### IN THE SUPREME COURT OF THE STATE OF NEVADA

| THE STATE OF NEVADA DEPARTMENT OF TRANSPORTATION,   | No. 79695<br>Electronically Filed<br>Oct 18 2019 10:45 a.m.<br>DOCKETIMETH A. Brown |  |
|---|---|--|
| Appellant,  | STATEMENT Supreme Court CIVIL APPEALS   |  |
| vs.   |   |  |
| JOHN BRONDER,   |   |  |
| Respondent.   |   |  |
| 1. Judicial District <u>First</u> Departmen   | t No. <u>I</u>  |  |
| County Carson City Judge Hono   | orable James Todd Russell   |  |
| District Ct. Case No. 19 OC 00066 1B  |   |  |
| 2. Attorney filing this docketing statem  | ent   |  |
| Attorney Lori M. Story Telephone:   | (775) 888-7516  |  |
| Firm: Office of the Attorney General, Transp  | ortation Division   |  |
| Address <u>1293 So. Stewart Street, Room 315</u>  |   |  |
| Carson City, NV 89712   |   |  |
| Client(s) Department of Transportation, Stat  | ce of Nevada  |  |
| If this is a joint statement by multiple appeaddresses of other counsel and the names of the sheet accompanied by a certification that the statement. | heir clients on an additional   |  |

| 3. Attor:    | ney(s) representing respo    | ondents(s):   |
|--------------|------------------------------|---|
| Attorney     | Thomas Donaldson, Esq.       | Telephone (775) 885-1896  |
| Firm:        | Dyer Lawrence, LLP           |   |
| Address:     | 2805 Mountain Street         |   |
|              | Carson City, NV 89703        |   |
| Client(s)    | John Bronder                 |   |
| the names of |                              | ld the names and addresses of other counsel and<br>companied by a certification that they concur in     |
| 4. Natur     | re of disposition below (c   | heck all that apply):   |
| □ Judgme     | ent after bench trial        | □ Dismissal:  |
| □ Judgme     | ent after jury verdict       | $\square$ Lack of jurisdiction  |
| □ Summa      | ary judgment                 | ☐ Failure to State a Claim  |
| □ Default    | t judgment                   | ☐ Failure to prosecute  |
| □ Grant/I    | Denial of NRCP 60(b) relief  | □ Other (specify):  |
| □ Grant/I    | Denial of injunction         | □ Divorce Decree:   |
| □ Grant/     | Denial of declaratory relief | $\square$ Original $\square$ Modification   |
| ⊠ Review     | of agency determination      | □ Other disposition (specify):  |
| 5. Does      | this appeal raise issues co  | oncerning any of the following?   |
| □ Chi        | ld Custody                   |   |
| □ Ver        | nue                          |   |
| □ Ter        | mination of parental rights  |   |
| and dock     | et number of all appeals or  | s in this court. List the case name original proceedings presently or which are related to this appeal: |

7. Pending and prior proceedings in other courts. List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

None.

8. Nature of the action. Briefly describe the nature of the action and the result below:

Administrative Appeal; State employee

Whistleblower appeal under NRS 281.641.

Employee released from probationary position after having conversation with division engineer about high cost of road construction contracts.

Employee did not appeal action until almost 8 months after release. Administrative hearing officer found NRS 281.641 gives employee two years to appeal an act of reprisal.

**9. Issues on appeal.** State concisely the principal issue(s) in this appeal (attach separate sheets as necessary):

Hearing Officer misinterpreted limitation period on state employee bringing whistle blower appeal. Upheld by district court;

Hearing officer ignored substantial evidence of no motive to retaliate; and ignored case law requiring a whistle blower to report misdeeds outside organization. Upheld by district court.

10. Pending proceedings in this court raising the same or similar issues. If you are aware of any proceedings presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket numbers and identify the same or similar issue raised:

None

11. Constitutional issues. If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

| ⊠ N/A   |
|---|
| □ Yes   |
| □ No If not, explain:   |
| 12. Other issues. Does this appeal involve any of the following issues?   |
| ☐ Reversal of well-settled Nevada precedent (identify the case(s))  |
| <ul> <li>□ An issue arising under the United States and/or Nevada         Constitutions         ☑ A substantial issue of first impression         ☑ An issue of public policy     </li> </ul> |
| ☐ An issue where en banc consideration is necessary to maintain uniformity of this court's decisions  |
| ☐ A ballot question If so, explain:   |

13. Assignment to the Court of Appeals or retention in the Supreme Court. Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of Appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstance(s) that warrant retaining the case, and include an explanation of their importance or significance:

This matter is presumptively assigned to Court of Appeals under NRAP 17(b)(9). However, the proper interpretation of the Statute of Limitations for State employee whistleblower administrative appeals is of major significance to the State as an employer and to the state employees to whom it applies.

All other State employee administrative appeals are due to be filed within 10-workdays of the complained of events. The Hearing Officer and Court's interpretation of NRS 281.641 provides State employees who wish to claim whistleblower protections a full two years after the event complained of to file an appeal.

NRS 281.641 provides a two-year window of protection against reprisal, not a two-year statute of limitations to file the administrative appeal *after* the alleged reprisal.

To find otherwise, particularly where 281.641 directs the appeal to be conducted in conformity with NRS 284.390 with its ten days to appeal, puts employer at a great disadvantage in developing the facts, gathering witnesses, etc. for administrative proceeding that is intended to be efficient, cost effective and fair.

14. Trial. If this action proceeded to trial, how many days did the trial last?

Administrative hearing (2) days. 1<sup>st</sup> day Motion to Dismiss; 2<sup>nd</sup> day Merits of Appeal.

Was it a bench or jury trial?
Administrative hearing before hearing officer.

15. Judicial Disqualification. Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? If so, which Justice?

No.

## TIMELINESS OF NOTICE OF APPEAL

| 16. Date of entry of written judgment or order appealed from 09/10/2019  If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:                |
|--|
| 17. Date written notice of entry of judgment or order was served 09/12/2019 was service by:  |
| □ Delivery ☑ Mail/electronic/fax   |
| 18. If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59)  n/a   |
| (a) Specify the type of motion, the date and method of service of the motion, and the date of filing.  |
| □ NRCP 50(b) Date of filing  |
| □ NRCP 52(b) Date of filing  |
| □ NRCP 59 Date of filing   |
| NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. See AA Primo Builders v. Washington, 126 Nev , 245 P.3d 1190 (2010). |
| <ul> <li>(b) Date of entry of written order resolving tolling motion</li> <li>(c) Date written notice of entry of order resolving tolling motion was served</li> <li>Was service by:</li> </ul>          |
| □ Delivery   |

□ Mail

| 19.  | Date notice of appe  |                           |   |            |
|------|--|---------------------------|---|------------|
|      | _  |                           | aled from the judgment                                  |            |
| list | the date each notice o   | of appeal was             | filed and identify by na                                | ame the    |
| part | ty filing the notice of a  | appeal:                   |   |            |
|      | n/a  |                           |   |            |
|      | Specify statute or r<br>ice of appeal, e.g., N<br>NRAP 4(a); NRS 233 | NRAP 4(a) o               | ng the time limit for<br>r other                        | filing the |
|      | SUBST<br>Specify the statute   | 'ANTIVE Al<br>or other au | PPEALABILITY thority granting this nt or order appealed |            |
|      | □ NRAP 3A(b)(l)  | □ NRS 38                  | 3.205   |            |

(b) Explain how each authority provides a basis for appeal from the judgment or order:

**☒** NRS 233B.150

□ NRS 703.376

The underlying action was an administrative appeal filed by a classified state employee. The appeal was conducted pursuant to NRS 281.641; NAC 281.305; NRS 284.390 et seq.

The petition for judicial review of the administrative decision is permitted under NRS 233B.130 and this appeal is permitted under NRS 233B150.

- 22. List all parties involved in the action or consolidated actions in the district court:
  - (a) Parties:

 $\square$  NRAP 3A(b)(2)

 $\square$  NRAP 3A(b)(3)

□ Other (specify)

State of Nevada, Department of Transportation, Petitioner John Bronder (employee), Respondent.

b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, e.g., formally dismissed, not served, or other:

All parties are included.

□ Yes

⊠ No

23. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims, or third-party claims and the date of formal disposition of each claim.

John Bronder, (employee) Respondent, claims he was released from probation (and denied a later opportunity to interview) as reprisal for whistleblowing.

Department of Transportation claims appeal untimely under NRS 281.641 and NRS 284.390; no evidence of motive or reprisal; no whistleblower report outside agency.

| the | Did the judgment or order appealed from adjudicate ALL claims alleged below and the rights and liabilities of ALL parties to the action or consolidated actions below? |
|-----|--|
|     | □No  |
| 25. | If you answered "No" to question 24, complete the following: (a) Specify the claims remaining pending below:   |
|     | n/a  |
|     | (b) Specify the parties remaining below:   |
|     | (c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b)?   |

# 26. If you answered "No" to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(h)):

The Order is independently appealable and NRAP 3A(b) as the Order determines all issues as to all parties.

### 27. Attach file-stamped copies of the following documents:

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
  - •Any tolling motion(s) and order(s) resolving tolling motion(s)
  - Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
  - ·Any other order challenged on appeal
  - · Notices of entry for each attached order

#### **VERIFICATION**

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

| State of Nevada Department of | Lori M. Story, Senior Deputy   |
|-------------------------------|--------------------------------|
| Transportation                | Deputy Attorney General        |
| Name of appellant             | Name of counsel of record      |
| October 18, 2019<br>Date      | Signature of counsel of record |
| Carson City, Nevada           | _                              |
| State and county where signed |                                |

### CERTIFICATE OF SERVICE

| I certify that on the day of  |
|---|
| I served a copy of this docketing statement upon all counsel of record:         |
| ☐ By personally serving it upon him/her; or                                     |
| ☑ By mailing it by first class mail with sufficient postage prepaid to the      |
| following address(es): (NOTE: If all names and addresses cannot fit             |
| below, please list names below and attach a separate sheet with the addresses.) |
| audiesses.)   |
| Thomas J. Donaldson   |
| Dyer Lawrence, LLP<br>2805 Mountain Street                                      |
| Carson City, NV 89703   |
| Dated this/8 day of October, 2019   |
| Saller a. Bulland   |
| Signature   |

# **EXHIBIT** A

# **EXHIBIT** A

### IN THE SUPREME COURT OF THE STATE OF NEVADA

THE STATE OF NEVADA DEPARTMENT OF TRANSPORTATION,

No. 79695

Appellant,

INDEX TO DOCKETING STATEMENT

vs.

JOHN BRONDER,

Respondent.

| Exhibit         | Document   | Date                 |
|-----------------|--|----------------------|
| A               | Index to Docketing Statement   |                      |
| B<br>Ex. 1 to B | Petition for Judicial Review<br>Decision and Order on Nevada Department<br>of Transportation's Motion to Dismiss                 | 04/08/19<br>10/10/18 |
| $\mathbf{C}$    | Motion for Stay Pending Judicial Review  | 04/08/19             |
| D               | Order Granting Motion for Stay Pending<br>Judicial Review  | 05/09/19             |
| E               | Department of Transportation's Opening<br>Memorandum of Points and Authorities<br>in Support of Its Petition for Judicial Review | 06/25/19             |
| F               | Notice of Entry of Findings of Facts,<br>Conclusions of Law and Decision Denying<br>Petition for Judicial Review                 | 09/13/19             |
| G               | Motion for Stay Pending Appeal   | 09/20/19             |
| Н               | Order Denying Motion for Stay Pending Appeal   | 10/14/19             |

# EXHIBIT B

# **EXHIBIT B**

| 1 2 3 4 5 6 7 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | AARON D. FORD Attorney General  LORI M. STORY Senior Deputy Attorney General  Nevada Bar No. 6835  State of Nevada Office of the Nevada Attorney General Personnel Division 100 S. Carson Street Carson City, NV 89701 Tel: 775-684-1114  lstory@ag.nv.gov |
|---|--|
| 8 9   | Attorneys for Petitioner   |
| 10  | IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  |
| 11  | IN AND FOR CARSON CITY   |
| 12  <br>13  <br>14                                | STATE OF NEVADA DEPARTMENT OF TRANSPORTATION,  Petitioner,  Case No. / 9 O C 000 6 6 / 6  Dept. No.  |
| 15  | vs.  |
| 16<br>17<br>18                                    | STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, HEARINGS DIVISION, an agency of the State of Nevada JOHN BRONDER,   |
| 19<br>20  | Respondents,   |
| 21  | PETITION FOR JUDICIAL REVIEW   |
| 22  | Petitioner STATE OF NEVADA, DEPARTMENT OF TRANSPORTION (DOT), by   |
| 23  | and through its counsel, AARON D. FORD, Attorney General for the State of Nevada, and  |
| 24  | LORI M. STORY, Senior Deputy Attorney General, and pursuant to NRS 281.641(1) and  |
| 25  | NRS 281.641(4), and NRS 233B.010 et seq., petitions the Court as follows:  |
| 26  | <ol> <li>Petitioner requests judicial review of the final decision of the Nevada State</li> </ol>  |
| 27  | Personnel Administrative Hearing Officer dated March 7, 2019, in Case No. 1802330-PHL.   |
| 28  | 2. This Court has jurisdiction pursuant to NRS 233B.130.   |

Page 2 of 4

### **AFFIRMATION**

### Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person pursuant to NRS 239B.030.

DATED this Standard day of April, 2019.

AARON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835

Attorneys for Petitioner

26

27

28

#### CERTIFICATE OF SERVICE

I hereby certify that I am an employee of the Office of the Attorney General of the State of Nevada and that on this State of April, 2019, I served a copy of the foregoing PETITION FOR JUDICIAL REVIEW, by causing said document to be placed in the United States Mail, first class postage prepaid, addressed to: (Via U.S. mail and E-mail): phlamboley@aol.com Paul H. Lamboley Appeals Officer State of Nevada Department of Administration / Hearings Division 1050 E. Williams Street, Ste. 450 Carson City, Nevada 89701 Thomas Donaldson, Esq. (Via U.S. mail and E-mail): tdonaldson@dyerlawrence.com Dyer Lawrence Flaherty Donaldson & Prunty 2805 Mountain St. Carson City, NV 89703 (Via U.S. Mail and E-mail): teaton@admin.nv.gov Tasha Eaton, Judicial Assistant For Paul Lamboley, Esq. Appeals Officer State of Nevada, Dept. of Administration / Hearings Division 1050 E. Williams Street, Ste. 450 Carson City, Nevada 89701

Sally A. Bullard, LS II

an Employee of the Office of the Attorney General

# **EXHIBIT 1**

**EXHIBIT 1** 

| 1  | NDOA-ORDR   |
|----|---|
| 2  | Paul H. Lamboley  |
| Ì  | SBN 2149 575 Forest Street, Ste. 200  |
| 3  | Reno, NV 89509  |
| 4  | Tel. 775.786.8333   |
| 5  | 575 Forest Street, Ste. 200 Reno, NV 89509 Tel. 775.786.8333 Fax 775.786.8334 Email: phlamboley@aol.com  FILED  OCT 10 2018 |
| ļ  | Fax 775.786.8334 Email: phlamboley@aol.com  Hearing Officer  DEPT. OF ADMINISTRATION  APPEALS OFFICER                       |
| 6  |   |
| 7  | STATE OF NEVADA DEPARTMENT OF ADMINISTRATION  |
| 8  | HEARINGS DIVISION   |
| 9  | BEFORE THE HEARING OFFICER  |
| 1  |   |
| 10 | In the Matter of  |
| 11 | JOHN BRONDER  |
| 12 | Employee - Appellant, )   |
| 13 | and ) APPEAL NO 1802330 PHI   |
| ;  | )   |
| 14 | NEVADA DEPARTMENT OF ) TRANSPORTATION )   |
| 15 | Employer – Respondent.  |
| 16 |   |
| 17 | DECISION AND ORDER ON NEVADA DEPARTMENT   |
| İ  | OF TRANSPORTATION'S MOTION TO DISMISS   |
| 18 | A. Background.  |
| 19 |   |
| 20 | This case was initiated by Employee JOHN BRONDER (Bronder), under NRS 281.611 et seq.,                                      |
| 21 | specifically NRS 281.641(1), as an appeal of whistleblower retaliation conduct by Employer                                  |
| 22 | NEVADA DEPARTMENT OF TRANSPORTATION (NDOT).   |
| 23 | On May 5, 2017, NDOT informed Bronder, who at the time was a probationary employee, that                                    |
| 24 | he was terminated.  |
| 25 | In Charles 2017   |
| 26 | In October 2017, an employment recruitment position was posted by NDOT, for which Bronder                                   |
| 27 |   |
| 28 |   |
| ا  | DECISION AND ORDER ON NEVADA DEPARTMENT OF TRANSPORTATION'S MOTION TO DISMISS   |

28

31, 2018, to which on May 9 Bronder indicated no opposition, and on which the HO granted continuance of hearing to be reset.

