

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 CARMEL COVE HOMEOWNERS
11 ASSOCIATION, INC.,
(Entity Number E0013012006-6)

12 Respondent.

Case No. 2023-603

FILED

FEB 02 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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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 Phil W. Su, Senior Deputy Attorney General, hereby notifies
18 Carmel Cove Homeowners Association, Inc. ("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 E0013012006-6) and is, therefore, subject to the
provisions of Chapter 116 of each the Nevada Revised Statutes ("NRS") and the Nevada

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

4 **FACTUAL ALLEGATIONS**

5 1. RESPONDENT is a common-interest community located in Las Vegas,
6 Nevada (Entity Number E0013012006-6) with 60 units. *CICC 603-015.*

7 2. At all times relevant to the Complaint, the Respondent’s management
8 company was PINNACLE COMMUNITY ASSOCIATION MANAGEMENT, by and
9 through Community Association Manager Frankie Stevenson (CAM.0000274-SUPR).
10 *CICC 603-033 to 034.*

11 3. On June 28 2023, the Division initiated an investigation that Respondent
12 association did not have at least three board members registered and sent an open
13 investigation letter to the Respondent and its CAM with request for information seeking
14 response by August 14, 2023. *CICC 603-002 to 003.*

15 4. The Respondent, through its CAM, sent a response dated August 14, 2023,
16 indicating that one of the board members, Thomas Boer, sold his unit on April 17, 2023,
17 and that although Respondent had sent out several notices to recruit candidates to replace
18 Boer, none have submitted a candidacy form yet. *CICC 603-004.*

19 5. On October 4, 2023, the Division sent a letter via certified mail and addressed
20 to the Respondent’s Executive board, care of its CAM, that it needed to comply with the
21 three-board member requirement per NRS 116.31034, and to remedy the issue by October
22 9, 2023. *CICC 603-013 to 014.*

23 6. On November 3, 2023, the CAM emailed the Division’s investigator with an
24 update, that “The Association’s annual election will be scheduled in December.” *CICC 603-*
25 *010.*

26 7. On November 15, 2023, the Division sent, via certified mail, a “Compliance
27 demand letter- extension provided” indicating that the Respondent had until December
28 29, 2023, to bring itself into compliance, or that the Division would initiate a complaint for

1 disciplinary action before the Commission. *CICC 603-007*.

2 8. On December 29, 2023, the CAM emailed the Division's investigator stating
3 that the annual meeting and election would now be held on January 12, 2024. *CICC 603-*
4 *008*.

5 **VIOLATIONS OF LAW**

6 1. RESPONDENT violated NRS 116.31034(1) by failing to elect a minimum of
7 three executive board members.

8 **DISCIPLINE AUTHORIZED**

9 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
10 116.790 the Commission has discretion to take any or all of the following actions:

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

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

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

18 4. Approve application to a court of competent jurisdiction for the appointment
19 of a receiver for the Respondent.

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

22 **NOTICE OF HEARING**

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

27 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
28 for March 5-7, 2024, beginning at approximately 9:00 a.m. each day, or until such time as

1 the Commission concludes its business. The Commission meeting will be held at the
2 Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, TahoeRoom, Las
3 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,
4 Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

5 **STACKED CALENDAR:** Your hearing is one of several hearings that may
6 be scheduled at the same time as part of a regular meeting of the Commission
7 that is expected to take place on March 5-7, 2024. Thus, your hearing may be
8 continued until later in the day or from day to day. It is your responsibility to
9 be present when your case is called. If you are not present when your hearing
10 is called, a default may be entered against you and the Commission may decide
11 the case as if all allegations in the complaint were true. If you need to negotiate
12 a more specific time for your hearing in advance because of coordination with
13 an out of state witness or the like, please call Maria Gallo, Commission
14 Coordinator, at (702) 486-4074.

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

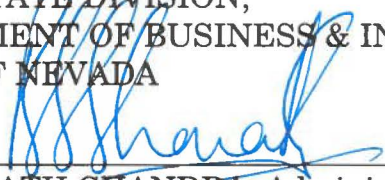
27 You have the right to request that the Commission issue subpoenas to compel
28 witnesses to testify and/or evidence to be offered on your behalf. In making this request,

1 you may be required to demonstrate the relevance of the witness' testimony and/or
2 evidence. Other important rights and obligations, including your obligation to answer the
3 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
4 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
5 116.635 and NRS Chapter 233B.

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

14 DATED this 1 day of February, 2024.

15
16 REAL ESTATE DIVISION,
17 DEPARTMENT OF BUSINESS & INDUSTRY,
18 STATE OF NEVADA

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