



**STATE OF NEVADA  
COMMISSION ON ETHICS**  
<http://ethics.nv.gov>

**MINUTES  
of the meeting of the  
NEVADA COMMISSION ON ETHICS**

**August 21, 2013**

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, August 21, 2013, at 8:30 a.m. at the following locations:

**Nevada Legislative Building  
Room 3143  
401 S. Carson Street  
Carson City, NV 89701**

and via video-conference to:

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

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

Vice-Chairman Gregory J. Gale, CPA called the meeting to order and introduced the Commission members at 8:42 a.m.

Present in Carson City, Nevada were Vice-Chairman Gregory J. Gale, CPA, Commissioner James M. Shaw, Commissioner Cheryl A. Lau, Esq., Executive Director Caren Cafferata-Jenkins, Esq., Commission Counsel Yvonne Nevarez-Goodson, Esq., Associate Counsel Jill C. Davis, Esq., Senior Legal Researcher Janet Jacobsen and Executive Assistant Valerie Carter. Present in Las Vegas, Nevada were Commissioner Magdalena Groover, Commissioner Keith A. Weaver, Esq. and Senior Investigator Michael E. Lawrence.

Chairman Paul H. Lamboley, Esq. and Commissioner John C. Carpenter were excused from the first few agenda items of the meeting. Commissioner Tim Cory, Esq. was excused from the entire meeting.

The pledge of allegiance was conducted.

2. Open Session for Public Comment.

Frank Wright, Requester of RFO nos.12-72C and 12-74C, offered public comment in support of his Request for Opinion, and urged the Commission to reject the Subjects' Motion to Dismiss, which appeared under Item No. 3 of this meeting.

3. Open Session pursuant to NRS 281A.440(8) to consider a proposed Stipulation concerning certain allegations in Consolidated Third-Party Requests for Opinion Nos. 12-72C and 12-74C, regarding the conduct of Theodore Fuller and Bea Epstein, Former Trustees, Incline Village General Improvement District Board of Trustees, submitted pursuant to NRS 281A.440(2).

Vice Chairman Gale called the agenda item into closed session at 8:50 a.m., this portion of the hearing was not available to the public. The meeting was called back into Open Session at 9:13 a.m.

Commission Counsel Yvonne Nevarez-Goodson, Esq. gave a brief summary of the Stipulated Agreement. Commissioner Shaw moved to approve the Stipulated Agreement as written. The Motion was seconded by Commissioner Lau. Commission Counsel reminded the Commissioners that in closed session a few typographical and other minor changes were made to the Stipulation, and the Motion should include a reference to those changes. Commissioner Shaw and Commissioners Lau adopted those changes in their motion. The Motion was put to a vote and carried unanimously. Vice-Chairman Gale and Commission Counsel agreed that the Stipulated Agreement, now approved by the Commission, was a public record.

Tom Beko, Esq., Counsel for Subjects Fuller and Epstein, appeared before the Commission and accepted the changes to the Stipulated Agreement as discussed. A discussion ensued regarding the Stipulated Agreement and how Commission Counsel and Mr. Beko came to the agreed upon language.

4. Open Session pursuant to NRS 281A.440(8) to consider a proposed Motion to Dismiss concerning certain allegations in Consolidated Third-Party Requests for Opinion Nos. 12-72C and 12-74C, regarding the conduct of Theodore Fuller and Bea Epstein, Former Trustees, Incline Village General Improvement District Board of Trustees, submitted pursuant to NRS 281A.440(2).

Tom Beko, Esq. counsel for subjects Fuller and Epstein, gave a brief overview of his Motion to Dismiss which was submitted to the Commission for decision. Vice-Chairman Gale called the meeting into closed session at 9:34 a.m., therefore this portion of the hearing was not available to the public.