- 4. The Parties agreed to a continue and reset the hearing on the MTD to Friday, July 13, 2018.
- 5. Based on granting the Motion to Continue, the HO issued an Order setting new Hearing Date, Time, Schedule and Procedures for hearing on NDOT's MTD under provisions of NRS 281.641, and related provisions of NAC 281.315, both of which also incorporate provisions of NRS Chapter 284, and related provisions of NAC Chapter 284, specifically NRS 284.300-.405 and NAC 284.774-.818. Hearing was scheduled for July 12, 2018, later for July 13.
  - 6. NDOT filed a Supplement to its MTD, dated July 3, 2018 to which filing Bronder objected.
  - 7. Decision on the MTD was deferred until July 13 hearing.

#### D. Hearing.

On Friday, July 13, 2018 hearing was held on NDOT's MTD. Appearing were Employee/Appellant John Bronder and his counsel Thomas J. Donaldson, Esq., and Employer/Respondent NDOT by Dpeputy Attorney General Lori M. Story, Esq., and NDOT-HR representative Allison Wall.

As witness testimony was not anticipated on MTD issues, the exclusionary rule was unnecessary. However, to confirm under oath that facts stated in his initial written "Appeal of 'Whistleblower' Retaliation" form and attached exhibits, dated January 16, 2018, submitted to Division of Human Resource Management were true, Bronder was sworn and did confirm the facts therein were true. Bronder's pre-hearing appeal forms and attached exhibits were accepted into the record as Exhibits NDOA-1 to NDOA-9.

At the request of the HO during hearing for the legislative history of the provision in NRS 281.641(3). Λ link to the legislative history of S.B. 357 (1995), was provided post-hearing July 13

| 1          | by DAG Story. Post-hearing Comments on that history by the Parties were allowed to be received                    |
|------------|---|
| 2          | by July 20, 2018, and were received by emails on July 23 and 24, and are included in the record.                  |
| 3          | 1. Evidentiary Record and Employment History.   |
| 5          | a. Evidentiary Record.  |
| 6          | For purposes of the MTD record, the Parties' Stipulation of Facts, dated July 11, 2018, was                       |
| 7          | offered and accepted into the record at the hearing as Joint Exhibit 1, (JE-1)                                    |
| 8          | Without objection, legislative history of NRS 641.641(3) was accepted and admitted as Join                        |
| 9          | Exhibit 2, (JE-2), on July 17. The Nevada Legislative Counsel Bureau's research library lin                       |
| 10         | regarding the 1995 legislative history for S.B.357 provided is:   |
| 11         | www.leg.state.nv.us/Divisjon/Research/Library/LegHistory/LHs/1995/SB357,1995.pdf                                  |
| 12         | The evidentiary record includes all documents transmitted in the administrative packet                            |
| 13<br>14   | accompanying the NDOA's June 20 letter of assignment of appeal, identified as NDOA-:                              |
| 15         | NDOA-1 Assignment - January 31, 2018  |
| 16         | NDOA-2 Appeal from (NPD-53) – January 16, 2018  |
| 10 }       | NDOA-3 Bronder Summary Attached – January 16, 2018<br>NDOA-4 Bronder Rejection of Employment letter – May 5, 2017 |
| 17         | NUOA-5 Memorandum – March 13, 2017  |
| 18         | NDOA-6 Transportation Board Minutes - April 10, 2017  |
| ***        | NDOA-7 Employee Appraisal & Development Report (NPD-15) - April 24 -27 2017                                       |
| 19         | NDOA-8 Transportation Board Minutes – June 12, 2017   |
| 20         | NDOA-9 Transportation Board Minutes - August 11, 2017   |
| 21         | In addition, the record includes the exhibits attached to Employer NDOT's Motion to Dismiss                       |
| 22         | Reply in Support and Supplement, identified as ER-:   |
| 23         | ER-1. NDOT's Motion to Dismiss (MTD)  |
|            | ER-2 NDOT's MTD Exh A - Bronder Appeal Form NPD-53 with attachments Exh. A D                                      |
| 24         | CR-3 RDOT's Reply to Opposition to MTD  |
| 25         | ER-4 NDOT's Reply Exh. A - Appeal No.1809587 Cannon v. NDIIHS (04.10.18)  |
|            | ER-5 NDOT's Supplement to MTD   |
| <b>3</b> 6 | ER-6 NDOT's Supplement to MTD Exh. A - Appeal No.1813758 Cannon v. NDHHS (06.15.18)                               |
| 27         |   |
| 8          |   |
| - 11       | DECISION AND ORDER ON NEVADA DEPARTMENT   |

| 1        | Also included are the exhibits attached to Employee Bronder's Pre-Hearing Statemen   |
|----------|--|
| 2        | identified as EE-:   |
| 3        | EE-1 Bronder's Opposition to NDOT's MTD  |
| 4        | EE-2 Bronder's Opposition Exh. 1 – No. CC-07-13 Boice v. NDOT (06.27.14)   |
| 5        | b. Employment History.   |
| 6        | Bronder's employment history in JE-1 shows he was employed by NDOT June 6, 2016 as   |
| 7<br>v   | Manager I P.E. position in Elko, NV at a Grade 43 which requires a 12-month probationary period  |
| 8        | and on February 13, 2017, laterally transferred to a Manager 1 position in Carson City, NV, also   |
| 10       | Grade 43 position. Bronder's first and only employee appraisal was done during the 10th month of   |
| 11       | his probationary period on April 25, 2017, 2-hours prior to his leave on a planned vacation leave  |
| 12       | The Employee Appraisal & Development Report, NDOA-7, concluded that Bronder "meet  |
| 13       | standards" in overall rating for the listed 12 Job Elements evaluated, although 2-elements, #2 an  |
| 14       | #6, needed improvement. Returning to work from vacation leave on May 5, 2017, Bronder wa   |
| 15       | informed that his employment was terminated effective at end of his shift that day.  |
| 16<br>17 | There is no evidence of any disciplinary action in Bronder's employment history.   |
| 18       | Bronder did not appeal his termination.  |
| 19       | III. Issues and Positions of the Parties.  |
| 20       | A. Issues.   |
| 21 .     | In whistleblower appeals, there may primary issues and secondary issues raised by an MTD.  |
| 22       | In its Motion to Dismiss (MTD), NDOT asserts the primary issue to be whether Bronde  |
| 23       |  |
| 24       | conduct in this case qualifies for whistleblower protections and is eligible to utilize appearance to the conduct of the case qualifies for whistleblower protections and is eligible to utilize appearance. |
| 25       | procedures under applicable provisions of Nevada Revised Statutes (NRS) and Nevada   |
| 26       | Administrative Code (NAC).   |
| 27       |  |
| 28       | DECISION AND ODINED ON MENA IN INCRADE DENAUARE  |
| : }      | DECISION AND ORDER ON NEVADA DEPARTMENT OF TRANSPORTATION'S MOTION TO DISMISS 5  |

| 1                                | NDOT also suggests a secondary issue that Bronder as a probationary employee may be   | oc  |
|----------------------------------|---|-----|
| 2                                | dismissed at any time during probation without cause if NDOT complies with applicab   |     |
| 3                                | regulations.  |     |
| 4                                | For Bronder, the primary issue is whether he is entitled to whistleblower protection and appear   | al. |
| 5<br>6                           | procedures available under applicable provisions of NRS and NAC, notwithstanding termination of   |     |
| 7                                | probationary NDOT employment status and now former NDOT employee status.  | 9   |
| 8                                | Both Parties raise issue on the scope of remedy as relief requesting restoration of employment.   |     |
| 9                                | B. Positions of the Parties.  |     |
| 10                               | 1. Employer NDOT  |     |
| 11                               | Relying on statute and regulation NDOT initially urges 4 points as reasons for dismissal:   |     |
| 12                               | 1. Bronder's appeal is untimely.  |     |
| 13<br>14                         | <ol> <li>Bronder misuses process to appeal rejection from probation.</li> <li>Bronder fails to allege he reported any improper governmental action outside of the</li> </ol>  |     |
| 15                               | NDOT.  4. Bronder seeks relief beyond the authority of Hearing Officer.   |     |
| 16                               | And concludes by urging:  |     |
| 17<br>18<br>19<br>20<br>21<br>22 | <ol> <li>Mr. Bronder's report to people in his supervisory chain does not qualify as whistleblowing.</li> <li>Declining to re-interview him for a position where he has already proven himself ineffective cannot be seen as an act of reprisal and it is not listed in NRS 281.641.</li> <li>The question of whether the appeal process applies to probationary employees remains unanswered, but if such an appeal was allowed, his appeal is untimely by several months and there was no other retaliatory or reprisal act listed in NRS 281.641 that Bronder claims as having been taken against him which would make his appeal timely or appropriate.</li> <li>Mr. Bronder cannot obtain his requested relief through this appeal because the hearing officer cannot restore his pay grade, sick leave or lost time in PERS.</li> </ol> |     |
| 23                               | NDOT relies on various statutory and regulatory provisions cited in its Motion to Dismiss, ER-  |     |
| 24                               | 1, for termination of employment and dismissal of appeal proceedings based on statutory   |     |
| 25                               | provisions regarding Disclosure of Improper Governmental Action in NRS 281.611661 and NAC   |     |
| 26<br>27                         | 281.305-,315,   |     |
| 28                               | DECISION AND ORDER ON NEVADA DEPARTMENT   |     |

"State officer" means a person elected or appointed to a position with the State which involves the exercise of a state power, trust or duty, including: 2 (a) Actions taken in an official capacity which involve a substantial and material exercise of administrative discretion in the formulation of state policy; (b) The expenditure of state money; and (c) The enforcement of laws and regulations of the State. (Added to NRS by 1991, 1992; A 2001, 3049) 5 NRS 281.641 Reprisal or retaliatory action against state officer or employee who discloses 6 improper governmental action: Written appeal; hearing; order; negative ruling may not be based on identity of persons to whom disclosure was made; rules of procedure. 7 1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal or retaliatory action. The written appeal must be accompanied by a statement that sets forth with particularity: (a) The facts and circumstances under which the disclosure of improper governmental action 11 was made; and (b) The reprisal or retaliatory action that is alleged to have been taken against the state officer 12 or employee. 13 EThe hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant 14 to subsection 4. 2. If the hearing officer determines that the action taken was a reprisal or retaliatory action, 15 the hearing officer may issue an order directing the proper person to desist and refrain from engaging in such action. The hearing officer shall file a copy of the decision with the Governor or 16 any other elected state officer who is responsible for the actions of that person. 17 The hearing officer may not rule against the state officer or employee based on the person or persons to whom the improper governmental action was disclosed. 18 4. The Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section that are not inconsistent with the procedures set forth in NRS <u>284,390 to 284,405</u>, inclusive, 5. As used in this section, "Personnel Commission" means the Personnel Commission 30 created by NRS 284,030. 21 Cited regulatory provisions of the Nevada Administrative Code provide: 22 NAC 281.305 Written appeal by officer or employee who claims retaliatory action was 23 taken against him or her. (NRS 281.641) 24 1. A state officer or employee who claims a reprisal or retaliatory action was taken against him or her for disclosing information concerning improper governmental action may file a written 25 appeal pursuant 40 NRS 281.641 with a hearing officer of the Personnel Commission. The appeal must be: 26 (a) Filed within 10 workdays after the date the alleged reprisal or retaliatory action took place.

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(b) Submitted on a form provided by the Division of Human Resource Management of the Department of Administration. 2 2. The hearing officer may reject a form that is incomplete or otherwise deficient as insufficient to commence the appeal. 3 (Added to NAC by Dep't of Personnel, eff. 3-1-96) NAC 281.315 Procedures for conduct of hearing on written appeal. (NRS 281.64) 5 1. The provisions of this section and NAC 284,774 to 284,806, inclusive, and 284,818 govern the procedure for conducting a hearing for a written appeal filed pursuant to NRS 281.641. 6 2. A purty may appear in person and may be represented by an attorney or another person of his or her choice, if the party chooses not to represent himself or herself. All testimony must be under oath administered by the hearing officer. The appeal must be heard in the following manner: (a) The opening statement for the state officer or employee. (h) The opening statement for the employer, unless reserved. (c) Presentation of the state officer's or employee's case, followed by cross-examination. The 10 state officer or employee must establish that: (1) He or she was a state officer or employee on the date of the alleged reprisal or 11 retaliatory action: (2) He or she disclosed information concerning improper governmental action; and 12 (3) The alleged reprisal or retaliatory action was taken against the state officer or employee 13 within 2 years after the date he or she disclosed the information concerning improper governmental action. (d) If the state officer or employee establishes the facts set forth in paragraph (c), presentation of the employer's case, followed by cross-examination, to establish that the employer did not engage in the alleged reprisal or retaliatory action or that the action was taken for a legitimate business purpose and was not the result of the disclosure of information concerning improper 16 governmental action by the state officer or employee. 17 (e) If the employer establishes a legitimate business purpose for the alleged reprisal or retaliatory action, the state officer or employee may introduce evidence, followed by cross-18 examination, to demonstrate that the stated business purpose is a pretext for the reprisal or retaliatory action. 19 (f) The parties may respectively offer rebutting testimony only, unless the hearing officer permits additional evidence upon the original cause. 20 (g) The argument for the state officer or employee. 21 (h) The argument for the employer. (i) The closing argument for the state officer or employee. 22 (j) Submission of the appeal for a decision. 23 b. Employee Bronder. 24 In opposing dismissal, Bronder urges 5 points for denial of motion: 25 1. Hearing rules do not provide for NDOT's motion to dismiss, 26 2. Bronder's appeal is timely under governing statute. 27

whistleblowers are both statutory and constitutional. As a consequence, whistleblower protection in public sector employment is to be distinguished from and contrasted with that of at-will private sector employment without statutory or constitutional protections. Accordingly, case-law from atwill private sector employment on which NDOT relies is inapposite in analysis of whistleblower protections in public sector employment. 1. Nevada Statutory Protections. The statutory policy for whistleblower protection in Nevada is NRS 281.621, which provides: Declaration of public policy. It is hereby declared to be the public policy of this state that a 10 state officer or employee and a local governmental officer or employee are encouraged to disclose,

to the extent not expressly prohibited by law, improper governmental action, and it is the intent of the Legislature to protect the rights of a state officer or employee and a local governmental officer or employee who makes such a disclosure.

#### Additionally, NRS 281,631 states:

State or local governmental officer or employee is prohibited from using authority or influence to prevent disclosure of improper governmental action by another state or local governmental officer or employee as follows: L = Astate officer or employee and a local governmental officer or employee shall not directly or indirectly use or attempt to use the official authority or influence of the officer or employee to intimidate, threaten, coerce, command, influence or attempt to intimidate, threaten, coerce, command or influence another state officer or employee or another local governmental officer or employee, as applicable, in an effort to interfere with or prevent the disclosure of information concerning improper governmental action. the purposes of this section, use of "official authority or influence" includes taking, directing others to take, recommending, processing or approving any personnel action such as an appointment, promotion, transfer, assignment, reassignment, reinstatement, restoration, reemployment, evaluation or other disciplinary action.

### Procedures for whistleblower protection are found in NRS 281.641 which provides:

Reprisal or retaliatory action against state officer or employee who discloses improper governmental action: Written appeal: hearing; order; negative ruling may not be based on identity of persons to whom disclosure was made; rules of procedure.

