STATE OF NEVADA
COMMISSION ON ETHICS
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MINUTES

of the meeting of the

COMMISSION ON ETHICS

April 18, 2012 and April 19, 2012

These minutes constitute a summary of the above proceedings of the Nevada Commission on Ethics. Verbatim transcripts of the open sessions are available for public inspection at the Commission's office in Carson City.

The Commission on Ethics held a public meeting on Wednesday, April 18, 2012, and Thursday, April 19, 2012 at 8:00 a.m., at the following location:

Grant Sawyer State Building
Room 4412
555 E. Washington Avenue
Las Vegas, NV 89101

And was also connected via video-conference on Thursday April 19, 2012 only to

Nevada Legislative Building
Room 2135
401 S. Carson Street
Carson City, NV 89701

April 18, 2012

1. Call to Order, Roll Call and Pledge of Allegiance to the Flag.

Vice Chairman Paul Lamboley served as acting Chairman for this meeting and called the meeting to order and introduced the Commissioners at 8:00 a.m. on Wednesday, April 18, 2012.

Present in Las Vegas, Nevada were acting Chairman Paul H. Lamboley, Esq., Commissioners James M. Shaw. Gregory J. Gale, Magdalena Groover and John C. Carpenter. Also present in Las Vegas were Executive Director Caren Jenkins, Esq., Commission Counsel Yvonne Nevarez-Goodson, Esq., Executive Assistant Valerie Carter, Investigator Michael E. Lawrence and Legal Researcher Janet

2. Open Session for Public Comment.

No public comment.

3. Open Session for consideration and approval of Minutes of prior Commission Meeting.

This agenda item was tabled until the next Commission meeting.

4. Open Session pursuant to NRS 281A.440(8) to hear testimony, receive evidence, deliberate and render an opinion regarding Third-Party Request for Opinion No. 11-67C, regarding the conduct of Shirley Matson, Assessor, Nye County, submitted pursuant to NRS 281A.440(2).

Appearing before the Commission was Ms. Shirley Matson and her counsel Mr. Brian Pezzillo, Esq.

A discussion ensued regarding an emergency motion filed by Mr. Pezzillo regarding admissibility of the affidavit of Sandra Darby submitted to the Commission by the Requester. Chairman Lamboley moved to deny the emergency motion, Commissioner Shaw seconded the motion. The motion passed unanimously.

Chairman Lamboley described the procedures for the hearing.

Commission Counsel, Yvonne Nevarez-Goodson read into the record certain stipulated facts. Counsel for Shirley Matson, Mr. Brian Pezzillo, Esq. agreed to the stipulated facts as presented.

A discussion then ensued regarding the dismissal of certain witnesses. Commissioner Shaw moved to release the following witnesses: Sheriff DeMeo, Robert Jones, Nancy Lord, Ralph Clendenen, Jim Petell and Byron Foster. Commissioner Gale seconded the motion. The motion passed unanimously.

Mr. Pezzillo presented an objection to admission of exhibits at bates numbers 263-270, 273-278, and 281-296. These exhibits dealt specifically with issues that had already been stipulated to by Ms. Matson, and are unnecessary to move forward. Chairman Lamboley declared that all other documents will remain as evidence.

Chairman Lamboley discussed the responsibilities of witnesses. Commission Counsel then announced and introduced each witness and the reporter provided that they were sworn in under oath.

Recess: 9:30 a.m.

The hearing reconvened at 9:45 a.m.

Mr. Pezzillo made an opening statement.

Commission Counsel gave an opening statement and brief overview of the allegations related to NRS 281A. (NRS 281A.020, NRS 281A.400(1), NRS 281A.400 (7) and NRS281A.400(9))

The Commission heard testimony from the following witnesses:

Stephanie Lopez and Sheree Stringer.

A recess was taken at 11:11 a.m. and the hearing reconvened at 11:22 a.m.

The Commission received witness testimony from Julianne Dudenski.

Lunch Recess was taken at 12:23 p.m., and the hearing reconvened at 1:10 p.m.

The Commission received witness testimony from Brenda Baker and Jolyne Zimmerman.

A recess was taken at 2:26 p.m. and the hearing reconvened at 2:37 p.m.

