NU-68453

_		
1	Case No. 14-CV-00128	
2	Pursuant to NRS 239B.030, the undersigned	2015 1111 11 014 1 11
3	affirms that the following document does not contain the social security number of any person.	2015 JUL 14 PM 4: 14
4		COUNT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5	JOHN L. MARSHALL SBN 6733	Indrea Inderson
6	570 Marsh Avenue Reno, Nevada 89509	FILED
7	Telephone: (775) 303-4882	JUL 17 2015
8	Attorney for Petitioners Comstock Residents Association, Gayle Sherman, Joe	CLERK CLE K/LINDEMAN
9	McCarthy	BY ALLING CONT
10		
11	IN THE THIRD JUDICIAL D OF THE STATE OF	
12	IN AND FOR LYON	COUNTY
13	COMSTOCK RESIDENTS ASSOCIATION,	
14	GAYLE SHERMAN, JOE McCARTHY	
15	Petitioners,	
16	v.	
17	LYON COUNTY BOARD OF	
18	COMMISSIONERS; COMSTOCK	
19	MINING INCORPORATED	
20	Respondents,	
21		
22		
23	PETITIONERS COMSTOCK RES	IDENTS ASSOCIATION
24	AND JOE McCARTHY'S NO	TICE OF APPEAL
25	Nation is hereit and that the Company hereit	ut American and Inc. McConthu
26	Notice is hereby given that the Comstock Reside	
27	Petitioners above named, hereby appeal to the Supren	ne Court of Nevada from the following
NE	final judgment and orders entered in this action:	
	ED	
		15-21-

**Citization** 

¥ F

7*0*0 15-2

1	
1	1. Order Denying Petition for Judicial Review, entered on June 15, 2015, attached
2	hereto as Exhibit A.
3	2. Order Granting in Part and Denying in Part Plaintiffs' Motion to Augment the
4	Record, entered on June 10, 2015, attached hereto as Exhibit B.
5	3. Order Granting in Part and Denying in Part Motion to Dismiss, entered on
6	December 5, 2014, attached hereto as Exhibit C.
7	
8	Dated: July 1, 2015.
9	Respectfully submitted,
10	
11	By
12	John L. Marshall, SBN 6733 570 Marsh Avenue
13	Reno, NV 89509 775.303.4882
14	
15 16	Attorney for Petitioners Comstock Residents Association and Joe McCarthy
10	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

NOTICE OF APPEAL

and the second second

٠

I. I. :

1	
2	CERTIFICATE OF SERVICE
3	I hereby certify that the foregoing Notice of Appeal was served on the parties by mailing a
4	copy thereof on the $\underline{\mu}$ th day of July, 2015, by United States mail, postage prepaid to:
5	Steven B. Rye
6	District Attorney 31 S. Main Street
7	Yerington, NV 89447
8	
9	James R. Cavilla Allison, MacKenzie, Pavlakis, Wright & Fagan
10	402 N. Division Street Carson City, NV 89703
11	(A)
12	THAN I
13	the local second s
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
	NOTICE OF APPEAL 3

1

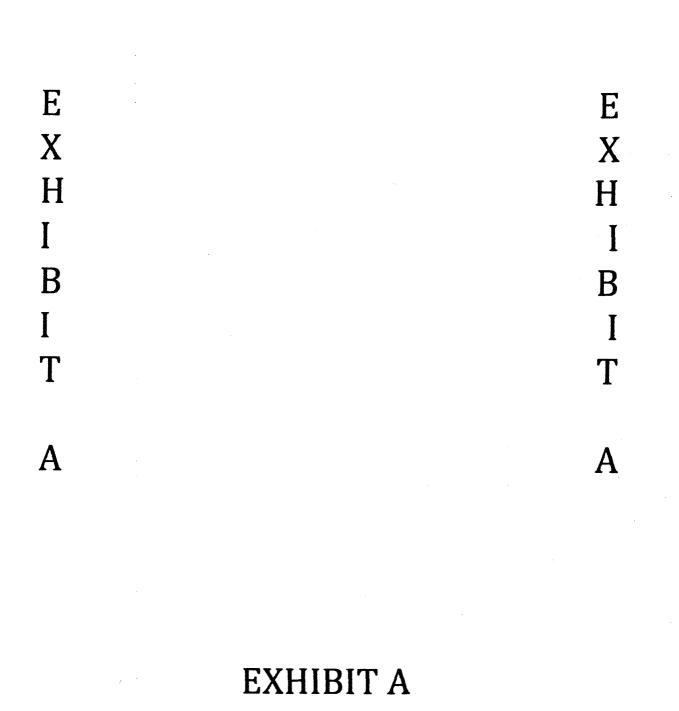
٠

3

J

EXHIBIT A

Ĵ,



L	,	
	1	Case No. 14-CV-00128
	2	Dept. No. Senior Judge 2015 JUN 15 PM 2: 57
	3 4	The undersigned hereby affirms this document does not contain a social security number. DeAnn Peepies
	5	
, Fernley, Nevada	6	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
	7 8	IN AND FOR THE COUNTY OF LYON
39447 · 565 East Main Street, Femley, Nevada	9 10 11	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY, Plaintiffs/Petitioners,
:t Attorney of Nevada Yerngton, Nevada 89447	12 13	vs. LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING
Distric , State	14	INCORPORATED, Defendants/Respondents,
of the	15	NOTICE OF ENTRY OF ORDER
Office Lyon C 9403 · 31 S	16 17	Please take notice that the Court entered its Order Denying Petition for Judicial Review
, Nevada 6	18	on June 5, 2015. A copy of the Order is attached hereto.
08, Dayton	19	DATED this 15 day of June, 2015.
C L 801 Overland Loop, Suite 308, Dayton, Nevada 89403	20	STEPHEN B. RYE
rerland Lo	21	
<b>901</b> O	22	Agle Dry
	23 24	By: STEPHEN B. RYE DISTRICT ATTORNEY
	24	31 South Main Street
	26	Yerington, NV 89447 775-463-6511
	27	Attorney for Respondent/Defendant Lyon County Board of Commissioners
	28	
		-1-

. L •

1	Certificate of Service
2	The undersigned, an employee of the Lyon County District Attorney, certifies that on
3	the 15th day of June, 2015, a copy of the foregoing Notice of Entry of Order and Order
4	was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County
5	Administrative Offices, addressed to:
6	John L. Marshall, Esq.
7	570 Marsh Ave. Reno, NV 89509
8	
9 10	James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis
11	Wright & Fagan, Ltd. 402 N. Division Street
12	Carson City, NV 89703
13	Dated this day of June, 2015.
14	andfree
15	Employee
16	
17	
18	
19	
20	
21	•
22	
23	
24	
25	
26	
27	
28	
	-2-

Office of the District Attorney Lyon County, State of Nevada 801 Overland Loop, Suite 308, Dayton, Nevada 89403 • 31 South Main Street, Yerington, Nevada 89447 • 555 East Main Street, Femley, Nevada

• £

<u>э</u>		
1	Case No. 14-CV-00128	
2	Dept. No. II	
3		2015 JUN - 5 PM 1: 51
4		COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5		Tanya Sceiring DEPUTY
6	IN THE THIRD JUDICIAL DISTRICT CO	
7	IN AND FOR THE CO	OUNTY OF LYON
8		
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,	
10	Plaintiffs/Petitioners,	
11	VS.	
12 13	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED,	
14	Defendants/Respondents,	
15		
16	ORDER DENYING PETITION	FOR JUDICIAL REVIEW
17	Plaintiffs/Petitioners, Comstock Residents	Association, Gayle Sherman, and Joe
18	McCarthy, (collectively "CRA") filed a Comp	plaint for Injunctive and Declaratory
19	Relief/Petition for Judicial Review on January 31, 2	2014. The Complaint alleged four causes
20	of action: (1) Violations of Nevada Open Meeting L	aw; (2) denial of Due Process; (3) Abuse
21	of Discretion; and (4) Violation of NRS 278.220.	Comstock Mining, Inc. ("CMI") filed its
22	Answer on March 28, 2014. Lyon County filed its	Answer on March 27, 2014. On June 6,
23	2014, Lyon County submitted to the Court a Motio	on to Dismiss or in the alternative Motion
24	for Summary Judgment in which CMI joined, req	uesting that the Court dismiss the first,
25	second and fourth causes of action (the "Motion to	o Dismiss"). On December 3, 2014, the
26	Court issued an Order Granting in Part and Den	lying in Part the Motion to Dismiss and
27	dismissed the first and second causes of action.	The Court further ordered the parties to
28		

.

J

prepare and the parties did prepare a briefing schedule on the third and fourth causes of
 action (collectively the "Petition for Judicial Review").

After being fully briefed, this matter came before the Court for hearing on April 20, 2015. James R. Cavilia, Esq., and Justin Townsend, Esq., of Allison MacKenzie, Ltd., appeared representing CMI. Stephen B. Rye, Lyon County District Attorney, appeared representing Lyon County. John L. Marshall, Esq. appeared representing CRA. The Court reviewed the pleadings and all documents on file, the applicable law, and considered the arguments of the parties.

Good cause appearing, the Court makes the following Findings of Fact, Conclusions of Law, and Orders.

### Findings of Fact:

- The entire record on appeal (the "Record") has been presented to the Court and the Court has reviewed it in its entirety.
- 2. The Record contains testimony and evidence both in favor of and against CMI's Application for a Master Plan Amendment and Zone Change (the "Application").
- The Record reflects that there was presented to the governing body testimony from the public, surveyors, engineers, land use planners, CRA members, CRA's attorney, and environmental experts.
  - 4. The Record further reflects that Lyon County considered the environmental impacts and the compatibility of the requested changes to the surrounding area and whether the changes were permitted under and consistent with the goals and policies of the Lyon County Comprehensive Master Plan.
- 5. On December 10, 2013, the Lyon County Planning Commission considered CMI's Application and voted to recommend that the Lyon County Board of Commissioners deny the Application. Thereafter, Lyon County planning staff prepared and delivered to the Board of Commissioners reports on the Planning Commission's action with respect to the Application.
- 28

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

- 6. The Board of Commissioners considered CMI's Application on January 2, 2014 and, after a public hearing in which the testimony and evidence outlined above were presented, deliberated and voted to approve a Master Plan Amendment and Zone Change.
  - 7. On January 30, 2015, the Board of Commissioners sent a letter to the Planning Commission notifying the Planning Commission of its decision approving the Application.
- 8. On February 11, 2014, the Planning Commission held a regularly-scheduled meeting and considered the Board of Commissioners' decision on the Master Plan Amendment and determined therein to prepare and send a report back to the Board of Commissioners in which they expressed their concerns regarding the Board's decision.
- 9. On March 6, 2014, the next available regularly-scheduled Board of Commissioners meeting, the Board considered the Planning Commission's report and voted unanimously to acknowledge receipt of the same.

## Conclusions of Law:

- It is well-settled law in Nevada that the Court is constrained in judicial review of land use and zoning decisions to a review of the Record for abuse of discretion and that the Court may not substitute its judgment for that of the Lyon County Board of Commissioners absent a showing of manifest abuse of discretion. <u>McKenzie v. Shelly</u>, 77 Nev. 237, 362 P.2d 268 (1961); <u>City Council of Reno v.</u> <u>Irvine</u>, 102 Nev. 277, 721 P.2d 371 (1986).
- 2. The Lyon County Board of Commissioners' decision to approve the Application to amend the master plan and zoning will not be overturned absent a showing that said decision lacks support in the form of substantial evidence. <u>Stratosphere Gaming Corp. v. City of Las Vegas</u>, 120 Nev. 523, 96 P.3d 756 (2004). Substantial evidence is that which a reasonable mind could accept as sufficient to

Ì

-3-

support a conclusion. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010).

- 3. The Record contains substantial evidence, as noted in the Findings of Fact above, which a reasonable mind could accept as sufficient to support the Board of Commissioners' decision to amend the master plan and zoning.
- 4. The Board of Commissioners, in relying on the substantial evidence before it, did not abuse its discretion in amending the master plan and zoning and, whether or not the Court agrees with the Board's decision, the Court will not disturb the decision of the Board of Commissioners.
- NRS 278.220(4), which requires that the Board of Commissioners refer its decision to amend the master plan to the Planning Commission for a report, is ambiguous.
  - 6. The Planning Commission was provided notice of the Board of Commissioners' decision and reported back to the Board of Commissioners, and the Court concludes that NRS 278.220(4) does not require the Board to vote again after receipt of the Planning Commission's report.
  - 7. The actions of the Board of Commissioners in reporting its decision to the Planning Commission and subsequently accepting the Planning Commission's report complied with NRS 278.220(4).