1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal

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| 1        | and specifically intended to legislatively correct a problem created by a prior decision of a hearing   | ıg  |
|----------|---|-----|
| 2        | officer which denied whistleblower relief to an employee "because the employee did not render h   | - 1 |
| 3        | whistle-blowing to the proper level or jurisdiction, it did not fall within this law,"  |     |
| 4        | In the case then at issue, the hearing officer's decision evidently decided that "because the   | שנו |
| 5        | employee had not told the person in authority" it did not count as whistleblowing. JE-2. pp.6-  | - 1 |
| 7        | (Bates).  |     |
| 8        | Chairmerson Sanator (N.Comoll administration 1  |     |
|          | Chairperson Senator O'Connell, when asking why the language was needed, observed:   | -   |
| 9        | Who is it that is going to determine if you just simply say they have the right to disclose this information and it does not many difference who and I recall this is initially what you were saying you should be able to go to the press, the legislature, whomever But the inappropriate |     |
| H        | person or entityI would think whoever they chose to tell would be appropriate.  |     |
| 12       | I was just thinking that there would not be a better way of putting it, because then are we   |     |
| 13       | not going to leave the ability of making the decision as to who is appropriate or inappropriate to the hearing officer?   |     |
| 14       | I do not know maybe I am migraading this has it was the   |     |
| 15       | I do not know, maybe I am misreading this, but it seems like we have now given them the ability to make that decision. That certainly was not the intent, have sat on the committee originally, the intent wasit was an opportunity to give them a vehicle where they could go out          |     |
| 16<br>17 | and they could talk to somehody about something they thought was improper that was going on within the agency.  |     |
| 7        | JE-2, p. 8 (Bates).   |     |
| .18      | Senator Raggio's descriptive remarks also confirm of legislative intent:  |     |
| 20       | I think it is clear. In other words, you are saying that you take your grievance to the hearing officer and the employer cannot come in and say. "This does not come under the law  |     |
| 21       | occurs incomplete and not disclose it to the right pureon " In athan and a table to   |     |
| 22       | situation where however or whomever the employee disclosed is not the point. It is the point that the employer, for whatever reasons, takes retaliatory action. I think it is clear.  |     |
| 23       | JE-2, p. 9 (Bates).   |     |
| 24       | Senator O'Connell asked Senator Raggio:   |     |
| 25       |   |     |
| 26       | You do not think it gives the hearing office the ability to decide who the inappropriate person is?   |     |
| 27       |   |     |
| 28.      |   |     |

## Replying, Senator Raggio stated:

No, it is just the opposite. It says that the hearing officer, if he finds there is retaliatory which is his responsibility, cannot say Well it does not matter because the was not supposed to report to that person.' I mean there's not an appropriate government entity.... I think it reads clearly.'

JE-2, p. 9 (Bates).

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#### Senator Porter asked:

Why not be more specific on who they report to, not who they do not report to? Who is specifically allowed to be reported to? A supervisor, or management, or something like that instead of who they do not report to? Or who the appropriate person is? Maybe we need to be more specific on who the appropriate person should be.

### Public employee representative Gagnier responded:

Senator, that was our original problem...was we did not want to say who, and so it does not. It is blank in that regard. It is silent. The intent we that the employee could report it to whoever they wished, whether it be to the media, a legislative committee or a legislator, or whoever.

#### JE-2, p.9 (Bates).

The proposed Amendment as stated was approved and passed into law by the Nevada Legislature. Thus, by legislative amendment, S.B. 357 specifically corrected and cured a jurisdictional error and policy. Thus, to whom an employee makes a disclosure or statement, albeit to a party within or without the employee's employment setting, is neither relevant nor material under NRS 281.641(3). Whether retaliation occurred is the primary issue.

#### 2. Constitutional Protections.

Since 1968 it has been evident that state public employees also have whistleblower protection under the 1<sup>st</sup> and 14<sup>th</sup> Amendments of US Constitution from employer retaliation. *Pickering v. Board of Education*, 391 U.S. 563 (1968) recognized the public employees protection is speech related to matters of public concern in balancing the interests of the employee as a citizen and the

interest of the state in promoting the efficiency of public services it performs through its employees, i.e. the "Pickering test".

In *Perry v. Sindermann*, 408 U.S. 593 (1972), the Court held that an employee's lack of contract or tenured right to re-employment is immaterial to a free speech claim under the 1<sup>st</sup> and 14<sup>th</sup> Amendments. In short, employment status is immaterial in retaliation for protected speech.

In Mt. Healthy v. Doyle, 429 U.S. 274 (1977), the Court considered 3 issues: whether there was federal-question jurisdiction, if 11th Amendment immunity existed, and if 1st and 14th Amendments prevented the governmental entity from adverse employment action for constitutionally protected speech on a matter of public concern. The Court found that although the employer was created by the state it was a local entity beyond the 11th Amendment, and held on remand the employer must show by a preponderance of evidence that the employee would have been fired regardless of protected speech, establishing the "Mt. Healthy test." Here, there is not an 11th Amendment issue.

In Givhan v. Western Line Consolidated School District, 439 U.S. 410 (1979), the Court concluded that a teacher's 1st Amendment right of speech in private meetings with a principal in which she critically complained that employment policies sustained segregation, a matter of public concern, was protected when expressed privately just as when expressed publicly. The Court held non-renewal of a contract could be substantial adverse employment conduct, but remanded for application of the "Mt. Healthy test".

In Connick v Meyers, 461 U.S. 138 (1983), the Court held that claimed protected speech should be evaluated by its content, form and context of the statement based on the whole record, not a common standardized rule, and which is a question of law for the Courts under a 4-step test

In recognizing protected speech, the Court in *Garcetti v. Ceballos*, 547 U.S. 410 (2006), adopted and applied a distinction between speech of a public employee's as a *citizen* and that of an

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 employee whose speech is part of their official job duties, and held the former is protected and the latter is not protected. This has forced courts to determine the nature of the employee's job description and duties with no little analytical framework as guidance and not without significant criticism. Though purporting to do otherwise, the decision undercuts Givhan, and seemingly fails to promote and protect speech based on public employee's informed knowledge made either privately in the workplace or publicly outside of the workplace.

More recently in Lane v Franks, 573 U.S. \_\_\_. 134 S. Ct. 236 (2014), the Court recognized the decades-old constitutional protection for public employees' 1st Amendment rights which depend on careful balance between the interest of the employee and the employer. The Court examined its prior decisions in Pickering. Connick and Garcetti, and its analytical conclusions in the case provided an example of when Garcetti should not apply to limit that protection against retaliatory adverse employment actions.

There is no serious question that Bronder's statements involved matters of public concern over what may be properly termed "gross waste of public money", i.e. taxpayer money, in construction contract awards that may include excessive labor cost allowances, which the employer agency has an interest in and responsible for being able to critically evaluate based the information disclosed in Bronder's statements. These statements were not within Bronder's ordinary job description, responsibilities or duties, and he clearly had overlapping concerns; (1) that of an employee's ordinary citizenry concern for the agency approach to awarding construction contracts, and (2) that as well of an employee's knowledgeable, best-shared legitimate and loyalty concern with and for his employer's mission, integrity and performance as a state agency in expending public money in the award of construction contracts.

Bronder's stated concerns as citizen and employee are complementary, and not inconsistent,

| ï         | Under Supreme Court decisional guidelines, Bronder's statements here at issue are entitled to 13  |
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| 2         | and 14th Amendment constitutional protection of public employment speech.   |
| 3         | The primary issue in this case as framed by the NDOT's MTD is whether Bronder is entitled   |
| 4 · 5     | to whistleblower protection, which NDOT denies. However, the primary underlying factual and   |
| 6         | legal issues in this whistleblower case should necessarily focus on whether NDOT engaged in   |
| 7         | retaliatory adverse employment actions. The retaliatory issues are, however, not within the scope   |
| 8         | of issues presented in hearing on NDOT's MTD and thus not decided here.   |
| 9         | V. Findings of Fact.  |
| 10        | Based on the Parties' Stipulated Facts as to NDOT's MTD (JE-1), as to matters of fact the HO  |
| 11 :      | finds as follows:   |
| 12<br>13  |   |
| 14        | <ol> <li>On June 6, 2016, Bronder was hired to fill a permanent Manager I position in Elko with<br/>the Department of Transportation.</li> </ol>                            |
| 15        | <ol> <li>Brander's Manager I position was classified as a grade 43.</li> <li>A grade 43 classified position requires a one-year probationary period.</li> </ol>             |
| ı         | 4. Bronder transferred from the Elko position to a Manager I position in Carson City on   |
| 16        | February 13, 2017, a lateral transfer.  5. The Carson City position is also a grade 43 position.  |
| 17        | 6. Bronder was directed to participate in the Construction Manual rewrite work sessions   |
| 18        | by Sieve Lani on February 24, 2017 which lasted all-day on most Fridays including   |
| i<br>19 : | <ul><li>additional review and editing responsibilities.</li><li>Bronder was directed to learn the job duties of another Manager I in the division by Jeff</li></ul>         |
| 20 i      | Freeman in the week beginning February 27, 2017 to assume those duties upon their retirement on May 5, 2017.  |
|           | 8. Bronder viewed an April 10, 2017 Transportation Board Meeting online from his office.  |
| 21        | and then reported Governor Sandoval's questions and concerns raised at that masting to  |
| 22        | Stephen Lani. Assistant Construction Engineer, in his office on April 10, 2017.  9. Bronder received his employee evaluation on April 25th, 2017, just prior to leaving for |
| 23        | his planned vacation.   |
| 24        | 10. The evaluation contained two areas of "does not meet standards," but was overall "meets standard."  |
| 25        | 11. Bronder was terminated from his employment on May 5, 2017, prior to the completion of his one-year probationary period.   |
| 26        | 12. Bronder applied for a position at the Department of Conservation and Natural Resource   |
| 27        | and interviewed on July 14, 2017.   |
| 28        |   |
| ا: د      | DECISION AND ORDER ON NEWADA DEBARCACE  |

| 1        | 13. Bronder met with Director of NDOT Rudy Malfabon and Assistant Director of   |
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| 2        | Operations, Reid Kaiser on July 14, 2017 and reported the same concerns and questions   |
| <b>-</b> | 14. A position for Resident Engineer in District III was posted on October 10, 2017.  |
| 3        | 15. Bronder was hired by the Department of Conservation and Natural Resources on  |
|          | October 23, 2017.   |
| 4        | 16. Bronder applied for the position in Elko on October 24, 2017, was determined eligible   |
| 5        | and was ranked #1 on the list.  |
| J.       | 17. On October 31, 2017, the posting was withdrawn.   |
| 6        | 18. A new recruitment was posted for the same position.   |
| :        | <ol> <li>Bronder applied for the position and was identified as eligible, but did not obtain an<br/>interview.</li> </ol>   |
| 7        |   |
| 0        | 20. Mr. Bronder was not interviewed for that posting, "per NAC 284.374."  |
| 8        | 21. Bronder seeks restoration of his 11 months of probation, restoration of sick leave  |
| 9        | forfeited upon termination and restoration of a compensation level to grade 48, step 8.   |
|          | Also based on substantial, credible and probative evidence of record, additional facts are  |
| 10       | r de la   |
| II       | found as follows:   |
| ••       |   |
| 12       | 22. In the July 14, 2017 meeting, Bronder stated his belief that his prior statements were the  |
| 12       | reason he was dismissed during probation, in response Reid Kaiser stated he was told  |
| 13       | that Bronder "wasn't a good fit",   |
| 14       | 23. Bronder's statements concerning excessive waste in expenditure of public money for  |
| • •      | administrative fees NDOT allowed in the award of construction contracts are not within  |
| 15 -     | his ordinary job description, responsibilities or duties.   |
| : برو    | 24. Bronder's speech was protected by statute and constitution, consequently the alleged  |
| 16       | substantive NDO1 retaliatory conduct may be considered as adverse employment action   |
| 17       | impacting Bronder's state employment and state employment opportunities in  |
| *        | determining whether further hearing is appropriate.   |
| 18       | 25. Bronder timely appealed NDOT's October 17 2017action denying Bronder employment   |
|          | opportunity "per NAC 284.374".  |
| 19       | VI. Conclusions of Law.   |
| 20 :     | VI. Conclusions of Law.   |
|          | Based on the above Findings of Fact and substantial, credible and probative evidence of   |
| 21 :     | based on the doore I manigs of I act and substantial, credible and probative evidence of  |
| ກີ       | record, as conclusions of law the HO concludes as follows:  |
|          | The same and said to the said |
| 23       | 1. Bronder was a public employee when he made statements of concern on April 10, 2017   |
|          | to Assistant Construction Engineer Steve Lani regarding what Bronder believed to be   |
| 24       | excessive labor costs allowed in NDOT's award of construction contracts   |
| <b>)</b> | 2. Bronder's statements on April 10, 2017 were statements of improper governmental  |
| 25       | action alleging gross waste of public money as defined in NRS 281 611(1)(c)   |
| 26       | 3. Bronder's public employee statements made April 10, 2017 is speech entitled to   |
| ]        | statutory protection under NRS 281.621 as improper government action.   |
| 27       |   |
| 28 :     | •   |
|          | DECISION AND ORDER ON NEVADA DEPARTMENT 10  |
|          | OF TRANSPORTATION'S MOTION TO DISMISS   |

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Understandably perhaps: NDOT makes this assumption based on the reinstatement relief Bronder requests, which NDOT correctly points out is contrary to stated statutory remedy in NRS 281.641(2). Bronder's remedy request does not foreclose whistleblower speech protection and is not determinative on MTD issues. It is significant if reprisal or retaliation action is later found.

The timeliness issue recquires reconciling statutory time limit in NRS 281.641(1) that allows an appeal if any reprisal or retaliatory action based on a disclosure is taken with a 2-year period from the date of the disclosure and the regulatory time limit in NAC 281,305 that an appeal be filed

| 1        | within 10 days of the alleged reprisal or retaliatory action. In review of conflicts between statut  |
|----------|--|
| 2        | and regulation, the plain statutory language controls and regulation must be consistent with statuto   |
| 3        | NRS 281.641(4) provides that the Personnel Commission may adopt rules of procedure fo  |
| 4 -      | conducting a hearing pursuant to this section that are not inconsistent with the procedures set forti  |
| 5        | in NRS 284.390 to 284.405, inclusive. On its face, the statute appears to authorize only hearing   |
| 6<br>7   | procedures not regulation of a substantive time period limitation. But the incorporated hearing  |
| 8        | procedures include a 10-day appeal requirement. Thus, the 10-day provision in NAC 281.305 may  |
| 9        | not be consistent with the 2-year period in NRS 281.641(1) but may be consistent with the hearing  |
| 10       | provisions incorporated in NRS 281.641(4) but without reasonable clarity of notice.  |
| 11       | Arguments on this issue have not been supported by legislative or regulatory history or case   |
| 12       |  |
| 13       | law to aid decision. What is factually clear is that Bronder's disclosures at issue all occurred within  |
| 14       | a 2-year period prior to his January 16, 2018 appeal, the reach of appeal will necessarily be open   |
| 15       | and revisited in a subsequent merits hearing on whether reprisal or retaliation action occurred.   |
| 16       | 2. No Appeal of Rejection from Probation or Withdrawal of Recruitment.   |
| 17       | Form NPD-53 expressly states a former employee is eligible to file an appeal.  |
| 18       | NDOT contends appeal is not available from rejection of probation, citing NAC 284,458(2), or   |
| 19<br>20 | withdrawal of employment recruitment notice or employment interview opportunity as the reprisa   |
| 21       | or retaliatory action as defined in NRS 281.611(5).  |
| 22       | Although NAC 284, 458(1) and (2) may preclude appeal of rejection of probation, it is not clear  |
| 23       | that such prohibition applies in the context of retaliatory action for a whistleblower's protected   |
| 24       | · · · · · · · · · · · · · · · · · · ·  |
| 25       | Apart from administrative appeal here at issue, a 2-year statute of limitation under NRS 11.190(4)(e) would apply to a judicial action on a whistleblower's claim for reprisal or retaliation. Actions under NRS Chapter 357,  |
| 26       | Other administrative whistleblower protection is also available within 30 day, tipyding under 200 (1997).  |
| 27       | Nevada OSHA office.  |
| 28       | THE CICION AND AND AND A CALL TO A C |

and eligibility "removed per NRS 284,374", NDOT contends that activity is not included in items listed as reprisal and retaliatory action in NRS281.611(5)(a)-(m). NDOT views that statutory listing as all-inclusive to the exclusion of any other conduct. The statute employs the broad term "includes" which logically implies that there is more than what is listed. The listed acts in NRS 281.611(5) does not foreclose other conduct as qualifying for being reprisal or retaliatory action.<sup>2</sup>

There is only a scintilla of evidence in Mr. Kaiser's July 14 statement that Bronder just "wasn't a good fit" to question whether Bronder's performance evaluation was the only issue for May rejection of his probation and/or October denial of an interview or November removal from eligibility list "per NRS 284.374". Prior to rejection of probation Bronder's only reported overall performance evaluation was "meets standards", while noting that 2 of 12 the Job Elements need improvement. Rejection from probation in May provided no reason.

However, whether NDOT's action in January 2018 was retaliation for prior speech in April 10 and/or July 14 meetings is a substantive issue without sufficient evidence because retaliation was not the evidentiary focus for the Parties in developing the limited record in hearing on NDOT's MTD, which upon denial obviously will require further hearing for record development on the issue of adverse employment action as reprisal or retaliation for a whistleblower's protected speech.

