IN THE SUPREME COURT OF THE STATE OF NEVADA

Case No. 79208

Electronically Filed
Feb 03 2020 02:09 p.m.
Nevada State Education Association; National Education Association Ass

v.

Clark County Education Association; John Vellardita; and Victoria Courtney, Respondents.

Appeal from Final Judgment and Dissolution of Injunction District Court Case No. A-17-761884-C Eighth Judicial District Court of Nevada

APPELLANTS' APPENDIX VOLUME IX

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CHRONOLOGICAL INDEX TO APPELLANTS' APPENDIX

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
	Docket, Case No. A-17-761364-C	I	0001 - 0011
	Docket Case No. A-17-761884-C	I	0012 - 0020
9/12/2017	Complaint for Breach of Fiduciary Duty, Breach of Contract, and Declaratory Relief in Case No. A-17- 761364-C	I	0021 - 0031
9/19/2017	Amended Complaint for Breach of Fiduciary Duty, Breach of Contract, and Declaratory Relief in Case No. A-17-761364-C	Ι	0032 – 0042
9/21/2017	Summons for Clark County Education Association in Case No. A-17- 761884-C	I	0043 – 0047
9/21/2017	Summons for Clark County School District in Case No. A-17-761884-C	I	0048 - 0052
9/21/2017	Complaint for Declaratory and Injunctive Relief in Case No. A-17-761884-C	I	0053 – 0071
9/21/2017	Summons for John Vellardita in Case No. A-17-761884-C	I	0072 – 0076
9/21/2017	Summons for Victoria Courtney Case No. A-17-761884-C	I	0077 – 0081
10/26/2017	Second Amended Complaint for Breach of Fiduciary Duty, Breach of Contract, and Declaratory Relief in Case No. A-17-761364-C	I	0082 – 0092
10/30/2017	Answer to Complaint (including Motion to Dismiss) in Case No. A-17-761884-C	I	0093 – 0126

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
11/6/2017	Affidavit of Service re Clark County Education Association in Case No. A- 17-761884-C	I	0127
11/6/2017	Affidavit of Service re Clark County School District in Case No. A-17- 761884-C	I	0128
11/6/2017	Affidavit of Service re John Vellardita in Case No. A-17-761884-C	I	0129
12/5/2017	Affidavit of Service re Victoria Courtney in Case No. A-17-761884-C	I	0130
2/21/2018	Defendants' Answer to the Second Amended Complaint in Case No. A- 17-761364-C	I	0131 – 0140
2/27/2018	Amended Complaint for Declaratory and Injunctive Relief in Case No. A- 17- 761884-C	I	0141 – 0175
3/16/2018	Defendants – Counter Plaintiffs Clark County Education Association's, John Vellardita's and Victoria Courtney's Answer to Amended Complaint for Declaratory and Injunctive Relief and Counterclaim in Case No. A-17- 761884-C	II	0176 – 0218
3/21/2018	Defendants – Counter Plaintiffs Clark County Education Association's, John Vellardita's and Victoria Courtney's Answer to Amended Complaint for Declaratory and Injunctive Relief and *Amended* Counterclaim in Case No. A-17-761884-C	II	0219 – 0261
4/3/2018	Defendants-Counter Plaintiffs Clark County Education Association's, John Vellardita's and Victoria Courtney's	II	0262 – 0293

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
	Motion for Injunction and attached Vellardita Declaration in Case No. A- 17-761884-C		
4/4/2018	Scheduling Order in Case No. A-17-761884-C	II	0294 – 0296
4/9/2018	Plaintiffs-Counterclaim Defendants Reply/Answer to Amended Counterclaim in Case No. A-17- 761884-C	II	0297 – 0326
4/19/2018	Order Setting Civil Non-Jury Trial, Pre-Trial Conference Calendar Call, and Status Check in Case No. A-17- 761884-C	II	0327 – 0330
5/2/2018	Hearing Transcript, Hearing on Defendants' Motion to Dismiss; Motion for Preliminary Injunction; Show Cause Hearing in Case No. A- 17-761884-C (04/23/2018)	III	0331 – 0508
5/11/2018	Notice of Entry of Order and Order Denying CCEA Parties' Motion for Preliminary Injunction in Case No. A- 17-761884-C	III	0509 – 0513
5/11/2018	Notice of Entry of Order and Order re Writ of Attachment in Case No. A-17- 761884-C	III	0514 – 0520
6/6/2018	Second Amended Complaint for Declaratory and Injunctive Relief in Case No. A-17-761884-C	III	0521 – 0557

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
6/18/2018	Exhibit 8 to CCEA Parties' Motion for Partial Summary Judgment in Case No. A-17-761364-C ¹	III	0558 – 0560
6/18/2018	Hearing Transcript, Defendants – Counter Plaintiffs CCEA Parties' Motion for Injunction in Case No. A-17-761884-C (05/01/2018)	III	0561 – 0573
7/10/2018	Defendant – Counter Plaintiffs Clark County Education Association's, John Vellardita's and Victoria Courney's Answer to Second Amended Complaint for Declaratory and Injunctive Relief and Second Amended Counterclaim in Consolidated Case	IV	0574 – 0611
7/20/2018	Declaration of Brian Lee in Support of NSEA Defendants' Opposition to Plaintiffs' Motion for Partial Summary Judgment and Exhibits A, and E through H	IV	0613 – 0642
7/20/2018	Declaration of Ruben Murillo in Support of NSEA Defendants' Opposition to Plaintiffs' Motion for Partial Summary Judgment and Exhibit A	IV	0643 – 0650
9/05/2018	Scheduling Order	IV	0651 – 0653
10/11/2018	Order Setting Bench Trial, Calendar Call	IV	0654 – 0659

¹ Where Appellants have included select exhibits to a document filed in the district court, the document's cover page with the file stamp is included as well.

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
11/9/2018	Affidavit of Brian Lee in Support of NSEA and NEA Plaintiffs' Motion for Partial Summary Judgment	IV	0660 – 0664
11/9/2018	Affidavit of Henry Pines in Support of NSEA and NEA Plaintiffs' Motion for Partial Summary Judgment and Exhibits B, D, F, H, I, and J ²	V	0665 – 0837 (Portions Under Seal)
12/3/2018	Hearing Transcript, All Pending Motions (11/15/18)	VI	0838 – 0953
12/5/2018	Notice of Entry of Order and Order Denying in Part, and Granting in Part, CCEA Parties' Partial Motion to Dismiss Second Amended Complaint of the NSEA Parties	VI	0954 – 0961
12/05/2018	Notice of Entry of Order and Order Granting NSEA Parties' Motion to Dismiss CCEA Parties' Second Amended Counterclaim	VI	0962 – 0967
12/12/2018	CCEA Parties' Opposition to NSEA Parties' Motion for Partial Summary Judgment and Countermotion and Exhibits 8 and 9	VI	0968 – 1010
12/12/2018	Affidavit of John Vellardita in Support of CCEA Parties' Opposition to NSEA Parties' Motion for Partial Summary Judgment and Countermotion for Partial Summary Judgment	VI	1011 – 1017

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² Because Exhibits D and J were marked confidential by the CCEA Parties and filed under seal in the district court, on CCEA's request, the NSEA Parties have submitted it under seal in this Court on the understanding that the CCEA Parties will be filing a motion to the Court to keep it under seal.

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
12/20/2018	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting Plaintiffs' Motion for Partial Summary Judgment	VI	1018 – 1029
1/23/2019	Declaration of Robert Benson in Opposition to the CCEA Parties' Countermotion for Partial Summary Judgment	VI	1030 – 1033
01/23/2019	Declaration of Diane DiArchangel in Opposition to the CCEA Parties' Countermotion for Partial Summary Judgment and Exhibits 4A, 4B, and 4C	VI	1034 – 1051
1/23/2019	Declaration of Brian Lee in Support of NSEA and NEA Plaintiffs' Motion for Partial Summary Judgment and Exhibits A, B, and D through H	VII	1052 – 1122
1/23/2019	Declaration of Brian Lee in Opposition to CCEA Parties' Countermotion for Partial Summary Judgment and Exhibit A	VII	1123 – 1130
1/23/2019	Declaration of Henry Pines in Opposition to the CCEA Parties' Countermotion for Partial Summary Judgment and Exhibits A through E, L and M ³	VII	1131 – 1183 (Portions Under Seal)
1/23/2019	Declaration of James P Testerman in Support of Plaintiffs' Motion for Partial Summary Judgment and	VII	1185 – 1221

³ Because Exhibit M was marked confidential by the CCEA Parties and filed under seal in the district court, on CCEA's request, the NSEA Parties have submitted it under seal in this Court on the understanding that the CCEA Parties will be filing a motion to the Court to keep it under seal.

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
	Opposition to CCEA's Countermotion and Exhibit A		
1/23/2019	Declaration of Jason Wyckoff in Opposition to the CCEA Parties' Countermotion for Partial Summary Judgment and Exhibits 3A, 3B and 3D	VII	1222 – 1236
4/4/2019	CCEA Parties' Reply in Support of Motion for Partial Summary Judgment and Exhibits 16, 17, and 20 through 22	VII	1237 – 1288
5/23/2019	Hearing Transcript, Motion for Reconsideration, Motion for Partial Summary Judgment, Motion to Amend Complaint, Opposition and Countermotion, Motion for Partial Summary Judgment (05/09/2019)	VIII	1289 – 1529
6/28/2019	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting in Part and Denying in Part NSEA Parties' Motion for Partial Reconsideration of the December 20, 2018 Findings of Fact, Conclusions of Law, and Order	IX	1530 – 1539
7/3/2019	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting CCEA Parties' Motion to Alter or Amend Court's May 11, 2018 Order	IX	1540 – 1550
7/3/2019	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting the Clark County Education Association Parties' Motion for	IX	1551 – 1569

DATE FILED	DOCUMENT	VOLUME	PAGE RANGE
	Partial Summary Judgment and Denying the Nevada State Education Association Parties' Motions for Partial Summary Judgment		
7/15/2019	Notice of Appeal	IX	1570 – 1573
10/17/2019	Notice of Entry of Order on Findings of Fact, Conclusions of Law, and Order Granting NSEA and NEA Plaintiffs' Motion for Stay Pending Appeal	IX	1574 – 1583

ALPHABETICAL INDEX TO APPELLANTS' APPENDIX

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9/21/2017	Summons for Victoria Courtney Case No. A-17-761884-C	I	0077 – 0081

AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that **APPELLANTS' APPENDIX** does not contain the social security number of any person.

Dated this 3rd day of February, 2020.