Based on the foregoing, and good cause appearing,

Dated this 5th day of May, 2015.

IT IS HEREBY ORDERED that the Petition for Judicial Review is DENIED in its
 entirety.

IT IS FURTHER ORDERED that judgment is entered in favor of
 Defendants/Respondents on the Third and Fourth Causes of Action.

25

3

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

26 27

DISTRICT JUDGE

.4.

EXHIBIT B

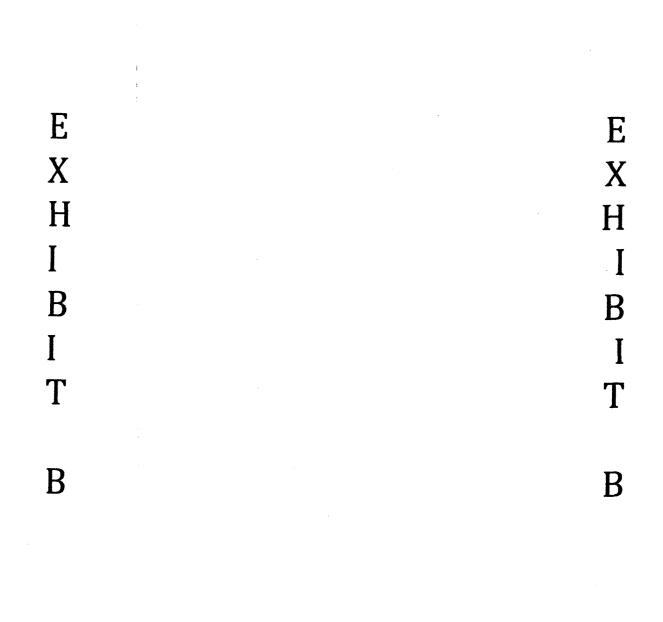


EXHIBIT B

, •	د	
	1	Case No. 14-CV-00128
	2	
	3	The undersigned hereby affirms this COURT ADMINISTRATE COURT ADMINISTRATE
	4 5	number.  KATHY THOMAS  NEPUTY
	6	neputy
	Nevada 7	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
	eet, Fernier 8	IN AND FOR THE COUNTY OF LYON
	565 East Main Street, Ferniey, Nevada 0 6 8 2	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
	· 11	Plaintiffs/Petitioners,
ney /ada	12	VS.
of the District Attorney county, State of Nevada	13 14	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED,
of the Di Sunty, S Main Si		Defendants/Respondents,
office yon C	16	NOTICE OF ENTRY OF ORDER
5	17	Please take notice that the Court entered its Order Granting in Part and Demvine in P
Jayton, Ne	18	is a function to Augment Record on June 5, 2015. A copy of the Order is attached berote
Suite 308, E	19 20	DATED this _/O_day of June, 2015.
801 Overland Loop, Suite 308, Deyton, Nevada 8	21	ROBERT L. AUER DISTRICT ATTORNEY
801 Over	22	S A TORNET
	23 24	By: Stephen B. RYE
	24	CHIEF DEPUTY DISTRICT ATTORNEY 31 South Main Street
	26	Yerington, NV 89447 775-463-6511
	27	Attorney for Respondent/Defendant
	28	Lyon County Board of Commissioners
		-1-

1. 1.

ł

•

-

Certificate of Service         The undersigned, an employee of the Lyon County District Attomey, certifies that on the 10 <sup>th</sup> day of June, 2015, a copy of the foregoing Notice of Entry of Order and Order was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County         Administrative Offices, addressed to:         John L, Marshall, Esq.         570 Marsh Ave.         8         9         James R, Cavilla, Esq.         570 Marsh Ave.         8         9         James R, Cavilla, Esq.         570 Marsh Ave.         8         9         James R, Cavilla, Esq.         570 Marsh Ave.         8         9         James R, Cavilla, Esq.         570 Marsh Ave.         10         11         10         11         12         12         13         14         15         16         17         17         18         19         19         20         21         22         23         24         26	<u>.</u>		
Certificate of Service         The undersigned, an employee of the Lyon County District Attorney, certifies that on the	•	د •	
The undersigned, an employee of the Lyon County District Attomey, certifies that on the <u>LCth</u>			Certificate of Service
theLCTM day of June, 2015, a copy of the foregoing Notice of Entry of Order and Order was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County Administrative Offices, addressed to: John L. Marshall, Esq. 570 Marsh Ave. Reno, NV 89509 James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd. 402 N. Division Street Carson City, NV 89703 Dated this [D <sup>th</sup> ] day of June, 2015. Markenzie 10 11 12 13 14 15 16 17 18 19 22 23 24 25 26 27 28			
<pre>vas mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County Administrative Offices, addressed to: John L. Marshall, Esq. 570 Marsh Ave, Reno, NV 89509 James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis Wright &amp; Fagan, Ltd. 402 N. Division Street Carson City, NV 89703 Dated this 10 Dated this 10<sup>th</sup> day of June, 2015. Employee  10 11 12 22 23 24 25 26 27 28 </pre>			the 10th day of June, 2015, a conv of the foregoing Notice of Ext.
Administrative Offices, addressed to: John L. Marshall, Esq. 570 Marsh Ave. Reno, NV 89509 James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd. 402 N. Division Street Carson City. NV 89703 Dated this 10 <sup>th</sup> day of June, 2015. Dated this 10 <sup>th</sup> day of June, 2015. Employee 10 22 23 24 25 26 27 28			was mailed, postage prepaid by placing the energy in the press in the
John L. Marshall, Esq. 570 Marsh Ave, Reno, NV 89509 James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd. 402 N. Division Street Carson City, NV 89703 Dated this 10 <sup>th</sup> day of June, 2015. Dated this 10 <sup>th</sup> day of June, 2015. Employee 10 11 12 13 14 15 16 17 17 18 19 20 21 23 24 25 26 27 28			Administrative Offices, addresses to
Employee Employee Employee Employee Employee	/acta		
Employee Employee Employee Employee Employee	nley. Nev	7	570 Marsh Ave.
Employee Employee Employee Employee Employee	. 565 East Main Street. Ferni	8	Reno, NV 89509
Employee Employee Employee Employee Employee		9	James R. Cavilia, Esq. Allison, MacKenzia, Poulatia
Employee Employee Employee Employee Employee		10	Wright & Fagan, Ltd.
Employee Employee Employee Employee Employee	a 89447	11	Carson City, NV 89703
Employee Employee Employee Employee Employee	rrney Vada n, Nevad	12	Dated this 10th day of June 2015
Employee Employee Employee Employee Employee	ct Atto s of Ne Yeringto	13	
000       17         18       19         20       21         21       22         23       24         25       26         27       28		1	adden
000       17         18       19         20       21         21       22         23       24         25       26         27       28	B of the Count		Employee
23 24 25 26 27 28	Offic Lyon <sup>403</sup> · <sup>31</sup>		
23 24 25 26 27 28	avada 89.		
23 24 25 26 27 28	ayton, N		
23 24 25 26 27 28	ite 308, D		
23 24 25 26 27 28	Loop, Su		•
23 24 25 26 27 28	Overland		
24         25         26         27         28	80		j
25 26 27 28			
26 27 28			
27 28			
28			
		28	
-2-			-2-

|

.

	1 Case No. 14-CV-00128
	2 Dept. No. II
	3 2015 JUN - 5 PM 1:51
	4 COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
į	Tanya Sceirine
ŧ	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
7	
٤	
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
10	Plaintiffs/Petitioners,
11	VS.
12 13	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED,
14	Defendants/Respondents,
15	
16	ORDER GRANTING IN PART AND DENYING IN PART
17	PLAINTIFFS' MOTION TO AUGMENT RECORD
18	Plaintiffs/Petitioners, Comstock Residents Association, Gayle Sherman, and Joe
19	McCarthy, (collectively "CRA"), filed a Motion to Augment the Record on December 16,
20	2014. Defendant/Respondent, Lyon County, and Defendant/Respondent, Comstock
21	Mining, Inc. ("CMI"), jointly filed an Opposition to the Motion on January 2, 2015. CRA filed
22	Reply on January 9, 2015.
23	This matter came before the Court for hearing on April 20, 2015. James R. Cavilia,
24	Esq., and Justin Townsend, Esq., of Allison MacKenzie, Ltd., appeared representing CMI.
25	Stephen B. Rye, Lyon County District Attorney, appeared representing Lyon County. John
26	L. Marshall, Esq. appeared representing CRA. The Court reviewed the pleadings and all
27	documents on file, the applicable law, and considered the arguments of the parties.
28	

.

-1-

Good cause appearing, the Court makes the following Findings of Fact, Conclusions of Law, and Order.

# Findings of Fact:

1. CRA seeks to augment the record on appeal (the "Record") by adding thereto the entirety of the 2010 Lyon County Comprehensive Master Plan (the "Master Plan"), certain emails between Plaintiff/Petitioner Gayle Sherman and Lyon County Commissioner Vida Keller, and certain letters from John L. Marshall, Esq. to Lyon County Commissioners Bob Hastings and Vida Keller.

2. CRA also requests that the Court take judicial notice of the official minutes of the December 23, 2010 meeting of the Lyon County Board of Commissioners, portions of election contribution reports for Lyon County Commissioners Bob Hastings, Vida Keller, and Chuck Roberts, and a May 2, 2014 letter from the Lyon County District Attorney's Office to John L. Marshall, Esq. concerning a public records request.

3. Lyon County and CMI consented to the Court taking judicial notice of the entirety of the Master Plan, although all relevant portions thereof are already included in the Record. Lyon County and CMI also stipulated to the addition to the Record of the emails between Plaintiff/Petitioner Gayle Sherman and Commissioner Keller and the letters from John L. Marshall, Esq. to Commissioners Hastings and Keller. Conclusions of Law:

 In judicial review of land use and zoning matters, all that the Court may consider is the evidence that was available and presented to the governing body when the final decision was made. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010); NRS 233B.135(1)(b).

2. Except for those items to which Lyon County and CMI have consented, the items CRA seeks to have added to the Record were not part of the Record before the governing body and may not be considered by the Court in this action.

28 ||///

-2-

Based on the foregoing, and good cause appearing,

IT IS HEREBY ORDERED that the Motion is GRANTED as to those items to which
Lyon County and CMI specifically stipulated, which are (a) that the Court take judicial notice
of the entirety of the Master Plan, which is included as Exhibit A to CRA's Motion; (b) that
the Record is augmented to include the emails between Plaintiff/Petitioner Gayle Sherman
and Commissioner Keller, which are included as Exhibit D to CRA's Motion; and (c) the
letters from John L. Marshall, Esq. to Commissioners Hastings and Keller, which are
included as Exhibit F to CRA's Motion.

IT IS FURTHER ORDERED that the remaining portions of the Motion are DENIED.

