

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

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

6 Petitioner,

7 vs.

8 STANFORD SQUARE,
9 (Entity Number C5498-1980); JOHN
10 FRAGOLA; ERICH BREISACHER; and
11 DANIEL TEPPER;

11 Respondent.

Case No. 2023-35

FILED

OCT 15 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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

14 This matter came on for hearing before the Commission for Common-Interest
15 Communities and Condominium Hotels, State of Nevada (the "Commission") on
16 Wednesday, September 11, 2024. (the "Hearing") Respondent STANFORD SQUARE
17 ("RESPONDENT ASSOCIATION") appeared by and through their community manager,
18 Chera Wolfe. Phil W. Su, Senior Deputy Attorney General, appeared on behalf of the Real
19 Estate Division of the Department of Business and Industry, State of Nevada (the
20 "Division").

21 The parties agreed to stipulate to the facts and legal violations as set forth in the
22 Complaint. Attorney Su further noted that RESPONDENT ASSOCIATION demonstrated
23 proof of compliance with the two remaining issues by having the Secretary of State remove
24 the administrative hold status on RESPONDENT ASSOCIATION'S entity registration,
25 and by holding two (2) after-hours board meetings, on April 30, 2024, and July 30, 2024.

26 **FINDINGS OF FACT**

27 Based on a preponderance of the evidence in the record and the documents admitted
28 at the Hearing, the Commission hereby finds that the following factual allegations were

1 proven:

2 JURISDICTION AND NOTICE

3 During all relevant times, RESPONDENT ASSOCIATION Stanford Square is a
4 common-interest community located in Stateline, Nevada (Entity Number C5498-1980)
5 and RESPONDENT BOARD MEMBERS John Fragola, Erich Breisacher, and Daniel
6 Tepper served as board members and/or officers of RESPONDENT ASSOCIATION.
7 Therefore, the RESPONDENTS are subject to the provisions of Chapter 116 of each the
8 Nevada Revised Statutes (“NRS”) and the Nevada Administrative Code (“NAC”)
9 (hereinafter collectively referred to as “NRS 116”) and are subject to the jurisdiction of the
10 Division, and the Commission for Common-Interest Communities pursuant to the
11 provisions of NRS 116.750.

12 FACTUAL ALLEGATIONS

13 1. RESPONDENT ASSOCIATION is a common-interest community located in
14 Stateline, Nevada (Entity Number C5498-1980) with 32 units. *CCIC0001*.

15 2. RESPONDENT ASSOCIATION has been organized as a Domestic Non-
16 Profit Cooperative Corporation without Stock pursuant to NRS 81. *CCIC0001; 0003*.

17 3. From 2015 through November 2022, the RESPONDENT ASSOCIATION’S
18 Community Association Management Company was Associa Sierra North, and its
19 Community Association Managers (“CAM”) was Alfonso Alamillo, Jr, Debora Costa, and
20 other miscellaneous managers. *CCIC0030*.

21 4. As of January 2023, the RESPONDENT ASSOCIATION’S Community
22 Association Management Company has been The Management Trust, and its CAM has
23 been Cecilia Lebel. *CCIC0030*.

24 5. At all relevant times, the RESPONDENT ASSOCIATION was governed by
25 RESPONDENT BOARD MEMBERS John Fragola, Erich Breisacher, and Daniel Tepper.
26 *CCIC0002; 0030*.

27 6. The Office of the Ombudsman for Owners in Common-Interest Communities
28 and Condominium Hotels (“Ombudsman”) initiated an audit (“Initial Audit”) of

1 RESPONDENT ASSOCIATION in December 2022, for which it received no response from
2 RESPONDENT ASSOCIATION or its CAM. *CCIC0007-CCIC0013*.

3 7. On February 21, 2023, the Ombudsman referred the Initial Audit to the
4 Division's compliance division for further investigation, after which the investigator issued
5 an initial investigation letter to RESPONDENT ASSOCIATION by and through its
6 registered CAM, Kera Randolph of The Management Trust. *CCIC0014-CCIC0015*.

7 8. On March 17, 2023, the Division issued a Request for Information letter via
8 certified mail to the RESPONDENT ASSOCIATION'S CAM, Kera Randolph of The
9 Management Trust, requesting response by March 26, 2023. *CCIC0016-0017*.