/s/ Debbie Leonard

Debbie Leonard (Nevada Bar No. 8260) LEONARD LAW, PC 955 S. Virginia Street, Suite 220 Reno, NV 89502 (775) 964-4656 debbie@leonardlawpc.com

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gyeomans@bredhoff.com

Attorneys for NSEA Appellants

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of Leonard Law, PC, and that on February 3, 2020, a copy of the foregoing document was electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (E-Flex). Participants in the case who are registered with E-Flex as users will be served by the EFlex system. A flash drive containing Appellants' Appendix was served by first-class mail addressed as follows:

Michael Paretti Snell & Wilmer, LLP 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, Nevada 89169

Joel D'Alba 200 West Jackson Blvd., Suite 720 Chicago, Illinois 60606

Kimberly C. Weber McCracken, Stemerman & Holsberry, LLP 1630 South Commerce Street, Suite 1-A Las Vegas, Nevada 89102

/s/ Tricia Trevino
An employee of Leonard Law, PC

Electronically Filed 6/28/2019 4:02 PM Steven D. Grierson **CLERK OF THE COURT** 1 John S. Delikanakis, Nevada Bar No. 5928 Michael Paretti, Nevada Bar No. 13926 2 Bradley T. Austin, Nevada Bar No. 13064 SNELĽ & WILMÉR L.L.P. 3 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169 4 Tel: (702) 784-5200 jdelikanakis@swlaw.com 5 mparetti@swlaw.com baustin@swlaw.com 6 Richard G. McCracken, Nevada Bar No. 2748 Kimberley C. Weber, Nevada Bar No. 14434 7 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 8 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 9 Tel: (702) 386-5107 rmccracken@msh.law 10 kweber@msh.law 11 Joel A. D'Alba (Pro Hac Vice) ASHER, GITTLER & D'ALBA, LTD. 200 West Jackson Blvd., Suite 720 12 Chicago, IL 60606 Tel: (312) 263-1500 13 jad@ulaw.com 14 Attorneys for Plaintiffs Clark County Education Association, Victoria Courtney, James Frazee, Robert G. Hollowood and 15 Maria Neisess 16 17 IN THE EIGHTH JUDICIAL DISTRICT COURT **CLARK COUNTY, NEVADA** 18 19 Case No.: A-17-761364-C CLARK COUNTY EDUCATION DEPT. NO.: 4 ASSOCIATION, VICTORIA COURTNEY. 20 JAMES FRAZEE, ROBERT G. (consolidated with A-17-761884-C) HOLLOWOOD, and MARIA NEISESS, 21 NOTICE OF ENTRY OF FINDINGS OF Plaintiffs, 22 FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING IN PART AND VS. 23 **DENYING IN PART THE NSEA** NEVADA STATE EDUCATION PARTIES' MOTION FOR PARTIAL 24 RECONSIDERATION OF THE ASSOCIATION, DANA GALVIN, RUBEN **DECEMBER 20, 2018 FINDINGS OF** MURILLO, JR., BRIAN WALLACE, and 25 FACT, CONCLUSIONS OF LAW, AND BRIAN LEE. **ORDER** Defendants. 26 27 28

1	NEVADA STATE EDUCATION Case No.: A-17-761884-C
2	ASSOCIATION; NATIONAL EDUCATION (consolidated with A-17-761364-C) ASSOCIATION; RUBEN MURILLO;
3	ROBERT BENSON; DIANE DI ARCHANGEL; AND JASON WYCKOFF,
4	Plaintiffs-Counter Defendants, And
5	
6	BRIAN LEE,
7	Counter-Defendant,
8	VS.
9	CLARK COUNTY EDUCATION ASSOCIATION; JOHN VELLARDITA; AND VICTORIA COURTNEY,
10	Defendants-Counter Plaintiffs.
11	Detendants-counter Frametris.
12	PLEASE TAKE NOTICE that Findings of Fact, Conclusions of Law, and Order Granting
13	in Part and Denying in Part the NSEA Parties' Motion for Partial Reconsideration of the
14	December 20, 2018 Findings of Fact, Conclusions of Law, and Order were entered in the above-
15	captioned matter on June 28, 2019, a copy of which are attached hereto.
16	DATED this 28 th day of June, 2019.
17	SNELL & WILMER L.L.P.
18	By: <u>/s/ Michael Paretti</u>
19 20	John S. Delikanakis Nevada Bar No. 5928 Michael Paretti
21	Nevada Bar No. 13926 Brad T. Austin
22	Nevada Bar No. 13064 SNELL & WILMER L.L.P.
23	3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169
24	Attorneys for Plaintiffs
25	
26	
27	
28	
	- 2 -

1	CERTIFICATE OF SERVICE
2	I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen
3	(18) years, and I am not a party to, nor interested in, this action. On this date, I caused to be
4	served a true and correct copy of the foregoing NOTICE OF ENTRY OF FINDINGS OF
5	FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING IN PART AND DENYING
6	IN PART THE NSEA PARTIES' MOTION FOR PARTIAL RECONSIDERATION OF
7	THE DECEMBER 20, 2018 FINDINGS OF FACT, CONCLUSIONS OF LAW, AND
8	ORDER by the method indicated below:
9	XX Odyssey E-File & Serve Federal Express
10	U.S. Mail U.S. Certified Mail
11	Facsimile Transmission Hand Delivery
12	Email Transmission Overnight Mail
13	and addressed to the following:
14	
15 16 17 18	Richard J. Pocker Paul J. Lal BOIES SCHILLER FLEXNER LLP 300 South Fourth Street, Suite 800 Las Vegas, NV 89101 Email: rpocker@bsfllp.com Email: plal@bsfllp.com Attorneys for Defendants Robert Alexander Matthew Clash-Drexler BREDHOFF & KAISER, PLLC 805 15th Street N.W., Suite 1000 Washington, DC 20005 Email: ralexander@bredhoff.com Email: mcdrexler@bredhoff.com Attorneys for Defendants
20	DATED this 28th day of June, 2019.
21	/s/ Maricris Williams An Employee of Snell & Wilmer L.L.P
22	
23	
24	
25	
26	
27 28	
20	- 3 -

Electronically Filed 6/28/2019 3:28 PM Steven D. Grierson CLERK OF THE COURT

1 John S. Delikanakis, Nevada Bar No. 5928 Bradley T. Austin, Nevada Bar No. 13064 2 Michael Paretti, Nevada Bar No. 13926 SNELL & WILMER L.L.P. 3 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169 4 Tel: (702) 784-5200 idelikanakis@swlaw.com 5 baustin@swlaw.com mparetti@swlaw.com 6 Joel A. D'Alba 7 Admitted pro hac vice ASHER, GITTLER & D'ALBA, LTD. 200 West Jackson Blvd., Suite 720 8 Chicago, IL 60606 Tel: (312) 263-1500 jad@ulaw.com 10 Richard G. McCracken, Nevada Bar No. 2748 11 Kimberley C. Weber, Nevada Bar No. 14434 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 12 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 13 Tel: (702) 386-5107 rmccracken@msh.law 14 kweber@msh.law 15 Attorneys for the CCEA Parties 16

IN THE EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

18
CLARK COUNTY EDUCATION
ASSOCIATION, VICTORIA COURTNEY,
JAMES FRAZEE, ROBERT G.
HOLLOWOOD, and MARIA NEISESS,

Plaintiffs,

22 | vs.

17

21

25

26

27

28

23 NEVADA STATE EDUCATION
ASSOCIATION, DANA GALVIN, RUBEN
MURILLO, JR., BRIAN WALLACE, and
BRIAN LEE.

Defendants.

Case No.: A-17-761364-C DEPT. NO.: 4

(consolidated with A-17-761884-C)

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING IN PART AND DENYING IN PART THE NSEA PARTIES' MOTION FOR PARTIAL RECONSIDERATION OF THE DECEMBER 20 FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

Date of Hearing: May 9, 2019 Time of Hearing: 9:00 a.m.

Snell & Wilmer
LAW OFFICES
3883 Howard Hughtes Farkway, Suite
Las Vogas, Asyerate 68109

NEVADA STATE EDUCATION
ASSOCIATION; NATIONAL EDUCATION
ASSOCIATION; RUBEN MURILLO;
ROBERT BENSON; DIANE
DI ARCHANGEL; AND JASON WYCKOFF,

Plaintiffs-Counter Defendants,
And
BRIAN LEE,

Counter-Defendant,

vs.

CLARK COUNTY EDUCATION
ASSOCIATION; JOHN VELLARDITA; AND
VICTORIA COURTNEY,

Defendants-Counter Plaintiffs.

Case No.: A-17-761884-C (consolidated with A-17-761364-C)

The Court, having read and considered Nevada State Education Association ("NSEA"), National Education Association ("NEA"), Dana Galvin, Ruben Murillo, Jr., Brian Wallace, Brian Lee, Robert Benson, Diane Di Archangel and Jason Wyckoff (collectively "NSEA Parties") Motion for Partial Reconsideration of the December 20 Findings of Fact, Conclusions of Law, and Order ("Motion for Reconsideration"), filed January 10, 2019; the Clark County Education Association ("CCEA"), Victoria Courtney, James Frazee, Robert Hollowood, and Maria Neisess's (collectively, the "CCEA Parties") Opposition to the Motion for Reconsideration, filed February 25, 2019; the NSEA Parties' Reply in Support of the Motion for Reconsideration, filed April 4, 2019; and all other papers filed in support of the foregoing; having heard and considered the oral argument of counsel John S. Delikanakis, Esq., Bradley Austin, Esq. and Michael Paretti, Esq. of Snell & Wilmer L.L.P., and Joel D'Alba, Esq. of Asher, Gittler & D'Alba, Ltd. appearing on behalf of the CCEA Parties, and Robert Alexander, Esq. and James Graham Lake, Esq. of Bredhoff & Kaiser, PPLC and Paul J. Lal, Esq. of Boies Schiller Flexner appearing on behalf of the NSEA Parties, and with good cause appearing, enters the following findings of fact, conclusions of law and order.

FINDINGS OF FACT

The CCEA Parties filed a Motion for Partial Summary Judgment ("MPSJ") on June
 2018 seeking summary judgment on their claim for Declaratory Relief.

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2. The NSEA Parties filed their Opposition to the MPSJ on July 20, 2018.

- 3. The CCEA Parties filed their Reply in Support of the MPSJ on August 14, 2018.
- 4. The Court entertained oral argument on the MPSJ on November 15, 2018 – with the consolidated hearing spanning nearly two-and-a-half hours in length (beginning at 9:06 am and concluding at 11:30 am).
- 5. Following the hearing, the Court issued a Minute Order on November 15, 2018, granting the CCEA Parties' MPSJ and directing CCEA's counsel to draft a proposed order.
- 6. The Parties subsequently exchanged redlines of a proposed order but were unable to reach a consensus.
- 7. On December 6, 2018, CCEA submitted its proposed order, along with a redline from NSEA, highlighting for the Court all of the specific changes that the NSEA Parties requested.
- 8. On December 7, 2018, the NSEA Parties submitted a competing order, along with a seven-page, single spaced letter - much of which contained arguments identical to those found in the instant Motion for Reconsideration.
- 9. After reviewing both competing orders, the redline of the NSEA Parties' proposed changes, and the NSEA Parties' seven-page letter, the Court entered its Findings of Fact, Conclusions of Law, and Order granting the CCEA Parties' Motion for Partial Summary Judgment on December 20, 2018.
- 10. Pertinent to the Motion for Reconsideration, the December 20, 2018, Findings of Fact, Conclusions of Law, and Order provides:
 - a. Paragraph 6: "Members of CCEA pay dues to CCEA pursuant to a membership dues authorization form ('Membership Authorization Form')."
 - b. Paragraph 8: "Once an individual CCEA member signs the CCEA Membership Authorization Form, CCEA membership dues are then deducted from members' pay checks by their employer, the CCSD, pursuant to a collective bargaining agreement negotiated and agreed to by and between CCEA and CCSD."

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c. Paragraph 9: "The membership dues deducted from CCEA members' pay checks are then paid to CCEA by CCSD."

- d. Paragraph 10: "A portion of the CCEA membership dues are then transmitted to NSEA through a dues transmittal agreement by and between CCEA and NSEA('Dues Transmittal Agreement'), which is attached as an addendum and incorporated into a negotiated services agreement by and between CCEA and NSEA ('Service Agreement') as Addendum A."
- e. Paragraph 12: "In the absence of a Dues Transmittal Agreement, there is no obligation for CCEA to transmit dues to NSEA and per NEA's bylaws, only NSEA has a contractual obligation to pay NEA."
- 11. Any finding of fact which should be construed as a conclusion of law shall be construed as such.
- 12. Any conclusion of law which should be construed as a finding of fact shall be construed as such.

CONCLUSIONS OF LAW

A. Standard for Reconsideration

- "A district court may reconsider a previously decided issue if substantially different 13. evidence is subsequently introduced or the decision is clearly erroneous." Masonry & Tile Contractors Ass'n of S. Nevada v. Jolley, Urga & Wirth, Ltd., 113 Nev. 737, 741, 941 P.2d 486, 489 (1997) (internal citations omitted.).
- "Only in very rare instances in which new issues of fact or law are raised supporting a ruling contrary to the ruling already reached should a motion for rehearing be granted." Moore v. City of Las Vegas, 92 Nev. 402, 405, 551 P.2d 244, 246 (1976).
- Further, a petition for rehearing may not be utilized as a vehicle to reargue matters considered and decided in the court's initial opinion. Matter of Estate of Herrmann, 100 Nev. 149, 151, 679 P.2d 246, 247 (1984).

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16. A decision is erroneous "when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed." Union America Mortgage and Equity v. McDonald, 97 Nev. 210,211-212, 626 P.2d 1272, 1273 (1981), quoting United States v. Gypsum Co., 333 U.S. 364, 395 (1948).