The Commission received witness testimony from Danelle Shamrell and Brian Kunzi, Esq.

At 4:44 p.m. Chairman Lamboley recessed the meeting until the following day. All witnesses were subject to recall.

April 19, 2012

Chairman Lamboley reconvened the hearing at 8:00 a.m.

The Commission received testimony from Ms. Matson.

A recess was taken at 10:19 a.m. and the hearing reconvened at 10:35 a.m.

Examination of Ms. Matson continued.

Lunch Recess was taken at 11:45 a.m. and the hearing reconvened at 12:37 p.m.

The Commission recalled witness Danelle Shamrell for additional questioning. Ms. Shamrell was then excused and released as a witness.

The Commission recalled witness Brian Kunzi for additional questioning. Mr. Kunzi was then excused and released as a witness.

The Commission then telephoned Sandra Darby to hear her testimony.

All remaining witnesses were excused and released.

Mr. Pezzillo offered a closing argument.

A recess was taken at 1:50 p.m. and the hearing reconvened at 1:57 p.m.

The Commission went into deliberations.

Commissioner Shaw moved that in the matter of Request for Opinion No. 11-67C regarding the conduct of Shirley L. Matson, Nye County Assessor, State of Nevada, as it relates to NRS 281A.020, the Commission find a willful violation.

Commissioner Carpenter seconded the motion.

A discussion ensued regarding the motion.

The motion was put to a vote and carried as follows:

Commissioner Shaw: Aye.
Commissioner Carpenter: Aye.
Commissioner Gale: No.
Commissioner Groover: No.
Commissioner Lamboley: Aye.

Commissioner Shaw moved that the Commission find a non-willful violation regarding NRS 281A.400(2).

Commissioner Groover seconded the motion.

A discussion ensued regarding the motion.

Commissioner Groover withdrew her second on the motion made by Commissioner Shaw.

The motion died for lack of a second.

Commissioner Gale moved that the Commission finds with regard to NRS 281A.400(2) that Ms. Matson did not receive any unwarranted benefits.

Commissioner Groover seconded the Motion.

The Motion was put to a vote and carried as follows:

Commissioner Shaw: No.
Commissioner Carpenter: Yes.
Commissioner Gale: Yes.
Commissioner Groover: Yes.
Commissioner Lamboley: No.

Commissioner Gale moved that with regard to NRS 281A.400(7) that Ms. Matson violated this section by using government supplies costing the taxpayers money, and created signage with disparaging remarks that were placed on her county vehicle and parked in her

office parking lot on July 27, 2011. It was done intentionally and knowingly so it is a willful violation.

Commissioner Shaw seconded the motion.

A discussion ensued regarding the motion.

The motion was put to a vote and carried as follows:

Commissioner Shaw: Yes.
Commissioner Carpenter: No.
Commissioner Gale: Yes.
Commissioner Groover: No.
Commissioner Lamboley: Yes.

Commissioner Shaw moved that based on the testimony received, that no violation exists with regard to NRS 281A.400(9).

Commissioner Groover seconded the motion.

The motion was put to a vote and carried as follows:

Commissioner Shaw: Aye.
Commissioner Carpenter: Aye.
Commissioner Gale: Aye.
Commissioner Groover: Aye.
Commissioner Lamboley: No.

Commission Counsel provided an overview of NRS 281A.480 which gives the Commission the authority to petition the District Court for removal from office of a public officer who is found to have three or fewer violations of the ethics in government laws.

Commissioner Gale moved that the Commission not pursue removal from office on the two willful violations.

Commissioner Carpenter seconded the motion.

A brief discussion ensued regarding the motion.

The motion was put to a vote and carried as follows:

Commissioner Shaw: Aye.
Commissioner Carpenter: Aye.
Commissioner Gale: Aye.
Commissioner Groover: Aye.
Commissioner Lamboley: Aye.

Commission Counsel gave an overview of NRS 281A.480(1) which gives the Commission authority to impose monetary sanctions for willful violations of the ethics in government laws. A brief discussion ensued regarding sanctions.

Commissioner Gale moved the Commission impose a civil penalty in the amount of $4,000 for the NRS 281A.020 violations, and a $1,000 civil penalty for the NRS 281A.400(7) violation.

