

**COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM  
HOTELS MEETING MINUTES AUGUST 29-30, 2017**

**LEGISLATIVE BUILDING  
401 SOUTH CARSON STREET  
ROOM 3137  
CARSON CITY, NV 89701**

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

**AUGUST 29, 2017**

**9:00 A.M.**

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

In Carson City: Michael Burke, Ken Williams, James Rizzi, Doris Woods, Ryan Henderson, Charles Niggemeyer and Senior Deputy Attorney General Sarah Bradley as Commission Counsel.

Richard Layton was not present.

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

In Carson City: Sharon Jackson, Deputy Administrator; Charvez Foger, Ombudsman; Darik Ferguson, Chief Compliance Audit Investigator; Chris Cooke, Compliance Audit Investigator; Christina Pitch, Compliance Audit Investigator; Claudia Rosolen, Commission Coordinator; and Deputy Attorney General Peter K. Keegan serving as Division Counsel.

In Las Vegas: Teralyn Thompson, Administration Section Manager; Ingrid Trillo, Education Information Officer.

**2) Public Comment**

In Carson City: Marilyn Brainard, former Commission for Common-Interest Communities and Condominium Hotels commissioner and secretary at Wingfield Springs Community Association board in Sparks Nevada, commented. Ms. Brainard commented on a Senate bill presented during the 2017 legislative session that had an amendment called Nevada Homeowner Equity Protection Act. Ms. Brainard asked the Commission to help provide consumer protection to those who live in a common-interest community association.

**5-A) Discussion regarding the State of Nevada Controller's Office debt collection process for fines issued by the Commission**

Ron Knecht, State Controller; James Smack, Chief Deputy Controller; and Haydee Meeker, Chief Accountant Debt Collection section were present.

Commissioner Williams asked for an overview of the collection process with specifics on overdue debt collection.

Mr. Knecht stated that every agency is responsible to collect their debit for 60 days, after 60 days most agencies are required to turn the debt over to the State Controller's Office. Mr. Knecht stated that the State Controller's Office will take all appropriate and cost effective actions to aggressively collect the account receivable by using private collection agencies and the debit offset program. Mr. Knecht stated that accounts turned over the Controller Office are regulated by NRS 353C, NRS 649, NAC 353C and NAC 649. Mr. Knecht stated that vendors, subcontractors agents, and collection employees must comply with all Federal, State, general and/ or State special laws regarding the provision of debt collection services. Mr. Knecht stated that the statute of limitation is regulated by law and varies by State. Mr. Knecht stated that the Controller Office reports delinquent debt to the credit bureaus.

Commissioner Williams stated that his concern is with the fact that monetary fines that the Commission issue might, at some point, just be written off. Commissioner Williams stated that if the financial liability is not pursued, the Commission's power to be effective is removed. Commissioner Williams asked if there is a way to garnish the wages of those who are delinquent with payments of the fines imposed by the Commission.

Mr. Smack stated that what the Controller's Office writes off it is usually something that is involved in bankruptcy.

Ms. Bradley stated that administrative fines issued by this Commission cannot be discharged in bankruptcy as part of the State police power.

Mr. Smack stated that what causes a write off is the exhaustion of statute of limitation. Mr. Smack stated that the Controller's Office distinguishes debt by State agencies. Mr. Smack stated that the older the debt the harder it is to collect. Mr. Smack stated that since the Commission has punitive measures, the Commission could extend the time before an account is turned over to the Controller's Office.

Commissioner Williams stated that he would like to have a one on one meeting with the Controller on this matter.

Commissioner Burke asked if there is a way to capitalize the fine into a formal judgment on the Commission's end. Commissioner Burke stated that doing so would allow some security because the State can start recording against real properties and secure the debt in that way.

Ms. Bradley stated that it would require a court action and is something that it should be discussed internally. Ms. Bradley stated that part of the issue is to determine if a debt is collectible.