В. Paragraph 6 of the December 20 Order

- Paragraph 6 of the Court's December 20, 2018, Findings of Fact, Conclusions of Law, and Order did not classify the subject enrollment form as a CCEA enrollment form.
- 18. The Court did not interpret the findings of fact in Paragraph 6 to limit NSEA or NEA's rights.
- 19. Substantially different evidence has not been subsequently introduced, and the Court's decision is not clearly erroneous.
- 20. Accordingly, the Court denies the NSEA Parties' Motion for Reconsideration with respect to Paragraph 6.

C. Paragraphs 8-10 of the December 20 Order

- 21. Paragraphs 8-10 of the Court's December 20, 2018, Findings of Fact, Conclusions of Law, and Order explained the mechanisms as to how membership dues were transmitted from CCSD to CCEA, NSEA, and NEA prior to CCEA's termination of the Service Agreement and Dues Transmittal Agreement.
- 22. Substantially different evidence has not been subsequently introduced, and the Court's decision is not clearly erroneous.
- 23. Accordingly, the Court denies the NSEA Parties' Motion for Reconsideration with respect to Paragraphs 8-10, but does so without prejudice to ruling on the parties' pending motions for summary judgment.

D. Paragraph 12 of the December 20 Order

24. Paragraph 12 of the Court's December 20, 2018, Findings of Fact, Conclusions of Law, and Order did not serve as a basis in any way for the Court's ruling on the CCEA Parties' MPSJ.

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25. Accordingly, because Paragraph 12 did not serve as a basis for the Court's ruling on the CCEA Parties' MPSJ, the Court grants the NSEA Parties' Motion for Reconsideration with respect to Paragraph 12 and amends the December 20, 2018, Findings of Fact, Conclusions of Law, and Order to omit Paragraph 12.

ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

That the NSEA Parties' Motion for Reconsideration is **GRANTED IN PART** with respect to Paragraph 12 and the Court amends its December 20, 2018, Findings of Fact, Conclusions of Law, and Order to omit Paragraph 12; and

That the remainder of the NSEA Parties' Motion for Reconsideration, specifically regarding Paragraphs 6, 8, 9, and 10 of the Court's December 20, 2018, Findings of Fact, Conclusions of Law, and Order, is **DENIED**.

DATED: 2019

THE HONORABLE JUDGE KERRY EARLEY

SNELL & WILMER L.L.P.

RESPECTFULLY SUBMITTED BY:

John S. Delikanakis

21 Nevada Bar No. 5928

Bradley T. Austin

22 Nevada Bar No. 13064

Michael Paretti

23 Nevada Bar No. 13926

SNELL & WILMER L.L.P.

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Electronically Filed 7/3/2019 3:47 PM Steven D. Grierson CLERK OF THE COURT John S. Delikanakis, Nevada Bar No. 5928 1 Michael Paretti, Nevada Bar No. 13926 2 Bradley T. Austin, Nevada Bar No. 13064 SNELL & WILMER L.L.P. 3 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169 Tel: (702) 784-5200 jdelikanakis@swlaw.com 5 mparetti@swlaw.com baustin@swlaw.com 6 Richard G. McCracken, Nevada Bar No. 2748 Kimberley C. Weber, Nevada Bar No. 14434 7 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 8 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 9 Tel: (702) 386-5107 rmccracken@msh.law 10 kweber@msh.law Joel A. D'Alba (Pro Hac Vice) 11 ASHER, GITTLER & D'ALBA, LTD. 200 West Jackson Blvd., Suite 720 12 Chicago, IL 60606 Tel: (312) 263-1500 13 jad@ulaw.com 14 Attorneys for Plaintiffs Clark County Education Association, Victoria Courtney, James Frazee, Robert G. Hollowood and Maria Neisess 15 16 IN THE EIGHTH JUDICIAL DISTRICT COURT **CLARK COUNTY, NEVADA** 17 Case No.: A-17-761364-C CLARK COUNTY EDUCATION DEPT. NO.: 4 18 ASSOCIATION, VICTORIA COURTNEY, (consolidated with A-17-761884-C) JAMES FRAZEE, ROBERT G. 19 HOLLOWOOD, and MARIA NEISESS, NOTICE OF ENTRY OF FINDINGS OF 20 FACT, CONCLUSIONS OF LAW, AND Plaintiffs, **ORDER GRANTING CCEA PARTIES'** VS. 21 MOTION TO ALTER OR AMEND **COURT'S MAY 11, 2018 ORDER NEVADA STATE EDUCATION** 22 PURSUANT TO NRCP 59(E) AND 60(B) ASSOCIATION, DANA GALVIN, RUBEN MURILLO, JR., BRIAN WALLA CE, and 23 BRIAN LEE, 24 Defendants. NEVADA STATE EDUCATION Case No.: A-17-761884-C 25 ASSOCIATION; NATIONAL EDUCATION (consolidated with A-17-761364-C) ASSOCIATION; RUBEN MURILLO; ROBERT 26 BENSON; DIANE DI ARCHANGEL; AND JASON WYCKOFF, 27 Plaintiffs-Counter Defendants. 28

1 And 2 BRIAN LEE, Counter-Defendant, 3 VS. 4 CLARK COUNTY EDUCATION ASSOCIATION; JOHN VELLARDITA; AND 5 VICTORIA COURTNEY, Defendants-Counter Plaintiffs. 6 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL: 7 8 PLEASE TAKE NOTICE that the attached Findings of Fact, Conclusions of Law, and 9 Order Granting CCEA Parties' Motion to Alter or Amend Court's May 11, 2018 Order Pursuant to NRCP 59(E) and 60(B) was entered in the above-referenced action on the 3rd day of July, 2019. 10 DATED this 3rd day of July, 2019. 11 12 SNELL & WILMER L.L.P. 13 By: /s/ Brad Austin 14 John S. Delikanakis (Nevada Bar No. 5928) Michael Paretti (Nevada Bar No. 13926) 15 Brad T. Austin (Nevada Bar No. 13064) 16 Joel A. D' Alba (pro hac vice) ASHER, GITTLER& D'ALBA, LTD. 17 200 West Jackson Blvd, Suite 1900 Chicago, 11 60606 18 Richard G. McCracken 19 Nevada Bar No. 2748 20 Kimberley C. Weber Nevada Bar No. 14434 21 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 22 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 23 Attorneys for Plaintiffs 24 25 26 27 28 - 2 -

1	CERTIFICATE OF SERVICE
2	I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen
3	(18) years, and I am not a party to, nor interested in, this action. On this date, I caused to be
4	served a true and correct copy of the foregoing NOTICE OF ENTRY OF FINDINGS OF
5	FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING CCEA PARTIES'
6	MOTION TO ALTER OR AMEND COURT'S MAY 11, 2018 ORDER PURSUANT TO
7	NRCP 59(E) AND 60(B) by the method indicated below:
8	XX_ Odyssey E-File & Serve Federal Express
9	U.S. Mail U.S. Certified Mail
10	Facsimile Transmission Hand Delivery
11	Email Transmission Overnight Mail
12	and addressed to the following:
13 14	Richard J. Pocker Robert Alexander (pro hace vice) Nevada Bar No. 3568 Robert Alexander (pro hace vice)
15	Paul J. Lal James Graham Lake (pro hac vice)
16	Nevada Bar No. 3755 BREDHOFF & KAISER, PLLC BOIES SCHILLER FLEXNER LLP 805 15th Street N.W., Suite 1000
17	300 South Fourth Street, Suite 800 Washington, DC 20005 Las Vegas, NV 89101 Email: ralexander@bredhoff.com
18	Email: rpocker@bsfllp.com Email: mcdrexler@bredhoff.com Email: plal@bsfllp.com Email: glake@bredhoff.com
19	Attorneys for Defendants Attorneys for Defendants
20	DATED this 3 rd day of July, 2019.
21	/s/ Ruby Lengsavath
22	An Employee of Snell & Wilmer L.L.P. 4812-2658-2427.1
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1 2	NEVADA STATE EDUCATION ASSOCIATION; NATIONAL EDUCATION ASSOCIATION; RUBEN MURILLO; ROBERT BENSON; DIANE
3	DI ARCHANGEL; AND JASON WYCKOFF,
4	Plaintiffs-Counter Defendants,
5	
5	BRIAN LEE,
,	Counter-Defendant,
3	vs.
	CLARK COUNTY EDUCATION
)	ASSOCIATION; JOHN VELLARDITA; AND VICTORIA COURTNEY,
)	Defendants-Counter Plaintiffs.

Case No.: A-17-761884-C (consolidated with A-17-761364-C)

The Court, having read and considered the Clark County Education Association ("CCEA"), Victoria Courtney, James Frazee, Robert Hollowood, and Maria Neisess's (collectively, the "CCEA Parties")Motion to Alter or Amend the Court's May 11, 2018, Order Pursuant to NRCP 59(E) and NRCP 60(B) ("Motion"), filed December 12, 2018; Nevada State Education Association ("NSEA"), National Education Association ("NEA"), Dana Galvin, Ruben Murillo, Jr., Brian Wallace, Brian Lee, Robert Benson, Diane Di Archangel and Jason Wyckoff's (collectively "NSEA Parties") Opposition to the Motion, filed January 23, 2019; the CCEA Parties' Reply in support of the Motion, filed April 4, 2019; and all other papers filed in support of the foregoing; having heard and considered the oral argument of counsel John S. Delikanakis, Esq., Bradley Austin, Esq. and Michael Paretti, Esq. of Snell & Wilmer L.L.P., and Joel D'Alba, Esq. of Asher, Gittler & D'Alba, Ltd. appearing on behalf of the CCEA Parties, and Robert Alexander, Esq. and James Graham Lake, Esq. of Bredhoff & Kaiser, PPLC and Paul J. Lal, Esq. of Boies Schiller Flexner appearing on behalf of the NSEA Parties, and with good cause appearing, enters the following findings of fact, conclusions of law and order.

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Snell & Wilmer
LLP.
LAW OFFICES
3883 Howard Hughes Fretkray, Suite 11
Las Vegas, Nevada 89169

FINDINGS OF FACT

- 1. On March 30, 2018, the NSEA Parties filed an Application for Order Directing the Issuance of a Prejudgment Writ of Attachment with Notice (the "<u>Application</u>"), which the CCEA Parties opposed.
- 2. In opposition, the CCEA Parties represented to the Court that CCEA had been placing the dues at issue into a restricted account since the inception of this lawsuit.
- 3. The Honorable Judge Joanna Kishner entertained oral argument on the Application on April 23, 2018, and issued an equitable order on May 11, 2018, ordering as follows:
 - a. That all funds in the possession of or received by CCEA for the 2017-2018 school year in respect to NSEA dues (numerically calculated traditionally at the annual rate of \$376.66) and in respect to NEA dues (numerically calculated traditionally at the annual rate of \$189.00) shall continue to be deposited by CCEA into account number ending in -4739 (the "Restricted Account"), maintained at the Bank of America Las Vegas, Nevada Branch (the "Bank") as CCEA has represented to the Court it had done during the course of this litigation; and
 - b. That all funds on deposit in the Restricted Account with respect to the 2017-2018 NSEA and NEA dues shall remain in the Restricted Account, and that no funds shall be withdrawn, transferred, or disbursed out of the Restricted Account, and the Restricted Account shall not be changed or modified, without a further Order from this Department 31¹ of this Court.
 - c. The Restricted Account Order further required CCEA to provide NSEA and NEA with a monthly statement from the Restricted Account.

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¹ The May 11, 2018, Order makes specific reference to Department 31 because at the time it was issued, two separate actions between the NSEA Parties and CCEA Parties were proceeding in Departments 28 and 31. On June 29, 2018 – after the Order was issued, the Department 31 action was consolidated into the Department 28 action upon motion by the CCEA Parties. On July 2, 2018, the consolidated action was reassigned to Department 1. Upon CCEA Parties' peremptory challenge, and on July 9, 2018, the consolidated action was ultimately assigned to this Department. Thus, this Department is the proper Department to issue this order.