127.5

EXHIBIT C

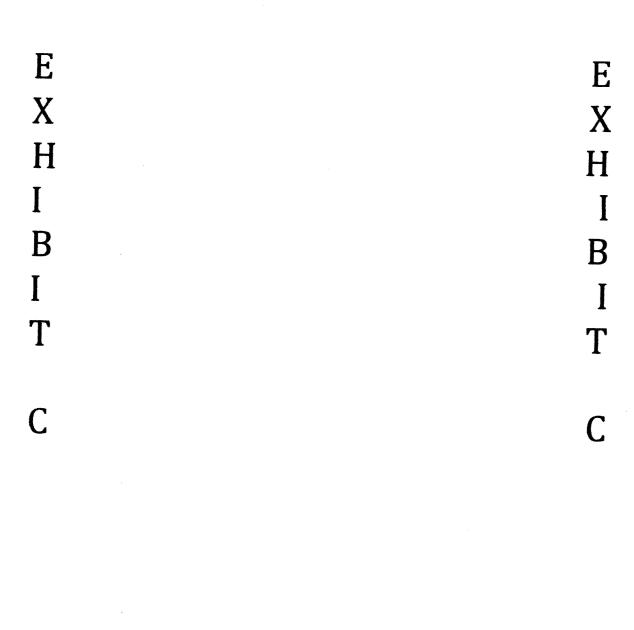


EXHIBIT C

	,	
	1	
		Case No. 14-CV-00128
	2	Dept. No. Senior Judge
	3	The undersigned hereby affirms this document does not contain a social security
	4 5	number.
	6	
eveda	7	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
emley, N	8	IN AND FOR THE COUNTY OF LYON
565 East Main Street, Femley, Neveda	9	
	3 10	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
1 · 202 I	11	Plaintiffs/Petitioners,
1 eda 8944	12	vs.
e District Attorney y, State of Nevada an Street, Yerington, Nev	13	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED,
e Distric ty, State ten Street	14 15	Defendants/Respondents,
ce of the n County 31 South Me	16	NOTICE OF ENTRY OF ORDER
Office Lyon C 89403 · 31 S	17	Please take notice that the Court entered its Order Granting in Part and Denying in Part
Nevada	18	Motion to Dismiss on December 3, 2014. A copy of the Order is attached hereto.
) L 301 Overland Loop, Suite 308, Dayton, Neveda 69403	19	DATED this <u></u> day of December, 2014.
Suite 30	20	
nd Loop.	21	ROBERT L. AUER DISTRICT ATTORNEY
01 Overle	22	$\mathbf{S}$
Ű	23	By: Ogta Dig
• .	24	STEPHEN B. RYE CHIEF DEPUTY DISTRICT ATTORNEY
	25	31 South Main Street Yerington, NV 89447
	26	775-463-6511
	27	Attorney for Respondent/Defendant Lyon County Board of Commissioners
	28	Lyon County Board of Commissioners
		-1-

-----

.

٠	۲		,
	1	Certificate of Service	
	2	Certificate of Service	
	3	The undersigned, an employee of the Lyon County District Attorney, certifies that on	
	4	the day of December, 2014, a copy of the foregoing Notice of Entry of Order and	
	5	Order was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon	
	6	County Administrative Offices, addressed to:	
Nevada	7	John L. Marshall, Esq.	
lct Attorney e of Nevada I, Yerington, Nevada 89447 • 565 East Main Street, Femley, Nevada	8	570 Marsh Ave. Reno, NV 89509	
un Street	9	James R. Cavilia, Esq.	
6 East Mai	10	Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd.	
H7 · 565	11	402 N. Division Street	
У а vada 894	12	Carson City, NV 89703 SHN	
t Attorney of Nevada erington, Nev	13	Dated this $\underline{\mathcal{DT}}$ day of December, 2014.	
District A State of Steel, Yeri	14	undbar	
of the Di county, S outh Main St	15	Employee	
31 50	16		
Offi Lyo 89403 ∵	17		
801 Overtand Loop, Suite 308, Deyton, Neveda 8940	18		
18, Dayto	19		
o, Suite 30	20		
and Loop	21		
B01 Over	22		
-	23		
	24		
	25		
	26		
	27		
	28		
		-2-	

	1 Case No. 14-CV-00128
	2 Dept. No. 11
	3 2014 DEC -3 PH 12: 25
	4 COUNT AND STRUCT
	5 DeAnn Peoples
1	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
	IN AND FOR THE COUNTY OF LYON
8	3
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY;
10	Plaintiffs/Petitioners,
11	VS.
12 13	COMMISSIONERS: COMSTOCK MINING
14	INCORPORATED,
14	Defendants/Respondents,
16	ORDER GRANTING IN PART AND DENYING IN PART MOTION TO DISMISS
17	Comstock Residents Association, Plaintiff/Petitioner herein, ("CRA") filed a Complaint
18	for Injunctive and Declaratory Relief/Petition for Judicial Review. The Complaint included
19	four causes of action: (1) Violations of Nevada Open Meeting Law; (2) Denial of Due
20	Process; (3) Abuse of Discretion; (4) Violation of NRS 278.220. Comstock Mining, Inc.
21	("CMI") filed its Answer on March 28, 2014. Lyon County filed its Answer on March 27,
22	2014. On June 10, 2014, Lyon County filed a Motion to Dismiss or in the alternative Motion
23	for Summary Judgment, requesting that the Court dismiss the first, second and fourth
24	causes of action. CMI filed a joinder in the Motion on June 13, 2014. CRA filed its
25	Opposition to the Motion on July 3, 2014. Lyon County filed its Reply on July 29, 2014.
26	This matter came before this Court for hearing on September 10, 2014, James R
27	Cavilia, Esq., and Justin Townsend, Esq., Allison, MacKenzie, Pavlakis, Wright and Fagan
28	Ltd., appeared representing CMI. John L. Marshall, Esq. appeared representing CRA.

-1-

	1 Stephen B. Rve. I von County Chief Days in The	
	<ol> <li>Stephen B. Rye, Lyon County Chief Deputy District Attorney, appeared representing L</li> <li>County. The Court reviewed the also time</li> </ol>	<i>y</i> on
	<ul> <li>County. The Court reviewed the pleading and all documents on file, the applicable law, a</li> <li>considered the arguments of the parties.</li> </ul>	ind
	<ul> <li>On October 23, 2014, the Court held a hearing to issue the ruling on the pend</li> <li>motions before the Court.</li> </ul>	ng
i	- 11	
	<ul> <li>Good cause appearing, the Court makes the following findings and Order.</li> <li>Findings of Fact:</li> </ul>	
ξ		
S	<ol> <li>Citizens have alternative methods to pursue some of the claims in the Complaint</li> <li>CRA filed a complaint under the Open Martine to</li> </ol>	
10	2. CRA filed a complaint under the Open Meeting Law alleging essentially: (1) the Board of County Commissioners hold a meeting	ət
11	the Board of County Commissioners held a meeting or deliberated outside of a agendized meeting in violation of the Open Meeting law; and, (2) the agenda iter	n
12	was not specific enough, and the Board took action that was not specified on the	n
13	agenda.	э
14	3. CRA alleges in the complaint that two commissioners met on January 1, 2014, in violation of the Neural D	
15	violation of the Nevada Open Meeting law.	•
16	4. The Complaint does not contain allegations that more than two commissioners	
17	met outside of an agendized meeting. CRA allegees in its Opposition that a third	
18	commissioner met with a representative of the applicant and that representative	
19	as present at the January 1, 2014 meeting.	
20	5. The complaint and opposition do not include an allegation that supports or	
21	establishes any senal meeting.	
22	6. CRA filed a cause of action for violation of due process based on a conflict of	
23	The thrust of the County Commissioners. The thrust of the CRA complaint in	
24	that a Commissioner must recuse him or herself when a reasonable person would	
25    26	perceive a conflict of interest.	
20	7. CRA alleges that Commissioner Keller received compensation from CMI.	
28	o. Commissioner Keller stated in the record that she consulted with the Nevada	
	Commission on Ethics and the Lyon County District Attorney.	
	-2-	

	9. Commissioner Kollor diss	
	9. Commissioner Keller disclosed on the record prior to her decision what connections were with CMI.	her
	10. No person or entity objected at the hearing to Commissioner Keller's participation in the hearing.	tion
	11. Representatives of CRA were present at the Planning Commission and Cou	
	Commission public hearings on the CMI Applications.	nty
	12. CRA alleges that campaign contributions to certain board members rose to t	
	level creating a conflict of interest, and that said members were required to recu	he
	decision.	
1(	13. CRA filed a cause of action alleging that Lyon County did not follow NRS 278.22	
1.	man espect to the CMI Applications.	20
12	Conclusions of Law:	
13	1. A motion to dismiss a claim under NRCP 12(b)(5) tests the legal sufficiency of th	
14	sharry set out against the moving party and such a motion should be granted it	.
15	appears beyond doubt that the plaintiff is entitled to no relief under any act	
16	facts that could be proved in support of the claim. <u>Washoe Medical Center, Inc. v</u>	T
17	<u>-remarce insurance Co.</u> , 112 Nev. 494, 915 P.2d 288 (1996)	
18	2. The Court must balance the rights granted citizens to challenge acts by the	
19	government with the rights of the governing body and rights of citizens who may	;
20	or may not oppose the actions of the government.	
21	3. The Board of County Commissioners' meetings are subject to the Nevada Open	
22	Meeting law.	
23	4. The allegations in the Complaint together with the factual showing in CRA's	
24	opposition brief for a violation of the Nevada Open Meeting law are factually	
25	dencient to state claim under the Nevada Open Meeting law	
26	5. A meeting is defined as a gathering of a quorum of members of the public body to	
27	deliberate towards a decision. NRS 241.015(2). A quorum is defined as a simple	
28	majority of the members of the board. NRS 241.015(5).	
	-3-	
		1

•

**.** 

- The Nevada Open Meeting Law is not intended to inhibit all private discussions of public issues. <u>Dewey v. Redevelopment Agency of City of Reno</u>, 119 Nev. 87, 94-95, 64 P.3d 1070, 1075 (2003) (citing <u>McKay v. Board of Cty. Comm'rs</u>, 103 Nev. 490, 495–96, 746 P.2d 124, 127 (1987).
  - 7. The Nevada OML prevents or prohibits collective deliberations or actions where a quorum is present. The complaint alleges that only two County Commissioners were present at the specific meeting held January 1, 2014, alleged to be the violation.
  - 8. Serial meetings are also prohibited under the Nevada OML if such serial meetings constitute deliberations. In this case, the complaint and opposition brief do not sufficiently allege a serial meeting or any serial deliberation. The facts alleged in the complaint and opposition brief do not constitute a serial meeting as defined in the Nevada Open Meeting Law or pursuant to the Nevada Supreme Court decision of <u>Del Papa v. Bd. of Regents</u>, 114 Nev. 388, 956 P.2d 770 (1998).
  - 9. The agenda items challenged by CRA for the January 2, 2014, County Commissioner agenda are clear and complete in accordance with NRS 241.020.
- 10. The action of the Board of Commissioners did not exceed the scope of the clear and complete agenda items. NRS 241.020(2)(c)(1) requires that discussion at a public meeting cannot exceed the scope of a clearly and completely stated agenda topic. <u>Sandoval v. Bd. of Regents of Univ.</u>, 119 Nev. 148, 154, 67 P.3d 902, 905 (2003). The Board complied with the applicable provisions of Nevada law with respect to the agenda topics.

11. CRA has not stated a claim under the Nevada Open Meeting Law.

12. The Commissioners made adequate disclosures related to CMI prior to consideration of the agenda items and decision on the CMI Applications. Therefore, the Commissioners were allowed to deliberate on the matter. See NRS 281A.420(1).

