



**STATE OF NEVADA**

**BEFORE THE NEVADA COMMISSION ON ETHICS**

In the Matter of the Third-Party Request  
for Opinion Concerning the Conduct of  
**Terrence Taylor**, Captain/Inspector,  
East Fork Fire Protection District,  
Douglas County, State of Nevada,

Request for Opinion No. **16-81C**

\_\_\_\_\_  
Subject. /

**STIPULATED AGREEMENT**

1. **PURPOSE:** This Stipulated Agreement resolves Third-Party Request for Opinion (“RFO”) No. 16-81C before the Nevada Commission on Ethics (“Commission”) concerning Terrence Taylor (“Taylor”), a Captain/Fire Investigator for the East Fork Fire Protection District (“District”) in Douglas County, Nevada.

2. **JURISDICTION:** At all material times, Taylor was employed by the District and is a public employee, as defined in NRS 281A.150. The Ethics in Government Law set forth in NRS Chapter 281A (“Ethics Law”) gives the Commission jurisdiction over elected and appointed public officers and public employees whose conduct is alleged to have violated the provisions of the Ethics Law. See NRS 281A.280. Accordingly, the Commission has jurisdiction over Taylor in this matter.

3. **PROCEDURAL HISTORY BEFORE COMMISSION:**

a. On or about November 23, 2016, the Commission received RFO No. 16-81C from a member of the public, Timothy Lomprey (“Lomprey” or “Requester”), alleging that Taylor violated:

(1) NRS 281A.020(1) - avoiding conflicts between public and private interests;

(2) NRS 281A.400(1) - accepting employment or economic opportunities which would tend improperly to influence a reasonable person in public position to depart from an impartial discharge of public duties;

- (3) NRS 281A.400(2) – using public position to secure or grant unwarranted advantages;
  - (4) NRS 281A.400(4) – accepting compensation from private source for performance of duties as a public employee;
  - (5) NRS 281A.400(5) - acquiring, through his public duties or relationships, information not available to the public to further the pecuniary interests;
  - (6) NRS 281A.400(7) - using governmental resources for nongovernmental purpose or private benefit;
  - (7) NRS 281A.400(10) - seeking other employment or contracts through the use of public position;
  - (8) NRS 281A.420(1) - failure to disclose conflict of interest; and
  - (9) NRS 281A.420(3) -failure to abstain.
- b. On December 12, 2016, staff of the Commission issued a Notice to Subject under NRS 281A.440(2), stating that the Commission accepted jurisdiction to investigate the allegations regarding violations of: (1) NRS 281A.020(1); (2) NRS 281A.400(1); (3) NRS 281A.400(2); and (4) NRS 281A.400(10). Taylor was provided an opportunity to respond to the RFO.
  - c. On or about February 23, 2017, Taylor, through his legal counsel, Rick R. Hsu, Esq., of Maupin, Cox and LeGoy, provided a written Response to the RFO.
  - d. Taylor waived his rights to a panel determination pursuant to NRS 281A.440 and acknowledges that credible evidence establishes just and sufficient cause for the Commission to render an opinion regarding the allegations implicating NRS 281A.400(2).

4. **PROPOSED STIPULATED FACTS:** At all material times, the following facts were relevant to this matter: <sup>1</sup>

- a. Taylor has been employed as a Captain/Fire Investigator for the East Fork Fire Protection District (“District”) since 1997. As such, he is a public employee as defined in NRS 281A.150.
- b. The District is a political subdivision as defined in NRS 281A.145.

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<sup>1</sup> Stipulated Facts do not constitute part of the “Investigative File” as that term is defined by NRS 281A.440(17). All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Stipulated Agreement.