- 5. On December 20, 2018, the Court granted the CCEA Parties' Motion for Partial Summary Judgment, finding that: (1) the termination provisions of the underlying Service Agreement and Dues Transmittal Agreement are clear and unambiguous, (2) CCEA's letters notifying NSEA of the termination of the Service Agreement and Dues Transmittal Agreement are equally clear and unambiguous, (3) the Service Agreement and Dues Transmittal Agreement were terminated by CCEA within the required contractual timeframe, (4) this termination caused both agreements to expire on August 31, 2017, and (5) in light of the foregoing termination and expiration, CCEA owed no duties to NSEA/NEA under the Service Agreement or Dues Transmittal Agreement to collect and/or transmit membership dues on NSEA/NEA's behalf on or after September 1, 2017.
- 6. Court subsequently considered the NSEA Parties Motion for Partial Summary Judgment on Conversion (filed November 9, 2018), the CCEA Parties' Countermotion for Partial Summary Judgment (filed December 12, 2018), and the NSEA Parties' Motion for Partial Summary Judgment on Bylaws (filed January 23, 2019). The Court heard oral argument from the parties on these motions on May 9, 2019, and issued its ruling from the bench at the hearing, granting the CCEA Parties' Motion for Partial Summary Judgment in its entirety, and denying the NSEA Parties' Motions for Partial Summary Judgment on Conversion and Bylaws in their entirety.²
- 7. Any finding of fact which should be construed as a conclusion of law shall be construed as such.
- 8. Any conclusion of law which should be construed as a finding of fact shall be construed as such.

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² The Court's findings are subsequently being incorporated into a Findings of Fact, Conclusions of Law, and Order to be entered concurrently herewith. The findings and conclusions in that order are incorporated herein by reference.

Snell & Wilmer LLP. CLE. LAW OFFICES 3883 Howard Hughes Talkowy, Suite 1 Las Vegges, Nevada, 80169

CONCLUSIONS OF LAW

A. Standard for Reconsideration

9. "A district court may reconsider a previously decided issue if substantially different evidence is subsequently introduced or the decision is clearly erroneous." *Masonry and Tile Contractors Ass'n v. Jolley, Urga & Wirth, Ltd.*, 113 Nev. 737, 741, 941 P.2d 486 (1997).

- 10. Rule 59(e) motions have been interpreted as "cover[ing] a broad range of motions, [with] the only real limitation on the type of motion permitted [being] that it must request a substantive alteration of the judgment, not merely correction of a clerical error, or relief of a type wholly collateral to the judgment." *AA Primo Builders, LLC v. Washington*, 245 P.3d 1190, 1193 (Nev. 2010).
- 11. "Among the 'basic grounds' for a Rule 59(e) motion are 'correct[ing] manifest errors of law or fact,' 'newly discovered or previously unavailable evidence,' the need 'to prevent manifest injustice,' or a 'change in controlling law'." *Id.* (citing Coury v. Robison, 115 Nev. 84, 124–27, 976 P.2d 518 (1999)). See also, Lytle v. Rosemere Estates Prop. Owners, 314 P.3d 946, 948 (Nev. 2013) (holding that Rule 59(e) applies to any appealable order). The requirements for filing a Rule 59(e) motion are minimal; in addition to being timely filed (no later than 10 days after service of written notice of entry of the judgment), the motion must "be in writing, . . . state with particularity [its] grounds [and] set forth the relief or order sought." *Id.* at 1192.

12. NRCP 60(b) states that:

(b) On motion and upon such terms as are just, the court may relieve a party or a party's legal representative from a final judgment, order, or proceeding for the following reasons: (1) mistake, inadvertence, surprise, or excusable neglect; (2) newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b); (3) fraud (whether heretofore denominated intrinsic or extrinsic), misrepresentation or other misconduct of an adverse party; (4) the judgment is void; or, (5) the judgment has been satisfied, released, or discharged, or a prior judgment upon which it is based has been reversed or otherwise vacated, or it is no longer equitable that an injunction should have prospective application. The motion shall be made within a reasonable time, and for reasons (1), (2), and (3) not more than 6 months after the proceeding

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³ Because this Court's Order is injunctive in nature, it is appealable. See NRAP 3A(b)(3).

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was taken or the date that written notice of entry of the judgment or order was served. A motion under this subdivision (b) does not affect the finality of a judgment or suspend its operation. This rule does not limit the power of a court to entertain an independent action to relieve a party from a judgment, order, or proceeding, or to set aside a judgment for fraud upon the court. Writs of coram nobis, coram vobis, audita querela, and bills of review and bills in the nature of a bill of review, are abolished, and the procedure for obtaining any relief from a judgment shall be by motion as prescribed in these rules or by an independent action.

The CCEA Parties Are Entitled to Modification of the May 11, 2018, Order В.

- 13. The Court has already determined that, as a matter of law: (1) the termination provisions of the underlying Service Agreement and Dues Transmittal Agreement are clear and unambiguous, (2) CCEA's letters notifying NSEA of the termination of the Service Agreement and Dues Transmittal Agreement are equally clear and unambiguous, (3) the Service Agreement and Dues Transmittal Agreement were terminated by CCEA within the required contractual timeframe. (4) this termination caused both agreements to expire on August 31, 2017, and (5) in light of the foregoing termination and expiration, CCEA owed no duties to NSEA/NEA under the Service Agreement or Dues Transmittal Agreement to collect and/or transmit membership dues on NSEA/NEA's behalf on or after September 1, 2017.
- As determined by the Court in denying the NSEA Parties' Motions for Partial 14. Summary Judgment on Bylaws and Conversion, and granting the CCEA Parties' Motion for Partial Summary Judgment, NSEA and NEA have no legal or contractual right to the funds held in the Restricted Account under the NSEA or NEA Bylaws, which Bylaws expressly rely upon the (terminated) Dues Transmittal Agreement for any obligation to transmit dues.
- 15. As determined by the Court in denying the NSEA Parties' Motions for Partial Summary Judgment on Bylaws and Conversion, and granting the CCEA Parties' Motion for Partial Summary Judgment, NSEA and NEA have no legal or contractual right to the funds held in the Restricted Account under the Membership Authorization Form, which Form is only between CCEA and the individual members.
- 16. As determined by the Court in denying the NSEA Parties' Motions for Partial Summary Judgment on Bylaws and Conversion, and granting the CCEA Parties' Motion for Partial

Summary Judgment, NSEA/NEA have no equitable right to the funds held in the Restricted Account

- 17. In light of this Court's findings that CCEA owed no duties to NSEA or NEA under the Service Agreement or Dues Transmittal Agreement to collect and/or transmit membership dues on NSEA/NEA's behalf on or after September 1, 2017, and that in the absence of a Dues Transmittal Agreement, there is no obligation for CCEA to transmit dues to NSEA or NEA, the underlying basis for the Court's May 11, 2018, Order no longer exists.
- 18. As such, the Court vacates the Restricted Account Order in its entirety and permits CCEA to disgorge and return the funds held in the Restricted Account to the individual CCEA members (including the individual NSEA Parties) from whom they were collected.

ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

That the CCEA Parties Motion is **GRANTED**;

That the Court's May 11, 2018, Order is VACATED; and

That CCEA shall return the funds held in the Restricted Account to CCEA's members, including any interest that accrued while the subject funds were held in the Restricted Account.

That this Order is stayed for 14 days of notice of entry, to permit NEA and NSEA to move for a stay pending appeal of this Order. If NEA and NSEA move in this Court for a stay of this Order within 14 days of notice of entry, this Order will remain stayed until disposition of the motion.

DATED: \(\frac{1}{2019} \), 2019

PHE HONORABLE JUDGE KERRY FARLEY

A-17-761364-C

Electronically Filed 7/3/2019 3:47 PM Steven D. Grierson CLERK OF THE COURT John S. Delikanakis, Nevada Bar No. 5928 1 Michael Paretti, Nevada Bar No. 13926 2 Bradley T. Austin, Nevada Bar No. 13064 SNELL & WILMER L.L.P. 3 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169 Tel: (702) 784-5200 jdelikanakis@swlaw.com 5 mparetti@swlaw.com baustin@swlaw.com 6 Richard G. McCracken, Nevada Bar No. 2748 Kimberley C. Weber, Nevada Bar No. 14434 7 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 8 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 9 Tel: (702) 386-5107 rmccracken@msh.law 10 kweber@msh.law Joel A. D'Alba (Pro Hac Vice) 11 ASHER, GITTLER & D'ALBA, LTD. 200 West Jackson Blvd., Suite 720 12 Chicago, IL 60606 Tel: (312) 263-1500 13 jad@ulaw.com 14 Attorneys for Plaintiffs Clark County Education Association, Victoria Courtney, James Frazee, Robert G. Hollowood and Maria Neisess 15 16 IN THE EIGHTH JUDICIAL DISTRICT COURT **CLARK COUNTY, NEVADA** 17 Case No.: A-17-761364-C CLARK COUNTY EDUCATION DEPT. NO.: 4 18 ASSOCIATION, VICTORIA COURTNEY, (consolidated with A-17-761884-C) JAMES FRAZEE, ROBERT G. 19 HOLLOWOOD, and MARIA NEISESS, NOTICE OF ENTRY OF FINDINGS OF 20 FACT, CONCLUSIONS OF LAW, AND Plaintiffs, ORDER GRANTING THE CLARK VS. 21 COUNTY EDUCATION ASSOCIATION PARTIES' MOTION FOR PARTIAL NEVADA STATE EDUCATION 22 SUMMARY JUDGMENT AND ASSOCIATION, DANA GALVIN, RUBEN DENYING THE NEVADA STATE MURILLO, JR., BRIAN WALLA CE, and 23 EDUCATION ASSOCIATION PARTIES' BRIAN LEE, MOTION FOR PARTIAL SUMMARY 24 Defendants. **JUDGMENT** 25 NEVADA STATE EDUCATION Case No.: A-17-761884-C ASSOCIATION: NATIONAL EDUCATION (consolidated with A-17-761364-C) 26 ASSOCIATION; RUBEN MURILLO; ROBERT BENSON; DIANE DI ARCHANGEL; AND 27 JASON WYCKOFF, 28 Plaintiffs-Counter Defendants,

1 And 2 BRIAN LEE, Counter-Defendant, 3 VS. 4 CLARK COUNTY EDUCATION ASSOCIATION; JOHN VELLARDITA; AND 5 VICTORIA COURTNEY, Defendants-Counter Plaintiffs. 6 7 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL: 8 PLEASE TAKE NOTICE that the attached Findings of Fact, Conclusions of Law, and 9 Order Granting the Clark County Education Association Parties' Motion for Partial Summary Judgment and Denying the Nevada State Education Association Parties' Motion for Partial 10 Summary Judgment was entered in the above-referenced action on the 3rd day of July, 2019. 11 DATED this 3rd day of July, 2019. 12 13 SNELL & WILMER L.L.P. 14 By: /s/ Brad Austin 15 John S. Delikanakis (Nevada Bar No. 5928) Michael Paretti (Nevada Bar No. 13926) 16 Brad T. Austin (Nevada Bar No. 13064) 17 Joel A. D' Alba (pro hac vice) ASHER, GITTLER& D'ALBA, LTD. 18 200 West Jackson Blvd, Suite 1900 Chicago, 11 60606 19 Richard G. McCracken 20 Nevada Bar No. 2748 21 Kimberley C. Weber Nevada Bar No. 14434 22 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 23 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 24 Attorneys for Plaintiffs 25 26 27 28

1	CERTIFICATE OF SERVICE		
2	I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen		
3	(18) years, and I am not a party to, nor interested in, this action. On this date, I caused to be		
4	served a true and correct copy of the foregoing NOTICE OF ENTRY OF FINDINGS OF		
5	FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING THE CLARK COUNTY		
6	EDUCATION ASSOCIATION PARTIES' MOTION FOR PARTIAL SUMMARY		
7	JUDGMENT AND DENYING THE NEVADA STATE EDUCATION ASSOCIATION		
8	PARTIES' MOTION FOR PARTIAL SUMMARY JUDGMENT by the method indicated		
9	below:		
10	XX Odyssey E-File & Serve Federal Express		
11	U.S. Mail U.S. Certified Mail		
12	Facsimile Transmission Hand Delivery		
13	Email Transmission Overnight Mail		
14	and addressed to the following:		
15			
16	Richard J. Pocker Robert Alexander (pro hace vice) Nevada Bar No. 3568 Matthew Clash-Drexler (pro hac vice)		
17	Paul J. Lal James Graham Lake (pro hac vice) Nevada Bar No. 3755 BREDHOFF & KAISER, PLLC		
18	BOIES SCHILLER FLEXNER LLP 805 15th Street N.W., Suite 1000		
19	Las Vegas, NV 89101 Email: ralexander@bredhoff.com		
20	Email: rpocker@bsfllp.com Email: mcdrexler@bredhoff.com Email: glake@bredhoff.com		
21	Attorneys for Defendants Attorneys for Defendants		
22	DATED this 3 rd day of July, 2019.		
23	/s/ Ruby Lengsavath An Employee of Snell & Wilmer L.L.P.		
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7 Kimberley C. Weber, Nevada Bar No. 14434 McCRACKEN, STEMERMAN & HOLSBERRY, LLP 8 1630 South Commerce Street, Suite 1-A Las Vegas, NV 89102 9 Tel: (702) 386-5107 rmccracken@msh.law 10 kweber@msh.law

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Attorneys for the CCEA Parties

IN THE EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

CLARK COUNTY EDUCATION ASSOCIATION, VICTORIA COURTNEY, JAMES FRAZEE, ROBERT G. HOLLOWOOD, and MARIA NEISESS,

Plaintiffs,

vs.