Commissioner Shaw seconded the motion.

The Motion was put to a vote and carried as follows:

Commissioner Shaw: Aye.
Commissioner Carpenter: Aye.
Commissioner Gale: Aye.
Commissioner Groover: Aye.
Commissioner Lamboley: Aye.

Recess was taken at 3:31 p.m. and the hearing reconvened at 3:40 p.m.

Commissioner Beyer joined the meeting via video-teleconference from Carson City. Commissioners Cory and Weaver joined the meeting in Las Vegas.

9. Open Session pursuant to NRS 281A.440(8) to hear testimony, receive evidence, deliberate and render an opinion regarding Third-Party Request for Opinion No. 11-42C, regarding the conduct of Chris Johnson, Councilman, Elko City Council, submitted pursuant to NRS 281A.440(2)

This agenda item was called out of order.

Commissioner Lamboley remained active Chairman throughout this agenda item at the request of Chairman Beyer.

Commissioner Gale and Commission Cory were excused from participating in this agenda item as they had served on the panel.

Commissioner Carpenter disclosed a potential conflict he had regarding the subject, Chris Johnson, and abstained from participating in the matter.

Appearing in Carson City were Chris Johnson, his counsel Thomas Beko, Esq. and Charity Felts.

Commission Counsel Yvonne M. Nevarez-Goodson, Esq. read into the record the stipulated facts that Mr. Beko and Mr. Johnson had agreed to.

Commissioner Lamboley moved to accept into the record the proposed stipulation of facts as presented by Commission Counsel and Mr. Beko. Commissioner Weaver seconded the motion. The motion carried unanimously.

Mr. Beko gave an opening statement.

A discussion ensued regarding the details of RFO 11-42C.

Chris Johnson was sworn in under oath and testimony was given.

Commissioner Weaver moved that, as a member of the Elko City Council, Mr. Johnson did not violate the provisions of NRS 281A.420(1) by voting to approve the development of the apartment project without disclosing his pecuniary interest in his business and family property because there's no evidence that the proximity of the apartment complex to the Johnson family property would create a pecuniary interest such that he was required to disclose or disclose and abstain. In addition, the Commission had no evidence that a favorable vote by Mr. Johnson approving the apartment complex would create a pecuniary interest such that he was required to disclose or disclose and abstain from voting.

Commissioner Beyer seconded the motion.

A brief discussion ensued regarding the motion.

The motion was put to a vote and carried as follows:

Commissioner Weaver: Aye.
Commissioner Groover: Aye.
Commissioner Shaw: Aye.
Commissioner Beyer: Aye.
Commissioner Lamboley: No.

15. Closed Session pursuant to NRS 281A.440(7) to hear testimony, receive evidence, deliberate and render an advisory opinion regarding Confidential First-Party Request for Advisory Opinion No. 12-15A, submitted pursuant to NRS 281A.440(1).

This agenda item was called out of order. This portion of the meeting was confidential and thus was closed to the public. Chairman Beyer was reinstated as Chair for this portion of the meeting.

The meeting was recessed until April 23, 2012 at 10:00 a.m.

*Commission Counsel determined after the meeting the NCOE could not continue the meeting without proper notice pursuant to the Open Meeting Law, NRS Chapter 241.

12. Adjournment.

This agenda item was called out of order. The meeting was adjourned at 5:04 p.m.

The following agenda items were not addressed:

5. Open Session for discussion of Nevada Commission on Ethics Subcommittee to consider and Recommend Modifications to NRS 281A and NAC 281A's report and possible approval of changes to propose during 2013 legislative session.

6. Open Session for status update by Executive Director and Commission Counsel, including, without limitation, a report on agency operations, procedural issues and pending matters.

7. Open Session for Commissioner comments on matters including, without limitation, future agenda items, upcoming meeting dates and meeting procedures.

9. Open Session for Public Comment.

10. Closed Session to discuss potential or pending litigation.

Minutes prepared by:

Valerie Carter

Valerie Carter
Executive Assistant

Minutes approved July 18, 2012:

Paul H. Lamboley, Esq.
Vice-Chairman