- c. The District provides emergency services to Douglas County, Nevada, which includes approximately 1,000 fire-related responses a year.
- d. As the Captain/Fire Investigator for the District, Taylor is responsible for the investigation of fires and explosions within the District's jurisdiction. Taylor's public-sector investigations are primarily focused on determining the origin and cause of a fire, including whether a crime such as arson has been committed.
- e. Policy number 200.27 of the Douglas County Administrative Policies and Procedures states that "[e]mployees are required to obtain authorization from their Department Head/Elected Official prior to engaging in outside employment."
- f. Pursuant to this policy, on April 30, 2001, Taylor requested permission from the District to engage in outside work to conduct investigations of fires in the private sector outside of Douglas County, which was granted by the District Fire Chief on May 4, 2001.
- g. According to the District Fire Chief, the District benefits from Taylor's outside employment because fire investigations in the private sector expose him to a wider array of experiences and training not otherwise possible in the public sector, which make him a more proficient investigator for the District.
- h. The District submitted letters outlining the terms of its approval of Taylor's outside employment to the Nevada Private Investigators Licensing Board ("PILB") in 2003 and 2011 to activate Taylor's private investigator's license to allow him to conduct fire investigations in the private sector.
- i. The District's 2011 letter to the PILB sets forth the District's restrictions on Taylor's outside employment:
  - 1. Taylor is not to perform any duties associated with his private fire investigator's license while on duty for the District and cannot use any District equipment, supplies or staff for that private activity.
  - 2. Taylor is not to perform any private fire investigator activities for cases that arise in Douglas County.
  - 3. Taylor is not to be involved with any action or case in which the State of Nevada or a political subdivision of the State is a first party defendant.

- j. Taylor's private sector fire investigations are performed under his business name of Terry Taylor Investigations. Private sector fire investigations focus on determining fault, often for use in an insurance subrogation or personal injury action, and involve more in-depth investigation techniques.
- k. Terry Taylor Investigations employed two independent contractors, including Duane Lemons ("Lemons"), who perform private sector fire investigations.
- l. Terry Taylor Investigations conducts approximately 30 to 40 private fire investigations each year for attorneys and insurance companies, including Farmers Group, Liberty Mutual, Safeco and Crum & Forster.
- m. On December 22, 2015, on behalf of the District, Taylor responded to a fire located at 2617 Vicky Lane ("Vicky Lane Fire"), which is a single-family residence located in Douglas County, Nevada.
- n. As Fire Captain/Investigator for the District, Taylor spent approximately seven hours investigating the Vicky Lane Fire on December 22, 2015. Taylor's written report concludes that a lithium battery caused the fire.
- o. On or around January 6, 2016, Taylor was contacted by a representative of his private client, Crum & Forster, who requested that Taylor conduct a private fire investigation.
- p. On or about January 8, 2016, Crum & Forster sent an email directly to Lemons requesting Lemons to investigate the Vicky Lane Fire. Taylor did not receive a copy of the email.
- q. Crum & Forster is the insurance company for the manufacturer of the lithium battery found in the Vicky Lane Fire. Allstate is the insurance company for the homeowner at Vicky Lane, and requested Lomprey<sup>2</sup> to investigate the Vicky Lane Fire.
- r. On January 18, 2016, Lomprey and Lemons attended a joint field inspection at the Vicky Lane Fire site to meet with Taylor and discuss his investigation and findings as Captain /Fire Investigator for the District.
- s. Taylor allowed Lomprey and Lemons to interview him regarding his public-sector findings to assist them in their respective private sector investigations.

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<sup>2</sup> Lomprey is the Requestor who filed the Third-Party Request for Opinion.

- t. As reflected in the invoice to Crum & Forster, Terry Taylor Investigations spent 8.6 hours conducting the investigation, which included the time spent at the site of the Vicky Lane Fire with Taylor as the District investigator on scene.
- u. Terry Taylor Investigations received \$1,659.40 from Crum & Forster for its investigation of the Vicky Lane Fire.