NEVADA STATE EDUCATION 23 ASSOCIATION, DANA GALVIN, RUBEN MURILLO, JR., BRIAN WALLACE, and 24 BRIAN LEE,

Defendants.

Case No.: A-17-761364-C DEPT. NO.: 4

(consolidated with A-17-761884-C)

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING THE CLARK COUNTY EDUCATION ASSOCIATION PARTIES' MOTION FOR PARTIAL SUMMARY JUDGMENT AND DENYING THE NEVADA STATE **EDUCATION ASSOCIATION PARTIES' MOTIONS FOR PARTIAL SUMMARY JUDGMENT**

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Date of Hearing: May 9, 2019 Time of Hearing: 9:00 a.m.

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NEVADA STATE EDUCATION 1 ASSOCIATION; NATIONAL EDUCATION ASSOCIATION; RUBEN MURILLO; 2 ROBERT BENSON; DIANE DI ARCHANGEL; AND JASON WYCKOFF, 3 Plaintiffs-Counter Defendants, 4 And 5 BRIAN LEE, 6 Counter-Defendant, 7 vs. 8

Case No.: A-17-761884-C (consolidated with A-17-761364-C)

CLARK COUNTY EDUCATION

ASSOCIATION; JOHN VELLARDITA; AND VICTORIA COURTNEY,

Defendants-Counter Plaintiffs.

The Court, having read and considered Nevada State Education Association ("NSEA"), National Education Association ("NEA"), Dana Galvin, Ruben Murillo, Jr., Brian Wallace, Brian Lee, Robert Benson, Diane Di Archangel and Jason Wyckoff (collectively "NSEA Parties") Motion for Partial Summary Judgment ("NSEA Motion for Partial Summary Judgment on Conversion"), filed November 9, 2018; the NSEA Parties' Motion for Partial Summary Judgment ("NSEA Motion for Partial Summary Judgment on Bylaws"), filed January 23, 2019; and Clark County Education Association ("CCEA"), Victoria Courtney, James Frazee, Robert Hollowood, and Maria Neisess's (collectively, the "CCEA Parties") Countermotion for Partial Summary Judgment ("CCEA Countermotion for Partial Summary Judgment") filed by the CCEA Parties on December 12, 2018, and all papers filed in support of the foregoing Motions; having heard and considered the oral argument of counsel John S. Delikanakis, Esq., Bradley Austin, Esq. and Michael Paretti, Esq. of Snell & Wilmer L.L.P., and Joel D'Alba, Esq. of Asher, Gittler & D'Alba, Ltd. appearing on behalf of the CCEA Parties, and Robert Alexander, Esq. and James Graham Lake, Esq. of Bredhoff & Kaiser, PPLC and Paul J. Lal, Esq. of Boies Schiller Flexner appearing on behalf of the NSEA Parties, and with good cause appearing, enters the following findings of fact, conclusions of law and order.

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FINDINGS OF FACT

The Court concludes, under N.R.C.P. 56, that there is no genuine dispute of fact regarding the following:

- 1. CCEA is a democratic organization that is the exclusive collective bargaining representative of the licensed professional employees of the Clark County School District ("CCSD") and is the employee organization that serves as the local voice for educators to advance the cause of education, promote professional excellence among educators to protect the rights of educators, advance their interests and welfare, and secure professional autonomy.
- 2. CCEA is the recognized and exclusive bargaining agent for CCSD's licensed professional employees.
 - 3. NSEA was the state-wide affiliate of the CCEA.
 - 4. The NEA was the national affiliate of the CCEA.
- 5. Members of CCEA pay dues to CCEA pursuant to a membership dues authorization form ("Membership Authorization Form").
 - 6. The Membership Authorization Form provides that:

Payroll Deduction Authorization. With full knowledge of the above, I hereby agree to pay cash for, or herein, authorize my employer to deduct from my salary, and pay to the local association, in accordance with the agreed-upon payroll deduction procedure, the professional dues as established annually and the political action contributions in the amounts indicated above for this membership year and each year thereafter, provided that I may revoke this authorization by giving written notice to that effect to my local association between July 1 and July 15 of any calendar year, or as otherwise designated by the negotiated agreement. Dues are paid on an annual basis and, although dues may be deducted from my payroll check(s) in order to provide an easier method of payment, a member is obligated to pay the entire amount of dues for a membership year. I understand that if I resign my membership in my local Association, or in the event of termination, resignation or retirement from employment, I am still obligated to pay the balance of my annual dues and political or positive image contributions for that membership year and such payments will continue to be deducted from my payroll check(s).

7. Once an individual CCEA member signs the Membership Authorization Form, CCEA membership dues are then deducted from members' pay checks by their employer, the

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CCSD, pursuant to a collective bargaining agreement negotiated and agreed to by and between CCEA and CCSD.

- 8. The membership dues deducted from CCEA members' pay checks are then paid to CCEA by CCSD.
- 9. A portion of the membership dues were then transmitted to NSEA through a dues transmittal agreement by and between CCEA and NSEA ("Dues Transmittal Agreement"), which is attached as an addendum and incorporated into a negotiated services agreement by and between CCEA and NSEA ("Service Agreement") as Addendum A.
- 10. The Service Agreement incorporates the Dues Transmittal Agreement and provides as follows:

CCEA agrees to transmit NSEA and NEA dues, and NSEA-TIP and NEA-PAC contributions to NSEA for each by the tenth business day following the payroll deduction. The agreement is attached as Addendum A.

- The Service Agreement incorporates and the Dues Transmittal Agreement and together provide for the quid pro quo exchange between CCEA and NSEA. The Service Agreement sets forth the services and financial payments that NSEA will provide to CCEA in exchange for transmittal of dues that CCEA sends to NSEA, as set forth in both the Service Agreement – Dues Transmittal Agreement.
- Specifically, paragraph 1 of the Service Agreement states that CCEA will transmit 12. dues to NSEA and the following paragraph (paragraph 2) provides that in exchange, NSEA will transmit grants to CCEA.
- 13. The Service Agreement and the Dues Transmittal Agreement allow either party to unilaterally terminate and seek to renegotiate the terms of the agreement.
 - 14. Specifically, the Service Agreement provides that:

The term of this agreement shall be from September 1 to August 31. This Agreement shall be automatically renewed on an annual basis, unless either party shall give written notice of termination to the other party, with evidence of receipt by the other party no later than thirty (30) days prior to the anniversary date of the Agreement. Should either party give notice of termination as provided alone, then this Agreement shall terminate on the anniversary date unless a successor agreement has been mutually agreed to by the parties.

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15. The relevant anniversary date is September 1, 2017.

16. Similarly, the Dues Transmittal Agreement provides that "[t]his agreement shall remain in force for each subsequent membership year unless terminated in writing by either party prior to September 1 of any NSEA membership year, or amended by mutual consent of both parties."

- 17. The NSEA membership year runs from September 1 to August 31.
- 18. On May 3, 2017, CCEA gave notice to NSEA and its officers of an intent to terminate the Service Agreement and the Dues Transmittal as follows:

Pursuant to the terms of the Service Agreement between the Nevada State Education Association and the Clark County Education Association, I write to give you notice to terminate this agreement, unless a successor agreement can be mutually agreed to by the parties....Please accept this letter as our formal notice of termination of the Service Agreement.

19. On July 17, 2017 and August 3, 2017, CCEA sent NSEA two additional letters providing for notice of the intent to terminate the Service Agreement and the Dues Transmittal Agreement. Specifically, the July 17, 2017, letter stated in pertinent part that:

On May 3, 2017 CCEA served notice that it was terminating the Service Agreement between CCEA and NSEA.....This letter serves notice to NSEA that unless there is a successor agreement in place before the August 31, 2017 all terms and conditions of the agreement shall become null and void.

The August 3, 2017, letter stated in pertinent part that:

Your letter expressing a claim based on NSEA policies is incorrect as this is a contract matter, there has not been a mutual agreement to modify the Agreement, and without mutual agreement, the terms and conditions of the Agreement will be null and void upon its expiration on August 31, 2017....The Agreement serves as the dues transmittal contract, and it is otherwise set to expire unless a successor is negotiated per the terms and conditions of that Agreement. Upon expiration, CCEA is not only legally not obligated to transmit dues, but cannot transmit member dues to NSEA per NSEA's own ByLaws. To be clear, when the current Agreement between CCEA and NSEA expires on August 31, 2017 there will not be a contract in place between the two organizations to collect and remit dues to NSEA.

- 20. On March 24, 2018, CCEA members were given notice of a dues issue to be presented at a general membership meeting to be held on April 25, 2018.
 - On April 14, 2018, the Executive Board of CCEA met to consider a proposed bylaw 21.

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amendment to set CCEA dues at \$510 per year immediately upon disaffiliation from the NSEA and the NEA and upon CCEA becoming an independent labor organization.

- Prior to the termination of the Service Agreement and Dues Transmittal Agreement, 22. the annual dues payments for CCEA members included payments to CCEA, NSEA and NEA and were \$810.50. The \$510 dues payments considered by the dues motion on April 14, 2018, constituted a dues decrease for all CCEA members.
- On April 24, 2018, the CCEA Association Representative Council ("ARC") met to consider, among other things, bylaws changes. The ARC approved a motion to change Article X, Section 1 of the CCEA Bylaws by removing the word "shall" from the affiliate's status and bylaw provision and inserting the "may," which meant that the Association may, rather than shall, maintain affiliate status with the NSEA and NEA. That change to Article X of the Bylaws was approved.
- On April 24, 2018, the ARC adopted a tentative budget for fiscal year 2018-2019, 24. setting the CCEA annual dues rate at \$510 for each member, which budget would take effect immediately upon disaffiliation from NSEA and NEA.
- On April 25, 2018, members of the Association at a general membership meeting 25. were advised that the ARC amended the Bylaws to permit members to effectively authorize the disaffiliation from the NSEA and NEA and upon disaffiliation members' union dues would be reduced from \$33.78 per paycheck to \$21.25 per paycheck.
- On April 25, 2018, the CCEA members were notified by a mass email of this vote 26. and received a second notice of the general membership meeting to that place on that day.
- During CCEA's April 25, 2018, general membership meeting, CCEA's members 27. approved a motion to disaffiliate from the NSEA and NEA, and to reduce the union dues as set forth above.
- CCEA disaffiliated from NSEA and NEA on April 25, 2018, and the foregoing dues 28. reduction took effect immediately upon disaffiliation.
 - After the termination of the Dues Transmittal Agreement, but prior to CCEA's April 29.

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25, 2018, disaffiliation from NSEA and NEA, CCSD continued to send the employees' dues to CCEA, whereupon the dues were placed into a restricted bank account ("Sequestered Funds") – with CCEA seeking via the instant litigation a declaratory determination from the Court as to the rightful owner of the funds, and NSEA asserting via the instant litigation a right to the funds under contract, conversion, and unjust enrichment causes of action.