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NRS 281.631(2) prohibits the use of official authority or influence in taking, directing others to take, recommending, processing or approving any personnel action such as an appointment, promotion, transfer, assignment, reassignment, reinstatement, restoration, reemployment, evaluation or other disciplinary action. This suggests there is range of adverse employment actions of legislative concern in protecting employee whistleblowers.

# 3. Failure to Report Misconduct Outside NDOT.

NDOT takes the position that because Bronder's April 2017 statements to Mr. Lani were not made outside the agency it does not qualify as whistleblowing protected speech under NRS 281.621 or the 1<sup>st</sup> and 14<sup>th</sup> Amendments. Citing Wiltsie v. Buby Grand Corp., 105 Nev. 291, 774 P.2d 432 (1989). NDOT erroneously relies on at-will private sector employment precedent inapposite to the issue of public employment protected speech and is contrary to statutory and constitutional protections.

NDOT also relies on an NDOA Hearing Division decision granting the State's Motion to Dismiss in Appeal No. 1813758 entitled Anthony Cannon v. State of Nevada ex rel. its Department of Health and Humans Services, Division of Welfare and Supportive Services, June 15, 2018.

In that case, the hearing officer found the employee's petition "legally and factually deficient" when "under Nevada law a disclosure to one's 'chain of command' is legally insufficient to constitute a disclosure under the statutory scheme", citing Wiltsie v Baby Grand Corp as authority.

That decision is not only contrary to NRS 281.641(3) as amended by S.B. 357 (1995) but also the 1st and 14th Amendments' protection of employee speech in the workplace.

# 4. Hearing Officer Cannot Grant Relief Requested.

NDOT contends the relief Bronder requests cannot be granted by the hearing officer under NRS.641(2), and therefor Bronder's claim should be deemed moot and dismissed. NDOT correctly points out the statutory limitation for relief:

If the hearing officer determines that the action taken was a reprisal or retaliatory action, the hearing officer may issue an order directing the proper person to desist and refrain from engaging in such action. The hearing officer shall file a copy of the decision with the Governor or any other elected state officer who is responsible for the actions of that person.

| I               | However, there is no similar limitation on relief from adverse employment action taken as               |
|-----------------|---|
| 2               | reprisal or retaliation for protected employee speech in public sector employment. But here again,      |
| 3               | the inability to determine in a necessary material issue, i.e. whether reprisal or retaliation occurred |
| 4               | on the record as developed.   |
| 5 <u>{</u><br>6 | NDOT also argues the conduct of Bronder's concern was in fact publicly approved by the                  |
| 7               | Transportation Board. Whether the conduct complained of was approved or not is a non sequitur           |
| 8               | in defense of claimed reprisal or retaliation conduct.  |
| 9               | Any Finding of Fact hereinafter construed to constitute a Conclusion of Law, or any                     |
| 10              | Conclusion of Law hereinafter construed to constitute a Finding of Fact, is hereby incorporated as      |
| 11              | such to the same extent as if originally so designated.   |
| 12              | Based on the forgoing reasoned review, the Findings of Fact, and the Conclusions of Law, and            |
| 13 :<br>14 :    | good cause appearing therefore,   |
| 15              | IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Motion to Dismiss                                   |
| 16              | (MTD) made by the Nevada Department of Transportation (NDOT) to dismiss the appeal of John              |
| 17              | Bronder filed January 16, 2018 should be, and hereby is, DENIED.  |
| 18              | AND IT IS ORDERED that this case be re-set for hearing on the merits of Bronder's appeal on             |
| 19              | the issue of reprisal or retaliatory conduct by NDOT, and that the Parties provide available dates.     |
| 20<br>21        | AND IT IS FURTHER RECOMMENDED that a copy of this Decision and Order should be                          |
| 22              | served on the Governor or any other appointed state officer(s) or person(s) responsible for the         |
| 23              | personnel actions of or at the Nevada Department of Transportation (NDOT).                              |
| 34              | Each Party shall bear their own costs and attorney's fees.  |
| 25              | Dated the 6th day of October 2018 by  |
| 26              | Paul 4. Lamboley Hearing Officer  |
| <b>2</b> 7      |   |

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|----|--|---------|
| 2  | CERTIFICATE OF SERVICE   |         |
| 3  | Pursuant to N.R.C.P. 5(b) and N.E.F.C.R. 9, I HEREBY CERTIFY that on the 8th day of Octob true copies of the foregoing document were served as follows:  | er 2018 |
| 4  | by placing a true and correct copy of the document in the U. S. Mail first class postage   |         |
| 5  | by transmitting a true and correct copy of the document via facsimile transmission to  |         |
| 6  | the named parties at the fax numbers shown below, and/or   |         |
| 7  | by serving a true and correct copy of the document via the Court's electronic service system, and/or   |         |
|    | X_ by serving a true and correct copy of the document via electronic means to the named  |         |
| 8  | parties at the email addresses shown below as expressly agreed, and/or by hand delivery to and acceptance by the named parties shown below.  |         |
| 9  |  |         |
| 10 | Thomas J. Donaldson, Esq. Dyer Lawrence Flaherty Lori M. Story, Esq. Seniot Deputy Attorney General  |         |
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| 11 | nonal and the Administration of the Administ |         |
|    | Carson City, NV 89703 Reno NV 80511  |         |
| 12 | tdonaldson@dverlawrence.com lstory@ap.nv.pov   |         |
| 13 | Attorney for Employee-Appellant Attorney for Employer-Respondent   |         |
| 14 | And with copy to NDOA as follows:  |         |
| 15 | Tasha Eaton  | 1       |
| 16 | Supervising Legal Secretary, Appeals Office Nevada Department of Administration. Hearings Division 1050 E William Street Ste 450   |         |
| 17 | Carson City NV 89701 ,   |         |
| 1  | teaton diadmin.ny.gov  |         |
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| 28 | DECISION AND ORDER ON NEVADA DEPARTMENT OF TRANSPORTATION'S MOTION TO DISMISS 2  | 25      |
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# **CERTIFICATE OF MAILING**

The undersigned, an employee of the State of Nevada, Department of Administration, Hearings Division, does hereby certify that on the date shown below, a true and correct copy of the foregoing Decision and Order was deposited into the State of Nevada Interdepartmental mail system, OR with the State of Nevada mail system for mailing via United States Postal Service, OR placed in the appropriate addressee runner file at the Department of Administration, Hearings Division, 1050 E. Williams Street, Suite 450, Carson City, Nevada, 89701 to the following:

JOHN BRONDER 45 DESERT WILLOW WAY RENO, NV 89511

THOMAS DONALDSON ESQ 2805 MOUNTAIN ST CARSON CITY NV 89703

DEPARTMENT OF TRANSPORTATION 1263 S STEWART ST CARSON CITY, NV 89701

LORI STORY BUREAU OF BUSINESS AND STATE SERVICES PERSONNEL DIVISION 100 N CARSON ST CARSON CITY NV 89701

**HUMAN RESOURCE MANAGEMENT** 100 N STEWART ST STE 200 CARSON CITY, NV 89701

**ALLISON WALL** DEPARTMENT OF TRANSPORTATION 1263 S STEWART ST ROOM 115 CARSON CITY NV 89701

RODOLFO MALFABON DEPARTMENT OF TRANSPORTATION 1263 S STEWART ST ROOM 201 CARSON CITY NV 89701

Dated this 10 day of October, 2018.

Tasha Eaton, Supervising Legal Secretary Employee of the State of Nevada

# EXHIBIT C

# EXHIBIT C

1 AARON D. FORD REC'D & FILED Nevada Attorney General 2 2019 APR -8 PM 3: 09 LORI M. STORY 3 Senior Deputy Attorney General AUBREY ROYLLER Nevada Bar No. 6835 4 State of Nevada Office of the Nevada Attorney General Personnel Division 6 100 S. Carson Street Carson City, NV 89701 Tel: 775-684-1114 lstory@ag.nv.gov 8 Attorneys for Petitioner 9 IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA 10 IN AND FOR CARSON CITY 11 Case No. / 900 0006618 12 STATE OF NEVADA DEPARTMENT OF TRANSPORTATION, 13 Dept. No. \_\_\_ 14 Petitioner, 15 vs. 16 STATE OF NEVADA, DEPARTMENT OF 17 ADMINISTRATION, HEARINGS DIVISION, an agency of the State of Nevada, and 18 JOHN BRONDER, 19 Respondents, 20 21 22 MOTION FOR STAY PENDING JUDICIAL REVIEW Petitioner, STATE OF NEVADA ex rel. DEPARTMENT OF TRANSPORTATION 23 24 (NDOT), by and through counsel, AARON D. FORD, Attorney General for the State of 25 Nevada, and LORI M. STORY, Senior Deputy Attorney General, hereby submits its 26 MOTION FOR STAY (Motion) requesting a stay of the enforcement of the final decision of 27 the Nevada State Personnel Commission Hearing Officer dated March 7, 2019, pending

decision on the merits of NDOT's Petition for Judicial Review.

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This Motion is made and based on the following memorandum of points and authorities, the pleadings and papers on file herein, and any oral argument to be presented by counsel at any hearing in this matter.

# MEMORANDUM OF POINTS AND AUTHORITIES

#### INTRODUCTION I.

On May 5, 2017, Petitioner, Nevada Department of Transportation (NDOT), released Respondent John Bronder from his probationary status as a Manager I, one month before he would have attained permanent employee status. Employers within the State system can release a probationary employee for any lawful reason. In October, Bronder was hired by the Nevada Department of Conservation and Natural Resources as a resident engineer. He then submitted an application for another NDOT Manager I position District III. That job posting was withdrawn. He applied for the same position when it was reposted in November, 2017. When, on January 5, 2018, he learned that his name had been removed from the list of eligible applicants pursuant to NRS 284.374, he filed a whistleblower appeal pursuant to NRS 281.641(1) on January 16, 2018. Exhibit (Exh.) 1.

NDOT moved to dismiss the appeal as untimely, as seeking review of a nonappealable probationary release, not establishing a whistleblower report was made, and as seeking relief beyond the authority of the hearing officer to grant. Exh. 2. After the hearing officer denied the motion to dismiss (Exh.3), a hearing on the merits of Bronder's whistleblower appeal was conducted on January 17, 2019, by Hearing Officer Paul H. Lamboley. Lamboley entered his Decision and Order on Whistleblower Appeal on March 7, 2019, finding that Bronder's release from probation, appealed more than six months after its occurrence, was reprisal or a retaliatory action and ordering that Bronder be "reinstated by NDOT to his former probationary status and employment with NDOT as Manager 1, Grade 43, Step 8, with restoration of accrued benefits previously earned. See Id.

NDOT has, concurrently with this Motion, filed a Petition for Judicial Review pursuant to NRS 233B.010, et seq. and herein respectfully requests that this Court enter an order staying the reinstatement of Bronder to NDOT employ and the reimbursement of back pay and benefits.

# II. STATEMENT OF FACTS

On June 6, 2016, Bronder was hired to fill a Manager I engineering position in the Department of Transportation, District III in Elko, Nevada. Exh. 4, p. 9. As a new State employee, Bronder was required to complete a one-year probationary period before becoming a permanent classified employee. *Id.*, p. 34. NRS 284.290. A probationary employee may be dismissed at any time during the probationary period, so long as the dismissal complies with regulations. *Id.*, NAC 284.458. Regulations require that the dismissal be for a lawful reason and that notice be provided to the employee and the Division of Human Resource Management before the expiration of the probationary period. *Id.* 

On February 13, 2017, eight months into his probationary period, Bronder laterally transferred to another Manager I position in the Carson City Construction Division within NDOT. Exh. 4, p. 9. The new position came with different job responsibilities than the Manager I position he started in Elko. *Id.* at pp. 10, 49-52. As part of his responsibility, he was asked to sit in on the Construction Manual edit meetings and begin to familiarize himself with another related management position to assist with coverage until a replacement could be hired once that individual retired. *Id.*, pp. 52, 165. <sup>1</sup> This transfer

<sup>1</sup> Bronder claims in his appeal that he was as to help rewrite the Construction Manual, the editing of which took hours of his time beyond the Friday meetings, as well as being required to "learn another employee's job to take it over upon their retirement." Exhibit 1, p. ER005. He claimed to be left with only 16 hours of a 40-hour week "to do his job." *Id.* This statement is misleading. First, he was not required to do more than attend the Friday Construction Manual meetings with no request that he work to edit the manual or do other work in that regard (Exh. 4, pp. 165-166), and it was the intention for him to cover the soon-to-be vacant position temporarily until a replacement could be hired, not to double his workload. Ex. 4, pp. 198. As the Chief Construction Engineer noted, Bronder did not step up to that request or make efforts toward learning the position. *Id.* 

During the 4 month period remaining on his probation, Bronder attended a meeting for negotiations of a Construction Engineering Service contract. Exh. 4, pp. 10-11, 90. At the negotiation meeting, various issues in the contract were reviewed and terms negotiated. Exh. 4, pp. 90-95. Those negotiations were memorialized in a memorandum and included discussions of adjustments to the augmentation staffing durations and levels, estimated overtime for field staff, a reduction in overtime pay rates, an adjustment to pay rates for cultural resources, including a field monitor and an professional archaeologist, a reduction in vehicle rates and cell phone rates for field staff, and a reduction to the contractor's fee proposal for technology equipment. Exh.1, pp. ER 008-009.

In his hearing testimony, Bronder misrepresents the extent of negotiated changes that occurred during the meeting he attended, stating that only the vehicle rates and cell phone rates were addressed. Exh. 1, p. ER004; Exh. 4, p. 11. This is in an obvious effort to minimize the amount of negotiations that that actually occurred in this contract transaction so as to give his report of high costs more weight — as though the agreement was a "done deal" as proposed with no questions asked and no concerns for costs or rates of pay. Exh. 1, p ER 004. Bronder's false testimony was contradicted by Stephan Lani (supra.) and by Bronder's own statement on cross-examination. Exh. 4, pp. 39, lines 21-24; 54-55.

Following the Nevada Transportation Board meeting to consider this same contract, at which the Governor expressed concerns regarding the contract's costs, Bronder met with Assistant Construction Engineer Stephen Lani (Lani) and expressed the Governor's concerns about the costs of the contract. Exh. 4, pp. 14; 96-98. Because Lani knew that was an exceptional contract for a condensed schedule project, that the rates included allowances for company overhead and profit, and that they were within the rates allowed by federal law, he was not concerned about Bronder's report except to use it as a learning

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opportunity for Bronder to understand the process and the regulatory constraints of the costs. Id., pp. 40, 94-109. According to Lani, issues such as Bronder raised were commonly discussed in the publicly-held Nevada Transportation Board meetings and in other fora. Lani did not identify Bronder's questions to be a *Id.* pp. 103-104, lines 13-4. whistleblowing event which could cause trouble for NDOT. Id., p. 103

By April, 2017, the Construction Division leadership, including Stephan Lani, Jeffrey Freeman, Bronder's direct supervisor, and Sharon Foerschler, met to discuss Bronder's progress and probation. Exh. 4, pp. 115-116. According to Lani, leadership "needed to make sure [they] were comfortable with his overall performance and that he was living up to the expectations." Id. The discussions included the pros and cons of Bronder's performance and the responsibilities of the position. Id. The consensus was the Bronder "probably wasn't the best fit for the position at the end of the day." Id. According to Lani, Bronder's meeting to discuss the contract concerns was not a factor and played no role in the decision. Id. According to Lani, the concerns were also not about Bronder's willingness to take on the other manager duties, but rather his management of his team and his overall fit within the dynamic of the Construction office "to be able to keep the program moving in the correct direction. Id. p. 117.

Chief Construction Engineer Sharon Foerschler, who had the ultimate decisionmaking authority (Exh. 4, p. 162), determined that Bronder was not demonstrating the necessary aptitude to meet the requirements of the Construction Manager position, based upon his performance during his time in the Construction Division. Exh. 5, p. ER 048; Exh. 4, pp. 164, 168-173. Foerschler had conveyed to Bronder when he was hired what her expectations were; that he should interact with staff as well as the duties he was to perform. Id. pp. 164, 170. It became apparent to her that Bronder was not actively engaged in those duties and that he was not a good fit for the agency. Id. pp. 171-172. She determined to release him from probation before he obtained permanent status. Id. pp. 174-175.

Despite Foerschler's misgivings about his performance and without affording Foerschler an opportunity to review it in advance, Bronder's immediate supervisor, Jeffrey Freeman, gave Bronder an overall "meets standards" review at eleven months, only three months of which were in the Construction Division. Exh. 4, pp. 167-168; Exh. 5, p. ER 019-021. However, the review indicated at least two areas that were not meeting standards. *Id.* This review was not in line with Ms. Foerschler's view of his performance. Exh. 5, p. ER 047, 51A-51B. However, the evaluation was issued to Bronder before Ms. Foerschler had an opportunity to discuss it with Bronder's supervisor. *Id.* Ms. Foerschler ultimately signed the meets standards evaluation, after making comments on areas of concern. *Id.* p. ER 019-021. Foerschler explained her concerns with Bronder's performance to include: 1) Failure to interact with employees he is responsible for; 2) Inability to follow instructions; 3) At Manager level expect above standard performance, more effective integration in to Construction Office. Exh. 4, p. 170-172; Exh. 5, p. ER 048.