10 9. RESPONDENT ASSOCIATION, through its new CAM, Cecilia Lebel of The
11 Management Trust, sent a response dated March 23, 2023, indicating that owing to its
12 recent acquisition of Stanford Square as an association client and the departure of the
13 previously assigned manager, they could account for only a portion of the records
14 requested. *CCIC0019-0021*

15 10. Per the March 23, 2023, letter, Lebel represented that the following records
16 remained unaccounted for:

- 17 a. Violation Policy;
- 18 b. Executive Session Meeting Minutes (1/1/20-11/30/22);
- 19 c. Agendas and board packets (1/1/20-11/30/22);
- 20 d. CPA Audits 2020;
- 21 e. All financial documentation (1/1/20-11/30/22); and
- 22 f. Invoices and receipts for disbursements from Operating and Reserves
23 funds including Utilities (1/1/20-11/30/22).

24 *CCIC0019-0021*

25 11. On April 11, 2023, the Division communicated with CAM Lebel via email that
26 the administrative hold with the Nevada Secretary of State remained in place and
27 inquired about status. *CCIC0022-025*.

28 12. CAM Lebel indicated that she would "follow up on this and... get back to [the

1 investigator].” *CCIC0022*.

2 13. On April 23, 2023, the Division issued a letter of instruction regarding the
3 Nevada Secretary of State administrative hold and requiring RESPONDENT
4 ASSOCIATION to bring itself into compliance with the Nevada Secretary of State within
5 60 days of the date of the letter. *CCIC0026*.

6 14. The Ombudsman’s audit was reopened on July 25, 2023, (“Reopened Audit”)
7 and completed on August 2, 2023. *CCIC0028*.

8 15. The Reopened Audit identified some issues that were ultimately deemed
9 resolved, such as delinquent annual association registration (Form #562) and delinquent
10 unit fee payment, but also identified other issues remained unresolved as of the date the
11 audit closed, such as anomalies in reporting and an “Administrative Hold” status with the
12 Nevada Secretary of State for unpaid unit fees to the Ombudsman’s Office. *CCIC0028-*
13 *0043*.

14 16. The Ombudsman’s audit recommended referral to a Compliance Audit
15 investigator to address the issues identified by the audit that remained unresolved.
16 *CCIC0038*.

17 17. On September 27, 2023, the Division issued a letter to the RESPONDENT
18 ASSOCIATION and its executive board requesting written response within ten business
19 days of the date of that letter. *CCIC0044-047*.

20 18. Among the allegations asserted in the September 27, 2023, letter, the
21 Division requested confirmation if the RESPONDENT ASSOCIATION held any “meetings
22 outside of standard business hours.” *CCIC0046*.

23 19. On November 8, 2023, RESPONDENT ASSOCIATION, through counsel
24 Donna Zanetti, responded to the Division’s letter and attached exhibits in support of those
25 responses. *CCIC0048-0056*.

26 20. Among the responses asserted by the RESPONDENT ASSOCIATION
27 through counsel, it acknowledged that there were no meetings held during the 2020-2022
28 audit period other than at 1:30 pm or 3:00 pm. *CCIC0054*.

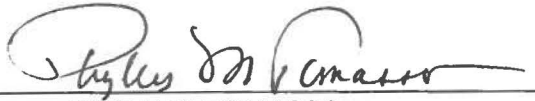
1 violation of law.

2 3. If payment of the total amount due is not actually received by the Division
3 on or before its due date, it shall be construed as a default by RESPONDENT
4 ASSOCIATION. In the event of default, the unpaid balance of the administrative fine and
5 costs, together with any attorney's fees and costs that may have been assessed, shall be
6 due in full to the Division within ten (10) calendar days of the date of default, and the
7 Division may obtain a judgment for the amount owed, including collection fees and costs.

8 4. The Commission retains jurisdiction for correcting any errors that may have
9 occurred in the drafting and issuance of this document.

10 DATED this 15th day of October, 2024.

11 COMMISSION FOR COMMON-INTEREST
12 COMMUNITIES AND CONDOMINIUM HOTELS

13 By: 
14 PHYLIS TOMASSO
15 Chairperson of the Commission

16 Submitted by:

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18 Attorney General of Nevada

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