-4-

•	1	13. A public official who are
	2	13.A public official who properly discloses the items mentioned in NRS 281A.420(1) is permitted to deliberate and write
	3	denotrate and vote on the matter in question unloss the time
	4	of a reasonable person in the public officer's position would be materially affected by" the disclosed item(s). NRS 281A.420(3).
	5	10000 hem(s). NRS 281A,420(3)
	6	14.A public official is presumed not to be materially affected by the gift, loan, significant pecuniary interest, or seen it
	7	significant pecuniary interest, or commitment to another's interests if the benefit to the public officer is not greater than the
	8	the public officer is not greater than that accruing to any other person affected by the matter in question. NRS 281.420(4).
	9	15. The complaint does not contain sufficient all
1	0	15. The complaint does not contain sufficient allegations to support a claim that there was an actual or perceived conflict of interest requiring that any Board members recuse themselves from the state interest requiring that any Board members
1	1	recuse themselves from the decision under the relevant standards set forth in
1.	2	Nevada and federal law.
1;	3	16. Nevada law does not require recusal based upon campaign contributions if they are property reported.
14		are property reported. See NRS 281A.420(2)(a); Nevada Attorney General
15		Opinion 1998-29.
16		17.CRA has not stated a claim for violation of due process in the Complaint in file herein.
17		
18		18. The Lyon County Commissioners have ultimate authority to make changes to the master plan pursuant to NDD of
19		pursuant to NRS Chapter 278 and NRS 278 220 K //
20		NRS 270.220, the statute provides a remedy NRS 278 200 to
21		y making change may be made.
22 23		19.NRS 278.220 carries its own remedy in that before that change can be made, which the court understands it was
23 24		sourt understands that the Board of Commissioner has the the
24		, a suir requires a report by the Planning Commission Million in
25 26		a shange that change may or may not be beneficial and that it
20		Commission or why the statute states that it as
28		Commission must make a report. The Comstock Residents argue that the county
~		

`**s** 

-5-

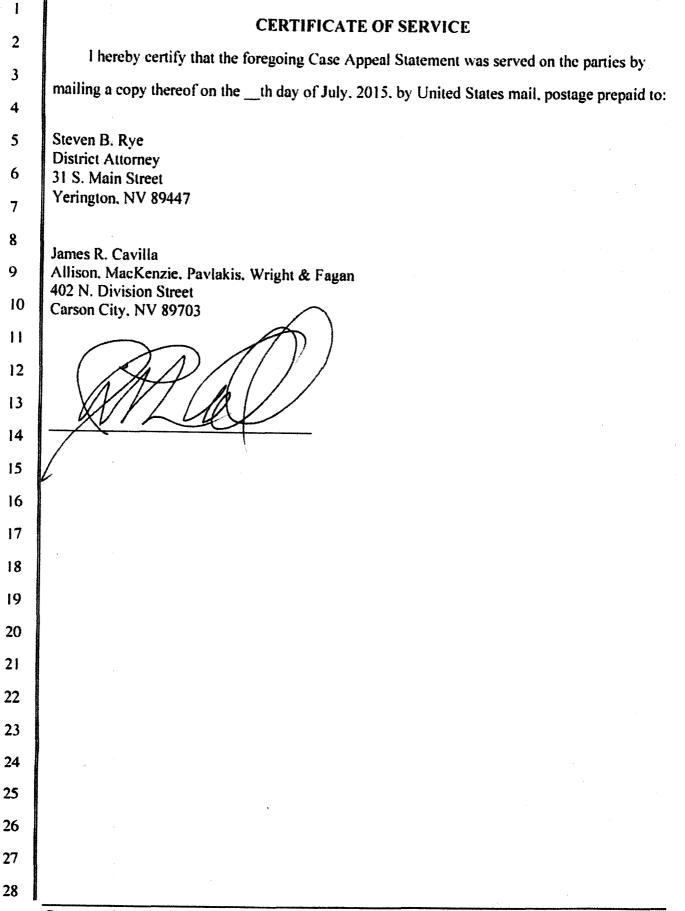
put the cart before the horse. The Court agrees. The violation of NRS 278.220 is not dismissed. Based on the foregoing, and good cause appearing, IT IS HEREBY ORDERED that the Motion to Dismiss with respect to the First Cause of Action, Nevada Open Meeting Law Violation, is GRANTED, and the First Cause of Action is DISMISSED with prejudice and without leave to amend. IT IS FURTHER ORDERED that the Second Cause of Action, Due Process, is GRANTED, and the Second Cause of Action is DISMISSED with prejudice and without leave to amend. IT IS FINALLY ORDERED that the Motion to Dismiss the Fourth Cause of Action, NRS 278.220, is DENIED. Dated this \_ and day of November, 2014. -6-

1	Case No. 14-CV-00128
2	Pursuant to NRS 239B.030, the undersigned 2015 JUL 14 PM 4:58
3	affirms that the following document does not
4	JOHN L. MARSHALL
5	SBN 6733 570 Marsh Avenue
6	Reno, Nevada 89509
7	Telephone: (775) 303-4882 Attorney for Petitioners Comstock
8	Residents Association, Gayle Sherman, Joe McCarthy
9	
10	IN THE THIRD JUDICIAL DISTRICT COURT
11	OF THE STATE OF NEVADA IN AND FOR LYON COUNTY
12	
13	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY
14	
15	Petitioners,
16	<b>v</b> .
17	LYON COUNTY BOARD OF
18	COMMISSIONERS; COMSTOCK MINING INCORPORATED
19	Respondents,
20	/
21	
22	CASE APPEAL STATEMENT
23	
24	I. Name of appellant filing this case appeal statement: Comstock Residents Association and
25	Joe McCarthy.
26	2. Identify the judge issuing the decision, judgment or order appealed from: The
27	Honorable Robert Estes, Senior Judge.
28	

	1	
ł	3.	Identify each appellant and counsel:
2		a. Comstock Residents Association
3		Counsel: John L. Marshall
4		570 Marsh Avenue
5		Reno, Nevada 89509 775.303.4882
6		johnmarshall@charter.net
7		b. Joe McCarthy
8		Counsel: John L. Marshall
9		570 Marsh Avenue
		Reno, Nevada 89509 775.303.4882
10		johnmarshall@charter.net
11		
12	4.	Identify each respondent and counsel:
13		a. Lyon County Board of Commissioners
14		Counsel: Steven B. Rye
15		District Attorney
16		31 S. Main Street
10		Yerington, NV 89447
17		b. Comstock Mining Incorporated
18		Counsel: James R. Cavilla
19		Allison, MacKenzie, Pavlakis, Wright & Fagan 402 N. Division Street
20		Carson City, NV 89703
21	5.	All counsel listed above are licensed to practice in the State of Nevada.
22	6.	Appellants were represented by retained counsel in the district court.
23		
24	7.	Appellants are represented by retained counsel on appeal.
25	8.	Appellants were not granted leave to appear in forma pauperis.
26	9.	Proceedings commenced in the district court on January 31, 2014.
27	10	Comstock Residents Association (CRA). Gayle Sherman and Joe McCarthy sued
28	Lyon County	y and Comstock Mining Incorporated (CMI) over Lyon County's approval of
		L STATEMENT 2

I	CMI's application to change the longstanding Lyon County Comprehensive Master Plan and
2	zoning designations to allow mining within Silver City, Nevada, where CRA members and Joe
3	McCarthy live and/or work. The District Court dismissed a number of claims brought by
4	Plaintiffs/Petitioners related to the approval (i.e., violations of the Nevada Open Meeting Law
5	(First Cause of Action) and due process (Second Cause of Action)). After briefing on the merits
6	of the remaining judicial review claims, the District Court ruled in favor of Lyon County and
7 8	
o 9	CMI and denied Appellants' Petition for Judicial Review and all relief sought. Appellants
í0	appeal from the District Court's final judgment denying the judicial writ petition, its order
11	dismissing their First and Second Claims for Relief, and its order denying in part Appellants'
12	Motion to Augment the Record.
13	11. This case has not been subject of a previous appeal.
14	12. This appeal involves no issues of child custody or visitation.
15	13. This case likely involves no possibility of settlement.
16	Dated: July (4.2015.
17	Respectfully submitted.
18 19	$\mathcal{A}$
20	Ву
21	John L. Marshall, SBN 6736 570 Marsh Avenue
22	<sup>7</sup> Reno, NV 89509 775.303.4882
23	Attorney for Petitioners Comstock Residents
24	Association and Joe McCarthy
25	
26	
27 28	

Ł



# COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE MCCARTHY, LYON COUNTY BOARD OF COMMISIONERS, COMSTOCK MINING, INC ~ COMPLAINT

Court: 14-CV-00128

Type: Other Real Property Case Status: Closed Age: 529 days Active Age: 490 days CaseID: 14-157 Received Date: 1/31/2014 Status Date: 6/5/2015

Involvements

Primary Involvements <u>COMSTOCK RESIDENTS ASSOCIATION</u> Plaintiff <u>SHERMAN, GAYLE</u> Plaintiff <u>MCCARTHY, JOE</u> Plaintiff <u>LYON COUNTY BOARD OF COMMISIONERS</u> Defendant <u>COMSTOCK MINING, INC</u> Defendant Other Involvements <u>Cavilia, James R. Esq.</u> Defendant's Attorney <u>Marshall, John Esq.</u> Plaintiff's Attorney Third Judicial District Court (14-CV-00128) <u>Estes, Honorable Robert</u> Judge

## Other Real Property Case

1. NRCP 3 ~ COMPLAINT Occurred: 1/31/2014 COMSTOCK RESIDENTS ASSOCIATION Plaintiff Disposition: Summary Judgment Dispo Date: 6/5/2015 COMSTOCK MINING, INC Defendant Disposition: Summary Judgment Dispo Date: 6/5/2015 Lead/Active: True

#### Case Status History

1/31/2014 1:47:00 PM | Open 6/5/2015 1:47:00 PM | Closed

#### **Documents**

1/31/2014 Complaint for Declaratory and Injunctive Relief-Petition for Writ of Mandate of Judicial Review.pdf - Filed 1/31/2014 Summons.pdf - Issued

Notes: Added from Document Scanning session.

1/31/2014 Civil Cover Sheet.pdf - Filed

Notes: Added from Document Scanning session.

2/25/2014 Affidavit of Service.pdf - Filed

Notes: Added from Document Scanning session.

2/25/2014 Acceptance of Service.pdf - Filed

Notes: Added from Document Scanning session.

3/27/2014 Lyon County Board of Commissioners Answer to Complaint.pdf - Filed

Notes: Added from Document Scanning session.

3/28/2014 Comstock Mining Incorporated's Answer to Complaint.pdf - Filed

USTWARE

7/14/2015 5:51:21 PM

Agency: Third Judicial District Court

Notes: Added from Document Scanning session. 4/1/2014 Order of Recusal and Transferring Case to Dept I.pdf - Filed Notes: Added from Document Scanning session. 5/2/2014 Order of Recusal.pdf - Filed Notes: Added from Document Scanning session. 5/5/2014 Request for a Senior Judge.pdf - For Court Use Only 6/10/2014 Motion to Dismiss (Lyon County ).pdf - Filed Notes: Added from Document Scanning session. 6/10/2014 Memorandum of Temporary Assignment-Robert Estes-Supreme Court.pdf - Filed Notes: Added from Document Scanning session. 6/10/2014 Notice of Assignment by Clerk.pdf - Filed Notes: Added from Document Scanning session. 6/10/2014 Record on Appeal.pdf - Filed Notes: Added from Document Scanning session. 6/10/2014 Board of Commissioners 1-2-14 Sign In Sheet (mtg)(p. 508-510).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates #1-3050\Board of Commissioners 1-2-14 Sign in Sheet (mtg)(p. 508-510).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\Bob Hastings Disclosure Statement(p. 511).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\County Commission Agenda Packet 1-2-14 (p. 1-507).pdf - Filed Notes: Exhibit to Record on Appea; 6/10/2014 Doc. Bates # 1-3050\County Commission Minutes 12-5-13 (p. 522-523).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\Disclosure Statements and Motions (p. 515-521).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\January 2, 2014 County Commission Meeting Minutes (p. 524-533).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\Maureen Williss Documents and Notices (p. 534-544).pdf - Filed Notes: Exhibit to Record on Appeal Exhibit to Record on Appeal 6/10/2014 Doc. Bates # 1-3050\Vida Keller Disclosure Statement (p. 512-514).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Aug 14, 2013 Planning Dept Letter to Andrew Motter Manhard (p.582-588).pdf -Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Aug 16, 2013 Letter from Manhard (p. 589-630).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Bound Materials Part II (p. 739-833).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\CMI Master Plan and Zone Change App Dated Aug 2013 (p.549-581).pdf - Filed Notes: Exhibit to Record to Appeal 6/10/2014 Add materials from Planning File\December 13, 2010 Letter from CMI (p. 545-548).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\January 8, 2014 Letter from Manhard (p.853-866).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Materials Delivered to Plan Comm Members by CRA For 11-12-13 Mtg (p. 631-Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Misc. Maps, check and other docs (Planning file)(p. 834-840).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Planning Commission Sign In Sheet December 10, 2013 (p. 841-848).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 Add materials from Planning File\Planning Commission Sign in Sheet November 12, 2013(p.849-852).pdf - Filed Notes: Exhibit to Record on Appeal 6/10/2014 PLAN COMM 12.10.2013.wav - Filed Notes: Audio Exhibit to Record on Appeal 6/10/2014 CMI-1-2-14 #2.wav - Filed Notes: Audio Exhibit to Record on Appeal Commissioner Mtg 1-2-14 6/10/2014 CM 1-2-14 #3.wav - Filed IUSTWARE