Dismissal or demotions may be made at any time during the probationary period in accordance with regulations adopted by the Commission. NRS 284.290. Before Foerschler released Bronder from probation, she called Bronder's former NDOT supervisor to see if that division would accept Bronder back. Exh. 4, p. 175; lines 8-14; p. 219.2 This was a courtesy call, as generally probationary employees have no right to revert to a previous position. See NAC 284.458; cf. NAC 284.462. The former supervisor was not willing to simply take Bronder back to District III. Exh. 4, p. 175, lines 13-14.

Bronder was released from probation on May 5, 2017, prior to the end of his probationary period, and did not become a permanent classified employee for NDOT. NAC 284.458(5). At the meeting to notify him of his release, Bronder was advised that if he wanted to try to return to the Elko position he should call his former supervisor to ask if it was a possibility. When Bronder called the Elko supervisor, Boyd Ratliff, he was told he would be considered for a return to the Manger I position in District III through the

<sup>&</sup>lt;sup>2</sup> Bronder's testimony indicated that "Sharon" would not consider allowing him to return to Elko. Exh. 4, p. 23. Both Foerschler and Ratliff, Bronder's former supervisor in Elko contradict this version of events.

 application process. Exh. 4, p. 222. Ratliff testified that he was unwilling to accept Bronder back because of the performance issues he had, including issues with candor and follow-through he had coached Bronder on during his time in District III. *Id.* pp. 220-222. Probationary employees have no right to appeal their release. NRS 284.458(1).

Bronder did not file a whistleblower appeal at that time he was released from probation. In fact, Bronder testified that it was only around his July 14<sup>th</sup> meeting with NDOT Director Rudy Malfabon and Deputy Director Reid Kaiser, referenced below, that "it started to occur to [him], maybe the real reason" for his termination was his discussions of the consultant costs. Exh. 4, p. 20, lines 4-12. Bronder also testified that he considered filing such an appeal within a month but when he did think of an appeal, he realized it was too late. Exh. 4, pp. 43-44, lines 16-2.

After being released from probation by NDOT, Bronder interviewed for several other state positions, including for his current position with the Division of State Parks in the Nevada Department of Conservation and Natural Resources. Exh. 4, pp. 45-46; Exh. 5, pp. ER 052-053. He interviewed for several positions with NDOT after his probationary release, but was selected for none of them. Exh. 4, pp. 45-46. Bronder later met with Director Malfabon and Deputy Director Kaiser of NDOT in July, 2017 to again raise his concerns about contract costs and to express his frustration with being released from probation. Exh. 1, pp ER 006.

In that meeting Bronder again expressed his concerns about the high costs of contracting personnel for highway construction projects. Exh. 4, p. 61. Here too, the seasoned employees of NDOT realized that, while Bronder's concerns were rational from a lay person's perspective, the process and costs were in line with state and federal regulations and accounted not only for the salaries of the contracted employees, but for the overhead and profit allowed to the contract employee's regular employer. Thus, neither the Deputy Director nor the Director considered Bronder's report to be a whistleblower report and had no reason to retaliate against him for expressing his concerns. Exh. 4, pp. 64-66. At the meeting, Bronder also stated his dissatisfaction with

being released from probation. In response to this, Deputy Director Kaiser agreed to call some of the department heads where Bronder had applied to ensure his release from NDOT was not considered in a negative way because he had been told Bronder was simply not a good fit in Construction. Exh. 4, pp. 73-74.

Bronder secured the position with the Division of State Parks, Department of Conservation and Natural Resources and commenced work there on October 23, 2017. Exh. 4, p. 22. On October 24, 2017, Bronder applied for another engineering position with NDOT. *Id.* The position posting was recalled and no interviews were conducted. Approximately one month later, the same position was posted, Bronder applied and was listed as eligible to interview. Exh. 6., attachment #3. Later, when the interviewing supervisor called Human Resources (HR) for NDOT to confirm Bronder's eligibility, the HR office advised him that Bronder should not be considered eligible pursuant to NRS 284.240 because he had been "terminated." Exh. 4, pp. 234-235. This advice was in error, because release from probation is not considered to be termination for misconduct. *Id.* pp. 235-237.

Bronder alleges that he received notice that he had been removed from the interview list on January 5, 2018. Exh.1, p. ER 006. He filed his whistleblower appeal within 10 workdays of that date, on January 16, 2018, claiming he had reported a "gross waste of government funds" to his supervisors and to the NDOT director and that he was released from probation in reprisal for his original report and improperly denied an interview in reprisal for his report to the NDOT director. *Id.* NDOT moved to dismiss the appeal on the following basis: 1) untimely as to the release from probation; 2) as seeking relief beyond the authority of the hearing officer to provide, and; 3) arguing that reporting

<sup>3</sup> The circumstances surrounding the erroneous removal from the interview eligibility list was not discovered until after a motion to dismiss the administrative appeal as untimely had been litigated. The motion relied on stipulated facts, mostly as alleged by Bronder in his appeal, because there had been no opportunity to investigate this HR decision before the motion was filed. Subsequent investigation uncovered the erroneous, but innocent advice. Despite the intended narrow application of the stipulated facts, it appears the hearing officer relied on them to support his decision.

the alleged "gross waste of public money" to persons within the organization did not constitute protected speech entitling him to whistleblower protections. Exh.2.

The hearing officer required stipulated facts in order to address the motion to dismiss and in response, the parties entered into stipulation that was identified as only for use in determining the motion to dismiss. Exh. 7. After an extensive hearing on the motion to dismiss, 4 the hearing officer entered his decision in favor of Employee. Exh. 3. The hearing officer's decision was erroneous in that it ignored or misapplied specific statutory and regulatory provisions applicable to State officers and employees that set out the parameters of the coverage of the whistleblower protections within state employment and provides the procedural requirements to obtain those protections.

A hearing on the merits followed sometime thereafter. On March 9, 2019, the hearing officer entered his decision and order finding that, "[t]here was no rational or legitimate basis for rejection of Bronder's probation ... based on the testimony of NDOT witness Sharon Foerschler, the appointing authority for the Construction Division in Carson City." Exh. 8, p. 13. He further found that the NDOT's proffered reasons for releasing Bronder from probation were pretext and that his dismissal from probation was in reprisal for his reports of waste. *Id.*, p. 26, line 12-15.

In his decisional fact-finding, the hearing officer relied on constitutional protections under the First and Fourteenth Amendments "of public employment speech" to find that Bronder's reports to Lani and then to Director Malfabon and Deputy Director Kaiser were "protected by statute and constitution" and thus NDOT's conduct may be considered as adverse employment action..." Exh. 8, pp. 18-19. The hearing officer also specifically found that "Bronder timely appealed NDOT's October 17, 2017 action denying Bronder employment opportunity 'per NAC 284.374'." *Id.* at p. 19.

In his legal analysis, the hearing officer went further. He erroneously determined that NRS 281.641(1) provided a 2-year period from the date of the disclosure of improper

The hearing on the motion to dismiss was not successfully recorded for transcription because the hearing officer was unable to properly operate the recorder, This caused prejudice to the employer because there is now no evidence as to the conduct of that hearing.

governmental action within which an appeal may be filed. The NDOT has filed a petition for judicial review concurrently with this Motion for Stay Pending Judicial Review, contending that the hearing officer's decision was erroneous.

# III. LEGAL STANDARD

NRS 233B.140 governs the procedure for seeking a stay of a final administrative agency decision in Nevada. It provides as follows:

- 1. A petitioner who applies for a stay of the final decision in a contested case shall file and serve a written motion for the stay on the agency and all parties of record to the proceeding at the time of filing the petition for judicial review.
- 2. In determining whether to grant a stay, the court shall consider the same factors as are considered for a preliminary injunction under Rule 65 of the Nevada Rules of Civil Procedure.
- 3. In making a ruling, the court shall:
  - (a) Give deference to the trier of fact; and
  - (b) Consider the risk to the public, if any, of staying the administrative decision.

Generally, pursuant to NRS 233B.140, "the petitioner must provide security before the court may issue a stay." However, the state or an agency of the state is not required to post security as a condition for filing such a motion. See NRCP 65(2)(c).

The Nevada Supreme Court has adopted specific factors to consider in determining whether a preliminary injunction (or in this case, a stay) should issue:

A party seeking the issuance of a preliminary injunction bears the burden of establishing (1) a likelihood of success on the merits; and (2) a reasonable probability that the non-moving party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is an inadequate remedy.

S.O.C., Inc. v. Mirage Casino-Hotel, 117 Nev. 403, 408, 23 P.2d 243, 246 (2001).

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#### TV. LEGAL ARGUMENT

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# A. LIKELIHOOD OF SUCCESS ON THE MERITS

In order for a stay to issue, NDOT will have to demonstrate a likelihood of success on the merits. NRS 233B.135 provides the grounds for granting a Petition for Judicial Review and states:

> The court shall not substitute its judgment for that of the agency as to the weight of evidence on a question of fact. The court may remand or affirm the final decision or set it aside in whole or in part if substantial rights of the petitioner have been prejudiced because the final decision of the agency is:

- (a) In violation of constitutional or statutory provisions;
- (b) In excess of the statutory authority of the agency;
- Made upon unlawful procedure;
- (d) Affected by other error of law;
- (e) Clearly erroneous in view of the reliable, probative and substantial evidence on the whole record; or
- Arbitrary or capricious or characterized by abuse of discretion.

NRS 233B.135 (3).

The authority granted the Hearing Officer under NRS 281.641(2) is to determine whether the action complained of by a State Officer or Employee was reprisal or retaliatory action taken because of whistleblowing activity by the employee and, if so, to issue an order "directing the proper person to desist and refrain from engaging in such action." Id. Under Nevada law governing the disclosure of improper governmental action, reprisal or retaliatory action "includes:"

- (a) The denial of adequate personnel to perform duties;
- (b) Frequent replacement of members of the staff;
- (c) Frequent and undesirable changes in the location of an office;
- (d) The refusal to assign meaningful work;
- (e) The issuance of letters of reprimand or evaluations of poor performance;
  - (f) A demotion;
  - (g) A reduction in pay;
  - (h) The denial of a promotion;

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(i) A suspension;

- (j) A dismissal;
- (k) A transfer;

(l) Frequent changes in working hours or workdays; or

(m) If the employee is licensed or certified by an occupational licensing board, the filing with that board, by or on behalf of the employer, of a complaint concerning the employee,

D if such action is taken, in whole or in part, because the state officer or employee or local governmental officer or employee disclosed information concerning improper governmental action.

# NRS 281.611(5).

Finally, improper governmental action is defined as:

[A]ny action taken by a state officer or employee or local governmental officer or employee in the performance of the officer's or employee's official duties, whether or not the action is within the scope of employment of the officer or employee, which is:

- (a) In violation of any state law or regulation;
- (b) If the officer or employee is a local governmental officer or employee, in violation of an ordinance of the local government;
  - (c) An abuse of authority;
- (d) Of substantial and specific danger to the public health or safety; or
  - (e) A gross waste of public money.

# NRS 281.611(1).

Bronder alleges that he disclosed to his NDOT superiors that NDOT engages in contract agreements for construction project management services which allow payments to those contractors which far exceed the rate of pay that a State employee in a similar capacity would receive for the same work. He alleges that this amounts to a gross waste of public money. Exh.1, pp. ER 004. He further alleges that because he made this report he was released from probation before he could obtain permanent employee status and, then eight months later he was improperly removed from an interview eligibility list. Bronder seeks reinstatement of his pay grade and employment start date as well as a return of any lost sick leave he had accrued prior to his release from probation. Id., p. ER 006.

In order to appeal an alleged act of reprisal in State employment, NRS 281.641 provides that a hearing on the appeal must proceed in accordance with the procedures set

 out in NRS 284.390-284.405. NRS 284.390 specifically provides that in order to obtain a hearing on an appeal for a disciplinary action, the appeal must be filed with the Personnel Commission within 10 working days of the date of the alleged improper action. Thus, to be in compliance with NRS 281.641, and obtain a hearing, a whistleblower appeal must be filed within that same 10 working day period. Regulations adopted in conformance with NRS 281.641, which were formulated by the Personnel Commission, which are found in NAC 281.305-315.

NDOT submits that the Hearing Officer's Decision regarding the timeliness of the appeal substantially violated its rights because: (1) the decision to allow the untimely appeal of the release from probation to proceed on the merits violates of NRS 281.641; (2) the decision to reinstate the employee's probationary status and his pay grade and lost sick leave is in excess of statutory authority granted under NRS 281.641, which allows a hearing officer to "enter an order directing the proper person to desist and refrain from engaging in such action"; (3) the decision is affected by other errors of law, including the hearing officer's determination that general statutory or constitutional protections apply to Bronder's appeal when more specific statutory and regulatory provisions are in place and applicable to this specific situation; and (4) because the decision is clearly erroneous in view of the reliable, probative and substantial evidence of the entire record. NDOT further submits that is likely to succeed on the merits of its appeal and that it will suffer irreparable harm if the stay is not granted, thereby justifying the grant of a stay of the hearing officer's decision pending the outcome of the appeal.

 The Hearing Officer's Decision to Deny NDOT's Motion to Dismiss Was in Violation of Laws Governing Whistleblower Appeals.

This matter improperly proceeded to a hearing on the merits of Bronder's whistleblower appeal because the hearing officer misinterpreted and misapplied the statutes authorizing such appeals and the applicable statute of limitations in this matter. In both his decision on the NDOT's motion to dismiss and on the merits, Hearing Officer Lamboley misinterpreted the provisions of NRS 281.641 in order to give a State employee a two-year period for filing an appeal of a negative employment action allegedly resulting

from reprisal or retaliation by the State employer, when in fact, the period to file an appeal of such an alleged act of reprisal is set forth in NAC 281.305, as the legislature directed in NRS 281.641. The 10 workday period to file an appeal under NAC 281.305 conforms to procedures set out in NRS 284.390(1).

According to his decision on the motion to dismiss, the hearing officer found a conflict between the statute and regulation, stating,

the timeliness issue requires reconciling [the] statutory time limit in NRS 281.641(1) that allows an appeal if any reprisal or retaliatory action based on a disclosure is taken with[in] a 2-year period from the date of the disclosure and the regulatory time limit in NAC 281.305 that an appeal be filed within 10 days of the alleged reprisal or retaliatory action.

Exh.3, p. 20.

- 2. Rules of Statutory Interpretation Do Not Support Hearing Officer's Decisions, Rendering the Decisions In Excess of the Statutory Authority of the Agency and Allowing the Matter to Go Forward Upon Unlawful Procedure.
  - a. Plain Text of Statute Applies.

The hearing officer improperly interpreted the statute granting state employees an administrative appeal right to include a 2-year statute of limitations. Rather than read the plain text of NRS 281.641 as imposing harmony between NRS 284.390 and NAC 281.305, and creating the 10 workday filing deadline, the hearing officer misinterpreted NRS 281.641 to create a conflict with NRS 284.390. A proper reading of the plain text of the statute shows that it actually provides a 2-year window of protection against retaliatory actions, but imposes procedural requirements, "in accordance with the procedures set forth in NRS 284.390-284.490, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4." In fact, there is no conflict between the statutes and regulations as both NRS 281.641 and NAC 281.305 impose procedural requirements governing the hearing of the appeal, including a 10 workday period to actually submit the appeal requesting a hearing. NRS 281.641 directly and explicitly refers to NRS 284.390, which sets out the 10 workday filing period for disciplinary appeals for state employees, as the procedural basis for state employee whistleblower appeals.

"Statutory interpretation is a question of law subject to de novo review." State v. Catanio, 120 Nev. 1030, 1033, 102 P.3d 588, 590 (2004). The goal of statutory interpretation "is to give effect to the Legislature's intent." Hobbs v. State, 127 Nev. 234, 237, 251 P.3d 177, 179 (2011). To ascertain the Legislature's intent, we look to the statute's plain language. Id. "[W]hen a statute's language is clear and unambiguous, the apparent intent must be given effect, as there is no room for construction." Edgington v. Edgington, 119 Nev. 577, 582–83, 80 P.3d 1282, 1286 (2003).

