

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
6 OF BUSINESS & INDUSTRY, STATE OF
7 NEVADA,

8 Petitioner,

9 vs.

10 JOHN BIELUN,

11 Respondent.

Case Nos. 2023-622 and 2023-670

FILED

OCT 31 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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12 **COMPLAINT FOR DISCIPLINARY**
13 **ACTION AND NOTICE OF HEARING**

14 The Real Estate Division of the Department of Business and Industry, State of
15 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
16 the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, hereby notifies
17 JOHN BIELUN ("RESPONDENT") of an administrative hearing before the Commission
18 for Common-Interest Communities and Condominium Hotels, State of Nevada, which is
19 to be held pursuant to Chapters 233B and Chapters 116 of the Nevada Revised Statutes
20 ("NRS") and Chapter 116 of the Nevada Administrative Code ("NAC"). The purpose of
21 the hearing is to consider the allegations stated below and to determine if an
22 administrative penalty will be imposed on the RESPONDENTS pursuant to the
23 provisions of NRS and NAC including, but not limited to NRS 116.785 and NRS 116.790.

24 **JURISDICTION AND NOTICE**

25 During all relevant times, RESPONDENT was an executive board
26 member/director of a common-interest community located in Henderson, Nevada, Resort
27 Villa Owners Association (the "Association"), and is, therefore, subject to the provisions
28 of Chapter 116 of each the Nevada Revised Statutes ("NRS") and the Nevada
Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and are

1 subject to the jurisdiction of the Division, and the Commission for Common-Interest
2 Communities and Condominium Hotels pursuant to the provisions of NRS 116.750.

3 **FACTUAL ALLEGATIONS**

4 1. On August 11, 2023, the Division received an Intervention Affidavit (“IA”)
5 (hereinafter “Case 2023-662”) from Complainant Norman Rosensteel alleging that
6 RESPONDENT shared confidential executive session information with non-board
7 members and that RESPONDENT attempted to interfere with the sale of his home by
8 sharing correspondence containing that confidential information with realtor Claudia
9 Marion of Keller Williams. **CICCH001-020.**

10 2. The Case 2023-662 IA involved a unit owner, Mike Doyle, making a
11 fictitious sexual harassment allegation against Complainant Rosensteel during the April
12 26, 2023, board of directors meeting. **CICCH005-006.**

13 3. The Board subsequently held an executive session, which RESPONDENT
14 attended. **CICCH005-006.**

15 4. Doyle subsequently discussed details with the executive board members
16 that could only have been obtained from those who attended the executive session.
17 **CICCH005-006; 044.**

18 5. Complainant Rosensteel believed that RESPONDENT, alone, was
19 responsible for the disclosure of confidential information from the executive session,
20 based on RESPONDENT’S “long history of attempted intimidation against others in the
21 community,” which drove some past members of the board to resign due to
22 RESPONDENT’S actions. **CICCH005-006.**

23 6. On August 11, 2023, the Division received a second, related Intervention
24 Affidavit (hereinafter “Case 2023-670”) from Complainant James D. McCoy, who at the
25 time was president of the Association’s executive board. **CICCH022-043.**

26 7. McCoy requested that RESPONDENT be disciplined for disclosing
27 confidential information related to another owner, and that “the disclosure led to the
28 publication of allegedly defamatory statements and interfered with the former

1 director/owner's ability to sell his residence." **CICCH021-022.**

2 8. Included with the Case 2023-670 IA were a copy of a June 8, 2023, cease
3 and desist letter sent from Association's counsel, John Leach, demanding
4 RESPONDENT cease taking Board action without Board authority; cease disclosing
5 confidential information related to another owner; and cease engaging in bullying
6 behavior and creating a hostile environment within the Association. **CICCH023-028.**

7 9. On June 14, 2023, RESPONDENT responded to Leach's cease and desist
8 letter denying allegations. **CICCH029-030.**

9 10. On November 17, 2023, Attorney Leach sent another cease and desist letter
10 to RESPONDENT, based on its receipt of documentation that RESPONDENT posted the
11 Association's unredacted legal invoices from Attorney Leach on a website controlled by
12 RESPONDENT. **CICCH0061-063.**