Vice-Chairman Gale recalled the meeting into Open Session at 9:57 a.m. Commissioner Lau moved to approve the Motion to Dismiss as she believes there was not a significant pecuniary interest at stake, and the new statutory language of NRS 281A.420 should be applied with respect to the due process of Mr. Fuller and Ms. Epstein based on the facts. Commissioner Shaw seconded the Motion. The Motion was put to a vote and carried unanimously. Commission Counsel Yvonne Nevarez-Goodson, Esq. stated she will prepare the Order to reflect the vote of the Commission.

Tom Beko, Esq., on a personal level, commended the Commission and its staff for the hard work done during the legislative session. A brief discussion ensued regarding the legislative session and the Commission's desire to modify the language in NRS 281A.

7. Closed Session to discuss potential or pending litigation.

This agenda item was called out of order. This agenda item was held in closed session and is not available to the public.

Commissioner John C. Carpenter joined the meeting via telephone from Elko, NV.

8. Open Session for report on agency status and operations by Executive Director and Commission Counsel.

Executive Director Caren Cafferata-Jenkins, Esq. reported on the conclusion of the Fiscal Year budget for 2013, including the current status of unspent funds. She reported that staff has collected its first installment of the Local Government's cost shares that were due on August 1, 2013.

The Executive Director reported that Associate Counsel Jill C. Davis, Esq. began her employment with the Commission on August 12, 2013. She hopes that Ms. Davis will be a great fit, as she has been working with everyone in the office to get an idea of our processes.

Executive Director Cafferata-Jenkins discussed AB 65 and its effect on the Commissions' future agendas, as all notices of public meetings are now required to identify who to contact to obtain public meeting documents for upcoming meetings. She reported that as of January 1, 2014 the State will require all agendas to be posted on a specific website where we may be able to post the supporting materials for meetings as well.

The Executive Director reported that LCB's legal counsel informed her that the codification of SB 228 will be completed by the end of October this year.

Executive Director Cafferata-Jenkins also reported that the Governor's General Counsel, Michon Martin, who has been assigned as our agency liaison, has requested bi-weekly meetings to communicate and further her relationships with directors of the agencies to which she has been assigned. Cafferata-Jenkins stated that she hopes these meetings will be an avenue to educate and advocate for the continued autonomy of the agency, but with support from the Governor's office.

Executive Director Cafferata-Jenkins reported that she has been inundated with requests for training. The Gaming Control Board has made it mandatory for all GCB employees to receive training in Ethics and she will be performing those trainings in the upcoming months. She stated she has also been requested to speak at the Boards and Commissions training through the AGs office in October, and will also present at the Certified Public Manager classes in November, along with several other appearances in the upcoming months.

Executive Director Cafferata-Jenkins reminded the Commission about the salary requests that have been discussed since the start of the 77th Legislative Session. She gave a historical overview of what happened during the last few hours of the session and thereafter. When the final version of AB 511 came out, the salary changes were not included. She stated that the Commission had given the Executive Director authority to go before IFC to address the error; however, after materials were provided to the budget office, it was announced that this issue would not be placed on the agenda for IFC. She stated Vice-Chairman Gale had shown interest in going before IFC to represent the Commission's interest in the salary adjustments, but it appears there will be no opportunity to do so.

The Executive Director suggested that perhaps the Commission could take a different route, if interested in pursuing this further, and could work with Commission Counsel and the Executive Director to put together a more comprehensive package for IFC, regarding the change of unclassified position compensation and detailing what Staff does and how we are and are not comparable to other agencies. She stated that new language in NRS 281A.270, regarding the local government cost shares, has made it so any unspent funds remain within the state until the next fiscal year, in order to address any additional financial needs the Commission may have, which would be requested and reviewed by the Interim Finance Committee. She stated that if the Commission does in fact have unspent funds from FY 13, a portion of those monies could be

proportionately used for the salary adjustments in line with the breakdown between the General fund and local government cost shares. Commissioner Gale offered his support in going forward with the Executive Director's suggestions. A brief discussion ensued regarding the unspent funds in FY 13.

The remainder of this agenda item was tabled to later in the meeting.

