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

Sharath Chandra, Administrator, Real Estate Division, Department of Business & Industry, State of Nevada,

Petitioner,

VS.

Eldora Plaza, Inc., Barbara Jackson, and Amalia Dominguez.

Respondents.

Case No. 2017-2476

FILED

NOV 0 2 2020

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION

Petitioner, Real Estate Division, Department of Business & Industry, State of Nevada (the "Division") through its Administrator, Sharath Chandra, ELDORA PLAZA, INC., BARBARA JACKSON, and AMALIA DOMINGUEZ (hereinafter, "RESPONDENTS") enter into this STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION ("Stipulation and Order") as follows.

JURISDICTION AND NOTICE

During the relevant times mentioned in the complaint, RESPONDENTS BARBARA JACKSON and AMALIA DOMINGUEZ served as board members and/or officers of ELDORA PLAZA, INC. (the "Association"), a common-interest community located in Las Vegas, Nevada.

RESPONDENTS are subject to the provisions of Chapter 116 of each the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and are subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities pursuant to the provisions of NRS 116.750.

FACTUAL ALLEGATIONS IN THE COMPLAINT

 ELDORA PLAZA, INC. is an association located in Las Vegas, Nevada, consisting of 18 fourplexes, containing a total of 72 units.

- On or around October 1, 2012, Board members Daryl Morse and JACKSON appointed DOMINGUEZ to the Board after the Association's former president and treasurer resigned.
- 3. From approximately October of 2012 through March of 2018, DOMINGUEZ served as president/treasurer of the Association.
 - 4. JACKSON served on the Association's Board as its secretary.
- 5. Mr. Morse served on the Board through May of 2016 at which time he resigned and has since passed away.
- 6. Following Mr. Morse's resignation, the third position on the Association's Board remained vacant.
- 7. While on the Board, DOMINGUEZ performed bookkeeping services and other services for the Association that ordinary would be performed by a community manager.
- 8. To compensate DOMINGUEZ for her services while on the Board, the Board members agreed that DOMINGUEZ's monthly HOA assessments would be waived by fifty percent.
- 9. DOMINGUEZ and her husband own two buildings in the Association either personally and/or through different business entities.
- 10. JACKSON continued to pay her full monthly assessments while on the Board.
- 11. The Division initiated an audit of the Association on or around October 18, 2017, when it discovered that the Association failed to submit its Annual Registration form to the Division.
- 12. Based on the audit's findings, on or around December 5, 2017, the Division properly notified RESPONDENTS that it had opened an investigation and requested a response to a variety of allegations, including, without limitation, failing to hold meetings, failing to hold elections, failing to hire properly licensed vendors, giving board members reduced assessments, failing to prepare proper financial statements, failing to

properly sign checks, failing to fund reserves, and failing to fulfill the Association's maintenance obligations.

- 13. The Association was self-managed until approximately April 1, 2018, at which time the Association employed Phillip Michaelson of Griswold Real Estate Management as its community manager, and now uses Yvonne Culliver of 5STRMGT, LLC
- RESPONDENT DOMINGUEZ provided a response to the Division dated
 January 25, 2018, which was received by the Division on April 17, 2018.
- 15. On August 26, 2019, the Association's attorney sent a letter to the Division proposing a plan to bring the Association into compliance with Nevada law.
- 16. In the letter to the Division, the attorney pointed out that most of the initial allegations brought against the Association were due to the Association being self-managed but have since been remedied after the Association hired a community manager in 2018.
- 17. The plan the Association's attorney submitted to the Division to bring the Association into compliance with Nevada law was as follows:
 - With respect to the reserve study and funding, the Association was soliciting bids for its 2019 Reserved Study, understood its reserve account was underfunded, and intended to consider a reserve assessment if necessary.
 - With respect to the Association's operations, the Association believed that since
 it had retained professional management, issues regarding violations related to
 notices, frequency, agendas, minutes of Board meetings, the need to solicit bids,
 and properly holding elections would be remedied.
 - With respect to the Association's finances, by retaining professional
 management, the Association believed issues related to properly signing checks,
 approval of electronic payments, adequately funding the operating account,
 properly setting monthly assessments, and preparing and distributing interim
 financial statements would be remedied.