**IUSTWARE** 

Notes: Audio Exhibit to Record on Appeal Commissioner Mtg 1-2-14 6/10/2014 CMI 1-2-14 #1.wav - Filed Notes: Audio Exhibit to Record on Appeal Commissioners Mtg 1-2-14 6/10/2014 PLAN COMM MTG 11.12.13.wav - Filed Notes: Audio Exhibit to Record on Appeal Planning Commission Mtg 11-12-13 6/13/2014 Joinder to Defendant Lyon County Board of Comm Motion to Dismiss.pdf - Filed Notes: Added from Document Scanning session. 7/3/2014 Motion to Amend Complaint-Petition.pdf - Filed Notes: Added from Document Scanning session. 7/3/2014 Opposition to Motion to Dismiss.pdf - Filed Notes: Added from Document Scanning session. 7/7/2014 Setting Memo.pdf - Filed Notes: Added from Document Scanning session. 7/25/2014 Opposition to Plaintiffs-Petitioner' Motion to Amend Complaint-Petition.pdf - Filed Notes: Added from Document Scanning session. 7/29/2014 Lyon County Board of Commissioners' Opposition to Motion to Amend Complaint Petition.pdf - Filed Notes: Added from Document Scanning session. 7/29/2014 Lyon County Board of Comm Reply to Oppo to Mtn to Dismiss, or in alternative, Mtn for Partial Summ Judgment.pdf - Filed Notes: Added from Document Scanning session. 8/5/2014 CRA's Reply to Lyon Co. and CMI's Opposition to Motion to Amend Complaint.pdf - Filed Notes: Added from Document Scanning session. 9/25/2014 Setting Memo (2).pdf - Filed Notes: Added from Document Scanning session. 10/14/2014 CRA's Notice of Supplementary Authority Re Motion to Amend.pdf - Filed Notes: Emailed to Judge Estes 10-14-14 @ 3:10 p.m. Added from Document Scanning session. 10/16/2014 Lyon County's Objection to Court's Consideration of CRA's Supplemental Authority.pdf - Filed Notes: Emailed to Judge Estes 10/16/14 2:54 p.m. Added from Document Scanning session. 10/21/2014 Objection to Court's Consideration of CRA's Supplemental Authority.pdf - Filed Notes: Emailed to Judge Estes 10/21/14. Added from Document Scanning session. 11/5/2014 Transcript - Decision - 10-23-14 (2).pdf - Filed Notes: Added from Document Scanning session. 12/3/2014 Order Denying Plaintiffs Motion to Amend.pdf - Filed Notes: Added from Document Scanning session. 12/3/2014 Order Granting in Part and Denying in Part Motion to Dismiss.pdf - Filed Notes: Added from Document Scanning session. 12/3/2014 Stipulation and Order Regarding Briefing Schedule.pdf - Filed Notes: Added from Document Scanning session. 12/8/2014 Notice of Entry of Order (Order Denying Plaintiff's Motion to Amend).pdf - Filed Notes: Added from Document Scanning session. 12/8/2014 Notice of Entry of Order (Order Granting in Part and Denying in Part Motion to Dismiss).pdf - Filed Notes: Added from Document Scanning session. 12/15/2014 Memorandum of Points & Authorities in Opposition to Peition for Judicial Review.pdf - Filed Notes: Added from Document Scanning session. 12/16/2014 MotionTo Augment Record and or Request for Judicial Notice.pdf - Filed Notes: Added from Document Scanning session. 12/16/2014 Comstock Residents Association's Opening Brief on Petition for Judicial Review.pdf - Filed Notes: Added from Document Scanning session. 1/2/2015 Supplement to Record on Appeal-See exhibit folder.pdf - Filed Notes: Exhibits in folder named Supplement to Record on Appeal 1/2/2015 Joint Opposition of Respondents Lyon County Board of Commissioners & Comstock Mining to Mtn to Augment Record.pdf - Filed Notes: Added from Document Scanning session. 1/2/2015 Supplement to Record on Appeal 11-12-13 Materials from CRA presented to Planning Commission\Silver City Presentation to Lyon County 1 V3 w-SC Response FINAL (1).pdf - Filed 1/2/2015 Supplement to Record on Appeal 11-12-13 Materials from CRA presented to Planning Commission\SC Interviews 10-2013 draft5.mov - Filed 1/9/2015 Reply.pdf - Filed Notes: Added from Document Scanning session. 1/9/2015 Opposition.pdf - Filed

7/14/2015 5:51:21 PM

Notes: Added from Document Scanning session. 1/12/2015 Memorandum Of Points & Authorities in Oppo to Opening Brief.pdf - Filed Notes: Added from Document Scanning session. 1/16/2015 Mem of Points and Authorities in Reply to Comstock Residents Association's Oppo Brief in Support of Petition for Judicial Review.pdf - Filed Notes: Added from Document Scanning session. 1/20/2015 Oral Argument Requested.pdf - Filed Notes: Added from Document Scanning session. 1/27/2015 Request to Submit for Decision.pdf - Filed Notes: Added from Document Scanning session. 3/3/2015 Setting Memo (4-20-15).pdf - Filed Notes: Added from Document Scanning session. 4/10/2015 Letter from S. Rye to Judge Estes.pdf - For Court Use Only Notes: Added from Document Scanning session. 4/27/2015 Transcript of Proceedings Motion April 20, 2015.pdf - Filed Notes: Emailed to Judge Estes 4/29/15. Added from Document Scanning session. 6/5/2015 Order.pdf - Filed Notes: Added from Document Scanning session. 6/5/2015 Order (2).pdf - Filed Notes: Added from Document Scanning session. 6/10/2015 Notice of Entry of Order Deying Petition for Judicial Review.pdf - Filed Notes: Added from Document Scanning session. 6/15/2015 Notice of Entry of Order.pdf - Filed Notes: Added from Document Scanning session. 7/14/2015 Petitioners Comstock Residents Association and Joe McCarthy's Notice of Appeal.pdf - Filed Notes: Added from Document Scanning session.

**USTWARE** 

7/14/2015 5:51:21 PM

ι	
1	Case No. 14-CV-00128
2	Dept. No. II 2015 JUN - 5 PM 1: 51
3	TANYA SCARDUT
4	COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5	Laura Deisane
6	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
7	IN AND FOR THE COUNTY OF LYON
8	
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
10	Plaintiffs/Petitioners,
11	VS.
12	LYON COUNTY BOARD OF
13	COMMISSIONERS;COMSTOCK MINING INCORPORATED,
14	Defendants/Respondents,
15	
16	ORDER DENYING PETITION FOR JUDICIAL REVIEW
17	Plaintiffs/Petitioners, Comstock Residents Association, Gayle Sherman, and Joe
18	McCarthy, (collectively "CRA") filed a Complaint for Injunctive and Declaratory
19	Relief/Petition for Judicial Review on January 31, 2014. The Complaint alleged four causes
20	of action: (1) Violations of Nevada Open Meeting Law; (2) denial of Due Process; (3) Abuse
21	of Discretion; and (4) Violation of NRS 278.220. Comstock Mining, Inc. ("CMI") filed its
22	Answer on March 28, 2014. Lyon County filed its Answer on March 27, 2014. On June 6,
23	2014, Lyon County submitted to the Court a Motion to Dismiss or in the alternative Motion
24	for Summary Judgment in which CMI joined, requesting that the Court dismiss the first,
25	second and fourth causes of action (the "Motion to Dismiss"). On December 3, 2014, the
26	Court issued an Order Granting in Part and Denying in Part the Motion to Dismiss and
27	dismissed the first and second causes of action. The Court further ordered the parties to
28	

ŧ

-1-

prepare and the parties did prepare a briefing schedule on the third and fourth causes of
 action (collectively the "Petition for Judicial Review").

After being fully briefed, this matter came before the Court for hearing on April 20, 2015. James R. Cavilia, Esq., and Justin Townsend, Esq., of Allison MacKenzie, Ltd., appeared representing CMI. Stephen B. Rye, Lyon County District Attorney, appeared representing Lyon County. John L. Marshall, Esq. appeared representing CRA. The Court reviewed the pleadings and all documents on file, the applicable law, and considered the arguments of the parties.

9 Good cause appearing, the Court makes the following Findings of Fact, Conclusions
10 of Law, and Orders.

## Findings of Fact:

- The entire record on appeal (the "Record") has been presented to the Court and the Court has reviewed it in its entirety.
- 2. The Record contains testimony and evidence both in favor of and against CMI's Application for a Master Plan Amendment and Zone Change (the "Application").
- The Record reflects that there was presented to the governing body testimony from the public, surveyors, engineers, land use planners, CRA members, CRA's attorney, and environmental experts.
- 4. The Record further reflects that Lyon County considered the environmental impacts and the compatibility of the requested changes to the surrounding area and whether the changes were permitted under and consistent with the goals and policies of the Lyon County Comprehensive Master Plan.
- 5. On December 10, 2013, the Lyon County Planning Commission considered CMI's
   Application and voted to recommend that the Lyon County Board of
   Commissioners deny the Application. Thereafter, Lyon County planning staff
   prepared and delivered to the Board of Commissioners reports on the Planning
   Commission's action with respect to the Application.
- 28

11

12

13

14

15

16

17

18

19

20

21

22

-2-

- 6. The Board of Commissioners considered CMI's Application on January 2, 2014 1 2 and, after a public hearing in which the testimony and evidence outlined above 3 were presented, deliberated and voted to approve a Master Plan Amendment and Zone Change. 4 5 7. On January 30, 2015, the Board of Commissioners sent a letter to the Planning 6 Commission notifying the Planning Commission of its decision approving the 7 Application. 8 8. On February 11, 2014, the Planning Commission held a regularly-scheduled 9 meeting and considered the Board of Commissioners' decision on the Master 10 Plan Amendment and determined therein to prepare and send a report back to 11 the Board of Commissioners in which they expressed their concerns regarding the 12 Board's decision. 13 9. On March 6, 2014, the next available regularly-scheduled Board of 14 Commissioners meeting, the Board considered the Planning Commission's report 15 and voted unanimously to acknowledge receipt of the same. 16 **Conclusions of Law:** 17 1. It is well-settled law in Nevada that the Court is constrained in judicial review of 18 land use and zoning decisions to a review of the Record for abuse of discretion 19 and that the Court may not substitute its judgment for that of the Lyon County 20 Board of Commissioners absent a showing of manifest abuse of discretion. 21 McKenzie v. Shelly, 77 Nev. 237, 362 P.2d 268 (1961); City Council of Reno v. 22 Irvine, 102 Nev. 277, 721 P.2d 371 (1986). 23 2. The Lyon County Board of Commissioners' decision to approve the Application to 24 amend the master plan and zoning will not be overturned absent a showing that 25 said decision lacks support in the form of substantial evidence. Stratosphere 26 Gaming Corp. v. City of Las Vegas, 120 Nev. 523, 96 P.3d 756 (2004). 27 Substantial evidence is that which a reasonable mind could accept as sufficient to 28
  - -3-

support a conclusion. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010).

- 3. The Record contains substantial evidence, as noted in the Findings of Fact above, which a reasonable mind could accept as sufficient to support the Board of Commissioners' decision to amend the master plan and zoning.
- 4. The Board of Commissioners, in relying on the substantial evidence before it, did not abuse its discretion in amending the master plan and zoning and, whether or not the Court agrees with the Board's decision, the Court will not disturb the decision of the Board of Commissioners.
- 5. NRS 278.220(4), which requires that the Board of Commissioners refer its decision to amend the master plan to the Planning Commission for a report, is ambiguous.
  - 6. The Planning Commission was provided notice of the Board of Commissioners' decision and reported back to the Board of Commissioners, and the Court concludes that NRS 278.220(4) does not require the Board to vote again after receipt of the Planning Commission's report.
- 7. The actions of the Board of Commissioners in reporting its decision to the
   Planning Commission and subsequently accepting the Planning Commission's
   report complied with NRS 278.220(4).

Based on the foregoing, and good cause appearing,

IT IS HEREBY ORDERED that the Petition for Judicial Review is DENIED in its
 entirety.

IT IS FURTHER ORDERED that judgment is entered in favor of
 Defendants/Respondents on the Third and Fourth Causes of Action.

day of May, 2015.

