

Office of the Attorney General
555 East Washington Avenue, Suite 3900
Las Vegas, Nevada 89101

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,

Case No. 2015-3526

Petitioner,

FILED

vs.

SEP 16 2016

CARLOS O. HIDROGO,

NEVADA COMMISSION OF
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

Respondent.

COMPLAINT FOR DISCIPLINARY
ACTION AND NOTICE OF HEARING

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, Esq., Senior Deputy Attorney General, hereby notifies Respondent CARLOS O. HIDROGO ("RESPONDENT" or "HIDROGO") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NAC 116A.360.

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JURISDICTION

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2 1. During all relevant times mentioned in this complaint, RESPONDENT engaged
3 in the management of a common-interest community within the state of Nevada after his
4 provisional certificate from the Division was made inactive and is, therefore, subject to the
5 jurisdiction of the Division and the provisions of NRS Chapters 116 and 116A and NAC
6 Chapters 116 and 116A.

7 **ALLEGATIONS OF FACT**

8 2. RESPONDENT held a provisional community manager certificate from the
9 Division under number CAM.0008221-PROV from May 5, 2014 to March 26, 2015.

10 3. RESPONDENT engaged in the management of two common-interest
11 communities, Diamond Head Villas, Inc. and Diamond Head Villas Association Phase II
12 (collectively hereinafter, the "Associations") while his mother, Maria Limon, was incarcerated
13 beginning in August 2015 through February 17, 2016.

14 4. Limon managed the Associations despite having her community manager
15 certificate revoked by this Commission in July 2014.

16 5. At its meeting in February 2016, this Commission accepted as true the
17 allegations contained in the complaint against Limon under Case No. 2015-2028; wherein it
18 details Limon's total control over all the finances for the Associations, including substantial
19 electronic transfers of funds into her personal accounts.

20 6. Before reporting to federal prison in Victorville, California, Limon told board
21 member, Willie Johnson, by text messages that she was going to receive chemotherapy
22 treatments for stomach cancer and would be back in 7 months.

23 7. Limon told board members by text message that RESPONDENT, her son,
24 would take over for her.

25 8. The text messages state:

26 LIMON: Willie will have to cancel I am in pain

27 LIMON: What I needed to let you all know is no secret that I have a tumor in my
28 stomach I had surgery a year ago, it came back and it's seems it's staying.

1 LIMON: I will be out in chemo for at least 7 months but need this only job so my son
2 will help me. I apologize but it happen all of a sudden found out about two weeks ago.
3 Been going to see Drs. But no one wants to operate. So best thing is chemo, we all
4 know this won't work but we have to have hope and faith that something will right? So
5 wanted to say my good byes in case I don't make it. To let you know I will hang in
6 there to the end.

7 Board Member: Ok Maria I understand I'll be praying for you it's not over until God say
8 so let us know what you need us to do, I'll let Frances know also

9 LIMON: Yes I have not yet told Ed. I will he should be coming soon will let you all know
10 if he comes we may get together. I am in so much pain and all along I thought it was
11 acid reflux

12 Board Member: Take care of yourself and have faith in God

13 LIMON: Willie this is Carlos phone number 702-371-5535 in case he doesn't answer
14 you just leave him a message or text him he'll call you, he works but can be reached at
15 any time

16 Board Member: Ok thanks

17 LIMON: Oh and this is the gardeners number 702-358-4392 his name is Os, anything
18 you need let him know

19 9. "Os" is Osvaldo Hidrogo, RESPONDENT'S father, the owner of Hidrogo Lawn
20 Maintenance.

21 10. Board members did not know RESPONDENT'S father was the landscaper for
22 their association.

23 11. After Limon reported to the federal prison, assessment checks continued to be
24 mailed to the mail box for Ms. Limon, and the checks were deposited into the Associations'
25 accounts by someone other than the board members.

26 12. According to bank records received by the Division, Limon's signature
27 continued to appear on Association checks and electronic transfers of the Associations' funds
28 continued to be paid to Limon's personal accounts while she was in prison.

1 13. Board members for the Associations contacted RESPONDENT as they were
2 instructed to do once Limon was no longer available.

3 14. On September 17, 2015, a board member sent RESPONDENT a text regarding
4 setting up a meeting indicating that she understood he took Limon's place and states that she
5 has called him several times.

6 15. On September 24, 2015, RESPONDENT provided the board member with
7 another board member's number.

8 16. On October, 15, 2015, a board member asked RESPONDENT by email to
9 follow up on common area maintenance issues.

10 17. On November 5, 2015, a board member sent a text message to RESPONDENT
11 about a letter from the Division. The text states:

12
13 Carlos Willie received a certified letter which he cannot understand about
14 minutes and all people name on board. Financial info which Willi never was
15 handed. We would like to know what's going on. If your mother had you take
16 over you need to contact people to give them information. Willi talk to Ed
17 tomorrow about this. Paper work was not given or shown to us when we sat
18 with Maria. Bills or any kind of transferred was not shown or responsible to mail
19 of to any party. Number you need to contact is (18778299907) you need to get
20 to the bottom of this. No idea what they need.

