

1 **BEFORE THE COMMISSION FOR COMMON-INTEREST**  
2 **COMMUNITIES AND CONDOMINIUM HOTELS**

3 **STATE OF NEVADA**

4 SHARATH CHANDRA, Administrator,  
5 REAL ESTATE DIVISION, DEPARTMENT  
6 OF BUSINESS & INDUSTRY, STATE OF  
7 NEVADA,

8 Petitioner,

9 vs.

10 SAPHIRE SPRINGS HOMEOWNERS  
11 ASSOCIATION,  
(Entity Number E0006382006-0)

12 Respondent.

Case No. 2023-404

**FILED**

JUL 20 2023

NEVADA COMMISSION FOR  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS



13 **COMPLAINT FOR DISCIPLINARY**  
14 **ACTION AND NOTICE OF HEARING**

15 The Real Estate Division of the Department of Business and Industry, State of  
16 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of  
17 the State of Nevada, and Christal P. Keegan, Deputy Attorney General, hereby notifies  
18 Sapphire Springs Homeowners Association ("RESPONDENT") of an administrative  
19 hearing before the Commission for Common-Interest Communities and Condominium  
20 Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116  
21 of the Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative  
22 Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and  
23 to determine if an administrative penalty will be imposed on the RESPONDENT pursuant  
24 to the provisions of NRS and NAC including, but not limited to NRS 116.785 and NRS  
25 116.790.

26 **JURISDICTION AND NOTICE**

27 During all relevant times, RESPONDENT is a common-interest community located  
28 in Las Vegas, Nevada (Entity Number E0006382006-0) and is, therefore, subject to the

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

### 5 **FACTUAL ALLEGATIONS**

6 1. At all times relevant to the Complaint, the Respondent’s management  
7 company was The Management Trust. *CICC005*.

8 2. On or about January 3, 2023, the Division received the Respondent’s Form  
9 562 Annual Association Registration. *CICC001–CICC002*.

10 3. The Annual Association Registration form only showed one person on the  
11 Executive Board and no board directors. *CICC002*.

12 4. On or about May 19, 2023, the Division was informed that the new CAM was  
13 Traci Wozniak (CAM.0000226-SUPR).

14 5. Therefore, the Division sent Respondent’s management company’s  
15 Supervising CAM Wozniak, and the sole board member Kevin Nguyen, a letter requesting  
16 information regarding its statutory deficiency requiring at least three board members.  
17 *CICC027–CICC028*.

18 6. The Supervising CAM Wozniak responded that there were no board members  
19 at all. *CICC0024*.

20 7. Further, the Supervising CAM Wozniak alleged that The Management Trust  
21 had attempted to fill the Respondent’s board vacancies since 2021. *CICC008-CICC019*.

22 8. Despite recent efforts, it has not been successful in obtaining volunteers for  
23 the board. *CICC008–CICC009, and CICC020–CICC026*.

24 9. Therefore, on or about July 6, 2023, the Division informed the Respondent  
25 that it would be bringing this matter to the Commission’s attention. *CICC029–CICC030*.

### 26 **VIOLATIONS OF LAW**

27 10. RESPONDENT violated NRS 116.31034 for failing to elect a minimum of  
28 three executive board members.

1 **DISCIPLINE AUTHORIZED**

2 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS  
3 116.790 the Commission has discretion to take any or all of the following actions:

4 1. Issue an order directing Respondent to take affirmative action to correct any  
5 conditions resulting from the violation.

6 2. Impose an administrative fine of up to \$1,000 for each violation by  
7 Respondent.

8 3. Order the Respondent to pay the costs of the proceedings incurred by the  
9 Division, including, without limitation, the cost of the investigation and reasonable  
10 attorney's fees.

11 4. Approve application to a court of competent jurisdiction for the appointment  
12 of a receiver for the Respondent.

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

15 **NOTICE OF HEARING**

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

20 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled  
21 for September 26–28, 2023, beginning at approximately 9:00 a.m. each day, or until such  
22 time as the Commission concludes its business. The Commission meeting will be held at  
23 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room, Las  
24 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,  
25 Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

26 **STACKED CALENDAR: Your hearing is one of several hearings that may**  
27 **be scheduled at the same time as part of a regular meeting of the Commission**  
28 **that is expected to take place on September 26–28, 2023. Thus, your hearing may**

1 be continued until later in the day or from day to day. It is your responsibility  
2 to be present when your case is called. If you are not present when your hearing  
3 is called, a default may be entered against you and the Commission may decide  
4 the case as if all allegations in the complaint were true. If you need to negotiate  
5 a more specific time for your hearing in advance because of coordination with  
6 an out of state witness or the like, please call Maria Gallo, Commission  
7 Coordinator, at (702) 486-4074.

8 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is  
9 an open meeting under Nevada's open meeting law and may be attended by the public.  
10 After the evidence and arguments, the commission may conduct a closed meeting to  
11 discuss your alleged misconduct or professional competence. You are entitled to a copy of  
12 the transcript of the open and closed portions of the meeting, although you must pay for  
13 the transcription. As a RESPONDENT, you are specifically informed that you have the  
14 right to appear and be heard in your defense, either personally or through your counsel of  
15 choice. At the hearing, the Division has the burden of proving the allegations in the  
16 complaint and will call witnesses and present evidence against you. You have the right to  
17 respond and to present relevant evidence and argument on all issues involved. You have  
18 the right to call and examine witnesses, introduce exhibits, and cross-examine opposing  
19 witnesses on any matter relevant to the issues involved.

20 You have the right to request that the Commission issue subpoenas to compel  
21 witnesses to testify and/or evidence to be offered on your behalf. In making this request,  
22 you may be required to demonstrate the relevance of the witness' testimony and/or  
23 evidence. Other important rights and obligations, including your obligation to answer the  
24 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including  
25 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC  
26 116.635 and NRS Chapter 233B.

27 Note that under NAC 116.575, not less than five (5) working days before a hearing,  
28 RESPONDENT must provide to the Division a copy of all reasonably available documents

1 that are reasonably anticipated to be used to support his position, and a list of witnesses  
2 RESPONDENT intend to call at the time of the hearing. Failure to provide any document  
3 or to list a witness may result in the document or witness being excluded from  
4 RESPONDENT'S defense. The purpose of the hearing is to determine if the  
5 RESPONDENT has violated the provisions of NRS 116, and to determine what  
6 administrative penalty is to be assessed against RESPONDENT.

7  
8 DATED this 19 day of July, 2023.

REAL ESTATE DIVISION,  
DEPARTMENT OF BUSINESS &  
INDUSTRY, STATE OF NEVADA

9  
10  
11 By: 

SHARATH CHANDRA, Administrator  
3300 W. Sahara Avenue, Suite 350  
Las Vegas, Nevada 89102  
(702) 486-4033

12  
13  
14  
15 DATED this 20 day of July, 2023.

AARON D. FORD  
Attorney General

16  
17 By: 

CHRISTAL P. KEEGAN (Bar No. 12725)  
Deputy Attorney General  
5420 Kietzke Lane, Suite 202  
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*Attorney for Real Estate Division*