NDOT contends that the statutory language set out in NRS 281.641 is unambiguous and clearly directs that the Personnel Commission draft regulations setting forth procedures which are in accordance with the procedures governing employee disciplinary appeals, as they are codified in NRS 284.390-284.405. Those disciplinary provisions clearly and unambiguously set out the 10 workday appeal period. NRS 284.390(1). NRS 281.641 requires the imposition of the same or principally similar procedures for conducting the administrative hearing of a whistleblower appeal. Having done as the Legislature directed, and having had those procedural rules reviewed and approved by the Legislature, the rules of procedure adopted by the Personnel Commission have the same force and effect as other statutory provisions imposing statutes of limitation on causes of action. NRS 233B.040(1) should carry greater weight in the hearing officer's review, because they are specific to the administrative appeal authorized by the statute.

# b. Do not render words meaningless

Another cannon of statutory interpretation also supports NDOT's position. The court "avoid[s] statutory interpretation that renders language meaningless or superfluous," Hobbs, 127 Nev. at 237, 251 P.3d at 179, and "whenever possible ... will interpret a rule or statute in harmony with other rules or statutes," Watson Rounds v. Eighth Judicial Dist. Court, 131 Nev. ——, 358 P.3d 228, 232 (2015) (quotation marks omitted). In this instance, the hearing officer's interpretation of NRS 281.641 rendered language within that provision meaningless. The hearing officer completely ignores legislature's mandate to the hearing in "accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive," as well as "the procedures adopted by the Personnel

Commission pursuant to subsection 4." NRS 281.641(1). NRS 284.390 specifically identify the 10 workday appeal period. The procedures adopted by the Personnel Commission pursuant to NRS 281.641(14) also specifically identify the 10 workday appeal period. Thus, the hearing officer improperly ignored the language in the statute directing such procedural requirements, rendering those words meaningless. Doing so allowed him to apply a longer appeal period under generalized statutes of limitations for actions under Title VII or the Civil Rights Act or under Chapter 11 of Nevada's Revised Statutes, which sets out the statutes of limitations for civil actions in this state. <sup>5</sup>

c. The Hearing Officer's Decision on the Motion to Dismiss Relied on General Constitutional Provisions In Disregard of More Specific Provisions of Law Applicable to Administrative Hearings.

The hearing officer ignored specific applicable statutory and regulatory provisions in denying NDOT's motion to dismiss in order to allow Bronder's appeal to proceed despite its untimely filing. NRS 281.641 and NAC 281.305, passed and approved by the State Legislature branch, apply specifically to State officer and employee's claims of reprisal in whistle blowing situations. NRS 281.641 addresses reprisal against state officers or employees and provides in pertinent part:

NRS 281.641 Reprisal or retaliatory action against state officer or employee who discloses improper governmental action: Written appeal; hearing; order; negative ruling may not be based on identity of persons to whom disclosure was made; rules of procedure.

1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal or retaliatory action. The written appeal must be accompanied by a statement that sets forth with particularity:

<sup>&</sup>lt;sup>5</sup> It is not clear in his decision which SOL the hearing officer actually applied. What is clear is that he misapplied the law.

(a) The facts and circumstances under which the disclosure of improper governmental action was made; and

(b) The reprisal or retaliatory action that is alleged to have

been taken against the state officer or employee.

□ The hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4.

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- 4. The Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section that are not inconsistent with the procedures set forth in <u>NRS 284.390</u> to 284.405, inclusive.
- 5. As used in this section, "Personnel Commission" means the Personnel Commission created by <u>NRS 284.030</u>.

Chapter 284 of the Nevada Revised Statutes specifically governs the state personnel system. NRS 284.390 to 284.405 govern hearing procedures in State employee disciplinary challenges and provide for an appeal filing deadline, the format and form of the appeal, as well as other related procedural concerns for conducting an appeal. The plain language in NRS 281.641 referencing personnel system disciplinary appeal procedures specifically identified the guiding principles to be used in drafting and adopting procedures for the whistleblower protection of State employees. NRS 284.390, of the provisions referenced in 281.641 as defining the procedures for such an appeal, requires that an appeal be filed "within 10 working days after the effective date of the disciplinary action being appealed.

Relatedly, NAC 281.305, one of the regulations adopted by the Personnel Commission in response to the passage of NRS 281.641 states:

NAC 281.305 Written appeal by officer or employee who claims retaliatory action was taken against him or her. (NRS 281.641)

1. A state officer or employee who claims a reprisal or retaliatory action was taken against him or her for disclosing

<sup>&</sup>lt;sup>6</sup> In fact, the form for a whistleblower appeal also contains the language of NAC 281.305, as well as instructions noting that the appeal must be filed within 10 workdays of the occurrence, providing the employee clear notice of the 10 working-day filing limitation. Exh.1, pp. ER 002-003.

information concerning improper governmental action may file a written appeal pursuant to <u>NRS 281.641</u> with a hearing officer of the Personnel Commission. The appeal must be:

(a) Filed within 10 workdays after the date the alleged reprisal or retaliatory action took place.

(b) Submitted on a form provided by the Division of Human Resource Management of the Department of Administration.

2. The hearing officer may reject a form that is incomplete or otherwise deficient as insufficient to commence the appeal.

Regulations reviewed and approved by the Legislature have the force and effect of law. NRS 233B.040;  $^7$ 

Under the general versus specific canon of statutory interpretation, the more specific statute will take precedence, Lader v. Warden, 121 Nev. 682, 687, 120 P.3d 1164, 1167 (2005), and will be construed as an exception to the more general statute, see Antonin Scalia & Bryan A. Garner, Reading Law: The Interpretation of Legal Texts 183 (2012). This allows the two statutes to be read together without conflict. Id. at 185. See also Piroozi v. Eighth Judicial Dist. Court, 131 Nev. ——, 363 P.3d 1168, 1172 (2015) ("Where a general and a special statute, each relating to the same subject, are in conflict and they cannot be read together, the special statute controls." (internal quotation marks omitted)). Williams v. State Dep't of Corr., 402 P.3d 1260, 1265 (Nev. 2017)

In reviewing the NDOT's motion to dismiss the appeal, the hearing officer improperly expanded his statutory review to include protections afforded to non-state employee citizens through a court action, by relying on statutory limitations applicable to a civil action in a court of law, but not applicable to this specific administrative process. Exh.3, pp. 12-15. Williams, 402 P. 3d 1265.

The hearing officer improperly relied on First Amendment free speech and Fourteenth Amendment due process protections and the general limitations and procedural requirements applicable to civil court cases, rather than the specific statutes applicable to State employees or officers in an administrative proceeding. The hearing officer erroneously found that the employee is entitled to constitutional protections for his

<sup>&</sup>lt;sup>7</sup> These Regulations were confirmed by Legislation Committee and filed with Secretary of State on March 1, 1996.

speech and application of other wide ranging statutes such as Chapter 11 of the Nevada Revised Statutes, statutes of limitation under the Nevada False Claim Act, as well as a 30-day limitation he found under NRS Chapter 618, applicable to workplace safety protections under Nevada OSHA provisions (Exh.3, pp., 15-18), even though the context of the administrative proceedings requires application of the more specific protections afforded in NRS 281.641. *Lader*, 121 Nev. at 687.

In denying the motion to dismiss, the hearing officer appears to find that the 10 workday limitation period does not apply to this State administrative appeal because there are other statutes that provide greater limitation periods. He also failed to name exactly what period of limitations he believes does apply. The hearing officer erroneously finds the employee is generally entitled to protection of his speech and allows him to proceed with his appeal. *Id.* 

Reliance on the general limitation periods for court actions is inappropriate, where the appeal is provided in an administrative setting through an expedited process designed solely to address State employment concerns. Administrative proceedings such as these are entitled to specific application of the rules designed for those proceedings, not to rules applicable to civil court actions. *Piroozi*, 131 Nev. \_\_\_\_, 363 P.3d at 1178. As a result, the hearing officer improperly expanded the scope of review for these administrative proceedings and enlarged the employee's rights. Doing so violates the law and regulations governing these special proceedings and operates to the detriment of NDOT.

As a result, the decision on the motion to dismiss, particularly as to the timeliness of Bronder's appeal, violates state laws and regulation governing the appeal. Failing to timely file an appeal fails to vest jurisdiction in the reviewing court tribunal. Fitzpatrick v. State, Dep't of Commerce, Ins. Div., 107 Nev. 486, 488, 813 P.2d 1004, 1005 (1991) (providing that the time allotted by statute for taking an administrative appeal is jurisdictional.) Additionally, because the hearing officer found that the removal from an interview eligibility list was a clerical error not an act of reprisal (Exh. 8, p. 11), there was

<sup>&</sup>lt;sup>8</sup> Candidly, the undersigned had some challenge in following the analysis and rational set out by the hearing officer.

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no continuing violation that might warrant a review of the untimely-appealed probationary release which occurred six months previous. Thus, the hearing officer acted without jurisdiction in allowing the appeal to proceed and in reviewing and deciding the merits of the appeal. 9

- The Hearing Officer's Finding of Pretext is Clearly Erroneous In View of the Reliable, Probative, and Substantial Evidence in the Record.
  - i. Substantial Probative Evidence Supports NDOT's Argument that NDOT Had No Motive to Retaliate.

The hearing officer ignored the consistent and reliable testimony of all NDOT witnesses who unequivocally testified that Bronder's reports either to Lani, prior to his release from probation, or to Director Malfabon, after his release, provided no motive to retaliate because the information Bronder shared was already in the public arena and discourse, as is evidenced by the public discussions of the same held during hearings conducted by the Nevada Transportation Board. The NDOT witnesses testified consistently that no person at NDOT who was aware of Bronder's reported concerns considered the subject matter to be secret, or to reflect negatively on the department to warrant a cover-up of the circumstances or removal of Bronder from employ by NDOT. Neither did the evidence suggest that NDOT feared discovery of the facts, since they were already a matter of public discussion. Exh. 4, pp. 40, 64-66, 94-109; 175-177. In fact, the Construction Division took Bronder's comments to heart, tried to explain the parameters governing the negotiations and the rates paid, and took steps to review the status of those parameters. Id. Thus, there was no motive for NDOT to shut Bronder down from commenting on the contracts or to shut him out of NDOT. The evidence does not support the hearing officer's findings that the reasons for Bronder's dismissal were pretext, when there was no motive or desire to cause Bronder harm.

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<sup>&</sup>lt;sup>9</sup> Even the employee admitted at the hearing that he knew it was too late when he initially considered filing an appeal of his probationary release. Exh. 4, p. 43, lines 16-24.

Rather than weigh the totality of the evidence presented by all the NDOT witnesses, the hearing officer also improperly injected himself into the witness examinations to such a degree as to hinder their representative's presentation of the case and to cause the witnesses confusion about the questions asked and the statements made by the hearing officer, impacting their testimony. See Exh. 4, pp. 75-82, 186-212. Thus, the procedures the hearing officer employed were beyond those generally held to be acceptable for the finder-of-fact in a hearing.

Bronder's stated concerns for the cost of contracting project management services on highway construction projects were common to persons who reviewed the contracts, including the Nevada Transportation Board, as well as to staff and leadership of the NDOT. However, the concerns did not represent any improper actions by NDOT staff or leadership because the costs of the contracts are governed by State and Federal regulations and are closely and independently reviewed by various review teams within the State. Exh. 4, pp. 89-114. Deputy Construction Engineer Stephen Lani testified that the hourly rates paid for the consulting contractors included not only the generally higher hourly rates paid to construction workers in the private sector, due to competition or prevailing wage requirements, but also accounted for federally audited and established overhead rates for the consultants' employer's as well as an allowance for the profit of those employing companies. Id. Lani's testimony was fully supported by the testimony of Reid Kaiser (Exh. 4, p. 58-70), and Sharon Foerschler (Exh. 4, pp.177-178), as well as by documentary evidence showing the negotiations of the consulting contract and audits of the outcome of the contract, post-performance. Exh.5, pp. ER 008-010; ER 032. Moreover, Bronder testified that he was personally aware that private rates of pay were higher than state rates of pay based on his own experiences in the private sector where he testified he was paid approximately \$60,000 more annually than the rate of pay for equivalent state engineers. Exh. 4, p. 41, ll. 12-21.

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Bronder also alleged concerns that the high contract rates are protected by NDOT to ensure that when NDOT employees retire from state service they can obtain these high-paid contracting positions and continue to earn large sums of money at the state's expense. Exh.1, p.ER 004-006. He did not present any evidence at the hearing to support this assertion. However, the uncontroverted evidence presented by NDOT clearly showed that there is a statutory cooling-off period prohibiting an immediate return to contract work for the state and there is no preference in NDOT contract proposals for NDOT experienced employees. Exh. 4, pp. 120-124.

# ii. A Lawful Release From Probation With or Without Stated Cause Is Not Evidence Of Pretext.

In finding that NDOT's proffered reasons for releasing Bronder from probation were pretext, the hearing officer ignored the sworn and uncontroverted testimony of NDOT witnesses and relied almost exclusively on his unfounded belief that the unexplained release from probation when a month of probationary time remained was an act of reprisal, despite clear statutory authority that probationary employees can be dismissed at any time during the probationary period, so long as it is done in compliance with regulations. NRS 284.290. There is no requirement in the regulations that the employee be given a reason for his or her release, nor is there any requirement that the full period of probation be expended. See generally NAC 284.442-284.458.

Moreover, a thorough review of Sharon Foerschler's testimony rebuts the hearing officer's finding that it was contradictory and inconsistent. Exh. 8, p. 18. While the hearing officer found that "there was no substantive discussion with Bronder of reasons for actions taken by Ms. Foerschler," (id. at p. 15), Foerschler consistently testified that she outlined her reasons for letting Bronder go before she met with him and that she discussed those reasons with him during the meeting on May 5, 2017. Stephan Lani, who sat in on the meeting also testified that Bronder was offered various reasons for his release, consistent with Foerschler's list. Exh. 4, pp. 117-119. Furthermore, the hearing

officer seems to be more concerned that Foerschler told Kaiser and Ratliff that Bronder was not a "good fit," when she did not tell Bronder the same thing. "Not a good fit" is a euphemism similar to "did not work out" or "did not cut it" rather than stating the employee failed to demonstrate his abilities to do the job without going into specifics. Even Bronder admitted that he could be released from probation if he was unable to show he could do the job. Exh. 4, pp. 34-35

As testified by Lani and the HR employee, it is usually advised that appointing authorities releasing employees from probation should not give them a reason for the dismissal. Exh. 4, pp. 160, 239-240.

# iii. Bronder's Report to Lani and to Director Malfabon Did Not Disclose Improper Governmental Action or Gross Waste of Public Money.

The hearing officer's determination that Broder's report of the high costs of contract employees was whistleblower activity was incorrect and was error. As noted above, the concerns raised by Bronder of alleged gross waste of public funds was not information that was new or accurate or secret, either at NDOT or within State government generally. The contract rates, while appearing to be high in a snapshot, were and are controlled by federal regulations (Exh. 4, pp. 94, 96, 99-101; see Exh. 9, Supplemental Authorities); include the generally higher prevailing wages within the region of construction required by the Davis-Bacon Act of 1931 (Pub. L. 71-798) and are monitored and negotiated prior to award of the contract. Moreover, Bronder testified that he was paid significantly more as a private engineer than the state wages in effect, estimating a figure of \$60,000 more annually. Exh. 4, p. 41. Importantly, as Lani testified, the contractors are chosen based on their qualifications to meet the needs of the contract before the costs are considered. Exh. 4, pp. 99-101. And, if the chosen contractor is unable to bring the contract costs to within the budgeted amounts, negotiations are closed and another contractor is considered. Id. at 158.

As outlined above, Bronder's reports to Stephan Lani and to Director Malfabon did not reveal anything untoward or nefarious and raised no internal concerns for the

department. Thus, NDOT had no motive to retaliate against Bronder at the time of his release from probation. As Lani testified, he considered Bronder's report of concerns to be the result of a lack of his understanding the process and its parameters. See e.g. Exh. 4, pp. 97,148-150. Lani considered and treated the conversation as a learning opportunity for Bronder and nothing more.

Where there is no motive for reprisal and no concern for public disclosure of the information presented in a purported whistleblower report, the characterization of normal business decisions as reprisal is improper and unsupportable. Moreover expenditure of public money through an open and public process does not qualify as improper government action." As the testimony unequivocally shows, none of the individuals who were aware of Bronder's report considered it to be any type of threat to their positions or their processes. They simply had no reason and no motive to retaliate for Bronder's lack of knowledge or understanding. The hearing officer's determination to the contrary is without support in the evidence and plainly wrong.