5. **TERMS / CONCLUSIONS OF LAW**: Based on the foregoing, Taylor and the Commission agree as follows:

- a. Each of the stipulated facts enumerated in Section 4 of this Stipulated Agreement is agreed to by the parties.
- b. Taylor is a public employee, whose public office constitutes a public trust to be held for the sole benefit of the people of the State of Nevada (in particular, the citizens of Douglas County).
- c. Taylor has a substantial and continuous business relationship with Terry Taylor Investigations, which creates a commitment in a private capacity to the interests of the business under NRS 281A.065(5). As the owner of Terry Taylor Investigations, Taylor also has a significant pecuniary interest in the business. NRS 281A.139.
- d. As a public employee, Taylor has a duty to avoid conflicts of interest. See NRS 281A.020. Specifically, Taylor must not use his position in government to: 1) seek any employment or economic opportunity which would tend to improperly influence a reasonable person in his position to depart from the faithful and impartial discharge of his public duties (NRS 281A.400(1)); 2) secure or grant unwarranted privileges, preferences or advantages for himself or for any business entity in which he has a significant pecuniary interest (NRS 281A.400(2)); or 3) seek other employment or contracts (NRS 281A.400(10)).
- e. By allowing Lemons to continue the private sector investigation of the Vicky Lane Fire on behalf of Terry Taylor Investigations, Taylor violated the conditions of his approval of outside employment by the District. Taylor agrees that by violating the terms of his agreement with the District, he used his position in government to secure unwarranted advantages for Terry Taylor

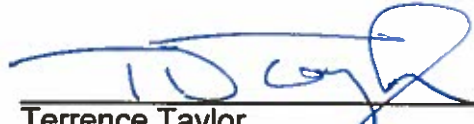
- Investigations, a business entity in which Taylor has a significant pecuniary interest, in violation of NRS 281A.400(2).
- f. Taylor's actions constitute a single course of conduct resulting in one violation of the Ethics Law, implicating the provisions of NRS 281A.400(2), as interpreted and applied in accordance with the provisions of NRS 281A.020(1).
  - g. Although the private investigation work conducted by Terry Taylor Investigations on the Vicky Lane Fire implicates the provisions of NRS 281A.400(1) because it was contrary to the faithful discharge of his public duties to accept a private engagement in conflict with his employment agreement, the preponderance of evidence does not support the allegation that such employment, engagement or economic opportunity tended improperly to influence a reasonable person in Taylor's public position to depart from the faithful and impartial discharge of his public duties. Taylor conducted and made conclusions on the cause of the fire on behalf of the District before knowing that Crum and Forster had requested Terry Taylor Investigations to investigate the Vicky Lane Fire. The subsequent employment by Crum & Forster of Terry Taylor Investigations did not affect Taylor's conclusions in his public-sector investigation, which conclusions were adverse to Crum & Forster's insured, the lithium battery company. The Commission therefore dismisses the allegations regarding NRS 281A.400(1) through this Stipulated Agreement.
  - h. Although the private investigation work conducted by Terry Taylor Investigations on the Vicky Lane Fire implicates the provisions of NRS 281A.400(10), the preponderance of evidence does not support the allegation that he sought employment through the use of his official position based on the undisputed evidence that Crum & Forster contacted Terry Taylor Investigations, unsolicited. The Commission therefore dismisses the allegations regarding NRS 281A.400(10) through this Stipulated Agreement.
  - i. NRS 281A.170 defines a "willful violation" as a violation in which the public officer or employee: (1) acted intentionally and knowingly; or (2) was in a situation where this chapter imposed a duty to act and the public officer or