**3-A) For possible action: Respondent Leslie White's motion to quash services and vacate (set aside) default judgment**  
**NRED v. Leslie White, for possible action**

**Case Nos. 2016-3229; 2016-3078; 2016-3079; 2016-2920; 2016-3363**  
**Type of Respondent: Community Manager**  
**License#: CAM.0000070-SUPR (VOLUNTARY SURRENDER)**

This matter was continued to the November's meeting.

**4-A) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Pecos Creek Homeowners Association, James Gilmore, Rodolfo Rocha, Omar Guerra, Ofelia Santos, and Patricia Yuen, for possible action**

**Case No. 2016-1949**

**Type of Respondent: Executive Board**

Parties Present:

Peter K. Keegan was present representing the Division.

Commissioner Woods recused herself from this matter because First Columbia Community Management Inc. (FCCMi) is the management company her association uses and she is on the board.

Mr. Keegan stated that this is a status update.

State's Witness:

Christina Pitch testified.

Commissioner Williams move to put this matter on November's agenda for status update with specifics on the funding of the reserve account. Commissioner Burke seconded.

Motion carried with Commissioner Woods abstained.

**4-B) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Vistana Condominium Owners Association, Larry Fitch, Anthony Kneip, Lynn Williams, Ardyce Nelson, for possible action**

**Case No. 2015-3373**

**Type of Respondent: Executive Board**

Parties Present:

Peter K. Keegan was present representing the Division.

Richard Haskin was present representing Vistana Condominium Owners Association and the board members.

Commissioner Williams disclosed that he knows Lynn Blaylock from prior business experience. Commissioner Williams stated that this will not affect his ability to be fair and impartial.

Preliminary Matters:

Mr. Keegan stated that he is stipulating to the admissibility of the exhibits that Respondent

wishes to offer.

Mr. Haskin stated that he is stipulating to the admissibility of the exhibits that the State wishes to offer.

Chairman Rizzi admitted the State and Respondent exhibits into the record.

Mr. Keegan made an opening statement.

Mr. Haskin made an opening statement.

Chairman Rizzi instituted the rule of exclusion of witnesses.

State's Witness:

Christina Pitch testified.

Mr. Haskin cross-examined Ms. Pitch.

Commissioner Burke questioned Ms. Pitch.

The witness was excused.

The Commission recessed for lunch.

**4-F) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Jodi Kelly-Mehr, for possible action**

**Case Nos. 2016-4195; 2016-173; 2015-3800; 2015-3802; 2015-3803**

**Type of Respondent: Community Manager**

**License#: CAM.0001214 (ACTIVE)**

Parties Present:

Peter K. Keegan was present representing the Division.

In Las Vegas: Michael Van Luven was present representing Jodi Kelly-Mehr.

In Las Vegas: Jodi Kelly-Mehr was present.

Preliminary Matters:

Mr. Keegan stated that a settlement was reached and read the settlement into the record.

Mr. Van Luven stated that on page 3 of the settlement agreement, item # 24 is a blank line.

Ms. Bradley asked if the blank line was intentional.

Mr. Van Luven and Mr. Keegan agreed that that the blank line on # 24 was unintentional.

Ms. Bradley stated that she did not see a timeframe for the completion of the courses.

Mr. Van Luven stated that Ms. Kelly-Mehr is still electing whether or not she wishes to continue in this business and that is why there is no timeframe on the stipulation.

Chairman Rizzi asked what a reasonable timeframe is for Ms. Kelly-Mehr.

Mr. Van Luven stated that Ms. Kelly-Mehr would like to keep the settlement as is, without the timeframe.

Commissioner Williams stated that he doesn't see the standard language on this stipulation stating that respondent would have to report back to the Commission before the certificate was issued.

Ms. Jackson stated that is not written in this settlement agreement, but it is protocol.

Ms. Thompson stated that if the Licensing section receives proof of completion of pre-licensing certification, the Licensing section will allow the respondent to downgrade her license without coming in front of the Commission, according to the terms of the stipulation. Ms. Thompson stated that if the license was revoked, the respondent would have to apply for a new license, the application would be denied, and at that point respondent would have to file an appeal in front of the Commission.