21 18. On November 5, 2015, RESPONDENT responded to the board member
22 regarding the letter from the Division by text saying:

23 Yes I talked to Ed he told me to get a copy and figure out what they need we
24 will talk tomorrow if possible thanks.

25 19. On November 7, 2015, a board member provided RESPONDENT with a copy
26 of the letter from the Division by email.

27 20. RESPONDENT made no more contact with the board members.

28 21. Shortly thereafter, the Association hired a new manager.

 22. The board members were never able to get control over their bank accounts as
the accounts were only in Limon's name.

 23. Homeowners unknowingly continued to pay their assessments to Ms. Limon's
mailbox address into February 2016.

25. RESPONDENT, in two separate statements to the Division, denied any involvement in the Associations.

26. The statements from RESPONDENT list his return address as the home of his parents, Limon and Osvaldo Hidrogo.

27. The Division asked RESPONDENT to provide all communications he had with the board members.

28. RESPONDENT stated he had "nothing to do with" the Associations and did not disclose or explain his communications with board members.

29. Assessment checks for the Associations were manually deposited into the Associations' account while Limon was in prison.

30. Approximately \$32,000 in assessment payments were deposited into the Associations' account while Limon was in prison.

31. There were checks written from the Associations' account while Limon was in prison totaling approximately \$16,000, over \$10,000 of which was paid to Hidrogo Lawn Maintenance. Each check reflects Limon as the signor.

32. There were multiple electronic transfers to Limon's personal bank account while Limon was in prison totaling approximately \$21,000.

VIOLATIONS OF LAW

33. HIDROGO violated NRS 116A.400(1) by engaging in the management of a common-interest community without a community manager certificate.

DISCIPLINE AUTHORIZED

Pursuant to the provisions of NRS 116A.900 the Commission has discretion to impose discipline as it deems appropriate, including, but not limited to one or more of the following actions:

2. Require the RESPONDENT to pay the costs of the investigation and hearing;
and

3. Take such other disciplinary action as the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above.

NOTICE OF HEARING

PLEASE TAKE NOTICE, that a disciplinary hearing has been set to consider this Administrative Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapters 116 and 116A of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for November 15-17, 2016, beginning at approximately 9:00 a.m. each day, or until such time as the Commission concludes its business. **The Commission meeting on November 15 and 16, 2016, will be held at the Nevada State Gaming Control Board, 555 East Washington Avenue, Room 2450, Las Vegas, Nevada 89101, with videoconferencing to Nevada State Gaming Control Board Meeting Room, 1919 College Parkway, Carson City, Nevada 89706. The Commission meeting on November 17, 2016 will be held at the Henderson City Hall Council Chambers, 240 South Water Street, Henderson, Nevada 89015, with no videoconferencing.**

STACKED CALENDAR: Your hearing is one of several hearings that may be scheduled at the same time as part of a regular meeting of the Commission that is expected to take place on November 15-17, 2016. Thus, your hearing may be continued until later in the day or from day to day. It is your responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the Commission may decide the case as if all allegations in the complaint were true. If you need to negotiate a more specific time for your hearing in advance because of coordination with out of state witnesses or the like, please call Claudia Rosolen, Commission Coordinator,

1 at (702) 486-4606.

2 YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing is an
3 open meeting under Nevada's open meeting law, and may be attended by the public. After
4 the evidence and arguments, the commission may conduct a closed meeting to discuss your
5 alleged misconduct or professional competence. A verbatim record will be made by a certified
6 court reporter. You are entitled to a copy of the transcript of the open and closed portions of
7 the meeting, although you must pay for the transcription.

8 As a RESPONDENT, you are specifically informed that you have the right to appear
9 and be heard in your defense, either personally or through your counsel of choice. At the
10 hearing, the Division has the burden of proving the allegations in the complaint and will call
11 witnesses and present evidence against you. You have the right to respond and to present
12 relevant evidence and argument on all issues involved. You have the right to call and
13 examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter
14 relevant to the issues involved.


15 You have the right to request that the Commission issue subpoenas to compel
16 witnesses to testify and/or evidence to be offered on your behalf. In making this request, you
17 may be required to demonstrate the relevance of the witness' testimony and/or evidence.
18 Other important rights and obligations, including your obligation to answer the complaint, you
19 have are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter 233B, and NRS
20 Chapters 116 and 116A and NAC 116 and 116A.

21 Note that under NAC 116A.585, not less than five (5) working days before a hearing,
22 RESPONDENT must provide to the Division a copy of all reasonably available documents
23 that are reasonably anticipated to be used to support his or her position, and a list of
24 witnesses RESPONDENT intends to call at the time of the hearing. Failure to provide any
25 document or to list a witness may result in the document or witness being excluded from
26 RESPONDENT'S defense. The purpose of the hearing is to determine if the RESPONDENT
27 has violated any of the provisions of NRS and NAC Chapters 116 and 116A, and to
28 determine what administrative penalty is to be assessed against RESPONDENT, if any,


1 pursuant to NAC 116A.360.

2 DATED this 15 day of September, 2016.

3 REAL ESTATE DIVISION
4 DEPARTMENT OF BUSINESS & INDUSTRY
5 STATE OF NEVADA

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