25

Dated this Sth

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

20

26 27

28

-4-

DISTRICT JUDGE

ź		
1	Case No. 14-CV-00128	
2	Dept. No. II	2015 JUN -5 PM 1:51
3		12 W K
4		COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5		Sunga Deltistich
6	IN THE THIRD JUDICIAL DISTRICT	COURT OF THE STATE OF NEVADA
7	IN AND FOR THE	COUNTY OF LYON
8		
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,	
10	Plaintiffs/Petitioners,	
11	VS.	
12	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING	
13	INCORPORATED,	
14	Defendants/Respondents,	
15		
16		RT AND DENYING IN PART TO AUGMENT RECORD
17		
18	Plaintiffs/Petitioners, Comstock Residen	ts Association, Gayle Sherman, and Joe
19	McCarthy, (collectively "CRA"), filed a Motion	to Augment the Record on December 16,
20	2014. Defendant/Respondent, Lyon County	, and Defendant/Respondent, Comstock
21	Mining, Inc. ("CMI"), jointly filed an Opposition to	the Motion on January 2, 2015. CRA filed
22	Reply on January 9, 2015.	
23	This matter came before the Court for he	aring on April 20, 2015. James R. Cavilia,
24	Esq., and Justin Townsend, Esq., of Allison Ma	cKenzie, Ltd., appeared representing CMI.
25	Stephen B. Rye, Lyon County District Attorney,	appeared representing Lyon County. John
26	L. Marshall, Esq. appeared representing CRA.	The Court reviewed the pleadings and all
27	documents on file, the applicable law, and consid	lered the arguments of the parties.
28		

. 1

-1-

Good cause appearing, the Court makes the following Findings of Fact, Conclusions of Law, and Order.

## Findings of Fact:

 CRA seeks to augment the record on appeal (the "Record") by adding thereto the entirety of the 2010 Lyon County Comprehensive Master Plan (the "Master Plan"), certain emails between Plaintiff/Petitioner Gayle Sherman and Lyon County Commissioner Vida Keller, and certain letters from John L. Marshall, Esq. to Lyon County Commissioners Bob Hastings and Vida Keller.

2. CRA also requests that the Court take judicial notice of the official minutes of the December 23, 2010 meeting of the Lyon County Board of Commissioners, portions of election contribution reports for Lyon County Commissioners Bob Hastings, Vida Keller, and Chuck Roberts, and a May 2, 2014 letter from the Lyon County District Attorney's Office to John L. Marshall, Esq. concerning a public records request.

3. Lyon County and CMI consented to the Court taking judicial notice of the entirety of the Master Plan, although all relevant portions thereof are already included in the Record. Lyon County and CMI also stipulated to the addition to the Record of the emails between Plaintiff/Petitioner Gayle Sherman and Commissioner Keller and the letters from John L. Marshall, Esq. to Commissioners Hastings and Keller.

#### **Conclusions of Law:**

 In judicial review of land use and zoning matters, all that the Court may consider is the evidence that was available and presented to the governing body when the final decision was made. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010); NRS 233B.135(1)(b).

2. Except for those items to which Lyon County and CMI have consented, the items CRA seeks to have added to the Record were not part of the Record before the governing body and may not be considered by the Court in this action.

28 ||///

-2-

Based on the foregoing, and good cause appearing,

IT IS HEREBY ORDERED that the Motion is GRANTED as to those items to which Lyon County and CMI specifically stipulated, which are (a) that the Court take judicial notice of the entirety of the Master Plan, which is included as Exhibit A to CRA's Motion; (b) that the Record is augmented to include the emails between Plaintiff/Petitioner Gayle Sherman and Commissioner Keller, which are included as Exhibit D to CRA's Motion; and (c) the letters from John L. Marshall, Esq. to Commissioners Hastings and Keller, which are included as Exhibit F to CRA's Motion.

IT IS FURTHER ORDERED that the remaining portions of the Motion are DENIED. Dated this <u>5th</u> day of May, 2015.

-3-

DISTRICT JUDGE

	1 Case No. 14-CV-00128
2	
3	2014 DEC -3 PH 12: 27
2	COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5	
6	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
7	
8	
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
10	Plaintiffs/Petitioners,
11	VS.
12	LYON COUNTY BOARD OF
13	COMMISSIONERS;COMSTOCK MINING INCORPORATED,
14	Defendants/Respondents,
15	
16	ORDER GRANTING IN PART AND DENYING IN PART MOTION TO DISMISS
17	Comstock Residents Association, Plaintiff/Petitioner herein, ("CRA") filed a Complaint
18	for Injunctive and Declaratory Relief/Petition for Judicial Review. The Complaint included
19	four causes of action: (1) Violations of Nevada Open Meeting Law; (2) Denial of Due
20	Process; (3) Abuse of Discretion; (4) Violation of NRS 278.220. Comstock Mining, Inc.
21	("CMI") filed its Answer on March 28, 2014. Lyon County filed its Answer on March 27,
22	2014. On June 10, 2014, Lyon County filed a Motion to Dismiss or in the alternative Motion
23	for Summary Judgment, requesting that the Court dismiss the first, second and fourth
24	causes of action. CMI filed a joinder in the Motion on June 13, 2014. CRA filed its
25	Opposition to the Motion on July 3, 2014. Lyon County filed its Reply on July 29, 2014.
26	This matter came before this Court for hearing on September 10, 2014. James R.
27	Cavilia, Esq., and Justin Townsend, Esq., Allison, MacKenzie, Pavlakis, Wright and Fagan,

28 Ltd., appeared representing CMI. John L. Marshall, Esq. appeared representing CRA.

	1 Stephen B. Rye, Lyon County Chief Deputy District Attorney, appeared representing Lyon
	2 County. The Court reviewed the pleading and all documents on file, the applicable law, and
	3 considered the arguments of the parties.
4	On October 23, 2014, the Court held a hearing to issue the ruling on the pending
5	5 motions before the Court.
6	Good cause appearing, the Court makes the following findings and Order.
7	
8	1. Citizens have alternative methods to pursue some of the claims in the Complaint.
9	2. CRA filed a complaint under the Open Meeting Law alleging essentially: (1) that
10	the Board of County Commissioners held a meeting or deliberated outside of an
11	agendized meeting in violation of the Open Meeting law; and, (2) the agenda item
12	was not specific enough, and the Board took action that was not specified on the
13	agenda.
14	3. CRA alleges in the complaint that two commissioners met on January 1, 2014, in
15	violation of the Nevada Open Meeting law.
16	4. The Complaint does not contain allegations that more than two commissioners
17	met outside of an agendized meeting. CRA allegees in its Opposition that a third
18	commissioner met with a representative of the applicant and that representative
19	was present at the January 1, 2014 meeting.
20	5. The complaint and opposition do not include an allegation that supports or
21	establishes any serial meeting.
22	6. CRA filed a cause of action for violation of due process based on a conflict of
23	interest of two of the County Commissioners. The thrust of the CRA complaint is
24 25	that a Commissioner must recuse him or herself when a reasonable person would
26	perceive a conflict of interest.
20	7. CRA alleges that Commissioner Keller received compensation from CMI.
28	8. Commissioner Keller stated in the record that she consulted with the Nevada
20	Commission on Ethics and the Lyon County District Attorney.

)

-2-

	9. Commissioner Keller disclosed on the record prior to her decision what her
2	
3	at the hearing to Commissioner Keller's participation
4	in the fleating.
5	CRA were present at the Planning Commission and County
6	Commission public hearings on the CMI Applications.
7	12. CRA alleges that campaign contributions to certain board members rose to the
8	level creating a conflict of interest, and that said members were required to recuse
9	themselves from the decision.
10	13. CRA filed a cause of action alleging that Lyon County did not follow NRS 278.220
11	with respect to the CMI Applications.
12	Conclusions of Law:
13	1. A motion to dismiss a claim under NRCP 12(b)(5) tests the legal sufficiency of the
14	claim set out against the moving party and such a motion should be granted if it
15	appears beyond doubt that the plaintiff is entitled to no relief under any set of
16	facts that could be proved in support of the claim. Washoe Medical Center, Inc. v.
17	Reliance Insurance Co., 112 Nev. 494, 915 P.2d 288 (1996).
18	2. The Court must balance the rights granted citizens to challenge acts by the
19	government with the rights of the governing body and rights of citizens who may
20	or may not oppose the actions of the government.
21	3. The Board of County Commissioners' meetings are subject to the Nevada Open
22	Meeting law.
23	4. The allegations in the Complaint together with the factual showing in CRA's
24	opposition brief for a violation of the Nevada Open Meeting law are factually
25	deficient to state claim under the Nevada Open Meeting law.
26	5. A meeting is defined as a gathering of a quorum of members of the public body to
27	deliberate towards a decision. NRS 241.015(2). A quorum is defined as a simple
28	majority of the members of the board. NRS 241.015(5).
	-3-

ţ

,

- The Nevada Open Meeting Law is not intended to inhibit all private discussions of public issues. <u>Dewey v. Redevelopment Agency of City of Reno</u>, 119 Nev. 87, 94-95, 64 P.3d 1070, 1075 (2003) (citing <u>McKay v. Board of Cty. Comm'rs</u>, 103 Nev. 490, 495–96, 746 P.2d 124, 127 (1987).
- 7. The Nevada OML prevents or prohibits collective deliberations or actions where a quorum is present. The complaint alleges that only two County Commissioners were present at the specific meeting held January 1, 2014, alleged to be the violation.
- 8. Serial meetings are also prohibited under the Nevada OML if such serial meetings constitute deliberations. In this case, the complaint and opposition brief do not sufficiently allege a serial meeting or any serial deliberation. The facts alleged in the complaint and opposition brief do not constitute a serial meeting as defined in the Nevada Open Meeting Law or pursuant to the Nevada Supreme Court decision of <u>Del Papa v. Bd. of Regents</u>, 114 Nev. 388, 956 P.2d 770 (1998).
- 9. The agenda items challenged by CRA for the January 2, 2014, County Commissioner agenda are clear and complete in accordance with NRS 241.020.
- 10. The action of the Board of Commissioners did not exceed the scope of the clear and complete agenda items. NRS 241.020(2)(c)(1) requires that discussion at a public meeting cannot exceed the scope of a clearly and completely stated agenda topic. <u>Sandoval v. Bd. of Regents of Univ.</u>, 119 Nev. 148, 154, 67 P.3d 902, 905 (2003). The Board complied with the applicable provisions of Nevada law with respect to the agenda topics.
- 11. CRA has not stated a claim under the Nevada Open Meeting Law.
- 12. The Commissioners made adequate disclosures related to CMI prior to consideration of the agenda items and decision on the CMI Applications. Therefore, the Commissioners were allowed to deliberate on the matter. See NRS 281A.420(1).

-4-

13.A public official who properly discloses the items mentioned in NRS 281A.420(1) is permitted to deliberate and vote on the matter in question unless the "judgment of a reasonable person in the public officer's position would be materially affected by" the disclosed item(s). NRS 281A.420(3).