Commissioner Williams moved to approve the settlement agreement. Commissioner Woods seconded.

Motion carried.

**4-C) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Pecos Estates Homeowners Associations, Barbara Stark, Melani Laver, and Ninette Macedo, for possible action**

**Case No. 2016-3278**

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

Parties Present:

Peter K. Keegan was present representing the Division.

In Las Vegas: Michael Van Luven was present representing Pecos Estates Homeowners Association.

In Las Vegas: Guy Kistler, current board member; and Kristen Gillis, current manager for the association were present.

Preliminary Matters:

Mr. Van Luven stated that since the last meeting the Association has an updated/ revised reserve study and a proposed special assessment to bring the reserve account to compliance. Mr. Van

Luven stated that the board also approved a 36 months repayment that would see an additional \$65 in monthly special assessments per homeowner per month. Mr. Van Luven stated that the board would start in February 2018 to collect the special assessment since they have to provide a 90 day notice to homeowners.

Mr. Keegan asked the status of the current board in regards to the removal of some of the board members.

Mr. Kistler stated that the board members in question had all resigned and are off the board.

Mr. Keegan asked about the status of the \$290,000.00 deficiency in the reserve study.

Mr. Kistler stated that the \$290,000 deficiency was out of the 5 year study prior to the current one. Mr. Kistler stated that in the prior study they had included the roof coverage which was not necessary. Mr. Kistler stated that removing that item took a big chunk out of the deficiency. Mr. Kistler stated that a fully funded reserve study would be \$106,000 and the association deficiency is currently \$74,000.

Chairman Rizzi asked if the new reserve specialist inspected the roof and felt that it did not need to be included in the reserve study.

Mr. Kistler stated that it was taken out prior to the last reserve study. Mr. Kistler stated that they revised the CC&R and took it out.

Mr. Keegan asked if the subpoenas for bank records were received since the Division did not received a response.

Mr. Van Luven stated that he was not aware of any subpoena for this association. Mr. Van Luven stated that neither his office nor his client had received a subpoena for this association.

Ms. Gillis stated that in the new reserve study there are questions regarding roof-tiles and underlayment which could potentially change some of the numbers. Ms. Gillis stated that if those numbers change the board will address it accordingly.

Commissioner Woods asked how long the \$65 in monthly special assessments per homeowner will stay in place.

Ms. Gillis stated that it will be in place for 36 months.

Commissioner Williams moved to do a follow up on this matter to the March 2018 Commission meeting. Commissioner Niggemeyer seconded.

Motion carried.

**4-D) For possible action: Respondent's report on the order regarding settlement of disciplinary action**  
**NRED v. Hidden Crest IV Homeowners Association and Anthony Gelsone, for possible**

**action**

**Case No. 2016-3329**

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

Parties Present:

Peter K. Keegan was present representing the Division.

In Las Vegas: Michael Van Luven was present representing Hidden Crest IV Homeowners Association and Anthony Gelsone.

In Las Vegas: Kristen Gillis, manager for the association was present.

Mr. Van Luven stated that the deficiency in the reserve account is \$27,719.00 and the association has 3 options for special assessment plans: 1 year, 2 year, and 3 year plans. Mr. Van Luven stated that homeowners are given the additional option to pay a lump sum. Mr. Van Luven stated that the situation with the reserve account has not changed, but at the last board meeting, they were able to vote on the 3 options for special assessment plans.

Mr. Keegan asked for a status update on the response to the subpoenas for bank records.

Mr. Van Luven stated that the bank was served with the subpoena and that they provided the records directly to Ms. Briggs.

Mr. Keegan asked if the association filings with the Secretary of State and the Division are up to date.