- 30. On May 11, 2018, and to preserve the status quo while the CCEA Parties' declaratory relief claim was pending with the Court, the Court required that: (1) all funds in the possession of or received by CCEA for the 2017-2018 school year in respect to NSEA dues and in respect to NEA dues be deposited into a restricted account, "as [CCEA] has represented to the Court it has done during the course of this litigation"; (2) that no funds shall be withdrawn, transferred, or disbursed out of the Restricted Account, and the Restricted Account shall not be changed or modified, without a further Order from the Court; and (3) that CCEA provide a monthly account statement to the NSEA Parties.
- 31. On December 20, 2018, pursuant to a Motion for Partial Summary Judgment filed by the CCEA Parties, this Court held that the May 3, July 17, and August 3, 2017 termination notices caused both the Service Agreement and Dues Transmittal Agreement to terminate and expire on August 31, 2017.
- 32. The Court further held that in light of the foregoing termination and expiration, CCEA owed no duties to NSEA or NEA under the Service Agreement and Dues Transmittal Agreement to collect and/or transmit membership dues on NSEA or NEA's behalf on or after September 1, 2017, nor did NSEA or NEA have any obligation to CCEA on or after September 1, 2017, to perform pursuant to the Service Agreement and Dues Transmittal Agreement, and that there was no dispute that NSEA and NEA ceased to perform under the Service Agreement and Dues Transmittal Agreement on or after September 1, 2017.
- Any finding of fact which should be construed as a conclusion of law shall be 33. construed as such.

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34. Any conclusion of law which should be construed as a finding of fact shall be construed as such.

CONCLUSIONS OF LAW

A. Standard for Summary Judgment

- 35. The Court will render judgment "if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Nevada Rule of Civil Procedure 56(a); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986.)
- 36. "A factual dispute is genuine when the evidence is such that a rational trier of fact could return a verdict for the nonmoving party." *Wood v. Safeway*, 121 Nev. 724,731 (2005).
- 37. The moving party bears the initial burden of showing the absence of a genuine issue of material fact. *Celotex*, 477 U.S. at 323.
- 38. To meet this burden, the moving party may either produce evidence affirmatively demonstrating the absence of such evidence or point out a lack of evidence to support the nonmoving party's case. *Id.* at 325.
- 39. Once this burden is met, the burden shifts to the nonmoving party to present evidence demonstrating the existence of a genuine issue of material fact. *See Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586-87 (1986).

B. NSEA Parties' Claim for Conversion

40. "Conversion is defined as exerting wrongful 'dominion over another's personal property or wrongful interference with the owner's dominion." *Larsen v. B.R. Enters., Inc.*, 104 Nev. 252, 254, 757 P.2d 354, 356 (1988). *See also, Bader v. Cerri*, 96 Nev. 352, 356, 609 P.2d 314, 317 (1980), *overruled on other grounds by Evans v. Dean Witter Reynolds, Inc.*, 116 Nev. 598, 5 P.3d 1043 (2000) ("A conversion occurs whenever there is a serious interference to a party's rights in his property"); *M.C. Multi-Family Dev., L.L.C. v. Crestdale Associates, Ltd.*, 124 Nev. 901, 910–11, 193 P.3d 536, 542–43 (2008) (defining conversion as "a distinct act of dominion wrongfully exerted over another's personal property in denial of, or inconsistent with his title or rights therein or in derogation, exclusion, or defiance of such title or rights.").

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41. A precondition to bringing a claim for conversion is that the claimant must be the rightful owner of the property.

- 42. NSEA and NEA have no legal or contractual right to the Sequestered Funds under the Service Agreement or Dues Transmittal Agreement, which agreements were terminated prior to September 1, 2017.
- NSEA and NEA have no legal or contractual right to the Sequestered Funds under 43. the NSEA or NEA Bylaws, which Bylaws expressly rely upon the (terminated) Dues Transmittal Agreement for any obligation to transmit dues.
- 44. NSEA and NEA have no legal or contractual right to the Sequestered Funds under the Membership Authorization Form, which Form is only between CCEA and the individual members.
- 45. NSEA/NEA have no equitable right to the Sequestered Funds, or any other funds CCEA collected on behalf of its members after September 1, 2017.
- 46. In light of the foregoing, NSEA/NEA are not the rightful owners of, and have no legal or equitable right to, the Sequestered Funds and as a result, cannot meet the rightful owner element.
- 47. There are no genuine issues of material fact precluding summary judgment in the CCEA Parties' favor on the NSEA Parties' claim for conversion.
- 48. The NSEA Parties have not made any showing that the CCEA Parties are not entitled to summary judgment as a matter of law.
- 49. Pursuant to Nevada Rule of Civil Procedure 56, the CCEA Parties are entitled to summary judgment in their favor and against the NSEA Parties on the NSEA Parties' claim for conversion.

C. **NSEA Parties' Claim for Unjust Enrichment**

50. The essential elements of unjust enrichment are "a benefit conferred on the defendant by the plaintiff, appreciation by the defendant of such benefit, and acceptance and retention by the defendant of such benefit under circumstances such that it would be inequitable for

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him to retain the benefit without payment of the value thereof." Leasepartners Corp. v. Robert L. Brooks Tr. Dated Nov. 12, 1975, 113 Nev. 747, 755, 942 P.2d 182, 187 (1997).

- Similar to a claim for conversion, the claimant must have an underlying right to the 51. property/funds at issue. See id. (one of the essential elements for unjust enrichment is "a benefit conferred on the defendant by the plaintiff").
- Furthermore, "an action based on a theory of unjust enrichment is not available when there is an express, written contract, because no agreement can be implied when there is an express agreement." See Leasepartners Corp. v. Robert L. Brooks Trust Dated November 12, 1975, 113 Nev. 747, 755-56, 942 P.2d 182, 187 (1997); Lipshie v. Tracy Investment Co., 93 Nev. 370, 379, 566 P.2d 819, 824 (1977) ("To permit recovery by quasi-contract where a written agreement exists would constitute a subversion of contractual principles.") (emphasis supplied). 66 Am.Jur.2d Restitution § 11 (1973) ("The doctrine of unjust enrichment or recovery in quasi contract applies to situations where there is no legal contract but where the person sought to be charged is in possession of money or property which in good conscience and justice he should not retain but should deliver to another.").
- For the reasons set forth under the claim for conversion which findings are 53. incorporated herein by reference - NSEA and NEA do not have standing to assert a claim for unjust enrichment because they do not have an ownership interest or underlying right to the Sequestered Funds.
- To the extent the unjust enrichment claim is asserted on behalf of Parties Murillo, 54. Benson, Di Archangel, and Wyckoff ("Teacher Parties"), such claim fails for the following independent reasons:
 - a. First, the Teacher Parties' claim for unjust enrichment fails because an express, written contract governs the parties' relationship – specifically, the Membership Authorization Form; thus, no equitable agreement can be implied.
 - b. Second, the Teacher Parties' claim for unjust enrichment fails for lack of damages. Specifically:

i. Simultaneous with granting the CCEA Parties' Motion for Partial Summary Judgment, this Court also granted the CCEA Parties' Motion to Alter or Amend the Restricted Account Order, which Order provides, in part, that CCEA will return the Sequestered Funds to the individual CCEA members, the teachers, inclusive of the Teacher Parties. Further, the Order provides that CCEA will return to the Teacher Parties their full CCEA dues for the entire 2017-2018 membership year.
 ii. The Teacher Parties, therefore, have not suffered any cognizable

- ii. The Teacher Parties, therefore, have not suffered any cognizable damages.
- 55. There are no genuine issues of material fact precluding summary judgment in the CCEA Parties' favor on the NSEA Parties' claim for unjust enrichment.
- 56. The NSEA Parties have not made any showing that the CCEA Parties are not entitled to summary judgment as a matter of law.
- 57. Pursuant to Nevada Rule of Civil Procedure 56, the CCEA Parties are entitled to summary judgment in their favor and against the NSEA Parties on the NSEA Parties' claim for unjust enrichment.

D. NSEA Parties' Claim for Breach of NSEA, NEA, and CCEA Bylaws

58. "Questions of contract construction, in the absence of ambiguity or other factual issues, are suitable for determination by summary judgment." See Nelson v. California State Auto. Ass'n Inter-Ins. Bureau, 114 Nev. 345, 347, 956 P.2d 803, 805 (1998) S. Tr. Mortg. Co. v. K & B Door Co., 104 Nev. 564, 568, 763 P.2d 353, 355 (1988) ("[W]here a document is clear and unambiguous, the court must construe it from the language therein."); Chwialkowski v. Sachs, 108 Nev. 404, 406, 834 P.2d 405, 406 (1992) (same); Renshaw v. Renshaw, 96 Nev. 541, 543, 611, P.2d 1070, 1071 (1980) (same); Ellison v. California State Auto Ass'n, 106 Nev. 601, 603, 797 P.2d 975, 977 (1990) (same); Watson v. Watson, 95 Nev. 495, 496, 596 P.2d 507, 508 (1979) ("Courts are bound by language which is clear and free from ambiguity and cannot, using guise of interpretation, distort plain meaning of agreement.").

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59. As previously determined by this Court in its December 20, 2018 Order, the Service Agreement and Dues Transmittal Agreement were terminated by CCEA within the required contractual timeframe, which termination caused both agreements to expire on August 31, 2017.

- But-for the Service and Dues Transmittal Agreements (which this Court found 60. expired on August 31, 2017, due to CCEA's termination), CCEA is not subject to the NSEA/NEA Bylaws, nor are NSEA/NEA parties to the CCEA Bylaws.
- Accordingly, no contractual relationship between CCEA and NSEA/NEA -61. inclusive of any contractual relationship created by the NSEA/NEA/CCEA Bylaws - existed on or after September 1, 2017.
- In the absence of a Dues Transmittal Agreement, there is no obligation for CCEA 62. to transmit dues to NSEA and per NEA's bylaws, only NSEA has a contractual obligation to pay NEA.
- Accordingly, because CCEA was not bound by NSEA/NEA Bylaws after 63. September 1, 2017, and because NSEA/NEA are not parties to the CCEA Bylaws, there can be no breach by CCEA and NSEA/NEA's breach of contract claims fail. Clark Cty. V. Bonanza No. 1, 96 Nev. 643, 648-49, 615 P.2d 939, 943 (1980) ("As a general rule, none is liable upon a contract except those who are parties to it.").
- There are no genuine issues of material fact precluding summary judgment in the 64. CCEA Parties' favor on the NSEA Parties' claim for breach of NSEA/NEA/CCEA Bylaws.
- The NSEA Parties have not made any showing that the CCEA Parties are not entitled 65. to summary judgment as a matter of law.
- Pursuant to Nevada Rule of Civil Procedure 56, the CCEA Parties are entitled to 66. summary judgment in their favor and against the NSEA Parties on the NSEA Parties' claim for breach of NSEA/NEA/CCEA Bylaws.

NSEA Parties' Claim for Fraud Ε.

The elements for fraud are: "(1) A false representation made by the defendant; (2) 67. Defendant's knowledge or belief that the representation is false (or insufficient basis for making

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the representation); (3) Defendant's intention to induce the plaintiff to act or to refrain from acting in reliance upon the misrepresentation; (4) Plaintiff's justifiable reliance upon the misrepresentation; and (5) Damage to the plaintiff resulting from such reliance." Bulbman, Inc. v. Nevada Bell, 108 Nev. 105, 110–11, 825 P.2d 588, 592 (1992).

- "A plaintiff has the burden of proving each element of fraud claim by clear and 68. convincing evidence." Id.
- 69. "Where an essential element of a claim for relief is absent, the facts, disputed or otherwise, as to other elements are rendered immaterial and summary judgment is proper." Id. (granting summary judgment for defendant on plaintiff's fraud claim because plaintiff could not present a triable issue of material fact as to every element of fraud).
- 70. Simultaneous with granting the CCEA Parties' Motion for Partial Summary Judgment, this Court also granted the CCEA Parties' Motion to Alter or Amend the Restricted Account Order, which Order provides, in part, that CCEA return the Sequestered Funds to the individual CCEA members, the teachers, inclusive of the Teacher Parties.
- 71. Furthermore, as to the Teacher Parties only, and pursuant to the CCEA Parties offer in their briefing and in open court, this Court orders that CCEA return the entire membership years' worth of dues to the Teacher Parties, which totals \$810.50 per individual Teacher Party within 30 days of entry of this Order, or final review of this Order by any appellate court, whichever is later.
 - 72. The Teacher Parties cannot establish damages related to their fraud cause of action.
- 73. There exists no genuine dispute of material fact that the Teacher Parties failed to establish any fact supporting punitive damages and thus, are not entitled to punitive damages as a matter of law.
- 74. There are no genuine issues of material fact precluding summary judgment in the CCEA Parties' favor on the NSEA Parties' claim for fraud.
- 75. The NSEA Parties have not made any showing that the CCEA Parties are not entitled to summary judgment as a matter of law.
 - 76. Pursuant to Nevada Rule of Civil Procedure 56, the CCEA Parties are entitled to

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summary judgment in their favor and against the NSEA Parties on the NSEA Parties' claim for fraud.

