



## STATE OF NEVADA

### BEFORE THE NEVADA COMMISSION ON ETHICS

In re **Leo Blundo**, Commissioner,  
Board of County Commissioners,  
Nye County, State of Nevada,

Ethics Complaints  
Consolidated Case Nos.  
19-026C and 19-027C

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

### STIPULATED AGREEMENT

1. **PURPOSE:** This Stipulated Agreement resolves Ethics Complaint Case Nos. 19-026C and 19-027C (“Complaints”) before the Nevada Commission on Ethics (“Commission”) concerning Leo Blundo (“Blundo”), a member of the Board of County Commissioners, Nye County, State of Nevada.

2. **JURISDICTION:** At all material times, Blundo was a public officer as defined in NRS 281A.160. The Ethics in Government Law (“Ethics Law”) set forth in NRS Chapter 281A gives the Commission jurisdiction over elected and appointed public officers and public employees whose conduct is alleged to have violated the provisions of NRS Chapter 281A. See NRS 281A.280. Accordingly, the Commission has jurisdiction over Blundo in this matter.

3. **PROCEDURAL HISTORY BEFORE COMMISSION**

- a. On or about April 16, 2019, the Commission received these Complaints from separate individuals (“Requesters”) alleging that Blundo used his public position to secure services, favors and/or unwarranted preferences or advantages for himself, his private business and/or his fiancé.
- b. On June 3, 2019, The Commission issued separate *Orders on Jurisdiction and Investigation*, directing the Executive Director to conduct an investigation regarding Blundo’s alleged violations of NRS 281A.400(1), (2), (7) and (9).
- c. On June 3, 2019, the Commission also issued an *Order on Consolidation* and a *Consolidated Notice of Complaint and Investigation* pursuant to NRS 281A.720, and Blundo was provided an opportunity to provide a written response to the Complaints.

- d. On or about July 1, 2019, Blundo provided a written response by and through his legal counsel, Brian R. Hardy Esq., with the law firm of Marquis Aurbach Coffing.
- e. On August 12, 2019, the Executive Director presented a recommendation relating to just and sufficient cause to a three-member review panel pursuant to NRS 281A.720.
- f. In a Panel Determination issued on August 21, 2019, the Review Panel unanimously found and concluded that:
  - 1) There is sufficient credible evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding the allegations pertaining to NRS 281A.400(1), (2), (7) and (9).
  - 2) Blundo's conduct may be appropriately addressed through corrective action under the terms and conditions of a deferral agreement instead of referring these Complaints to the Commission for further proceedings.
- g. No deferral agreement was presented to the Review Panel for approval. Accordingly, the Review Panel issued a Referral Order on September 11, 2019, referring the Consolidated Complaints to the Commission to render an opinion in the matter.
- h. In lieu of an adjudicatory hearing before the Commission, Blundo now enters into this Stipulated Agreement.

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

- a. Blundo is a Nye County Commissioner elected to the Nye County Board of County Commissioners ("Board") in November 2018, commencing his first term in January 2019.
- b. The Pahrump Tourism Advisory Committee ("PTAC") acts in an advisory capacity to the Board with regard to the promotion of the unincorporated Town of Pahrump so as to increase the number of domestic and international

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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.755. All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Stipulated Agreement.

tourists. Its mission is to encourage the cooperation between public agencies and private persons who have an interest in promoting travel and tourism in Pahrump. The PTAC also makes recommendations to the Board regarding requests for expenditures from the room tax fund generated within the unincorporated Town of Pahrump.

- c. The Town of Pahrump, Nevada disbanded its town board on January 5, 2015 and is managed by the County Manager, Timothy Sutton (“Sutton”), who is also the acting Pahrump Town Manager. Sutton reports to the Board and supervises the staff of PTAC.
- d. The PTAC board is comprised of seven members and two alternates. Members submit applications, are nominated by a majority vote of all active PTAC members and then are appointed by the Board of County Commissioners.
- e. James Horton (“Horton”) was serving as the Chair of PTAC during the relevant time period.
- f. Blundo, in his public capacity as a County Commissioner, was designated as the PTAC Liaison for the Board of County Commissioners.
- g. In his private capacity, Blundo has a fiancé and owns and operates Carmelo’s Bistro, a small restaurant located in Pahrump, Nevada.
- h. On March 28, 2019, Blundo met with certain members of the staff of PTAC in his capacity as the PTAC Liaison for the Board of County Commissioners.
- i. During his meeting with PTAC staff, Blundo expressed his concern that PTAC only focused on large businesses and that it would be expedient for PTAC to consider expanding its focus to feature all businesses in Pahrump including, but not limited to local restaurants, including his own.
- j. After his meeting with PTAC staff, Blundo was removed from the PTAC Liaison position by the Nye County Commission Chair, John Koenig.
- k. In an effort to accommodate Blundo’s requests regarding featuring more businesses in Pahrump, including restaurants, PTAC staff implemented a promotion to focus on local restaurants, including Carmelo’s Bistro.