Ms. Gillis stated that they did the annual list but it was kicked back because of an issue with the Ombudsman's Office. Ms. Gillis stated that as of today the association was not able to find out what the issue with the Ombudsman's Office is. Ms. Gillis stated that the association has a \$160 credit with the Secretary of State and it is working to solve the problem with the Ombudsman's Office.

Mr. Keegan asked if PW James is still listed as the management company for the association.

Ms. Gillis stated that Harmony Management is now listed as the management company.

Commissioner Burke asked if the reconciliation of all of vendors who have or have not been paid has been provided.

Ms. Gillis stated that all vendors, that the association is aware of, have been paid.

Mr. Van Luven stated that when PW James certificate was revoked, PW James kept all the record and the association is still receiving invoices. Mr. Van Luven stated that those accounts are being settled.

Commissioner Williams moved to have another update on this matter added to the November meeting. Commissioner Burke seconded.

Motion carried.

**4-E) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Max McCombs; and English Mill Condominiums Homeowners Association, for possible action**

**Case No. 2014-1179**

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

Parties Present:

Peter K. Keegan was present representing the Division.

Max McCombs was present.

Mr. Keegan stated that this is an update to check the status of compliance with the settlement that was entered in November 2015. Mr. Keegan stated that Mr. McCombs provided him with a letter and a balance sheet from a CPA.

Mr. McCombs stated that as of yesterday the reserve account had \$27,473.69 in it, which puts the association \$3,780 behind the projection.

Mr. Keegan asked if a management company had been hired.

Mr. McCombs stated that his understanding was that the purpose of a management company was to bring the association's financials up to date. Mr. McCombs stated that he asked Ms. Briggs if the association could use a CPA instead of a management company. Mr. McCombs stated that Ms. Briggs stated that a CPA could be used. Mr. McCombs stated that the association put a request for a proposal out for bids and received 1 bid from a management company and 2 bids from CPA firms.

Mr. Keegan asked if the association has a current plan in place to bring the remaining delinquent accounts up to date.

Mr. McCombs stated that he is working with a homeowner's attorney and they are ready to sign a settlement agreement.

Commissioner Williams asked what the \$2,800 in the line item for the property fee, in the statements that Mr. McCombs provided, is for if the association doesn't have a management company.

Mr. McCombs stated that the association has an outside company that pays the association's bills. Mr. McCombs stated that the association collects the money in house, but the company pays the bills.

Commissioner Williams asked if that is a community association management company.

Mr. McCombs stated that it is a real estate company that does property management.

Commissioner Williams asked why the association doesn't hire a management company with a community manager.

Mr. McCombs stated that it would cost approximately \$1,500 per month on a 30 units association, and that would be prohibitive for the size of the association.

Commissioner Williams asked how the association stays updated on the new laws and regulations without a community manager.

Mr. McCombs stated that the association has a paralegal that works for a couple of other associations. Mr. McCombs stated that the association uses the paralegal's advice and the paralegal keeps the association up to date with NRS.

Commissioner Burke asked if they use a paralegal instead of a licensed attorney to give the association advice.

Mr. McCombs stated that the paralegal is not giving the association advice. Mr. McCombs stated that the paralegal tells the association what the Nevada Revised statutes are.

Mr. Keegan asked how many units Mr. McCombs owns and if Mr. McCombs is current on his payments.

Mr. McCombs stated that he owns 16 units and is current.

Mr. Keegan asked if the \$2,800 in the line item for the property fee went to pay the paralegal.

Mr. McCombs stated no.

Commissioner Williams stated that it was his understanding that the \$2,800 is for the real estate company that does property management.

Mr. McCombs stated that the association pays approximately \$400 to the property management company not \$2,800.

Commissioner Burke asked about the statement that Mr. McCombs made about his conversation with Ms. Briggs on hiring a CPA instead of a community manager.

Mr. McCombs stated that when he spoke to Ms. Briggs, he asked if he needed to have a property manager to bring all the financials up to date. Mr. McCombs stated that he asked if he could hire a CPA for that. Mr. McCombs stated that Ms. Briggs told him that he could use a CPA but would need to have 3 bids.

