

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

4 Sharath Chandra, Administrator,
5 Real Estate Division, Department of Business &
6 Industry, State of Nevada,

7 Petitioner,

8 vs.

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

12 Respondents.

Case No. 2023-35

FILED

MAR 26 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

mgallo

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 (“Commission”) on March
16 5, 2024. (the “Hearing”) RESPONDENTS STANFORD SQUARE; JOHN FRAGOLA; ERICH
17 BRISACHER; and DANIEL TEPPER (hereinafter, “RESPONDENTS”) did not appear in person,
18 through counsel, or otherwise, nor did any of those parties file an Answer to the Complaint. Phil W. Su,
19 Esq., Senior Deputy Attorney General with the Nevada Attorney General’s Office, appeared on behalf
20 of the Real Estate Division of the Department of Business and Industry, State of Nevada (the “Division”).

21 Attorney Su called Commission Coordinator Maria Gallo to testify regarding notices sent to the
22 RESPONDENTS and steps taken to effect proper service. The Commission found appropriate service of
23 the notice of the hearing, the complaint and notice thereof, the notice of documents, and all other efforts
24 taken to inform the RESPONDENTS of the matter before the Commission. The Commission thereafter
25 took notice of the documents filed by the Division to substantiate the allegations within the Complaint.

26 After hearing testimony and examining the evidence presented in this matter, and for good cause
27 appearing, the Commission now enters its Findings of Fact, Conclusions of Law, and Order by default
28 against the RESPONDENTS as follows:

///

///

1 **JURISDICTION**

2 During all relevant times, RESPONDENT ASSOCIATION Stanford Square is a common-interest
3 community located in Stateline, Nevada (Entity Number C5498-1980) and RESPONDENT BOARD
4 MEMBERS JOHN FRAGOLA, ERICH BREISACHER, AND DANIEL TEPPER SERVED AS
5 BOARD MEMBERS AND/OR OFFICERS OF RESPONDENT ASSOCIATION. Therefore, the
6 RESPONDENTS are subject to the provisions of Chapter 116 of each the Nevada Revised Statutes
7 (“NRS”) and the Nevada Administrative Code (“NAC”) (hereinafter collectively referred to as “NRS
8 116”) and are subject to the jurisdiction of the Division, and the Commission for Common-Interest
9 Communities pursuant to the provisions of NRS 116.750.

10 **FINDINGS OF FACT**

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

13 2. RESPONDENT ASSOCIATION has been organized as a Domestic Non-Profit
14 Cooperative Corporation without Stock pursuant to NRS 81.

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

18 4. As of January 2023, the RESPONDENT ASSOCIATION’S Community Association
19 Management Company has been The Management Trust, and its CAM has been Cecilia Lebel.

20 5. At all relevant times, the RESPONDENT ASSOCIATION was governed by
21 RESPONDENT BOARD MEMBERS John Fragola, Erich Breisacher, and Daniel Tepper.

22 6. The Office of the Ombudsman for Owners in Common-Interest Communities and
23 Condominium Hotels (“Ombudsman”) initiated an audit (“Initial Audit”) of RESPONDENT
24 ASSOCIATION in December 2022, for which it received no response from RESPONDENT
25 ASSOCIATION or its CAM.

26 7. On February 21, 2023, the Ombudsman referred the Initial Audit to the Division’s
27 compliance division for further investigation, after which the investigator issued an initial investigation
28

1 letter to RESPONDENT ASSOCIATION by and through its registered CAM, Kera Randolph of The
2 Management Trust.

3 8. On March 17, 2023, the Division issued a Request for Information letter via certified mail
4 to the RESPONDENT ASSOCIATION'S CAM, Kera Randolph of The Management Trust, requesting
5 response by March 26, 2023.

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

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

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

19 11. On April 11, 2023, the Division communicated with CAM Lebel via email that the
20 administrative hold with the Nevada Secretary of State remained in place and inquired about status.

21 12. CAM Lebel indicated that she would "follow up on this and... get back to [the
22 investigator]."

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

26 14. The Ombudsman's audit was reopened on July 25, 2023, ("Reopened Audit") and
27 completed on August 2, 2023.

28

1 vote that RESPONDENT has committed the following violations of law by default:

2 1. RESPONDENTS violated NRS 116.3103 pursuant to NRS 116.31083 by failing to hold
3 meetings of the executive board from 2020 through 2022 at least twice annually during times other than
4 standard business hours.

5 2. RESPONDENTS violated NRS 116.3103 pursuant to NRS 116.3101 by failing to bring
6 the association into compliance with the requirements of its corporate status with the Nevada Secretary
7 of State, such that it continues to be subject to an “Administrative Hold” status.

8 **ORDER**

9 Based on the foregoing findings of facts and violations of law, the Commission hereby Orders:
10 RESPONDENTS shall pay the Division a total of \$5,672.90 (“Amount Due”), consisting of \$2,000.00
11 in administrative fines, plus the Division’s fees and costs in the amount of \$3,672.90. The Amount Due
12 shall be paid to the Division within 60 days of the effective date of this Order.

13 If the Amount Due is not actually received by the Division on or before its due date, it shall be a
14 default by RESPONDENTS. In the event of default, the unpaid balance of the administrative fine and
15 costs, together with any attorney’s fees and costs that may have been assessed, shall be due in full to the
16 Division within ten calendar days of the date of default, and the Division may obtain a judgment for the
17 amount owed, including collection fees and costs.

18 The RESPONDENTS are also hereby ordered to appear before the Commission during their June
19 2024 meeting for a status update regarding the correction of the violations alleged herein.

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

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

3 This order shall become effective on the 26th day of March, 2024.

4 DATED this 26th day of March, 2024.

5
6 COMMISSION FOR COMMON-INTEREST
7 COMMUNITIES AND CONDOMINIUM HOTELS

8 By: Phyllis M. Tomasso
9 PHYLLIS TOMASSO
10 Chairperson of the Commission

11 Submitted by:

12 AARON D. FORD
13 Attorney General of Nevada

14 By: /s/ Phil W. Su
15 PHIL W. SU, ESQ.
16 Senior Deputy Attorney General
17 555 E. Washington Avenue, Suite 3900
18 Las Vegas, Nevada 89101
19 (702) 486-3420
20 *Attorneys for Nevada Real Estate Division*