the outcome of the decision of the Referee, the prevailing party will be relieved of all costs and the losing party will be responsible for all fees associated with the costs minus any Division subsidy if available. Mr. Sterns obligation will not exceed $500.00 after subsidy should he lose the matter.

2.) It is also agreed upon that while the $18,603.02 assessments are kept on Mr. Sterns account he will be considered in good standing to take part in all association activities.

The board further agrees to not assess any additional legal fees or legal costs pertaining to this agreement.

Agreed Upon Stipulations:

- As a board member or homeowner, limited contact with the Community Association Manager/Management Company to entail 1 email or registered letter per month per issue with no more than 5 issues per month and no defamatory statements with management and/or board of directors to be included in these communications during this 2 year period as designated in paragraph 2.

All board members including Mr. Stern should he become a board member are bound by the following stipulations.

- Engaging in defamatory statements with management, board of directors, units-owners, agents, contractors and/or vendors in any publications, flyers and/or email blast defined as more than 5 AHCA recipients at a time. The board acknowledges that Mr.Stern has an email list of approximately 300 homeowners and in the context of this agreement does not constitute any confidentiality violations.

- Contacting or engaging in any communication with other members of AHCA concerning the confidential business of the board of directors.

- Utilizing any information gathered from confidential information of AHCA including names telephone numbers and/or email addresses of other members of AHCA.

3.) AHCA President Rick Romano will email Mr. Stern once the settlement agreement has been voted on and approved by the board, allowing Mr. Stern the opportunity to contact his legal counsel regarding the settlement and finalization of legal fees.

2/20/14 — 2-20-14

Complainant (s) **Date** **Respondent(s)** **Date**

Informal Conference Person Sharon Jackson

Informal Conference Person Victoria Burke

4.) AHCA legal counsel will draft the final civil case court documents which will be reviewed and approved by Mr. Stern's legal counsel P. Sterling Kerr prior to submission to the courts.

5.) Robert Stern's Counterclaim under A-13-676994-C will be considered settled in conjunction with the original lawsuit filed by the AHCA Board of Directors.

6.) Mr. Stern will not take any further legal actions as it pertains to Carmen Eassa and/or Terra West for action prior to February 15, 2014.

7.) It is agreed upon that this Informal Conference agreement will be presented for a vote and ratification on February 26, 2014.

8.) Pursuant to NRS 116.31088 (4) the AHCA Board of Directors will include the approved settlement agreement in the March 26, 2014 executive board meeting minutes.

9.) The AHCA will make a reasonable accommodation to schedule any ADR Referee hearings, knowing that Mr. Stern also resides in North Carolina.

10.) All of the following Division's current open cases will be closed and no new cases on the same issues/topics can be filed by either party.

- CIS 13-11-06-156/2012-3142
- 2013-4130
- 2013-1005/IS-13-2904
- IS-14-3011/2013-2600
- IS-14-3010/2013-2599
- IS-14-2992/2013-2164
- 2013-4187
- 2014-314
- 2013-4188
- 2013-3396

All information in this Informal conference agreement is confidential and should not be disclosed by either party outside of the executive meeting.

2/20/14 — Complainant (s) — Date

2-20-14 — Respondent(s) — Date

Informal Conference Person Sharon Jackson

Informal Conference Person Vivian Brown