Commissioner Woods stated that her concern is that every time there is a status update there has been some concern of homeowners paying their amount into the reserve and the order was issued at the end of 2015; there was no payment made in 2016. Commissioner Woods stated that payments started in 2017 and don't seem to come on a regular basis from the homeowners.

Mr. McCombs stated that most of the homeowners are paying on a regular basis. Mr. McCombs stated that some homeowners will pay quarterly, semi-annually or annually.

Commissioner Williams asked if Mr. McCombs asked management companies for a full contract, or for someone to oversee the property.

Commissioner Henderson asked how much does the association pay the bill company and the CPA, since the quote that Mr. McCombs mentioned for a community manager was \$1,500.

Mr. McCombs stated that for the CPA to bring everything up to date was \$400 and for a year-end review they will charge a couple of hundred dollars. Mr. McCombs stated that the bill paying company not only pays the bills but provides services for clean up around the complex, lawn mowing, and things like that.

Commissioner Henderson asked how much the association pays the bill company.

Mr. McCombs stated \$500 per month.

Commissioner Henderson asked if he has a copy of the bid from the community manager because \$50 per door is high.

Mr. McCombs stated that he doesn't have the bid with him. Mr. McCombs stated that the community manager stated that if the community manager had to come out to look at the property or get bids, there would be an additional charge per hour.

Commissioner Henderson asked if the \$1,500 was for the initial consultation and not a monthly charge. Commissioner Henderson asked what the community manager would charge the association on a monthly basis.

Mr. McCombs stated that it would depend on what services the association would need.

Commissioner Henderson stated that his recommendation is for the association to hire a community manager.

Commissioner Burke stated that he would like to see the requests for a proposal (RFP) that the association put out, for what services specific and the bids that were received.

Mr. McCombs stated that the request was a verbal request, not a written one.

Commissioner Burke asked what the association solicited from the community manager.

Mr. McCombs stated that he asked for basic management advice.

Chairman Rizzi stated that it sounded like he was requesting a consultation and not a bid for an actual management contract.

Commissioner Williams moved to bring this matter back to the next meeting in November with the recommendation that Mr. McCombs solicits 3 association management companies for no less than to oversee the association's meeting and present the financials. Commissioner Williams stated that in the RFP it would be the quarterly, the 100 day meetings, and the same firm would be the one presenting the financials. Commissioner Williams stated that Mr. McCombs would have to bring those bids to the meeting. Commissioner Henderson seconded.

Motion carried.

**4-B) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Vistana Condominium Owners Association, Larry Fitch, Anthony Kneip, Lynn Williams, Ardyce Nelson, for possible action  
Case No. 2015-3373**

**Type of Respondent: Executive Board**

Parties Present:

Peter K. Keegan was present representing the Division.

Richard Haskin was present representing Vistana Condominium Owners Association and the board members.

Respondent's Witness:

Anthony Kneip testified.

Mr. Keegan cross-examined Mr. Kneip.

Commissioners Burke, Henderson and Williams questioned Mr. Kneip.

The witness was excused.

Respondent's Witness:

Lynn Blaylock testified.

Commissioners Woods and Burke questioned Ms. Blaylock.

The witness was excused.

Closing Arguments:

Mr. Keegan made his closing argument.

Mr. Haskin made his closing argument.

The hearing was continued to the next day due to time constraints. The Commission agreed to have Mr. Haskin appear via video-link from Las Vegas for deliberation.

**5-B) For possible action: Discussion and decision to approve minutes of June 27, 2017**

### **Commission meeting**

Commissioner Williams stated that on page 13, paragraph 6, line 5, it should be “special assessment with a 25 year” instead of “special assessment with s 25 year”.

Commissioner Williams moved to approve the minutes of June 27, 2017 Commission meeting with the stipulation of the correction of the typo on page 13. Commissioner Woods seconded.

Motion carried.

