

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. 2016-4209

Petitioner,

vs.

FILED

William Simpson, and Palmilla
Homeowner's Association,

FEB 02 2017

Respondents.

NEVADA COMMISSION OF
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

**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 Respondents William Simpson ("RESPONDENT" or "SIMPSON") and Palmilla Homeowner's Association 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 116 of the Nevada Revised Statutes ("NRS") and Chapter 116 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 RESPONDENTS pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116.790.

JURISDICTION AND NOTICE

1. During the relevant times mentioned in this complaint, RESPONDENT was, and currently is, an officer or director of PALMILLA HOMEOWNER'S ASSOCIATION (the "Association"), a common-interest community located in North Las Vegas, Nevada.

2. RESPONDENT is subject to the provisions of Chapter 116 of each the Nevada

1 Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter
2 collectively referred to as "NRS 116") and is subject to the jurisdiction of the Division, and
3 the Commission for Common-Interest Communities pursuant to the provisions of NRS
4 116.750.

5 FACTUAL ALLEGATIONS

6 3. RESPONDENT SIMPSON is a co-owner of Rest Easy Pest Control.

7 4. At a meeting of the Association on October 20, 2014, the Association's board
8 took action to approve Rest Easy Pest Control to provide pest control services to the
9 Association.

10 5. RESPONDENT SIMPSON was a board member in 2014 when his company
11 was hired to provide services to the Association.

12 6. PW James Management and Consulting ("PW James") provided community
13 management services to the Association in 2014 and Penny Frederick, Jeffrey Allan
14 Frederick, and Paul Cluver attended the meeting on behalf of PW James.

15 7. Since October 1, 2003, NRS 116.31187 prohibited a board member or officer
16 from entering into a contract with the association or receiving "any commission, personal
17 profit or compensation of any kind for providing financing, goods or services to the
18 association."

19 8. Bank records for the Association from 2015 and 2016 show that Rest Easy Pest
20 Control received payments from the Association.

21 9. On or about December 22, 2016, H. Amanda Davis, a community manager
22 with PW James, responded to the Division's investigation on behalf of RESPONDENT
23 SIMPSON.

24 10. The Division directed that RESPONDENT SIMPSON respond personally.

25 11. In a substantially similar statement to that provided by Ms. Davis,
26 RESPONDENT SIMPSON'S response states that he did not receive compensation from the
27 Association through Rest Easy Pest Control.

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1 Pursuant to the provisions of NRS 116.615, NRS 116.755, NRS 116.785, and NRS
2 116.790, the Commission has discretion to take any or all of the following actions:

3 1. Issue an order directing RESPONDENT to cease and desist from continuing
4 to engage in the unlawful conduct that resulted in the violation.

5 2. Issue an order directing RESPONDENT to take affirmative action to correct
6 any conditions resulting from the violation.

7 3. Impose an administrative fine of up to \$1,000 for each violation by
8 RESPONDENT.

9 4. IF RESPONDENT IS FOUND TO HAVE KNOWINGLY AND WILLFULLY
10 COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the
11 Association, such RESPONDENT may be removed from his/her position as a director
12 and/or officer.

13 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.

14 6. Require the BOARD MEMBERS to hire a community manager who holds a
15 certificate.

16 7. Require RESPONDENT to pay the costs of the proceedings incurred by the
17 Division, including, without limitation, the cost of the investigation and reasonable
18 attorney's fees.

19 8. Take whatever further disciplinary action as the Commission deems
20 appropriate.

21 The Commission may order one or any combination of the discipline described
22 above. If the Commission finds that the RESPONDENT knowingly and willfully violated
23 the provisions of NRS or NAC 116, the Commission may order that RESPONDENT be
24 personally liable for all fines and costs imposed.

25 **NOTICE OF HEARING**

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

3 THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for
4 March 7-9, 2017, beginning at approximately 9:00 a.m. each day, or until such time as the
5 Commission concludes its business. The Commission meeting on March 7 and 8, 2017,
6 will be held at the Nevada Department of Employment, Training and Rehabilitation,
7 2800 E. St. Louis Avenue, Las Vegas, Nevada 89104 with videoconferencing to Nevada
8 Department of Employment, Training and Rehabilitation, 500 East Third Street, Carson
9 City, Nevada 89713. The Commission meeting on March 9, 2017 will be held at the
10 Henderson City Hall Council Chambers, 240 South Water Street, Henderson, Nevada
11 89015, with no videoconferencing.

12 STACKED CALENDAR: Your hearing is one of several hearings that may be
13 scheduled at the same time as part of a regular meeting of the Commission that is
14 expected to take place on March 7-9, 2017. Thus, your hearing may be continued until
15 later in the day or from day to day. It is your responsibility to be present when your case
16 is called. If you are not present when your hearing is called, a default may be entered
17 against you and the Commission may decide the case as if all allegations in the complaint
18 were true. If you need to negotiate a more specific time for your hearing in advance
19 because of coordination with out of state witnesses or the like, please call Claudia
20 Rosolen, Commission Coordinator, at (702) 486-4606.

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

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

7 You have the right to request that the Commission issue subpoenas to compel
8 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
9 you may be required to demonstrate the relevance of the witness' testimony and/or
10 evidence. Other important rights and obligations, including your obligation to answer the
11 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
12 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
13 116.635 and NRS Chapter 233B.

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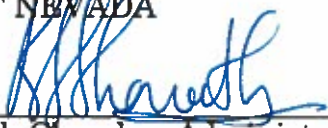
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1 Note that under NAC 116.575, not less than five (5) working days before a hearing,
2 RESPONDENT must provide to the Division a copy of all reasonably available documents
3 that are reasonably anticipated to be used to support his position, and a list of witnesses
4 RESPONDENT intends to call at the time of the hearing. Failure to provide any
5 document or to list a witness may result in the document or witness being excluded from
6 RESPONDENT'S defense. The purpose of the hearing is to determine if the
7 RESPONDENT has violated the provisions of Chapter 116, and to determine what
8 administrative penalty is to be assessed against RESPONDENT.

9 DATED this 2 day of FEBRUARY, 2017.

10 REAL ESTATE DIVISION,
11 DEPARTMENT OF BUSINESS & INDUSTRY,
12 STATE OF NEVADA

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