F. Unauthorized mid-year increase in CCEA dues.

- 77. The Constitution and Bylaws of the CCEA are the main source of governance for the CCEA and controls as to the how and when dues payments can be charged and the procedures for their alteration.
- 78. As the governing rules for the Union, the CCEA Constitution and Bylaws constitute a contract between the CCEA and its members, and this is a recognized labor and contract law principle. Hickman v. Kline, 71 Nev. 55, 279 P.2d 662,669 (1955) (union's constitution "amounts to a binding agreement between the union and its members"); United Ass'n of Journeymen v. Local 334, 452 U.S. 615, 619-11 (1981).
- 79. The CCEA Constitution and Bylaws state that CCEA "shall be governed by its Bylaws and Policies, and such other actions as the Association Representative Council and Executive Board may take consistent therewith." Article I, Section 3.
- 80. Under the Constitution and Bylaws, the Association Representative Council ("ARC") is the legislative and policy body of the Association. Article III Section 1.
- 81. As such, the ARC has the authority to alter dues for members of the Association. Article II, Section 4.
- 82. Here, the ARC and CCEA properly altered the dues payments during the 2017-18 fiscal year in April 2018, which alteration was approved by the majority of the members voting at the April 25, 2018, General Membership Meeting ("Dues Alteration").
- 83. The Dues Alteration was permitted by the CCEA Bylaws and the Membership Authorization Form does not supersede the CCEA Bylaws, nor does it serve to limit or prohibit the Dues Alteration.
- 84. The foregoing Dues Alteration took effect immediately upon disaffiliation, as set forth in the uncontested April 1, 2019 Affidavit of John Vellardita.
 - 85. There are no genuine issues of material fact precluding summary judgment in the

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CCEA Parties' favor on the NSEA Parties' claim for unauthorized mid-year dues increase.

- 86. The NSEA Parties have not made any showing that the CCEA Parties are not entitled to summary judgment as a matter of law.
- 87. Pursuant to Nevada Rule of Civil Procedure 56, the CCEA Parties are entitled to summary judgment in their favor and against the NSEA Parties on the NSEA Parties' claim for unauthorized mid-year dues increase.

ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

That the CCEA Parties' Countermotion for Partial Summary Judgment is GRANTED in its entirety and summary judgment is entered in favor of the CCEA Parties on the NSEA Parties' claims for conversion, unjust enrichment, breach of NSEA/NEA/CCEA Bylaws, fraud, and unauthorized mid-year dues increase.

That the NSEA Motion for Partial Summary Judgment on Conversion is **DENIED**; and That the NSEA Motion for Partial Summary Judgment on Bylaws is **DENIED**.

That this Order disposes of all remaining claims in Case No. A-17-761884-C.

That Final Judgment under NRCP 58 € will be entered in Case No. A-17-761884-C in favor of the CCEA Parties and against the NSEA Parties.

A-17-761364-C

Snell & Wilmer

Electronically Filed 7/15/2019 11:55 AM Steven D. Grierson CLERK OF THE COURT NOAS 1 Richard J. Pocker (Nevada Bar No. 3568) Paul J. Lal (Nevada Bar No. 3755) 2 **BOIES SCHILLER FLEXNER LLP** 3 300 South Fourth Street, Suite 800 Las Vegas, NV 89101 4 Tel.: (702) 382-7300 Fax: (702) 382-2755 5 rpocker@bsfllp.com 6 plal@bsfllp.com 7 Robert Alexander (admitted pro hac vice) Matthew Clash-Drexler (admitted pro hac vice) 8 BREDHOFF & KAISER, PLLC 805 15th Street N.W., Suite 1000 Washington, DC 20005 10 Tel.: (202) 842-2600 Fax: (202) 842-1888 11 ralexander@bredhoff.com 12 mcdrexler@bredhoff.com 13 Attorneys for NSEA Parties 14 DISTRICT COURT 15 EIGHTH JUDICIAL DISTRICT **CLARK COUNTY, NEVADA** 16 CLARK COUNTY EDUCATION Case No.: A-17-761364-C 17 ASSOCIATION, VICTORIA COURTNEY, (Consolidated with Case No. A-17-761884-C) 18 JAMES FRAZEE, ROBERT G. HOLLOWOOD, AND MARIA NEISESS, DEPT. NO.: 4 19 Plaintiffs, 20 NOTICE OF APPEAL 21 NEVADA STATE EDUCATION 22 ASSOCIATION, DANA GALVIN, RUBEN 23 MURILLO JR., BRIAN WALLACE, AND BRIAN LEE, Defendants. 25 26 27

NEVADA STATE EDUCATION 1 ASSOCIATION; NATIONAL EDUCATION ASSOCIATION; RUBEN MURILLO; 2 ROBERT BENSON; DIANE DI ARCHANGEL; AND JASON 3 WYCKOFF, 4 Plaintiffs-Counter Defendants, 5 And 6 BRIAN LEE, 7 Counter-Defendant, 8 CLARK COUNTY EDUCATION 10 ASSOCIATION; JOHN VELLARDITA; AND VICTORIA COURTNEY, 11 Defendants-Counter 12 Plaintiffs. 13 14 15

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Case No.: A-17-761884-C (consolidated with A-17-761364-C)

Notice is hereby given that Plaintiffs Nevada State Education Association, National Education Association, Ruben Murillo Jr., Robert Benson, Diane Di Archangel, and Jason Wyckoff ("NSEA Parties") hereby appeal to the Supreme Court of Nevada from the District Court's final judgment in Case No. A-17-761884-C, entered on July 3, 2019, and all Orders underlying the judgment therein, including: (1) the Findings of Fact, Conclusions of Law, and Order Granting the Clark County Education Association Parties' Motion for Partial Summary Judgment and Denying the Nevada State Education Association Parties' Motion for Partial Summary Judgment dated July 1, 2019, and for which Notice of Entry was entered on July 3, 2019; (2) the Findings of Fact, Conclusions of Law, and Order Granting Plaintiffs' (Clark County Education Association, Victoria Courtney, James Frazee, Robert Hollowood, and Maria Neisess's – CCEA Parties) Motion for Partial Summary Judgment dated December 20, 2018, and for which Notice of Entry was entered on December 20, 2018 ("December 20, 2018 Order")

(which was amended under the Findings of Fact, Conclusions of Law, and Order Granting in part and Denying in part the NSEA Parties' Motion for Partial Reconsideration dated June 24, 2019 and for which Notice of Entry was entered on June 28, 2019) (thereby causing the disposal of Count 1 of the NSEA Parties' Second Amended Complaint in a manner adverse to the NSEA Parties); (3) the Findings of Fact, Conclusions of Law, and Order Granting CCEA Parties' Motion to Alter or Amend Court's May 11, 2018 Order Pursuant to NRCP 59(E) and 60(B) dated July 1, 2019, and for which Notice of Entry was entered on July 3, 2019; and (4) all judgments and orders made appealable by any of the foregoing.

DATED this 15th of July, 2019.

Respectfully submitted,

BOIES SCHILLER FLEXNER LLP

/s/ Paul J. Lal

Richard J. Pocker (Nevada Bar No. 3568) Paul J. Lal (Nevada Bar No. 3755) 300 South Florida Street, Suite 800 Law Vegas, NV 89101

Robert Alexander*
Matthew Clash-Drexler*
BREDHOFF & KAISER, PLLC
805 15th Street N.W., Suite 1000
Washington, DC 20005
* Admitted pro hac vice

Attorneys for the NSEA Parties

NOTICE OF APPEAL

CERTIFICATE OF SERVICE

This document applies to Case No. A-17-761884-C, and the parties in the case are, on the one hand, the Nevada State Education Association, National Education Association, Ruben Murillo, Robert Benson, Diane Di Archangel, and Jason Wyckoff, and, on the other hand, the Clark County Education Association, John Vellardita, and Victoria Courtney.

Pursuant to NRCP 5(b), I, an employee of BOIES SCHILLER FLEXNER LLP, hereby certify service of the foregoing *NOTICE OF APPEAL* was made this date by electronic filing and/or service with the Eighth Judicial District Court and by mailing a true and correct copy, addressed as follows:

Richard G. McCracken Kimberly C. Weber McCracken, Stemerman & Holsberry, LLP 1630 S. Commerce Street, Suite A-1 Las Vegas, NV 89102

Joel A. D'Alba Asher, Gittler & D'Alba, LTD. 200 West Jackson Blvd, Suite 720 Chicago, Illinois 60606

John S. Delikanakis Michael Paretti Snell & Wilmer, L.L.P. 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, NV 89169

Dated this 15th day of July, 2019.

/s/ Carolyn E. Wright
An employee of Boies Schiller Flexner LLP

NOTICE OF APPEAL

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Electronically Filed 10/17/2019 10:30 AM Steven D. Grierson CLERK OF THE COURT

1 **NEOJ** Richard J. Pocker (Nevada Bar No. 3568) 2 Paul J. Lal (Nevada Bar No. 3755) **BOIES SCHILLER FLEXNER LLP** 3 300 South Fourth Street, Suite 800 4 Las Vegas, NV 89101 Tel.: (702) 382-7300 5 Fax: (702) 382-2755 rpocker@bsfllp.com 6 plal@bsfllp.com 7 Robert Alexander (admitted pro hac vice) 8 Matthew Clash-Drexler (admitted pro hac vice) BREDHOFF & KAISER, PLLC 805 15th Street N.W., Suite 1000 10 Washington, DC 20005 Tel.: (202) 842-2600 11 Fax: (202) 842-1888 ralexander@bredhoff.com 12 mcdrexler@bredhoff.com 13 Attorneys for NSEA Parties 14

DISTRICT COURT EIGHTH JUDICIAL DISTRICT CLARK COUNTY, NEVADA

CLARK COUNTY EDUCATION ASSOCIATION, VICTORIA COURTNEY, JAMES FRAZEE, ROBERT G. HOLLOWOOD, and MARIE NEISESS,

Plaintiffs,

21 v.

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NEVADA STATE EDUCATION
ASSOCIATION, DANA GALVIN, RUBEN
MURILLO JR., BRIAN WALLACE, and
BRIAN LEE,

Defendants.

Case No. A-17-761364-C (Consolidated with Case No. A-17-761884-C)

DEPT. NO. 4

NOTICE OF ENTRY OF ORDER ON FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING NSEA AND NEA PLAINTIFFS' MOTION FOR STAY PENDING APPEAL

NEVADA STATE EDUCATION
ASSOCIATION; NATIONAL EDUCATION
ASSOCIATION; RUBEN MURILLO;
ROBERT BENSON; DIANE DI
ARCHANGEL; and JASON WYCKOFF,

Case No. A-17-761884-C

(consolidated with No. A-17-761364-C)

Plaintiffs-Counter Defendants,

and

BRIAN LEE,

Counter Defendant,

vs.

CLARK COUNTY EDUCATION
ASSOCIATION; JOHN VELLARDITA; AND
VICTORIA COURTNEY,

Defendants-Counter Plaintiffs.

PLEASE TAKE NOTICE that an ORDER ON FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING NSEA AND NEA PLAINTIFFS' MOTION FOR STAY PENDING APPEAL was entered in the above-captioned matter on October 16, 2019, a copy of which is attached hereto.

Dated this 17th day of October, 2019.