Chairman Lamboley arrived at the meeting location in Las Vegas, NV and participated in the remaining agenda items.

5. Closed Session pursuant to NRS 281A.440(7) to hear testimony, receive evidence, deliberate and render an advisory opinion regarding Confidential Consolidated First-Party Requests for Advisory Opinion Nos. 13-66A and 13-67A, submitted pursuant to NRS 281A.440(1). Pursuant to NAC 281A.260, these Requests for Opinion have been consolidated for hearing purposes.

This agenda item was called out of order and was held in closed session, and will not be available to the public. Commissioner Carpenter abstained from participating in this agenda item.

Commissioner carpenter rejoined the meeting via telephone after the conclusion of agenda item no. 5. Vice-Chairman Gale was excused from the remainder of the meeting.

8. Open Session for report on agency status and operations by Executive Director and Commission Counsel.

This agenda item was called out of order. Chairman Lamboley requested the Commission go back to Agenda Item no. 8 for the remainder of the agency's status update.

Commission Counsel Yvonne Nevarez-Goodson, Esq. gave an update regarding the current status of pending Requests for Opinion as well as outstanding Opinions to be written. She reported that seven Opinions still need to be prepared. She is hopeful that a majority of those Opinions can be finalized and issued within the next couple of months with the assistance of Associate Counsel. Commission Counsel reported that several Third-Party Requests for Opinion are in the process of being investigated.

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

Executive Director Caren Cafferata-Jenkins, Esq. stated that Vice-Chairman Gale had requested an agenda item be added for a report from a collaboration between himself and Associate Counsel Jill Davis, Esq. about some procedures that should be updated and revised with regard to Third-Party Requests for Opinion as well as our response to the Commission's ability to bring a request on its own motion. Chairman Lamboley accepted the request and stated that he looks forward to that presentation.

6. Open Session pursuant to NRS 281A.440(8) to consider a proposed Stipulation concerning Third-Party Request for Opinion No. 12-64C, regarding the conduct of James Parrish, CEO and Administrator, Humboldt County Hospital District, submitted pursuant to NRS 281A.440(2).

Commissioner Lau and Commissioner Weaver participated in the Panel Hearing regarding RFO 12-64C and thus were excused from participating in this agenda item.

Chairman Lamboley called the meeting into closed session at 1:49 p.m.

The meeting was called back into open session at 1:55 p.m. Mr. Maher, counsel for Mr. Parish, appeared via telephone. The Commission waived a full reading of the Stipulated

Agreement. Commission Counsel Yvonne Nevarez-Goodson, Esq. gave a brief overview of the Stipulated Agreement and stated that she has communicated with Mr. Parrish and his counsel Mr. Maher about the contents of the proposed Stipulated Agreement. Mr. Maher and Mr. Parrish stated for the record they have read and agree to the statements made within the Stipulated Agreement.

Commissioner Carpenter moved to approve the Stipulated Agreement as presented. Commissioner Groover seconded the Motion. The Motion was put to a vote and carried unanimously.

10. Open Session for Public Comment.

The Requester of RFO nos. 12-72C and 12-74C, Frank Wright, offered additional public comment regarding the Commission's decisions under agenda items 3 and 4. Mr. Wright stated that he believes there is a much bigger problem with the public officials of the Incline Village General Improvement District and the Commission should, under NRS 281A.480, refer these matters to the Attorney General or District Attorney. Mr. Wright expressed his grave concern with how these officials conduct their business, and believes the Commission's decisions will leave the door wide open for violations.

11. Adjournment.

Commissioner Lau moved to adjourn the meeting at 2:13 p.m. Commissioners Shaw and Carpenter seconded the Motion. The motion was put to a vote and carried unanimously.

Minutes prepared by:

/s/ Valerie Carter  
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Valerie Carter  
Executive Assistant

Minutes approved: November 20, 2013:

/s/ Paul H. Lamboley, Esq.  
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Paul H. Lamboley, Esq.  
Chairman