- With respect to contractors, the Board understood it must hire only licensed vendors to provide services to the Association.
- With respect to Association's placing maintenance obligations for the exterior
 of buildings on the unit owners, the Association stated it planned to propose an
 amendment to the Declaration to address the maintenance and repair of the
 buildings and if the membership approved the amendment, it would be
 recorded.
- With respect to DOMINGUEZ's paying 50 percent of her assessments while on the Board, the Association responded that in January 2018 DOMINGUEZ began paying full assessments for units in both buildings she owns.
- 18. DOMINGUEZ owes the Association for the portion of her improperly waived assessments given to her in exchange for her providing the Association bookkeeping services from approximately October of 2012 through December of 2017.
- 19. The amount owed by DOMINGUEZ to the Association for the improperly waived assessments is approximately \$15,600 dollars.

VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT

- 20. RESPONDENTS violated NRS 116.31187(1) by permitting DOMINGUEZ to be compensated for performing bookkeeping services while on the Board by waiving her monthly assessments due to the Association by fifty percent.
- 21. RESPONDENTS violated NRS 116.3103 by failing to perform their fiduciary duties by improperly waiving DOMINGUEZ's monthly assessment by fifty percent to compensate her for providing bookkeeping services while on the Board.
- 22. RESPONDENT DOMINGUEZ violated NRS 116.3103 through NAC 116.405(2) by acting for reasons of self-interest and gain by accepting compensation for performing bookkeeping services while on the Board by only paying fifty percent of her monthly assessments.
- 23. RESPONDENTS violated NRS 116.31083 (8), (9), and (11) by failing to properly take minutes and maintain audio recordings during meetings.

- 24. RESPONDENTS violated NRS 116.31083(1) by failing to hold meetings at least once every quarter, and not less than once every 100 days and at a time other than standard business hours at least twice annually.
- 25. RESPONDENTS violated NRS 116.31153(1) and (2) by failing to obtain two signatures from the proper individuals from the Association when making withdrawals from the Association's accounts.
- 26. RESPONDENTS violated NRS 116.31034 by failing to properly hold elections.
- 27. RESPONDENTS violated NRS 116.3115(2)(b) by failing to properly fund the reserve account for the common expenses of the Association.
- 28. RESPONDENTS violated NRS 116.3103 through NAC 116.405(8)(d) by failing to contract with properly licensed and insured vendors that provided services to the Association.
- 29. RESPONDENTS violated NRS 116.3103 through NAC 116.405(8)(a) by failing to maintain the exterior of the buildings as required by the governing documents.
- 30. RESPONDENTS violated NAC 116.451(4) by failing to properly prepare and distribute the Association's interim financial statements.

SETTLEMENT

- 1. RESPONDENT BARBARA JACKSON agrees to attend 12 hours of classes offered by the Division, or classes approved by the Division in writing prior to taking the class, within 12 months of the date of the order approving this stipulation and order for settlement.
- 2. RESPONDENT AMALIA DOMINGUEZ agrees to attend 12 hours of classes offered by the Division, or classes approved by the Division in writing prior to taking the class, within 12 months of the date of the order approving this stipulation and order for settlement.
- 3. RESPONDENT AMALIA DOMINGUEZ shall reimburse the Association the sum of \$6,300.00 for her improperly waived assessments, within 45 days of date of

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the order approving this stipulation and order for settlement.