### **5-C) Discussion regarding Commissioners’ speaking engagement requests**

Commissioner Williams asked the Commission to grant him permission to speak at a board training class on November 1, 2017 about his experience as a commissioner and on the most common board oversights and how to avoid them.

Ms. Bradley stated that if Commissioner Williams will take a position on behalf of the Commission, Commissioner Williams will need to ask for the Commission’s permission. Ms. Bradley stated that telling what you think as a Commissioner doesn’t require the Commission’s approval.

### **8) Public Comment**

In Las Vegas: Tim Stebbins, Henderson resident and director of the Nevada Homeowner Alliance PAC (NHA), commented. Mr. Stebbins stated that it is still unclear what tools does the Commission actually have to collect the fines and who exercises those tools. Mr. Stebbins stated that he is glad that Commissioner Williams is pursuing this issue.

In Carson City: Marilyn Brainard, former Commission for Common-Interest Communities and Condominium Hotels commissioner and board member of the Wingfield Springs Community Association in Sparks, commented. Ms. Brainard commented on the cases that went in front of the Commission. Ms. Brainard stated that when she was on the Commission, the Commission would often make as part of the final judgment a requirement for the board to take education classes in order to provide those boards with better tools and prevents further pitfalls.

### **10) For possible action: Adjournment**

The meeting recessed at 4:30 p.m. on August 29, 2017.

**LEGISLATIVE BUILDING  
401 SOUTH CARSON STREET  
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ROOM 4412  
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**AUGUST 30, 2017**

**9:00 A.M.**

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

In Carson City: Michael Burke, Ken Williams, James Rizzi, Doris Woods, Ryan Henderson, Charles Niggemeyer and Senior Deputy Attorney General Sarah Bradley as Commission Counsel.

Richard Layton was not present.

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

In Carson City: Sharon Jackson, Deputy Administrator; Charvez Foger, Ombudsman; Chris Cooke, Compliance Audit Investigator; Claudia Rosolen, Commission Coordinator; and Deputy Attorney General Peter K. Keegan serving as Division Counsel.

In Las Vegas: Teralyn Thompson, Administration Section Manager.

**2) Public Comment**

None.

**4-B) For possible action: Respondent's report on the order regarding settlement of disciplinary action**

**NRED v. Vistana Condominium Owners Association, Larry Fitch, Anthony Kneip, Lynn Williams, Ardyce Nelson, for possible action  
Case No. 2015-3373**

**Type of Respondent: Executive Board**

**Parties Present:**

Peter K. Keegan was present representing the Division.

In Las Vegas: Richard Haskin was present representing Vistana Condominium Owners Association and the board members.

**Factual Allegation:**

Commissioner Woods stated that item 3 through 6, 8 through 21, 23, and 24 are found to be true.

Chairman Rizzi stated that 7, 17, 18, 19, and 20 were in the transcripts for the Nevada Transportation Authority hearing. Commissioner Rizzi stated that as long as the Commission accepts that document as true, he will accept those factual allegations as true.

Commissioner Woods stated that on factual allegation #22 the words “and included a copy of the final letter sent to the RESPONDENTS” should be stricken.

Chairman Rizzi stated that factual allegations 22 through 24 were in the affidavit that was provided. Commissioner Rizzi questioned the credibility of the person who provided the sworn affidavit.

Chairman Rizzi moved to find factual allegation 1 through 24 as true with modification to 22 to strike the words “and included a copy of the final letter sent to the RESPONDENTS”; and that for factual allegations 23 and 24, the Commission does not believe that those were proven but because of the sworn affidavit, the Commission will find factual allegations 23 and 24 as true. Commissioner Woods seconded.

Motion carried.

Violations of Law:

Commissioner Williams read NRS 116.3103 into the record.

Commissioner Burke stated that based on Mr. Kneip’s testimony, the board was not acting in the best interest of the association by following below the level of care in deferring all responsibilities to Ms. Orozco.

Commissioner Niggemeyer stated that this was a classic example of a board allowing a community manager to run the association. Commissioner Niggemeyer stated that a community manager is a vendor that works for the board.