BOIES SCHILLER FLEXNER LLP

/s/ Paul J. Lal, Esq.
RICHARD J. POCKER, ESQ.
Nevada Bar No. 3568
PAUL J. LAL, ESQ.
Nevada Bar No. 3755
300 South Fourth St., Suite 800
Las Vegas, NV 89101

Robert Alexander*
Matthew Clash-Drexler*
BREDHOFF & KAISER, PLLC
805 15th Street N.W., Suite 1000
Washington, DC 20005
* Admitted pro hac vice
Attorneys for NSEA Parties

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b)(2), I, an employee of BOIES SCHILLER FLEXNER LLP, hereby certify that service of the foregoing *NOTICE OF ENTRY OF ORDER ON FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING NSEA AND NEA PLAINTIFFS' MOTION FOR STAY PENDING APPEAL* was made this date by electronic filing and/or service via the Eighth Judicial District Court's E-Filing System to the following:

Richard G. McCracken, Esq. Kimberley C. Weber, Esq. McCracken, Stemerman & Holsberry, LLP 1630 S. Commerce Street, Suite A-1 Las Vegas, Nevada 89102

Joel A. D'Alba, Esq. Asher, Gittler & D'Alba, Ltd. 200 West Jackson Blvd, Suite 720 Chicago, Illinois 60606

John S. Delikanakis, Esq. Michael Paretti, Esq. Bradley T. Austin, Esq. Snell & Wilmer, L.L.P. 3883 Howard Hughes Parkway, Suite 1100 Las Vegas, Nevada 89169

Dated this 17th day of October, 2019.

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/s/ Carolyn E. Wright
An employee of Boies Schiller Flexner LLP

Electronically Filed 10/16/2019 4:57 PM Steven D. Grierson CLERK OF THE COUR 1 ORDR Richard J. Pocker (Nevada Bar No. 3568) Paul J. Lal (Nevada Bar No. 3755) BOIES SCHILLER FLEXNER LLP 3 300 South Fourth Street, Suite 800 Las Vegas, NV 89101 Tel.: (702) 382-7300 Fax: (702) 382-2755 rpocker@bsfllp.com plal@bsfllp.com 7 Robert Alexander (admitted pro hac vice) Matthew Clash-Drexler (admitted pro hac vice) BREDHOFF & KAISER, PLLC 805 15th Street N.W., Suite 1000 10 Washington, DC 20005 Tel.: (202) 842-2600 11 Fax: (202) 842-1888 ralexander@bredhoff.com 12 mcdrexler@bredhoff.com 13 Attorneys for NSEA Parties 14 DISTRICT COURT 15 EIGHTH JUDICIAL DISTRICT CLARK COUNTY, NEVADA 16 17 CLARK COUNTY EDUCATION Case No .: A-17-761364-C ASSOCIATION; VICTORIA COURTNEY; 18 JAMES FRAZEE: ROBERT G. (consolidated with No. A-17-761884-C) HOLLOWOOD; and MARIE NEISESS, 19 DEPT. NO.: 4 20 Plaintiffs, FINDINGS OF FACT, CONCLUSIONS VS. 21 OF LAW, AND ORDER GRANTING NEVADA STATE EDUCATION NSEA AND NEA PLAINTIFFS' MOTION 22 FOR STAY PENDING APPEAL ASSOCIATION; DANA GALVIN; RUBEN 23 MURILLO, JR.; BRIAN WALLACE; and BRIAN LEE, 24 Date of Hearing: October 3, 2019 Time of Hearing: 9:00 a.m. Defendants. 25 26 27 NEVADA STATE EDUCATION ASSOCIATION; NATIONAL EDUCATION 28

1 ASSOCIATION; RUBEN MURILLO; ROBERT BENSON; DIANE 2 DI ARCHANGEL; and JASON WYCKOFF, 3 Plaintiffs-Counter Defendants, 4 and 5 BRIAN LEE, 6 7 Counter Defendant, VS. 8 CLARK COUNTY EDUCATION ASSOCIATION; JOHN VELLARDITA; and 10 VICTORIA COURTNEY, 11 Defendants-Counter Plaintiffs. 12

Case No.: A-17-761884-C

(consolidated with No. A-17-761364-C)

ORDER

This Court, the Honorable Kerry Earley presiding, on October 3, 2019, heard the Motion for Stay Pending Appeal filed by NSEA and NEA. Plaintiffs Counter-Defendants NEA and NSEA appeared through counsel Paul J. Lal and Robert Alexander. Defendants-Counter Plaintiffs CCEA, John Vellardita, and Victoria Courtney appeared through counsel John Delikanakis, Bradley Austin, Michael Paretti, and Joel D'Alba. The Court, having considered the parties' respective submissions and the arguments made at the hearing, hereby finds and orders:

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FINDINGS OF FACT

- On March 30, 2018, the NSEA Parties filed an Application for Order Directing the Issuance of a Prejudgment Writ of Attachment with Notice. CCEA Parties opposed the motion.
- 2. The Court, Hon. Joanna Kishner presiding, heard oral argument on the Application on April 23, 2018.
 - 3. On May 11, 2018, Judge Kishner ordered that:
 - a. All funds in the possession of or received by CCEA for the 2017-2018 school year in respect to NSEA dues (numerically calculated traditionally at the annual rate of \$376.66) and in respect to NEA dues (numerically calculated traditionally at the annual rate of \$189.00) shall continue to be deposited by CCEA into a Restricted Account at Bank of America Las Vegas, Nevada Branch.
 - b. CCEA shall provide NSEA and NEA with a monthly statement starting with CCEA's reconciliation at the end of April, 2018.
 - c. All funds on deposit in the Restricted Account with respect to the 2017-2018 NSEA and NEA dues shall remain in the Restricted Account, and that no funds shall be withdrawn, transferred, or disbursed out of the Restricted Account, and the Restricted Account shall not be changed or modified, without a further Order from this Court.
 - 4. CCEA has deposited \$4,089,364.16 into the Restricted Account.
- 5. The Court, Hon. Kerry Earley presiding, granted CCEA Parties' Motion for Partial Summary Judgment on their declaratory relief claim on December 20, 2018. The Court found that CCEA terminated the Service Agreement and Dues Transmittal Agreement as of August 31, 2017. The Court held that CCEA therefore had no duty after September 1, 2017, to collect and/or transmit NEA or NSEA membership dues on NEA or NSEA's behalf under the Service Agreement and Dues Transmittal Agreement.

- 6. On July 3, 2019, the Court further granted CCEA Parties' Motion for Summary Judgment on all remaining claims brought by NSEA Parties, and denied NSEA Parties' Motions for Partial Summary Judgment on Conversion and the NSEA and NEA Bylaws. The Court held that because CCEA had terminated the Dues Transmittal Agreement, CCEA was not bound by the NEA and NSEA Bylaws after September 1, 2017, and that CCEA therefore had no obligation under either the NEA or the NSEA Bylaws to collect NEA and NSEA dues. The Court further held that in the absence of a contractual right to the funds sequestered in the Restricted Account, the NSEA Parties had no legal right to those funds and therefore the CCEA parties did not commit conversion.
- 7. On July 3, 2019, the Court also granted CCEA Parties' Motion to Alter or Amend Court's May 11, 2018 Order Pursuant to NRCP 59(e) and 60(b) ("Dissolution Order"). That Order dissolved the Court's Order entered May 11, 2018, and permitted CCEA Parties to disgorge and distribute the funds held in the Restricted Account to the individual CCEA members from whom the funds were collected.
- 8. The Court stayed the Dissolution Order to allow the NSEA Parties to move for a stay pending appeal of the Dissolution Order and other orders entered by the Court, and upon filing of that motion, to allow the Court to rule on the motion.
- 9. On July 15, 2019, NSEA Parties filed a notice of appeal of the Court's July 3, 2019, Orders and the Court's December 20, 2018, Order.
- 10. On July 16, 2019, NSEA Parties filed a Motion for Stay Pending Appeal seeking to stay the Court's Dissolution Order pending appeal. CCEA Parties opposed the motion on August 9, 2019, and NSEA Parties filed a reply brief on September 3, 2019. A hearing was held October 3, 2019.
- 11. Any finding of fact which should be construed as a conclusion of law shall be construed as such.
- 12. Any conclusion of law which should be construed as a finding of fact shall be construed as such.

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13. The Nevada Rules of Civil Procedure provide that "[w]hile an appeal is pending from an interlocutory order or final judgment that . . . dissolves . . . an injunction, the court may stay . . . or grant an injunction on terms for bond or other terms that secure the opposing party's rights." NRCP 62(c).

- 14. Nevada Rule of Appellate Procedure 8(c) sets forth the substantive factors that guide a court's consideration of a motion for a stay pending appeal. The Court should consider: "(1) whether the object of the appeal or writ petition will be defeated if the stay or injunction is denied; (2) whether appellant/petitioner will suffer irreparable or serious injury if the stay or injunction is denied; (3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay or injunction is granted; and (4) whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition." NRAP 8(c); see also State v. Robles-Nieves, 129 Nev. 537, 541, 306 P.3d 399, 402-03 (2013) (considering NRAP 8(c) factors where pertinent rule is silent on factors to consider).
- 15. One object of the NSEA Parties' appeal is to establish their right to recover the funds in the Restricted Account as NEA and NSEA member dues during the period prior to CCEA's April 25, 2018 disaffiliation. Disgorging and distributing the Restricted Account funds before a decision on appeal would defeat the object of the NSEA Parties' appeal. See Mikohn Gaming Corp. v. McCrea, 120 Nev. 248, 252-53 89 P.3d 36, 39 (2004).
- 16. CCEA has represented that, absent a stay, it will distribute the funds in the Restricted Account to the CCEA members who paid the dues money held in that account. Eurthermore, based on the record, the Court is concerned whether the NSEA Parties would everbe able to recover the funds in the Restricted Account, or whether CCEA would be able to satisfy a judgment in the amount of \$4,089,364.16 without recourse to the funds in the Restricted Account. NSEA Parties have thereby demonstrated a risk of irreparable injury absent a stay pending appeal.
- 17. The CCEA Parties and the non-party CCEA members who paid the dues money held in the Restricted Account will not be harmed by the entry of a stay pending appeal. If the

Court's judgment is affirmed on appeal, the CCEA Parties can then distribute the Restricted Account funds to individual CCEA members.

- 18. Given the balance of the foregoing factors, and the complex and difficult legal issues on appeal, the NSEA Parties have demonstrated a sufficient likelihood of success to justify continuing to stay the effectiveness of this Court's Dissolution Order during the pendency of the appeal. See Hansen v. Eighth Judicial Dist. Court ex rel. Cty of Clark, 116 Nev. 650, 659, 6 P.3d 982, 987 (2000).
- 19. Accordingly, the NSEA Parties are entitled to a stay of the Dissolution Order pending appeal, pursuant to NRCP 62(c) and the factors set forth in NRAP 8(c).

ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

The NSEA Parties' Motion for Stay Pending Appeal is GRANTED;

The Court's July 3, 2019, Order Granting CCEA Parties' Motion to Alter or Amend Court's May 11, 2018 Order Pursuant to NRCP 59(e) and 60(b) is STAYED pending resolution of the merits of the NSEA Parties' appeal, currently docketed as Supreme Court Case No. 79208, and the Supreme Court's issuance of remittitur therein.

No funds shall be withdrawn, transferred, or disbursed out of the Restricted Account, and the Restricted Account shall not be changed or modified until the appeal is decided, remittitur issues to re-vest jurisdiction in this Court, and the Court issues a further order regarding disbursement of said funds. CCEA shall continue to provide the NSEA parties with monthly statements reflecting the balance of the Restricted Account.

DATED: O choper 16, 2019

THE HON KERRY EARLEY

District Court Judge

6 A-17-76/364-C

1 2 Respectfully submitted by, 3 BOIES SCHILLER FLEXNER LLP 4 5 6 Richard J. Pocker (Nevada Bar No. 3568) Paul J. Lal (Nevada Bar No. 3755) 7 300 S. Fourth Street, Suite 800 8 Las Vegas, Nevada 89101 9 Robert Alexander* 10. Matthew Clash-Drexler* BREDHOFF & KAISER, PLLC 11 805 15TH Street N.W., Suite 1000 Washington, DC 20005 12 *Admitted pro hac vice 13 Attorneys for NSEA Parties 14 15 16 17 18 19 20 21 22 23 24 25 26 27

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Approved as to form and content:

SNELL & WILMER, L.L.P.

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Attorneys for CCEA Parties