- 4. RESPONDENT and the Division agree that by entering into this Stipulation and Order, the Division does not concede any defense or mitigation RESPONDENTS may assert and that once this Stipulation and Order is approved and fully performed, the Division will close its file in this matter.
- 5. RESPONDENTS agree that if the terms and conditions of this Stipulation and Order are not met, the Division may, at its option, rescind this Stipulation and Order as to the RESPONDENT in default and proceed with prosecuting the Complaint before the Commission.
- 6. RESPONDENTS agree and understand that by entering into this Stipulation and Order, RESPONDENTS are waiving their right to a hearing at which RESPONDENTS may present evidence in their defense, their right to a written decision on the merits of the Complaint, their right to reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Uniform Common-Interest Ownership Act and accompanying statutes and regulations, and the federal and state constitutions. RESPONDENTS understand that this Stipulation and Order and other documentation may be subject to public records laws. The Commission members who review this matter for approval of this Stipulation and Order may be the same members who ultimately hear, consider and decide the Complaint if this Stipulation and Order is either not approved by the Commission or is not timely performed by RESPONDENTS. RESPONDENTS fully understand that they have the right to be represented by legal counsel in this matter at their own expense.
 - Each party shall bear its own attorney's fees and costs.
- 8. <u>Stipulation and Order is Not Evidence</u>. Neither this Stipulation and Order nor any statements made concerning this Stipulation and Order may be discussed or introduced into evidence at any hearing on the Complaint, if the Division must ultimately present its case based on the Complaint filed in this matter.

9. Release. In consideration of execution of this Stipulation and Order, RESPONDENTS for themselves, their heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry and the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that the RESPONDENTS ever had, now has, may have, or claim to have, against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigation, this disciplinary action, and all other matters relating thereto.

In consideration of execution of this Stipulation and Order, and subject to the RESPONDENTS' performance of the terms and conditions set forth in Paragraphs 1-3, inclusive, the State of Nevada, the Department of Business and Industry and the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities, hereby release, remise and forever discharge the RESPONDENTS, individually and collectively from any and all actions, causes of actions, suits, debts, judgments, executions, claims and demands whatsoever known or unknown, in law or in equity, that the State of Nevada, the Department of Business and Industry and the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities, ever had, now have, may have, or claim to have, against any or all of the RESPONDENTS arising out of or by reason of the Division's investigation, this disciplinary action and all other matters relating hereto.

10. <u>Indemnification</u>. RESPONDENTS hereby indemnify and hold harmless the State of Nevada, the Department of Business and Industry, the Division, and each of their respective members, agents, employees and counsel in their individual and representative capacities against any and all claims, suits, and actions brought against said persons and/or entities by reason of the Division's investigation, this disciplinary action and all other matters relating thereto, and against any and all expenses, damages,

1	and costs, including court costs and attorney fees, which may be sustained by the persons
2	and/or entities named in this section as a result of said claims, suits, and actions.
3	11. RESPONDENTS have signed and dated this Stipulation and Order only
4	after reading and understanding all terms herein.
5	DATED: Out-1 - 29
6	DEPARTMENT OF BUSINESS &
7	INDUSTRY STATE OF NEVADA
8	By: March
9	Sharath Chandra, Administrator
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11	DATED: October 15, 2020. ELDORA PLAZA, INC
12	By:
13	Name: AMALIA DUMINGUEZ
14	THE: VICE PRSIDENT, GLOVER PLAZA.
15	DATED: October 7.3, 2020.
16	Amalia Dominguez
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19	DATED: October old, 2020. Bouland J. Van Agen
20	Barbara Jackson
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1 2 3 ORDER IT IS ORDERED that the foregoing Stipulation and Order for Settlement of 4 Disciplinary Action is approved in full. Б Dated: October 7. 2020. 6 COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA 7 8 9 10 Michael Burke, Chairman 11 12 Submitted by: 13 AARON D. FORD Attorney General 14 15 By: By: Michelle D. Briggs Senior Deputy Attorney General 16 Leach Kern Gruchow Anderson Song Karissa D. Neff 17 2525 Box Canyon Drive Las Vegas, NV 89128 (702) 538-9074 Deputy Attorney General 555 E. Washington Ave. Ste 3900 18 Las Vegas, Nevada 89101 Attorney for Respondents (702) 486-3894 19 Attorneys for Real Estate Division 20 21 22 23 24 25 26 27 28