Commissioner Williams moved that violations of law 25 through 30 be found as accurate.

Commissioner Burke stated that in factual allegation 30 the words “notice” be removed and the word “directing” changed to “allowing”.

Chairman Rizzi re-stated the motion:

- violations of law 25 through 30 be found as proven with factual allegation #30 the words “notice” be removed and the word “directing” changed to “allowing”.

Commissioner Williams agreed with that motion. Commissioner Burke seconded.

Motion carried.

Commissioner Williams moved that that factual allegation 31 that states respondents violated NRS 116 84 times by allowing the removal of vehicles within the Association without complying with NRS 116.3102(1)(s) or NRS 487.038 is proven. Commissioner Burke seconded.

Motion carried.

Discipline:

Commissioner Williams moved:

- Respondents Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson shall each, individually pay an administrative fine totaling \$5,128.40 to the Division by January 1, 2018. The fine due from each board member respondent is comprised of a fine for the violations of law totaling \$2,500, plus costs of \$10,513.58 (representing the total amount due for the Division's attorney's fees and costs, divided equally among the four board member respondents).
- Board members that are part of the complaint shall complete board education classes and shall verify completion of the education requirement with the Commission.

Commissioner Williams stated that this is for violations 25 through 29.

Chairman Rizzi re-stated the motion:

- Respondents Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson shall each, individually pay an administrative fine to the Division by January 1, 2018. The fine due from each board member respondent is a fine for the violations of law totaling \$2,500, plus costs of \$10,513.58 (representing the total amount due for the Division's attorney's fees and costs, divided equally among the four board member respondents).
- Board members that are part of the complaint and are going to be re-elected shall complete board education classes within 1 year from the re-election.

Commissioner Woods stated that for the education part it should just say "board members who continue to be board members that are part of this complaint" instead of "re-elected".

Commissioner Williams agreed with Commissioner Woods' amendment to the motion.

Commissioner Woods seconded the amended motion.

Commissioner Williams asked for recommendations on the education from the Ombudsman.

Charvez Foger stated that 2 classes are a total of 6 hours.

Commissioner Williams stated that 9 hours would be reasonable.

Chairman Rizzi re-stated the motion:

- Respondents Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson shall each, individually pay an administrative fine to the Division by January 1, 2018. The fine due from each board member respondent is a fine for the violations of law totaling \$2,500, plus costs of \$10,513.58 (representing the total amount due for the Division's attorney's fees and costs, divided equally among the four board member respondents).
- Board members that are currently on the board seats or will be re-elected shall complete 9 hours board education classes within 1 year from the re-election date.

Commissioner Williams agreed to the amended motion. Commissioner Woods seconded.

Mr. Keegan asked the ramification for board members if the fines are not collected.

Chairman Rizzi stated that the Commission is going to ask the board to come back in March for an update.

Commissioner Henderson asked to include the removal of non-compliant board members.

Chairman Rizzi stated that those respondents that are not re-elected will not be required to take the classes.

Commissioner Williams moved to:

- Respondents Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson shall each, individually pay an administrative fine totaling \$5,128.40 to the Division on or before January 1, 2018. The fine due from each board member respondent is comprised of a fine for the violations of law totaling \$2,500, plus costs of \$10,513.58 (representing the total amount due for the Division's attorney's fees and costs, divided equally among the four board member respondents).
- Respondents Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson shall report to the Commission no later than the Commission's March 2018 meeting with the status of their payment of the administrative fine.
- Board members currently seated or re-elected shall complete 9 hours of board education classes offered by the Division no later than August 30, 2018 and shall verify completion of this education requirement with the Commission.
- Failure of Larry Fitch, Anthony Kneip, Lynn Williams, and Ardice Nelson to satisfy the requirements of this Order will result in removal from the Association's board.

Commissioner Woods seconded.

Motion carried.