13 11. On February 21, 2024, CAM Joseph Ventura provided Investigator Pitch
14 with copies of screenshots from a webpage/forum named "It Takes a Village," upon which
15 were posted unredacted billing invoices from Attorney Leach's firm to the Association's
16 board in late 2023. **CICCH045-060; 114.**

17 12. CAM Ventura noted that RESPONDENT'S email address,
18 reggyrifle@yahoo.com, was found on one of the open tabs in one of the images, strongly
19 suggesting that RESPONDENT supplied the unredacted billing invoices. **CICCH045-**
20 **060; 058.**

21 **DIVISION INVESTIGATOR REQUESTS FOR INFORMATION AND**
22 **RESPONSES**

23 13. On October 12, 2023, Investigator Pitch sent an open investigation letter
24 and request for information ("RFI") for Case 2023-670, directed to the RESPONDENT,
25 regarding the allegations in that IA. **CICCH102-104.**

26 14. On October 17, 2023, RESPONDENT sent a reply letter denying the
27 allegation and any involvement in Doyle's dissemination of the false allegations against
28 Complainant Rosensteel and attaching exhibits in support of his denials. **CICCH105-**

1 111.

2 15. On December 8, 2023, Division Investigator Christina Pitch sent an open
3 investigation and RFI for Case 2023-662, addressed to the Association's executive board,
4 asking for responses to allegations that RESPONDENT disclosed confidential
5 information related to another unit owner. **CICCH064-065.**

6 16. On December 10, 2023, RESPONDENT responded to Investigator Pitch's
7 RFI for Case 2023-662 with a response letter substantially similar to the one he sent for
8 Case 2023-670. **CICCH066.**

9 17. On January 3, 2024, board president McCoy responded to Investigator Pitch
10 affirming the underlying facts concerning Complainant Rosensteel's IA for Case 2023-
11 662, including dissemination of the details of the May 2023 executive session to Mr.
12 Doyle. **CICCH067-068.**

13 18. Board president McCoy also requested the Division take action to remove
14 RESPONDENT from the Association board due to his "lack of trust and integrity" and
15 misuse of executive privilege to access and unlawfully distribute homeowners'
16 confidential information. **CICCH068-069.**

17 19. On January 10, 2024, board member Richard Burgess provided a further
18 narrative regarding four occasions where he alleged RESPONDENT shared confidential
19 board communications with non-board members, and attached documents supporting
20 those allegations. **CICCH070-099.**

21 20. On January 17, 2024, Investigator Pitch sent a second RFI for Case 2023-
22 662, addressed to President McCoy, regarding other board members who might have a
23 conflict of interest with the allegations against RESPONDENT. **CICCH100-101.**

24 21. On April 3, 2024, Investigator Pitch sent a second RFI for Case 2023-670
25 addressed to the Association's executive board, with cc: to RESPONDENT, requesting
26 response to the additional allegation raised by Attorney Leach, that RESPONDENT
27 accessed the restricted director portal, downloaded confidential, unredacted legal
28 invoices, and shared those documents with non-board members. **CICCH112-113.**

1 NAC 116.405(1) by failing to exercise ordinary and reasonable care when he acted
2 outside the scope of his authority granted in the governing documents by providing
3 details regarding the May 2023 executive session to non-board member Michael Doyle.

4 4. RESPONDENT willfully and knowingly violated NRS 116.3103 through
5 NAC 116.405(1) by failing to exercise ordinary and reasonable care when he acted
6 outside the scope of his authority granted in the governing documents by providing the
7 association's unredacted legal invoices from Attorney John Leach's firm to be posted on
8 the "It Takes a Village" website, where it would be seen by non-board members.

9 **DISCIPLINE AUTHORIZED**

10 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
11 116.790 the Commission has discretion to take any or all of the following actions:

12 1. Issue an order directing Respondent to take affirmative action to correct
13 any conditions resulting from the violation.