# B. Irreparable Harm

In addition to showing a likelihood of success on the merits of its appeal, to obtain a stay of the hearing officer's order to reinstate Bronder, NDOT must demonstrate irreparable harm will flow to the agency for which compensatory damages in inadequate. S.O.C., Inc. v. Mirage Casino-Hotel, 117 Nev. 403, 408, 23 P.2d 243, 246 (2001). The hearing officer ordered that Bronder be "reinstated by NDOT to his former probationary status and employment with NDOT as Manager I, Grade 43, Step 8, with restoration of accrued benefits previously earned." Exh. 8, p. 28. 10 Bronder is currently employed with the Division of State

The Order for relief issued by the hearing officer is not clear as to its intended meaning. Bronder requested that the hearing officer "restore credit for 11 months of probation served as a Manager I (06.224), restore sick leave forfeited upon termination, restore compensation level to grade 43, step 8." Exh.1, p. ER001. The language in the order may be subject to interpretation, as the hearing officer does not specify what he means by "accrued benefits previously earned." It is also a possible subject of interpretation what is meant by restoring Bronder to his "former probationary status and employment." However, for purposes of this discussion, it is assumed that the hearing officer intended that Bronder would receive back pay for the differential between the Grade 40 Bronder currently occupies with DCNR and the Grade 43, step 8 he would have

Parks (Parks) as a professional engineer in a Grade 40 position. Exh. 4, p. 22. To reinstate him to his probationary status and employment with NDOT, Bronder will have to leave his current position with Parks and that agency would be entitled to refill his position. This will cost time and energy to Parks and the State and will leave any projects Bronder is involved in in that position pending and incomplete. More damaging, however, is that the order will require that NDOT and the State Personnel Offices pay to Bronder any "accrued benefits previously earned." In addition, if the appeal outcome is favorable to NDOT, but Bronder has already been reassigned to an NDOT position, he will have lost his Parks position and be without employment.

In the case of State of Nevada Office of the Military v. William Simpson, 18-908153,

In the case of State of Nevada Office of the Military v. William Simpson, 18-908153, dated December 11, 2018, the Nevada Supreme Court determined that because there is no provision in Nevada law that would allow an employer to recoup "unwarranted back pay," a state agency is not entitled seek restitution of paid out back pay even if the court concludes the dismissal was proper. Simpson, at 5, citing Ransier v. State Indus. Ins. Sys., 104 Nev. 742, 746-47, 766 P.2d 274, 276-77 (1988). Thus, if the court denies the motion for stay pending this appeal and Bronder is immediately reinstated to employment with NDOT and paid his accrued benefits, should the appeal be decided in favor of NDOT, the State will be unable to recoup those back pay dollars and will suffer irreparable harms as a result.

As noted above, it is not only NDOT that risks irreparable harm. The employee will also be at risk of losing his current employment in pursuit of a wrongfully restored probationary position with NDOT.

# V. CONCLUSION

The decisions made during the course of this State employee whistleblower appeal were erroneous and in violation of statutory provisions specifically applicable to these administrative proceedings. In allowing the appeal to go forward despite its untimely filing,

occupied had he successfully completed his probationary period with NDOT, as well as reinstatement of any lost sick leave and credit for his previous eleven months of employment through payments to PERS and other such obligations. In any event, the order will require payment to Bronder of certain back pay.

the hearing officer acted without jurisdiction and in excess of his statutory authority. Additionally, the hearing officer disregarded the reliable, probative and substantial evidence in the record showing that Bronder's report gave his employers no motive to retaliation because it was not considered to be a whistleblower report and never caused his employer concerns about public awareness of the costs of outside contracting or the legality of the process employed in negotiating those contracts. In disregarding the credible and consistent evidence provided by NDOT witnesses, the hearing officer acted in a capricious and arbitrary manner.

NDOT requests that this tribunal issue a stay of the hearing officer's erroneous and illegal decisions and decree so as to allow a full and fair review of the record and to prevent the parties from suffering irreparable harm in carrying out an unlawful or incorrect decision.

DATED this 8th day of April, 2019.

ARRON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835
Attorneys for Petitioner

#### **AFFIRMATION**

#### Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person pursuant to NRS 239B.030.

DATED: April 8, 2019.

AARON D. FORD Attorney General

LORIM STORY

Senior Deputy Attorney General

State Bar No. 6835

#### CERTIFICATE OF SERICE

| 2                    | Pursuant to Nevada Rules of Civil Procedure 5(b), I hereby certify that, on the  |  |  |  |
|----------------------|--|--|--|--|
| 3                    | day of April, 2019, service of the NEVADA DEPARTMENT OF  |  |  |  |
| 4                    | TRANSPORTATION'S MOTION TO STAY PENDING JUDICIAL REVIEW was  |  |  |  |
| 5                    | made this date by depositing a true copy of the same for mailing, first class mail, at Las   |  |  |  |
| 6                    | Vegas, Nevada, or via e-mail, addressed as follows:  |  |  |  |
| 7<br>8<br>9<br>10    | Paul H. Lamboley (Via U.S. mail and E-mail): <a href="mailto:phlamboley@aol.com">phlamboley@aol.com</a> Appeals Officer State of Nevada Department of Administration / Hearings Division 1050 E. Williams Street, Ste. 450 Carson City, Nevada 89701 |  |  |  |
| 11<br>12<br>13<br>14 | Thomas J. Donaldson Dyer Lawrence, LLP 2805 Mountain Street Carson City, NV 89703 (775) 885-1896 office (775) 885-8728 facsimile   |  |  |  |
| 15<br>16<br>17<br>18 | Tasha Eaton, Judicial Assistant (Via U.S. Mail and E-mail): teaton@admin.nv.go For Paul Lamboley, Esq. Appeals Officer State of Nevada, Dept. of Administration / Hearings Division 1050 E. Williams Street, Ste. 450 Carson City, Nevada 89701      |  |  |  |
| 20<br>21             | An employee of the Office of Attorney General  |  |  |  |
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## EXHIBIT D

# EXHIBIT D

## IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR CARSON CITY

STATE OF NEVADA DEPARTMENT OF TRANSPORTATION,

Case No. 19 0C 00066 1B

Petitioner.

Dept. No. I

12 | vs.

STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, HEARINGS DIVISION, an agency of the State of Nevada, and JOHN BRONDER,

Respondents,

#### ORDER GRANTING MOTION FOR STAY PENDING JUDICIAL REVIEW

This matter comes before the Court on Petitioner STATE OF NEVADA ex rel. DEPARTMENT OF TRANSPORTATION'S (NDOT) Motion for Stay (Motion) pending resolution of a Petition for Judicial Review. Petitioner seeks a stay of the Administrative Appeal Officer's Decision and Order on Whistleblower Appeal. Respondent employee John Bronder has filed his Response to Petitioner's Motion for Stay Pending Appeal voicing no opposition to the motion and Petitioner has filed no reply. The motion has now been submitted for decision.

A stay of an Administrative Appeal Officer's decision may be granted pursuant to NRS 233B.140 where the Court considers the factors outlined in NRCP 65 and finds that there is a likelihood of success on the merits of the appeal and that there is a risk of irreparable harm to the movant should the stay not be granted. S.O.C., Inc. v. Mirage Casino-Hotel, 117 Nev. 403, 408, 23 P.2d 243, 246 (2001). However, in this case, the Respondent has stated that he has no opposition to a stay being granted, without conceding that NDOT has any likelihood of success on the merits of the Petition.

For the foregoing reasons, the unopposed Motion for Stay Pending Judicial Review filed by Petitioner is hereby GRANTED.

IT IS SO ORDERED.

Dated: \_\_\_\_\_\_ Mm\_ 9, 2019

James T. Russell District Judge

#### **CERTIFICATE OF MAILING**

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on this day of May, 2019, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

Lori M. Story Senior Deputy Attorney General 100 S. Carson Street Carson City, NV 89701

Thomas J. Donaldson, Esq. 2805 Mountain Street Carson City, NV 89703

Angela Jeffries

Judicial Assistant, Dept. 1

## **EXHIBIT** E

# **EXHIBIT** E

| 1  | AARON D. FORD                          | main e rii FD                             |
|----|--|---|
| 2  | Nevada Attorney General                | REC'D & FILED                             |
|    | LORI M. STORY                          | 2019 JUN 25 AM 11: 26                     |
| 3  | Senior Deputy Attorney General         |   |
| 4  | Nevada Bar No. 6835<br>State of Nevada | AUBREY ROWLATT CLERK BY C. TORRES  DEPUTY |
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| 10 | IN THE FIRST JUDICIAL DISTRICT (       | COOKL OF THE STATE OF MEANDY              |
| 11 | IN AND FOR C                           | CARSON CITY                               |
| 12 | STATE OF NEVADA DEPARTMENT             | Case No. 19 OC 00066 1B                   |
| 13 | OF TRANSPORTATION,                     | Dept. No. I                               |
| 14 | Petitioner,                            | •   |
| 15 | vs.                                    |   |
| 16 | STATE OF NEVADA, DEPARTMENT OF         |   |
| 17 | ADMINISTRATION, HEARINGS DIVISION      | Ι,  |
|    | an agency of the State of Nevada, and  |   |
| 18 | JOHN BRONDER,                          |   |
| 19 |  |   |
| 20 | Respondents,                           |   |
| 21 |  |   |
| 22 | DEPARTMENT OF TRANSPORT                | ATION OPENING MEMORANDUM OF               |
| 23 | POINTS AND AUTHORITIES IN SUPPO        | ORT OF ITS PETITION FOR JUDICIAL          |
| 24 | REV                                    | <u>IEW</u>                                |
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### TABLE OF CONTENTS

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| _  |
|--|
| I. STATEMENT OF JURISDICTION2  |
| II. STATEMENT OF ISSUES2   |
| III. STATEMENT OF THE CASE2  |
| IV. STATEMENT OF THE FACTS5  |
| V. SUMMARY OF THE ARGUMENT13   |
| VI. ARGUMENT14   |
| A STANDARD OF REVIEW   |
| B. THE HEARING OFFICER CLEARLY ERRED AND EXCEEDED HIS STATUTORY AUTHORITY        |
| WHEN HE FOUND THE APPEAL TIMELY, FAILED TO APPLY THE SPECIFIC STATUTORY AND      |
| REGULATORY PROVISIONS GOVERNING STATE EMPLOYEE WHISTLEBLOWER APPEALS IN          |
| FAVOR OF MORE GENERALIZED LIMITATION PERIODS APPLICABLE TO STATE TORT OR         |
| CONSTITUTIONAL CLAIMS, AND ALLOWED THE UNTIMELY APPEAL TO PROCEED TO A           |
| HEARING ON THE MERITS WHEN HE HAD NO JURISDICTION TO DO SO15                     |
| i. Timeliness15  |
| ii. Rules of Statutory Interpretation Do Not Support Hearing Officer's Analysis, |
| Rendering the Decisions In Excess of the Statutory Authority of the Agency and   |
| Allowing the Matter to Go Forward Upon Unlawful Procedure                        |
| a. Plain Text of Statute Applies18   |
| b. Do Not Render Words Meaningless19   |
| c. The Hearing Officer Disregarded Specific Provisions of Law Applicable to      |
| Administrative Hearings In Favor of More General Limitations Rules $20$          |
| C. THE HEARING OFFICER CLEARLY ERRED WHEN HE FOUND THAT A REPORT INSIDE THE      |
| ORGANIZATION COULD BE WHISTLEBLOWING AND WHEN HE FOUND THAT THE REQUESTED        |
| RELIEF WAS WITHIN HIS AUTHORITY UNDER NRS 281.641.                               |
| i. Report Made Within Organization22   |
| ii. Relief Granted Outside Hearing Officer's Authority22                         |
|  |

| 1   |   |
|-----|---|
| 2 3 | D. THE HEARING OFFICER'S FINDING OF PRETEXT IN NDOT'S DECISION TO RELEASE   |
|     | BRONDER FROM PROBATION IS CLEARLY ERRONEOUS, AND IS ARBITRARY AND CAPRICIOUS  |
| 4   | IN VIEW OF THE RELIABLE, PROBATIVE, AND SUBSTANTIAL EVIDENCE IN THE RECORD23  i. Substantial Probative Evidence Supports NDOT's Argument that NDOT Had No |
| 5   | i. Substantial Probative Evidence Supports NDO1 s Argument and 120 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2  |
| 6   | ii. A Lawful Release From Probation With or Without Stated Cause Is Not   |
| 7   | Evidence of Pretext   |
| 8   | iii. Bronder's Report to Lani and to Director Malfabon Did Not Disclose Improper  |
| 9   | Governmental Action or Gross Waste of Public Money26  |
| 10  | CONCLUSION27  |
| 11  | AFFIRMATION28   |
| 12  | CERTIFICATE OF SERVICE  |
| 13  | CERTIFICATE OF SERVICE  |
| 14  |   |
| 15  |   |
| 16  |   |
|     |   |
| 17  |   |
| 18  |   |
| 19  |   |
| 20  |   |
| 21  |   |
| 22  |   |
| 23  |   |
| 24  | ·   |
| 25  |   |
| 26  |   |
| 27  |   |
| 28  |   |

### TABLE OF AUTHORITIES

#### CASES

| 3  | Ainsworth v. Newmont Mining Corp., 128 Nev. 878, 381 P.3d 588 (2012)12                 |
|----|--|
| 4  | Biesler v. Professional Systems Corp., 321 F. Supp. 2d 1165 (D.Nev. 2011)              |
|    | Diamond v. Swick, 117 Nev. 671, 674, 28 P.3d 1087, 1089 (2001)                         |
| 5  | Dredge v. State, ex rel., Dep't of Prisons, 105 Nev. 39, 769 P.2d 56 (1989)14, 15      |
| 6  | Dutchess Business Svc, Inc. v. Nev. State Bd. of Pharmacy, 124 Nev. 701, 709, 191 P.3d |
| 7  | 1159. 1165 (2008)15  |
| 8  | Edgington v. Edgington, 119 Nev. 577, 582–83, 80 P.3d 1282, 1286 (2003)20              |
| 9  | Fitzpatrick v. State, Dep't of Commerce, Ins. Div., 107 Nev. 486, 488, 813 P.2d 1004,  |
|    | 1005 (1991)23  |
| 10 | Garcia v. Scolari's Food & Drug, 200 P.3d 514, 125 Nev. 48, 56 (2009)                  |
| 11 | Hobbs v. State, 127 Nev. 234, 237, 251 P.3d 177, 179 (2011)                            |
| 12 | Meadow v. The Civil Serv. Bd. of LVMPD, 105 Nev. 624, 627, 781 P.2d 772, 774 (1989) 15 |
| 13 | Piroozi v. Eighth Jud. Dist. Ct., 131 Adv. Op. 100, 363 P.3d 1168 (Nev. 2015)          |
| 14 | Reuber v. Reno Dodge Sales, Inc., 2013 WL 7158571 (Nev., Nov. 1, 2013) (unpublished    |
| 15 | decision)  |
|    | Riverboat Hotel Casino v. Harold's Club, 113 Nev. 1025, 944 P.2d 819 (1997)            |
| 16 | State v. Catanio, 120 Nev. 1030, 1033, 102 P.3d 588, 590 (2004)                        |
| 17 | Watson Rounds v. Eighth Judicial Dist. Court, 131 Nev. ——, 358 P.3d 228, 232 (2015)    |
| 18 | 21   |
| 19 | Williams v. State Department of Corrections, 2017 WL 4456980, 402 P.3d 1260, 1265,     |
| 20 | (Nev. 2017)  |
| 21 | Wiltsie v. Baby Grand Corp., 105 Nev. 291, 293, 774 P.2d 432, 433 (1989)               |
|    | <u>Statutes</u>  |
| 22 |  |
| 23 | NRS 233B.04019   |
| 24 | NRS 233B.130(2)(b)2  |
| 25 | NTDG 029D 125(2)   |
| 26 | NTPG 233R 135(3)   |
| 27 | NRS 281.641  |
| 28 |  |
| 40 | II   |

#### 1 STATUTES CONTINUED 2 NRS 281.641 (2)......23 3 NRS 281.641(1)......12, 20 NRS 281.641(14)......20 5 NRS 284.240.....11 NRS 284.290......3, 6, 9, 25 NRS 284.390......17, 19, 20 7 NRS 284.390(1)......16, 18 8 NRS 284,390-284,405......18 9 NRS 284.390-284.490......19 10 NRS 284.405......20 NRS 284.458......3 11 12 13 ADMINISTRATIVE REGULATIONS 14 NAC 281.305......12, 17, 19 15 NAC 281.305- 284.315......5 16 NAC 281.315......12 NAC 284.106......6 17 NAC 284.374......12 18 NAC 284.374(4) ......3 19 NAC 284.442-284.458......25 20 NAC 284.458......6, 9 21 NAC 284.458(5)......9 NAC 284.462......9 22 23 24 25 26 27 28

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| 11  | IN AND FOR CARSON CITY                                      |                                 |  |
| 12  | STATE OF NEVADA DEPARTMENT                                  | Case No. 19 OC 00066 1B         |  |
| 4.0 | OF TRANSPORTATION,  | 0450 110. 10 00 00000 12        |  |
| 13  | Of Hands divinition,  | Dept. No. I                     |  |
| 14  | Petitioner,   |                                 |  |
| 15  | vs.   |                                 |  |
| 16  | vo.   |                                 |  |
|     | STATE OF NEVADA, DEPARTMENT OF                              |                                 |  |
| 17  | ADMINISTRATION, HEARINGS DIVISION,                          | •                               |  |
| 18  | an agency of the State of Nevada, and                       |                                 |  |
| 19  | JOHN BRONDER,   |                                 |  |
| 19  | Respondents,  |                                 |  |
| 20  |   | _/                              |  |
| 21  |   |                                 |  |
| 22  | DEPARTMENT OF TRANSPORTA'                                   | TION OPENING MEMORANDUM OF      |  |
|     |   |                                 |  |
| 23  | POINTS AND AUTHORITIES IN SUPPOR                            | RT OF ITS PETITION FOR JUDICIAL |  |
| 24  | REVIEW  |                                 |  |
| 25  |   |                                 |  |
| 26  |   |                                 |  |
|     |   |                                 |  |
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#### STATEMENT OF JURISDICTION

This Court has jurisdiction pursuant to NRS 233B.130(2)(b). Petitioner, State of Nevada ex. rel. Department of Transportation (NDOT), timely filed the Petition for Judicial Review on April 8, 2019, within 30 days of the Nevada State Personnel Administrative Hearing Officer's final decision issued March 8, 2019. See NRS 233B.130(2)(d).