Chairman Rizzi moved that the Association shall make full restitution to the owners of vehicles improperly towed during the August 2014 resurfacing project and shall report its progress to the Commission no later than the Commission's March 2018 meeting.

Commissioner Williams seconded.

Motion carried.

**5-A) For possible action: Discussion and decision regarding election of officers for FY 18.**

Commissioner Williams moved to approve Commissioner Burke as Chair. Commissioner Woods seconded.

Commissioner Burke recused himself from voting on the election for Chair.

Motion carried with Commissioner Burke abstained.

Commissioner William moved to approve Commissioner Rizzi as Vice-Chair. Commissioner Henderson seconded.

Commissioner Rizzi recused himself from voting on the election for Vice-Chair.

Motion carried with Commissioner Rizzi abstained.

Commissioner Woods moved to approve Commissioner Layton as Secretary. Commissioner Rizzi seconded.

Motion carried.

**6-A-1) Administrator's Report: Personnel**

Sharon Jackson presented this report. Ms. Jackson stated that all of the positions within the agency have been filled.

Ms. Jackson stated that the official opening of the Nevada State Business Center will be September 19, 2017.

Ms. Jackson stated that Director Breslow has moved on to the Public Utilities Commission and the new Director for Business and Industry is C. J. Manthe.

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

Charvez Foger presented this report. Mr. Foger stated that year to date the number of intervention affidavits received is 12.

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

Charvez Foger presented this report. Mr. Foger stated that there was a 79% resolution rate for 2016 and currently the informal conference resolution rate for FY 2017 is 81%.

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

Charvez Foger presented this report. Mr. Foger stated that a new person has been hired in the Ombudsman's Office and they should be caught up by the end of October.

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

Charvez Foger presented this report. Mr. Foger stated that in May they reviewed 20 associations for possible audits. Mr. Foger stated that 3 audits were initiated, 1 completed and resolved and 5 referred to the Compliance section.

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

Charvez Foger presented this report. Mr. Foger stated that he and the training officer are meeting with people that are having issues with their HOA in rural areas of Nevada. Mr. Foger stated that the Ombudsman's Office had training classes this past Monday and Tuesday in Reno, Nevada.

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

Charvez Foger presented this report. Mr. Foger stated that the current number of registered associations is 3,185 with 532,963 units. Mr. Foger stated that the total number of new units registered is 403.

**6-B-7) Compliance Section’s report**

Charvez Foger presented this report. Mr. Foger stated that in July the total number of cases concerning community managers was 18 and 17 were closed. Mr. Foger stated that the number of cases opened against boards was 12 and 15 were closed.

**6-C) Licensee and board member discipline report**

Teralyn Thompson presented this report. Ms. Thompson updated the Commission on changes to the disciplinary report since the last Commission meeting.

Commissioner Williams asked how Ms. Orozco is delinquent but is still a provisional manager. Commissioner Williams asked if there is a way to re-open her case and have her come back in front of the Commission.

Ms. Thompson stated that Ms. Orozco’s order doesn’t state that her provisional community manager certificate would be suspended for failure to pay.

**6-D) Administrative sanction report**

Teralyn Thompson presented this report. Ms. Thompson stated that 3 administrative fines were issued and have been paid since the last Commission meeting.

**7) For possible action: Discussion and decision on date, time, place, and agenda items for upcoming meeting(s)**

Commissioner Rizzi stated that the Commission is scheduled for November 14-16, 2017 in the south.

**8) Public Comment**

In Las Vegas: Tim Stebbins, Henderson resident and director of the Nevada Homeowner Alliance PAC (NHA), commented. Mr. Stebbins stated that during testimony for a disciplinary action, one of the witness stated that the board was issuing \$1,000 fines per violation. Mr. Stebbins stated that he checked NRS and an association can only impose fines up to \$100 per violation.

**9) Commissioner Comments**

None.

**10) For possible action: Adjournment**

The meeting adjourned at 10:41 a.m. on August 30, 2017.

Respectfully Yours,

Claudia Rosolen  
Commission Coordinator