

1 **BEFORE THE COMMISSION FOR COMMON-INTEREST**
2 **COMMUNITIES AND CONDOMINIUM HOTELS**
 STATE OF NEVADA

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION, DEPARTMENT
5 OF BUSINESS AND INDUSTRY, STATE
6 OF NEVADA,

 Petitioner,

7 vs.

8 DIANA D. STEGEMAN,
9 (CAM.0009065),

 Respondent.

Case No. 2023-180

FILED

OCT 05 2023

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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11 **FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER**

12 This matter came on for hearing before the Commission for Common-Interest
13 Communities and Condominium Hotels, State of Nevada (the "Commission") during a
14 regular agenda set on a three-day stack beginning at 9:00 am on September 26, 2023 (the
15 "Hearing."). Diana D Stegeman ("RESPONDENT") did not appear in person, through
16 counsel, or otherwise. Christal P. Keegan, Deputy Attorney General with the Nevada
17 Attorney General's Office, appeared on behalf of the Real Estate Division of the
18 Department of Business and Industry, State of Nevada (the "Division").

19 Mrs. Keegan advised the Commission that RESPONDENT was aware of her
20 attendance at the hearing, and that her hearing was scheduled for the June 13-15, 2023
21 hearings, but the RESPONDENT requested a continuance, which the Commission
22 granted. The Division sent the RESPONDENT Meeting Re-Notices no later than 30 days
23 prior to the September 26-28, 2023 hearings. The RESPONDENT never filed an Answer
24 as part of the record in the proceedings and did not ask for a second continuance.

25 Therefore, the Commission, having considered the evidence introduced by the
26 Division and being fully advised, enters the following Findings of Fact, Conclusions of Law,
27 and Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code

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1 (NAC) Chapter 116A, the Commission has legal jurisdiction and authority over
2 this matter.

3 FINDINGS OF FACT

4 Based on a preponderance of the evidence in the record and the documents admitted
5 at the Hearing, the Commission voted, with one abstention, to find the following factual
6 allegations were proven:

7 1. As relevant to this Complaint, RESPONDENT'S community manager
8 certificate from the Division (CAM.0009065) was inactive between September 30, 2022 to
9 January 27, 2023, and in active status thereafter. *CICC 089.*

10 2. RESPONDENT'S Management Company, Heritage Management Group
11 L.L.C., manages The Heathers HOA ("Association"). *CICC 086 – CICC 088.*

12 3. On or about December 8, 2022, the Association's Board Director, Kelvin
13 Sakagawa, and Board Secretary ("Complainant"), identified a safety issue with particular
14 light poles on two private properties within the Association. *CICC 074, and CICC 003.*

15 4. The Association's Director reported the safety issues regarding the light poles
16 to the Association's President, Jack Culver. *CICC 074.*

17 5. The Association's Director specified the safety issues presented by the light
18 poles to include an exposed valve with copper tubing sticking out and "someone could get
19 poked", and an open pit that was not marked off. *CICC 074.*

20 6. The Association's President identified Lighting Services of Nevada, Inc.
21 ("Vendor") as the contractor who would be performing the work on the light poles.
22 *CICC 073 – CICC 074.*

23 7. The Association's President did not represent the Vendor was a "handyman."
24 *CICC 073 – CICC 074.*

25 8. The Association's President disclosed the owner of the Vendor as Jim
26 Stegeman, RESPONDENT'S "EX Father In Law." *CICC 074, CICC 069 – CICC 071.*

27 9. The Vendor does not have a contractor's license. *CICC 003, CICC 091.*

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1 10. On December 11, 2022, Complainant submitted a request to RESPONDENT
2 and the Association’s Board Members, President Culver, Vice President Robert Quon,
3 Treasurer Brian Meteyer, and Director Sakagawa (“Heathers Board”) for the itemized bill
4 for the Vendor and details regarding installation of the two light poles. *CICC 009*.

5 11. On December 12, 2022, RESPONDENT replied to Complainant that an
6 invoice had not been received and she was not aware of installation procedures.
7 *CICC 010*.

8 12. On January 4, 2023, Complainants sent a follow-up request to
9 RESPONDENT asking if the itemized invoice for the Vendor was available yet. *CICC 010*.

10 13. On January 5, 2023, the Association’s Board President represented to
11 Complainant that Requests for Proposals were sent out to elicit bids for the work on the
12 light poles. *CICC 082*.

13 14. The Association’s Board President represented that the first set of bids came
14 in at \$4,800 and \$3,200. *CICC 082*.

15 15. Thereafter, allegedly the Vendor submitted a response without a price in the
16 second set of bids. *CICC 082*.

17 16. It is alleged that the Vendor was asked if the work could be done at
18 \$1,600 each. *CICC 082*.

19 17. The Association’s President represented that the Board does “not have to get
20 bids under \$3500 ...”. *CICC 082*.

21 18. On February 21, 2023, Complainants sent a third request to RESPONDENT
22 and the Association for production of documents pertaining to the Vendor and work
23 performed on December 10, 2022. *CICC 005 – CICC 007*.

24 19. On March 13, 2023, a meeting was conducted at RESPONDENT’S alleged
25 remote office between the Complainants and RESPONDENT with some of the
26 Association’s board members in attendance virtually. *CICC 011 – CICC 023*.

27 20. At the meeting, RESPONDENT showed documents to Complainants but
28 refused to allow copies or photos of the documents. *CICC 002, and CICC 049*.