- 14.A public official is presumed not to be materially affected by the gift, loan, significant pecuniary interest, or commitment to another's interests if the benefit to the public officer is not greater than that accruing to any other person affected by the matter in question. NRS 281.420(4).
- 15. The complaint does not contain sufficient allegations to support a claim that there was an actual or perceived conflict of interest requiring that any Board members recuse themselves from the decision under the relevant standards set forth in Nevada and federal law.
- 16. Nevada law does not require recusal based upon campaign contributions if they are property reported. See NRS 281A.420(2)(a); Nevada Attorney General Opinion 1998-29.
- 17.CRA has not stated a claim for violation of due process in the Complaint in file herein.
- 18. The Lyon County Commissioners have ultimate authority to make changes to the master plan pursuant to NRS Chapter 278 and NRS 278.220. If the County violates NRS 278.220, the statute provides a remedy. NRS 278.220 states quite clearly that no change may be made.
- 19.NRS 278.220 carries its own remedy in that before that change can be made, which the court understands that the Board of Commissioners has the ultimate authority, it still requires a report by the Planning Commission. When the county makes a change that change may or may not be beneficial and that's the reason that the Planning Commission or why the statute states that the Planning Commission must make a report. The Comstock Residents argue that the county

-5-

4	
	1 put the cart before the horse. The Court and an
	<ul> <li>put the cart before the horse. The Court agrees. The violation of NRS 278.220 is</li> <li>not dismissed.</li> </ul>
	Based on the foregoing, and good cause appearing,
4	IT IS HEREBY ORDERED that the Motion to Dismiss with respect to the First Cause
5	of Action, Nevada Open Meeting Law Violation, is GRANTED, and the First Cause of Action
6	is DISMISSED with prejudice and without leave to amend.
7	IT IS FURTHER ORDERED that the Second Cause of Action, Due Process, is
8	GRANTED, and the Second Cause of Action is DISMISSED with prejudice and without leave to amend
9	leave to amend.
10	IT IS FINALLY ORDERED that the Motion to Dismiss the Fourth Cause of Action,
11	
12	Dated this <u>and</u> day of November, 2014.
13	
14	: Adargg
15	DISTRICT-JUDGE
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
11	-6-

t

٠	
1	Case No. 14-CV-00128
2	Dept. No. Senior Judge 2015 JUN 15 PH 2: 57
3	The undersigned hereby affirms this
4	document does not contain a social security number.
	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
8	IN AND FOR THE COUNTY OF LYON
9	COMSTOCK RESIDENTS ASSOCIATION,
10	GAYLE SHERMAN, JOE McCARTHY,
11	Plaintiffs/Petitioners,
12	
13 14	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED,
15	Defendants/Respondents,
16	NOTICE OF ENTRY OF ORDER
17	Please take notice that the Court entered its Order Denying Petition for Judicial Review
18	on June 5, 2015. A copy of the Order is attached hereto.
19	DATED this <u>/S</u> day of June, 2015.
20	STEPHEN B. RYE
21	
	Agle BA
	By:
	DISTRICT ATTORNEY 31 South Main Street
	Yerington, NV 89447 775-463-6511
27	Attorney for Respondent/Defendant
28	Lyon County Board of Commissioners
	-1-
	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27

ļ

٠	۲		
	1		
	2	Certificate of Service	
	-	The undersigned, an employee of the Lyon County District Attorney, certifies that on	
	4	the 15th day of June, 2015, a copy of the foregoing Notice of Entry of Order and Order	
	5	was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County	
	6	Administrative Offices, addressed to:	
Nevada	7	John L. Marshall, Esq.	
District Attorney State of Nevada Street, Yerington, Nevada 89447 · 565 East Main Street, Femley, Nevada	8	570 Marsh Ave. Reno, NV 89509	
Main Stree	9	James R. Cavilia, Esq.	
65 East I	10	Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd.	
3447 - 5	11	402 N. Division Street Carson City, NV 89703	
ey da levada 8	12	isth	
Attorn f Neva rington, N	13	Dated this day of June, 2015.	
of the District Attorney county, State of Nevada outh Main Street, Yerington, Nev	14	ulphand	
s of the D County, South Main S	15	Employee	
office yon C	16		
, Ida 89400	17		
C L 801 Overland Loop, Suite 308, Dayton, Nevada 89403	18		
308, Day	19		
op, Suite	20		
erland Lo	21		
801 Ow	22		
	23		
	24		
	25		
	26		
	27		
	28		
		-2-	

٠	
1	Case No. 14-CV-00128
2	Dent No. II
3	2015 JUN - 5 PM 1: 51
4	COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
5	
6	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
7	IN AND FOR THE COUNTY OF LYON
8	
9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
10	Plaintiffs/Petitioners,
11	VS.
12	LYON COUNTY BOARD OF
13	COMMISSIONERS; COMSTOCK MINING INCORPORATED,
14	Defendants/Respondents,
15	
16	ORDER DENYING PETITION FOR JUDICIAL REVIEW
17	Plaintiffs/Petitioners, Comstock Residents Association, Gayle Sherman, and Joe
18	McCarthy, (collectively "CRA") filed a Complaint for Injunctive and Declaratory
19	Relief/Petition for Judicial Review on January 31, 2014. The Complaint alleged four causes
20	of action: (1) Violations of Nevada Open Meeting Law; (2) denial of Due Process; (3) Abuse
21	of Discretion; and (4) Violation of NRS 278.220. Comstock Mining, Inc. ("CMI") filed its
22	Answer on March 28, 2014. Lyon County filed its Answer on March 27, 2014. On June 6,
23	2014, Lyon County submitted to the Court a Motion to Dismiss or in the alternative Motion
24	for Summary Judgment in which CMI joined, requesting that the Court dismiss the first,
25	second and fourth causes of action (the "Motion to Dismiss"). On December 3, 2014, the
26	Court issued an Order Granting in Part and Denying in Part the Motion to Dismiss and
27	dismissed the first and second causes of action. The Court further ordered the parties to

-1-

prepare and the parties did prepare a briefing schedule on the third and fourth causes of 1 action (collectively the "Petition for Judicial Review"). 2

3 After being fully briefed, this matter came before the Court for hearing on April 20, 2015. James R. Cavilia, Esq., and Justin Townsend, Esq., of Allison MacKenzie, Ltd., 4 5 appeared representing CMI. Stephen B. Rye, Lyon County District Attorney, appeared 6 representing Lyon County. John L. Marshall, Esq. appeared representing CRA. The Court 7 reviewed the pleadings and all documents on file, the applicable law, and considered the arguments of the parties.

Good cause appearing, the Court makes the following Findings of Fact, Conclusions 9 10 of Law, and Orders.

### Findings of Fact:

8

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 1. The entire record on appeal (the "Record") has been presented to the Court and the Court has reviewed it in its entirety.
- 2. The Record contains testimony and evidence both in favor of and against CMI's Application for a Master Plan Amendment and Zone Change (the "Application").
- 3. The Record reflects that there was presented to the governing body testimony from the public, surveyors, engineers, land use planners, CRA members, CRA's attorney, and environmental experts.
  - 4. The Record further reflects that Lyon County considered the environmental impacts and the compatibility of the requested changes to the surrounding area and whether the changes were permitted under and consistent with the goals and policies of the Lyon County Comprehensive Master Plan.
- 5. On December 10, 2013, the Lyon County Planning Commission considered CMI's Application and voted to recommend that the Lyon County Board of Commissioners deny the Application. Thereafter, Lyon County planning staff prepared and delivered to the Board of Commissioners reports on the Planning Commission's action with respect to the Application.

- 6. The Board of Commissioners considered CMI's Application on January 2, 2014 and, after a public hearing in which the testimony and evidence outlined above were presented, deliberated and voted to approve a Master Plan Amendment and Zone Change.
  - On January 30, 2015, the Board of Commissioners sent a letter to the Planning Commission notifying the Planning Commission of its decision approving the Application.
- 8. On February 11, 2014, the Planning Commission held a regularly-scheduled meeting and considered the Board of Commissioners' decision on the Master Plan Amendment and determined therein to prepare and send a report back to the Board of Commissioners in which they expressed their concerns regarding the Board's decision.
- 9. On March 6, 2014, the next available regularly-scheduled Board of Commissioners meeting, the Board considered the Planning Commission's report and voted unanimously to acknowledge receipt of the same.

#### Conclusions of Law:

- It is well-settled law in Nevada that the Court is constrained in judicial review of land use and zoning decisions to a review of the Record for abuse of discretion and that the Court may not substitute its judgment for that of the Lyon County Board of Commissioners absent a showing of manifest abuse of discretion. <u>McKenzie v. Shelly</u>, 77 Nev. 237, 362 P.2d 268 (1961); <u>City Council of Reno v.</u> <u>Irvine</u>, 102 Nev. 277, 721 P.2d 371 (1986).
- 2. The Lyon County Board of Commissioners' decision to approve the Application to amend the master plan and zoning will not be overturned absent a showing that said decision lacks support in the form of substantial evidence. <u>Stratosphere Gaming Corp. v. City of Las Vegas</u>, 120 Nev. 523, 96 P.3d 756 (2004). Substantial evidence is that which a reasonable mind could accept as sufficient to

-3-

support a conclusion. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010).

- 3. The Record contains substantial evidence, as noted in the Findings of Fact above, which a reasonable mind could accept as sufficient to support the Board of Commissioners' decision to amend the master plan and zoning.
- 4. The Board of Commissioners, in relying on the substantial evidence before it, did not abuse its discretion in amending the master plan and zoning and, whether or not the Court agrees with the Board's decision, the Court will not disturb the decision of the Board of Commissioners.
- NRS 278.220(4), which requires that the Board of Commissioners refer its decision to amend the master plan to the Planning Commission for a report, is ambiguous.
- 6. The Planning Commission was provided notice of the Board of Commissioners' decision and reported back to the Board of Commissioners, and the Court concludes that NRS 278.220(4) does not require the Board to vote again after receipt of the Planning Commission's report.
- 7. The actions of the Board of Commissioners in reporting its decision to the Planning Commission and subsequently accepting the Planning Commission's report complied with NRS 278.220(4).

Based on the foregoing, and good cause appearing,

Dated this 5th day of May, 2015.

IT IS HEREBY ORDERED that the Petition for Judicial Review is DENIED in its
 entirety.

IT IS FURTHER ORDERED that judgment is entered in favor of
 Defendants/Respondents on the Third and Fourth Causes of Action.

25 26

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

27

28

DISTRICT JUDGE

1	Ţ	
		1 Case No. 14-CV-00128
		3       The undersigned hereby affirms this         4       COURT ADMINISTRATOR         1       THRD JUDICIAL DISTRICT         5       The undersigned hereby affirms this
		The tromaspilly
	_	
	Ferniay, Ne	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
	in Street, F	I ON THE COUNTY OF LYON
	- 585 Eaw Main Street, Femiley, Nevada	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
	¥ 11	Plaintiffs/Petitioners,
y e b	12	VS.
of the District Attorney county, State of Nevada	13 13	LYON COUNTY BOARD OF COMMISSIONERS;COMSTOCK MINING INCORPORATED
Distric State	14	
of the County South Long	i 15	Defendants/Respondents,
Office of the D Lyon County, 89403 - 31 South March	16	NOTICE OF ENTRY OF ORDER
evada BS	17	Please take notice that the Court entered its Order Order Order
Dayton, N	18	a copy of the Order is attact to the
801 Overland Loop, Suite 308, Dayton, Nevada B	19 20	DATED thisday of June, 2015.
nd Loop, 1	21	ROBERT L. AUER
01 Overle	22	DISTRICT ATTORNEY
•	23	
	24	By: STEPHEN B. RYE
	25	CHIEF DEPUTY DISTRICT ATTORNEY 31 South Main Street
	26	Yerington, NV 89447 775-463-6511
	27	Attorney for Respondent/Defendant
2	28	Lyon County Board of Commissioners
-	• •	-1-

?

-1-

-

•	X		
	1	Certificate of Service	
	2 3	The undersigned, an employee of the Lyon County District Attorney, certifies that on	
	4	day of June, 2015, a copy of the foregoing Notice of Entry of Order and Order	
	5	was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon County	
	eperane 7	Administrative Offices, addressed to: John L. Marshall, Esq.	
		570 Marsh Ave. Reno, NV 89509	
lict Attorney te of Nevada 4. Yerington, Neveda 89447 - 565 Fast Main Street E	9 10 11	James R. Cavilia, Esq. Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd. 402 N. Division Street Carson City, NV 89703	
e District Attorney y, State of Nevada en Street, Verington, Nevada	12 13	Dated this 10th day of June, 2015.	
Distr Stal	14 15	Employee	
Office of the Lyon County a 89403 · 31 South Mai	16 17		
ytan, Nevac	18		
801 Overland Loop, Suile 308, Dayton, Neveda 8	19 20		
tand Loop, S	21		
801 Over	22		
	23 24		
	25		
	26		
	27		
	28		
		-2-	

ĸ			
	1	Case No. 14-CV-00128	
	2	Dept. No. II	t μ τ τ τ τ τ μ τ τ μπ τ τ τ τ τ τ τ τ τ τ τ τ τ τ τ
	3		2015 JUN - 5 PM 1:51
	4		COURT ADMINISTRATOR THIRD JUDICIAL DISTRICT
	5		THIRD JUDICIAL DISTRICT Tanya Sceirine
	6	IN THE THIRD JUDICIAL DISTRICT	COURT OF THE STATE OF NEVADA
	7		COUNTY OF LYON
	8		
		COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,	
1	- II.	Plaintiffs/Petitioners,	
11	1	VS.	
12	114	YON COUNTY BOARD OF	
13	3    i	COMMISSIONERS;COMSTOCK MINING NCORPORATED,	
14	•   -	Defendants/Respondents,	
15			
16		ORDER GRANTING IN PAR PLAINTIEES' MOTION T	TAND DENYING IN PART
17		PLAINTIFFS' MOTION T	O AUGMENT RECORD
18		Plaintiffs/Petitioners, Comstock Residents	Association Gavle Shormon and I
19	М	cCarthy, (collectively "CRA"), filed a Motion to	Augment the Record on Descel
20	20	14. Defendant/Respondent, Lyon County.	and Defendant/Respondent, Comstock
21	M	ning, Inc. ("CMI"), jointly filed an Opposition to t	he Motion on January 2 2015 Opt 5
22	Re	ply on January 9, 2015.	the money of bandary 2, 2015. CRA filed
23		This matter came before the Court for hear	ing on April 20, 2015 Law and a
24	Es	q., and Justin Townsend, Esq., of Allison Mack	(anzie 1 td. anneand
25	Ste	ephen B. Rye, Lyon County District Attorney, ap	uppeared representing CMI.
26	L.	Marshall, Esq. appeared representing CRA. The	he Court reviewed the standard
27	doc	cuments on file, the applicable law, and consider	ed the arguments of the
28			ou me arguments of the parties.
		- <b>1-</b>	

-1-

į

¢

Good cause appearing, the Court makes the following Findings of Fact, Conclusions of Law, and Order.