14 2. Impose an administrative fine of up to \$1,000 for each violation by
15 Respondent.

16 3. Order the Respondent to pay the costs of the proceedings incurred by the
17 Division, including, without limitation, the cost of the investigation and reasonable
18 attorney's fees.

19 4. Approve application to a court of competent jurisdiction for the appointment
20 of a receiver for the Respondent.

21 The Commission may order one or any combination of the discipline described
22 above.

23 **NOTICE OF HEARING**

24 **PLEASE TAKE NOTICE** that a disciplinary hearing has been set to consider
25 this Administrative Complaint against the above-named RESPONDENT in accordance
26 with Chapters 233B and 116 of the Nevada Revised Statutes and Chapter 116 of the
27 Nevada Administrative Code.

1 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
2 for December 3-5, 2024, beginning at approximately 9:00 a.m. each day, or until such
3 time as the Commission concludes its business. The Commission meeting will be held at
4 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room,
5 Las Vegas, Nevada 89102 on December 3 – 4, 2024, with videoconferencing to
6 Department of Business & Industry, Division of Insurance, 1818 E. College Parkway,
7 Suite 103, Carson City, Nevada 89706. The Commission meeting will be held at the
8 Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las
9 Vegas, Nevada 89102 on December 5, 2024, with videoconferencing to Department of
10 Business and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103,
11 Carson City, Nevada 89706

12 **STACKED CALENDAR: Your hearing is one of several hearings that may**
13 **be scheduled at the same time as part of a regular meeting of the Commission**
14 **that is expected to take place on December 3-5, 2024. Thus, your hearing may**
15 **be continued until later in the day or from day to day. It is your responsibility**
16 **to be present when your case is called. If you are not present when your**
17 **hearing is called, a default may be entered against you and the Commission**
18 **may decide the case as if all allegations in the complaint were true. If you**
19 **need to negotiate a more specific time for your hearing in advance because of**
20 **coordination with an out of state witness or the like, please call Maria Gallo,**
21 **Commission Coordinator, at (702) 486-4074.**

22 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is
23 an open meeting under Nevada’s open meeting law and may be attended by the public.
24 After the evidence and arguments, the commission may conduct a closed meeting to
25 discuss your alleged misconduct or professional competence. You are entitled to a copy of
26 the transcript of the open and closed portions of the meeting, although you must pay for
27 the transcription. As a RESPONDENT, you are specifically informed that you have the
28 right to appear and be heard in your defense, either personally or through your counsel

1 of choice. At the hearing, the Division has the burden of proving the allegations in the
2 complaint and will call witnesses and present evidence against you. You have the right
3 to respond and to present relevant evidence and argument on all issues involved. You
4 have the right to call and examine witnesses, introduce exhibits, and cross-examine
5 opposing witnesses on any matter relevant to the issues involved.

6 You have the right to request that the Commission issue subpoenas to compel
7 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
8 you may be required to demonstrate the relevance of the witness' testimony and/or
9 evidence. Other important rights and obligations, including your obligation to answer
10 the complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
11 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC
12 116.635 and NRS Chapter 233B.

13 Note that under NAC 116.575, not less than five (5) working days before a
14 hearing, RESPONDENT must provide to the Division a copy of all reasonably available
15 documents that are reasonably anticipated to be used to support his position, and a list
16 of witnesses RESPONDENT intend to call at the time of the hearing. Failure to provide
17 any document or to list a witness may result in the document or witness being excluded
18 from RESPONDENT'S defense.

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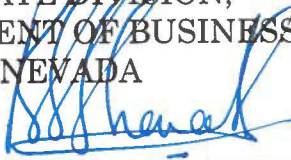
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1 The purpose of the hearing is to determine if the RESPONDENT has violated the
2 provisions of NRS 116, and to determine what administrative penalty is to be assessed
3 against RESPONDENT.

4 DATED this 30 day of OCTOBER, 2024.

6 REAL ESTATE DIVISION,
7 DEPARTMENT OF BUSINESS & INDUSTRY,
8 STATE OF NEVADA

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