- employee intentionally and knowingly failed to act in the manner required by the Ethics Law.
- j. Taylor was under a public duty to prevent Lemons and Terry Taylor Investigations from investigating any fire that violated the terms of his outside employment agreement with the District. Instead, Taylor authorized and benefited from the private investigation. The Commission therefore determines, and Taylor agrees, that the violation of NRS 281A.400(2) was “willful” under NRS 281A.170.
  - k. Pursuant to the factors set forth in NRS 281A.475 in determining whether a violation is willful and the amount of any civil penalty, if any, the Commission has considered the following factors:
    - 1) Taylor has not previously violated the Ethics Law.
    - 2) Taylor has been diligent to cooperate with and participate in the Commission’s investigation and resolution of this matter.
    - 3) Taylor is scheduled to retire from public service on or about May 2018.
    - 4) Taylor is willing to disgorge all money received by Terry Taylor Investigations from Crum & Forster.
  - l. For one willful violation, Taylor will pay a civil penalty of \$500 pursuant to NRS 281A.480(1)(a). Pursuant to NRS 281A.480(3), Taylor will pay an additional civil penalty in the amount of \$1,659.40, which penalty equals the financial benefit realized by Taylor for the private investigation of the Vicky Lane Fire. Taylor may pay the penalty in one lump sum payment or in monthly installment payments as negotiated with the Commission’s Executive Director, with the full penalty amount paid not later than 90 days after Taylor’s receipt of the fully executed Stipulated Agreement.
  - m. This Stipulated Agreement depends on and applies only to the specific facts, circumstances and law related to this RFO now before the Commission. Any facts or circumstances that may come to light after its entry that are in addition to or differ from those contained herein may create a different resolution of this matter.

n. This agreement is intended to apply to and resolve only this specific proceeding before the Commission and is not intended to be applicable to or create any admission of liability for any other proceeding, including administrative, civil, or criminal regarding Taylor. If the Commission rejects this Stipulated Agreement, none of the provisions herein shall be considered by the Commission or be admissible as evidence in a hearing on the merits in this matter.

7. **ACCEPTANCE:** We, the undersigned parties, have read this Stipulated Agreement, understand each and every provision therein, and agree to be bound thereby. The parties orally agreed to be bound by the terms of this agreement during the regular meeting of the Commission on January 17, 2018<sup>3</sup>.

DATED this 19<sup>th</sup> day of JANUARY, 2018.

  
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Terrence Taylor

The above Stipulated Agreement is approved by:

FOR TERRENCE TAYLOR, Subject

DATED this 22<sup>nd</sup> day of January, 2018.

  
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Rick R. Hsu, Esq.  
Maupin, Cox and LeGoy

FOR YVONNE M. NEVAREZ-GOODSON, ESQ.  
Executive Director, Commission on Ethics

DATED this 24<sup>th</sup> day of January, 2018.

  
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Judy A. Prutzman, Esq.  
Associate Counsel

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<sup>3</sup> Subject waived any right to receive written notice pursuant to NRS 241.033 of the time and place of the Commission's meeting to consider his character, alleged misconduct, professional competence, or physical or mental health.



Approved as to form by:

FOR NEVADA COMMISSION ON ETHICS

DATED this 24<sup>th</sup> day of January, 2018. /s/ Tracy L. Chase  
Tracy L. Chase, Esq.  
Commission Counsel

The above Stipulated Agreement is accepted by a majority of the Commission.<sup>4</sup>

DATED: January 24, 2018.

By: /s/ Cheryl A. Lau  
Cheryl A. Lau, Esq.  
Chair

By: /s/ Brian Duffrin  
Brian Duffrin  
Commissioner

By: /s/ Keith A. Weaver  
Keith A. Weaver, Esq.  
Vice-Chair

By: /s/ Barbara Gruenewald  
Barbara Gruenewald, Esq.  
Commissioner

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<sup>4</sup> Subject waived his right to an Investigatory Panel pursuant to NRS 281A.440. Accordingly, this Stipulated Agreement was executed prior to a Panel hearing in this matter and no Commissioner was precluded from participating in this Stipulated Agreement pursuant to NRS 281A.220. However, Commissioners O'Neill, Stewart and Yen did not approve the Stipulated Agreement.