## Findings of Fact:

 CRA seeks to augment the record on appeal (the "Record") by adding thereto the entirety of the 2010 Lyon County Comprehensive Master Plan (the "Master Plan"), certain emails between Plaintiff/Petitioner Gayle Sherman and Lyon County Commissioner Vida Keller, and certain letters from John L. Marshall, Esq. to Lyon County Commissioners Bob Hastings and Vida Keller.

2. CRA also requests that the Court take judicial notice of the official minutes of the December 23, 2010 meeting of the Lyon County Board of Commissioners, portions of election contribution reports for Lyon County Commissioners Bob Hastings, Vida Keller, and Chuck Roberts, and a May 2, 2014 letter from the Lyon County District Attorney's Office to John L. Marshall, Esq. concerning a public records request.

3. Lyon County and CMI consented to the Court taking judicial notice of the entirety of the Master Plan, although all relevant portions thereof are already included in the Record. Lyon County and CMI also stipulated to the addition to the Record of the emails between Plaintiff/Petitioner Gayle Sherman and Commissioner Keller and the letters from John L. Marshall, Esq. to Commissioners Hastings and Keller. Conclusions of Law:

 In judicial review of land use and zoning matters, all that the Court may consider is the evidence that was available and presented to the governing body when the final decision was made. <u>City of Reno v. Citizens for Cold Springs</u>, 126 Nev. 27, 236 P.3d 10 (2010); NRS 233B.135(1)(b).

2. Except for those items to which Lyon County and CMI have consented, the items CRA seeks to have added to the Record were not part of the Record before the governing body and may not be considered by the Court in this action.

-2-

Based on the foregoing, and good cause appearing,

IT IS HEREBY ORDERED that the Motion is GRANTED as to those items to which
Lyon County and CMI specifically stipulated, which are (a) that the Court take judicial notice
of the entirety of the Master Plan, which is included as Exhibit A to CRA's Motion; (b) that
the Record is augmented to include the emails between Plaintiff/Petitioner Gayle Sherman
and Commissioner Keller, which are included as Exhibit D to CRA's Motion; and (c) the
letters from John L. Marshall, Esq. to Commissioners Hastings and Keller, which are
included as Exhibit F to CRA's Motion.

IT IS FURTHER ORDERED that the remaining portions of the Motion are DENIED. Dated this 50 day of May, 2015.

-3-

ÿ	1. 4	
	1	Case No. 14-CV-00128
	2	Dept. No. Senior Judge 2014 DEC -8 PM 4:23
	3	The undersigned hereby affirms this
	4	document does not contain a social security number.
	5	Andrea Anderson ITV
ŝ	6	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
ley, Neva	7	IN AND FOR THE COUNTY OF LYON
eet, Fem	8	
<ul> <li>565 East Main Street, Femley, Neveda</li> </ul>	9	COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE McCARTHY,
· 565 Eas	10	Plaintiffs/Petitioners,
da 89447	11	VS.
	12	LYON COUNTY BOARD OF
District Attorney , State of Nevada <sup>n Street</sup> , Yerington, Nev	13	COMMISSIONERS;COMSTOCK MINING INCORPORATED,
	14 15	Defendants/Respondents,
		NOTICE OF ENTRY OF ORDER
Office Lyon C 801 Overtand Loop, Suite 308, Dayton, Nevada 89403 · 31 S	17	Please take notice that the Court entered its Order Granting in Part and Denying in Part
, Nevada	18	Motion to Dismiss on December 3, 2014. A copy of the Order is attached hereto.
8, Dayton	19	DATED this <u></u> day of December, 2014.
. Suite 30	20	
and Loop	21	ROBERT L. AUER DISTRICT ATTORNEY
801 Over	22	$\mathbf{S}$
	23	By: Opter Dig
	24	STEPHEN B. RYE CHIEF DEPUTY DISTRICT ATTORNEY
	25	31 South Main Street Yerington, NV 89447
	26	775-463-6511
	27	Attorney for Respondent/Defendant Lyon County Board of Commissioners
	28	
		-1-

ų	÷ •	
<b>:t Attorney</b> • of Nevada Yerington, Nevada 89447 • 565 East Main Street, Femley, Nevada		
	1	Certificate of Service
	2	The undersigned, an employee of the Lyon County District Attorney, certifies that on
	3	the $5^{++-}$ day of December, 2014, a copy of the foregoing Notice of Entry of Order and
	4	Order was mailed, postage prepaid, by placing the same in the mail receptacle at Lyon
	5	
	6	County Administrative Offices, addressed to:
	7	John L. Marshall, Esq. 570 Marsh Ave.
	8	Reno, NV 89509
	9	James R. Cavilia, Esq.
	10	Allison, MacKenzie, Pavlakis Wright & Fagan, Ltd.
	11	402 N. Division Street Carson City, NV 89703
ley Ida Nevada E	12	Dated this $5th$ day of December, 2014.
Office of the District Attorney Lyon County, State of Nevada B01 Overland Loop, Suite 308, Dayton, Nevada B9403 · 31 South Main Street, Yerington, Nev	13	Dated this day of December, 2014.
	14	unobaes
	15	Employee
	16	
	17	
	18	
	19	
	20	
	21	
	22	
	23	
	24	
	25	
	26	
	27	
	28	
		-2-
	11	

,

## Case Summary

# COMSTOCK RESIDENTS ASSOCIATION, GAYLE SHERMAN, JOE MCCARTHY, LYON COUNTY BOARD OF COMMISIONERS, COMSTOCK MINING, INC - COMPLAINT

Court: 14-CV-00128

Type: Other Real Property Case Status: Closed Age: 529 days Active Age: 490 days CaseID: 14-157 Received Date: 1/31/2014 Status Date: 6/5/2015

建制的过去式

Involvements

Primary Involvements <u>COMSTOCK RESIDENTS ASSOCIATION</u> Plaintiff <u>SHERMAN, GAYLE</u> Plaintiff <u>MCCARTHY, JOE</u> Plaintiff <u>LYON COUNTY BOARD OF COMMISIONERS</u> Defendant <u>COMSTOCK MINING, INC</u> Defendant Other Involvements <u>Cavilia, James R. Esq.</u> Defendant's Attorney <u>Marshall, John Esq.</u> Plaintiff's Attorney <u>Third Judicial District Court</u> (14-CV-00128) <u>Estes, Honorable Robert</u> Judge

#### Other Real Property Case

1. NRCP 3 - COMPLAINT Occurred: 1/31/2014 COMSTOCK RESIDENTS ASSOCIATION Plaintiff Disposition: Summary Judgment Dispo Date: 6/5/2015 COMSTOCK MINING, INC Defendant Disposition: Summary Judgment Dispo Date: 6/5/2015 Lead/Active: True

#### Case Status History

1/31/2014 1:47:00 PM | Open 6/5/2015 1:47:00 PM | Closed Agency: Third Judicial District Court

## Case Şummary

Events

8/4/2014 9:00:00 AM | Status Hearing | Judge Estes | Court Room A Sceirine, Tanya K - TSCEIRINE Staff - STAFF Rye, Stephen B. D.A. - X004800 Marshall, John Esg. (Plaintiff's Attorney) Estes, Honorable Robert (Judge) Cavilia, James R. Esg. (Defendant's Attorney) Notes: Court and counsel met in chambers...no clerk involvement. 9/10/2014 9:00:00 AM | Motion Hearing | Judge Estes | Court Room B Sceirine, Tanya K - TSCEIRINE Thomas, Kathy Dep. Clerk - KTHOMAS Staff - STAFF Court Room B - CourtRmB Rye, Stephen B. D.A. - X004800 Marshall, John Esq. (Plaintiff's Attorney) Estes, Honorable Robert (Judge) Cavilia, James R. Esq. (Defendant's Attorney) Notes: Court heard argument on motion to dismiss and motion to amend complaint from Mr. Rye, Mr. Marshall and Mr. Cavilia. Court took matter under advisement and will render a written decision. Hearing was JAVS recorded 10/23/2014 10:00:00 AM | Motion Hearing | Judge Estes | Court Room A Sceirine, Tanya K - TSCEIRINE Geurts, Patrick Staff - STAFF Court Room A - CourtRmA Marshall, John Esg. (Plaintiff's Attorney) Estes, Honorable Robert (Judge) Cavilia, James R. Esg. (Defendant's Attorney) Notes: Judge Estes Courtroom A 4/20/2015 1:30:00 PM | Motion Hearing | CRTM A DEPT 4 | Court Room A Sceirine, Tanya K - TSCEIRINE Staff - STAFF Court Room A - CourtRmA Rve. Stephen B. D.A. - X004800 Geurts, Patrick Bailiff - X004896 Marshall, John Esg. (Plaintiff's Attorney) Estes, Honorable Robert (Judge) Cavilia, James R. Esg. (Defendant's Attorney) Notes: Court had considered the motion to enlarge record and based upon the stipulation of the parties allowed the enlargement of that information but denied any other enlargement of the record. Court heard oral argument by Mr.

Marshall and Mr. Rye. Court advised parties that the Court is constrained to only the evidence presented to the governing body and when considering abuse discretion it can only consider submitted evidence supporting the governing bodies finding. Court found no compelling reason for the commissioners to take a second vote and that they had heard from over 26 witnesses. Court found substantial evidence to support the conclusion of the change in zoning and the master plan. Mr. Rye will prepare the order.

**IUSTWARE** 

7/14/2015 5:51:21 PM

1. A.	
1	CASE NO: 14-CV-00128
2 3	IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
4	IN AND FOR THE COUNTY OF LYON
5	
6	COMSTOCK RESIDENTS ASSOCIATION GAYLE SHERMAN, JOE McCARTHY,
7	Appellants vs <u>CERTIFICATE</u>
8	LYON COUNTY BOARD OF
9	COMMISSIONERS; COMSTOCK MINING INCORPORATED,
10	Respondents
11	/
12	I, TANYA SCEIRINE, Clerk of the Third Judicial District Court of the
13	State of Nevada, in and for the County of Lyon, State of Nevada, hereby certify that the
14	foregoing Notice of Appeal, Case Appeal Statement, District Court Docket, Order Denying
15	Petition for Judicial Review, Order Granting in Part and Denying in Part Plaintiffs'
16	Motion to Augment Record, Order Granting in Part and Denying in Part Motion to
17 18	Dismiss, Notice of Entry of Order (Order Denying Petition for Judicial Review), Notice of
19	Entry of Order (Order Granting in Part and Denying in Part Plaintiffs' Motion to
20	Augment Record), Notice of Entry of Order (Order Granting in Part and Denying in Part
21	Motion to Dismiss) and District Court Minutes are true and correct copies of the documents
22	on file in my office regarding the case referenced above.
23	WITNESS my hand and Seal of said Court on this 15 <sup>th</sup>
24	day of July, 2015.
25	TANYA SCEIRINE, Court Administrator
26	By Andrea Andersen Deputy
27	
28	