**5. TERMS / CONCLUSIONS OF LAW:** Based on the foregoing, Blundo 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. Blundo is a public officer, which constitutes a public trust to be held for the sole benefit of the people of the State of Nevada (in particular, the citizens of Nye County).
- c. Blundo has a substantial and continuous business relationship with Carmelo's, which creates a commitment in a private capacity to the interests of the business under NRS 281A.065(5). As the owner of Carmelo's, Blundo also has a significant pecuniary interest in the business. NRS 281A.139.
- d. Blundo has a commitment in a private capacity to the interests of his fiancé.
- e. As a public officer, Blundo has a duty to avoid conflicts of interest. Specifically, Blundo must not use his position in government to: 1) seek any service, favor 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, any business entity in which he has a significant pecuniary interest or any person (or entity) to whom he has a commitment in a private capacity (NRS 281A.400(2)); 3) use government resources to benefit a significant personal or pecuniary interest (NRS 281A.400(7)); or 4) attempt to benefit his or his fiancé's significant personal or pecuniary interest through the influence of a subordinate (NRS 281A.400(9)).
- f. The allegations pertaining to NRS 281A.400(1), (2), (7) and (9) associated with Blundo's alleged attempt to request or secure an appointment to the PTAC board for his fiancé lack sufficient undisputed evidence to support a violation by a preponderance of the evidence and are therefore dismissed through this Stipulated Agreement.
- g. Blundo used his position as a County Commissioner to express his concern that PTAC only focused on large businesses and that it would be expedient for

- PTAC to consider expanding its focus to feature all businesses in Pahrump including, local restaurants such as Carmelo's Bistro, an entity to which he has a commitment in a private capacity and in which he has a significant pecuniary interest, in violation of NRS 281A.400(1) and (2). Blundo's attempt to influence public employees in a matter related to his private business also implicates NRS 281A.400(7) and (9).
- h. Blundo now understands that it is improper for him to use government time or his position as a County Commissioner to make statements or request services/favors in a public capacity that may affect his personal interests.
  - i. Blundo's actions constitute a single course of conduct resulting in one violation of NRS 281A.400(1), (2), (7) and (9).
  - j. Based upon the consideration and application of the statutory mitigating criteria set forth in NRS 281A.775, the Commission concludes that Blundo's violation in this case should not be deemed a willful violation pursuant to NRS 281A.170 and the imposition of a civil penalty is not appropriate for the following reasons:
    - 1. Blundo has not previously been the subject of any violation of the Ethics Law.
    - 2. Neither Blundo nor Carmelo's received any financial benefit from Blundo's conduct.
    - 3. Blundo has been diligent to cooperate with and participate in the Commission's investigation and resolution of this matter.
    - 4. The seriousness of the violation is minimal.
  - k. This Stipulated Agreement also signifies the Commission's public admonishment of Blundo's conduct described herein. See NRS 281A.790(2)(a) ("An admonishment is a written expression of disapproval of the conduct of the public officer or employee.").
  - n. This Stipulated Agreement is intended to apply to and resolve only these Ethics Complaints and is not intended to be applicable to or create any admission of liability for any other proceeding, including administrative, civil, or criminal regarding Blundo. 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.

**6. WAIVER**

- a. Blundo knowingly and voluntarily waives his right to a hearing before the full Commission on the allegations in Ethics Complaint Case Nos. 19-026C and 19-027C and all rights he may be accorded with regard to this matter pursuant to the Ethics Law (NRS Chapter 281A), the regulations of the Commission (NAC Chapter 281A), the Nevada Administrative Procedures Act (NRS Chapter 233B) and any other applicable provisions of law.
- b. Blundo knowingly and voluntarily waives his right to any judicial review of this matter as provided in NRS Chapter 281A, NRS Chapter 233B or any other applicable provisions of law.


**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 October 16, 2019.<sup>2</sup>

DATED this 7<sup>th</sup> day of October, 2019.

FOR LEO BLUNDO,

  
\_\_\_\_\_  
Leo Blundo,  
Subject

DATED this 7<sup>th</sup> day of Oct, 2019.

  
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Brian R. Hardy, Esq.,  
Counsel for Subject

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<sup>2</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.

FOR EXECUTIVE DIRECTOR,  
Nevada Commission on Ethics

DATED this 17<sup>th</sup> day of October, 2019.

  
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Yvonne M. Nevarez-Goodson, Esq.  
Executive Director

Approved as to form by:

FOR NEVADA COMMISSION ON ETHICS

DATED this 17<sup>th</sup> day of October, 2019.

/s/ Tracy L. Chase  
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Tracy L. Chase, Esq.  
Commission Counsel

The above Stipulated Agreement is accepted by the majority of the Commission.<sup>3</sup>

DATED October 17, 2019.

By: /s/ Tracy L. Chase  
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Cheryl A. Lau, Esq.  
Chair

By: /s/ Tracy L. Chase  
\_\_\_\_\_  
Philip K. O'Neill  
Commissioner

By: /s/ Tracy L. Chase  
\_\_\_\_\_  
Keith A. Weaver, Esq.  
Vice-Chair

By: /s/ Tracy L. Chase  
\_\_\_\_\_  
Kim Wallin, CPA  
Commissioner

By: /s/ Tracy L. Chase  
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Barbara Gruenewald, Esq.  
Commissioner

<sup>3</sup>Commissioners Duffrin and Lowry and Yen participated in the Review Panel hearing and are therefore precluded from participating in this Stipulated Agreement pursuant to NRS 281A.220(4).