П.

#### STATEMENT OF ISSUES

- 1. Did the hearing officer clearly err and exceeded his statutory authority when he found the appeal timely, failed to apply the specific statutory and regulatory provisions governing state employee whistleblower appeals in favor of more generalized limitation periods applicable to state tort or constitutional claims, and allowed the untimely appeal to proceed to a hearing on the merits when he had no jurisdiction to do so?
- 2. Did the hearing officer clearly err when he found that a report made inside the organization could be whistleblowing, and when he found that the requested relief was within his authority under NRS 281.641?
- 3. Was the hearing officer's finding of pretext in NDOT's decision to release Bronder from probation clearly erroneous and arbitrary and capricious in view of the reliable, probative, and substantial evidence in the record?

Ш.

#### STATEMENT OF THE CASE

Respondent John Bronder was hired as a probationary employee in a Manager I, grade 43 step 8 position with the Department of Transportation on June 6, 2016. ROA 40.1 He transferred to a position with the same grade and step in the Construction Division on February 13, 2017 with less than 4 months remaining on his one-year probationary period. *Id.* He was rejected from probation on May 5, 2017, one month prior to achieving

<sup>1</sup> The Record on Appeal filed in this action on May 8, 2019, will be cited as "ROA" followed by the appropriate page number within the ROA.

<sup>2</sup> NAC 284.374(4) reads:

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An appointing authority may refuse to consider an eligible person who has been subject to a suspension, demotion or termination as a result of an upheld or uncontested disciplinary action in the preceding 12 months. The 12-month period begins on the effective date of the uncontested action or, if it is contested, on the date the hearing officer issues a final decision upholding a suspension, demotion or termination. If an employee is removed from consideration pursuant to this subsection, the appointing authority must notify the employee of that fact in writing before interviewing the next candidate or making its selection. The employee has 3 working days after being notified that he or she has been removed from consideration pursuant to this subsection to notify the appointing authority of any discrepancy in the information in his or her personnel file which led to the removal of the employee from consideration. The appointing authority may not make its selection:

<sup>(</sup>a) If the employee does not notify the appointing authority of a discrepancy, until after the end of the period pursuant to which the employee may notify the appointing authority of a discrepancy; or

<sup>(</sup>b) If the employee notifies the appointing authority of a discrepancy, until after the appointing authority determines whether the removal of the employee from consideration pursuant to this subsection was appropriate.

July, 2017. He claimed he was released from probation because of his report to Lani and denied the interview as continuing reprisal. ROA 605-634.

NDOT filed a motion to dismiss the appeal as untimely, because there is no right to appeal a lawful release from probation, because the report was not made outside Bronder's own organization, and because the requested relief was beyond the authority granted to the Hearing Officer in NRS 281.614. ROA 558-596. A statement of stipulated facts was submitted on the request of the Hearing Officer, which the parties agreed was to be used only for purposes of the motion to dismiss. ROA 496-501. Oral arguments were entertained (but apparently not recorded) and the Hearing Officer denied the motion to dismiss after misapplying and misinterpreting the specific statutory and regulatory provisions in Nevada law. The decision was entered on October 10, 2018. ROA 470-495. A hearing on the merits followed on January 17, 2019. ROA 31-291.

The evidence at the hearing clearly demonstrated that NDOT did not consider Bronder's reports about the contract costs to be a threat to their system or practices, nor did they consider it to be exposing any agency secrets or illegal behaviors. ROA 147-148. This topic was frequently discussed in public meetings of the Nevada Transportation Board and NDOT. (see e.g., ROA 312-313; 318-324; 439), and those costs were constrained by both state and federal regulation and state policies. ROA 151; 379-409. In fact, the evidence suggests that the only reason Bronder had a concern about the costs was because the Governor had asked questions about of the contract when it was up for review by the Nevada Transportation Board in April, 2017. ROA 46, 609-611.3

The evidence also clearly indicates that Bonder's release from probation was due to concerns about his ability to step up to the responsibilities of the position in the Construction Division and was in no way the result of concerns about his raising questions about the contract costs. ROA 150 ll. 3-6. Finally, there was substantial, reliable evidence that showed the erroneous removal of Bronder's name from the interview list was

<sup>&</sup>lt;sup>3</sup> This is apparent because Bronder sat in on negotiations of this particular contract and, according to his own testimony, he said nothing during those negotiations about the high costs or other terms of the contract which were being negotiated. ROA 55.

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a clerical error on the part of the Human Resources clerk and was not done at the request of any NDOT supervisor or official. ROA 271. Where there is no evidence of a motive to retaliate against Bronder, a finding that a legitimate and rational business decision was an act of reprisal is an abuse of discretion and error on the part of the Hearing Officer.

NDOT seeks review of the decision of the Hearing Officer in denying the motion to dismiss because of his erroneous interpretation of NRS 281.641 and his application of more generalized statutes of limitation when specific statutory and regulatory provisions apply directly to a whistleblower appeal by a state employee. NDOT also appeals the Hearing Officer's consideration of the merits of the case, when the appeal was clearly untimely, depriving him of jurisdiction. NDOT also contends that under State and federal case law, a report of operational or employee malfeasance made within the organization, is not considered to be whistleblower activity that is entitled to protection under Wiltsie v. Baby Grand Corp., 105 Nev. 291, 293 (1989) and Biesler v. Professional Systems Corp., 321 F.Supp.2d 1165 (D.Nev. 2011). NDOT asserts in this appeal that the relief granted by the Hearing Officer is beyond the authority granted to him by NRS 281.641(2). NDOT further appeals the Hearing Officer's final decision to grant Bronder relief upon a finding that the reasons offered by Chief Construction Engineer Sharon Foerschler to explain Bronder's rejection from probation were pretextual and developed after the fact. The decision ignores substantial or probative evidence to the contrary, and is arbitrary and capricious in light of that evidence.

NDOT seeks reversal of the hearing officer's denial of its motion to dismiss and a determination by this Court that the finding of reprisal by NDOT against Bronder was an abuse of discretion, founded on errors of law and fact, and providing relief that exceeds the authority permitted to the hearing officer under NRS 281.641 and NAC 281.305- 284.315.

IV.

#### STATEMENT OF THE FACTS

On June 6, 2016, Bronder was hired to fill a Manager I engineering position in the Department of Transportation, District III in Elko, Nevada. ROA 40. As a new State

employee, Bronder was required to complete a one-year probationary period before becoming a permanent classified employee. ROA 65. NRS 284.290. A probationary employee may be dismissed at any time during the probationary period, so long as the dismissal complies with regulations. *Id.*, NAC 284.458. Regulations require that the dismissal be for a lawful reason and that notice be provided to the employee and the Division of Human Resource Management before the expiration of the probationary period. *Id.* 

On February 13, 2017, eight months into his probationary period, Bronder laterally transferred to another Manager I position in the Carson City Construction Division within NDOT. ROA 40. The new position came with different job responsibilities than the Manager I position he started in Elko. ROA 42, 80-83. As part of his responsibility, he was asked to sit in on the Construction Manual edit meetings and begin to familiarize himself with another related management position to assist with coverage until a replacement could be hired once that individual retired. ROA 83, 196.<sup>4</sup> This transfer did not change his probationary status, a fact that was specifically discussed with him during his interview for the transfer. NAC 284.106; ROA 188-189; 194.

During the 4 month period remaining on his probation, Bronder attended a negotiations meeting for a Construction Engineering Service contract. ROA 41·41; 121. At the meeting, various provisions in the contract were reviewed and terms negotiated. ROA 121·126; cf. 41·43. Those negotiations were memorialized in a memorandum and included adjustments to the augmentation staffing durations and levels, estimated overtime for

All his appeal, Bronder claims that he was asked to help rewrite the Construction Manual, the editing of which took hours of his time beyond the Friday meetings, as well as being required to "learn another employee's job to take it over upon their retirement." ROA 610. He claimed to be left with only 16 hours of a 40-hour week "to do his job." Id. This statement is false. According to sworn testimony at the hearing, Bronder was not required to do more than attend the Friday Construction Manual meetings with no request that he work to edit the manual or do other work in that regard. ROA 196-197. Moreover, it was the Chief Engineer's intention for him to cover the soon-to-be vacant position temporarily until a replacement could be hired, not to double his workload for an extended period. ROA 203-205; 229. As the Chief Construction Engineer noted, Bronder did not step up to that request or make efforts toward learning the position even though specifically directed to do so. Id.

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field staff, a reduction in overtime pay rates, an adjustment to pay rates for cultural resources, including a field monitor and an professional archaeologist, a reduction in vehicle rates and cell phone rates for field staff, and a reduction to the contractor's fee proposal for technology equipment. ROA 613-614.

All of which contradicts Bronder's hearing testimony. ROA 41-43. In his hearing testimony, Bronder misrepresented the extent of negotiated changes that occurred during the meeting he attended, claiming that only the vehicle rates and cell phone rates were addressed. ROA 609; 42. This is in an obvious effort to minimize the negotiations that that actually occurred in this contract transaction so as to give his report of high contracts costs and preferential treatment more substance. ROA 609. Bronder's misleading testimony was contradicted by Stephan Lani and by Bronder's own statement on cross-examination. ROA 70, ll. 21-24; 85-86. Yet, the Hearing Officer ignored this conflicting testimony.

Following the Nevada Transportation Board meeting to consider this same contract, a meeting at which the Governor, a member of the Transportation Board, expressed concerns regarding the contract's costs, Bronder met with Assistant Construction Engineer Stephen Lani (Lani) and relayed the Governor's concerns about the costs of the contract. ROA 45; 127-129. Because Lani knew it was an exceptional contract for a condensed schedule project and that the rates included allowances for company overhead and profit that were within the rates allowed by federal law and he was confident about the terms of the contract. ROA 71, 125-140. Lani tried to use Bronder's questions as a learning opportunity for him to understand the process of negotiating such contracts and the regulatory constraints imposed on them. *Id.* According to Lani, cost issues such as Bronder raised were commonly discussed in the publicly-held Nevada Transportation Board meetings and in other fora. ROA 134-135, Il. 13-4. Lani did not consider Bronder's questions to be a whistleblowing event which could cause trouble for NDOT. ROA 134, Il. 6-20.

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probation. ROA 205.206.

Bronder's management and interaction with his team and his overall fit within the Construction office "to be able to keep the program moving in the correct direction." ROA 148. Chief Construction Engineer Sharon Foerschler, who had the ultimate decisionmaking authority (ROA 193), determined that Bronder was not demonstrating the necessary aptitude to meet the requirements of the Construction Manager position, based upon his performance during his time in the Construction Division. ROA 359, 195, 199-204. Foerschler had conveyed to Bronder when he was hired what her expectations were; that he should interact with staff as well as the duties he was to perform. ROA 195, 201. It became apparent to her that Bronder was not actively engaged in those duties and that he was not a good fit for the agency. ROA 202-203. She determined to release him from

In April, 2017, near the end of Bronder's one-year probationary period, the

and Chief Construction Engineer Sharon Foerschler, met to discuss

Despite Foerschler's expressed misgivings about his performance and without affording Foerschler an opportunity to review it in advance, Bronder's supervisor gave Bronder an overall "meets standards" performance review at eleven months, only three months of which were in the Construction Division. ROA 198-199, 326-328. The review indicated at least two areas where Bronder was not meeting standards. Id. This review was not in line with Ms. Foerschler's view of his performance. ROA 358, 363-364.

However, Freeman issued the evaluation to Bronder before Ms. Foerschler had an opportunity to discuss it with him. *Id.* Ms. Foerschler ultimately signed the meets-standards evaluation, after making comments on areas of concern. ROA 326-328. Foerschler explained her concerns with Bronder's performance to include: Failure to interact with employees he is responsible for; Inability to follow instructions; Not meet level of performance expected for individual in Manager I position, Failure to effectively integrate into Construction Office milieu. ROA 201-203, 359.

Dismissals or demotions may be made at any time during the probationary period in accordance with regulations adopted by the Commission. NRS 284.290. Before Foerschler released Bronder from probation, she called Bronder's former NDOT supervisor to see if that division would accept Bronder back. ROA 206, ll. 8-14; 250.5 This was a courtesy call, as probationary employees have no right to revert to a previous position. See NAC 284.458; cf. NAC 284.462. The former supervisor was not willing to simply take Bronder back to District III. ROA 206, ll. 13-14.

Bronder was released from probation on May 5, 2017, prior to the end of his probationary period, and did not become a permanent classified employee for NDOT. NAC 284.458(5). At the meeting to notify him of his release, Bronder was advised that if he wanted to try to return to the Elko position he should call his former supervisor to ask if it was a possibility. When Bronder called the Elko supervisor, Boyd Ratliff, he was told he would be considered for a return to the Manger I position in District III through the application process. ROA 253. Ratliff testified that he was unwilling to accept Bronder back because of the performance issues he had while working in District III, including issues with candor and follow-through he had coached Bronder on during his time in District III. ROA 251-252.

Probationary employees have no right to appeal their release from probation. NRS 284.458(1). Bronder did not file a whistleblower appeal at that time he was released from

<sup>&</sup>lt;sup>5</sup> Bronder's testimony indicated that "Sharon" would not consider allowing him to return to Elko. ROA 54. Both Foerschler and Ratliff, Bronder's former supervisor in Elko contradict this version of events. ROA 206.

probation. In fact, Bronder testified that at some point he considered filing an appeal of his release, but when he did think of an appeal, he <u>realized it was too late</u>. ROA 74-75, lines 16-2 (emphasis added).

After being released from probation by NDOT, Bronder interviewed for several other state positions, including for his current position with the Division of State Parks in the Nevada Department of Conservation and Natural Resources. ROA 76-77, 363-364. He interviewed for several positions with NDOT after his probationary release, but was not selected. ROA 76-77. Perhaps in an effort to raise his visibility within the Department, Bronder met with Director Malfabon and Deputy Director Kaiser of NDOT in July, 2017. In that meeting, Bronder expressed his concerns about the high costs of contracting personnel for highway construction projects. ROA 92.

Here too, the NDOT leadership realized that, while Bronder's concerns were rational from a lay-person's perspective, the process and costs of the contract were in-line with state and federal regulations and accounted not only for the salaries of the contracted employees, but for the overhead and profit allowed to the contract employee's employer. ROA 95-96. Thus, neither the Director nor the Deputy Director considered Bronder's report to be a whistleblower event. As a result, there was no reason to retaliate against him for expressing his concerns. In fact, since Bronder no longer worked for NDOT, they had no opportunity or authority to impact the conditions of his State employment at that point.

At the meeting, Bronder also stated his dissatisfaction with being released from probation. In response to this, Deputy Director Kaiser agreed to call some of the department heads where Bronder had applied to ensure his release from NDOT was not considered in a negative way. ROA 104-105.

Bronder secured his position with the Division of State Parks, Nevada Department of Conservation and Natural Resources and commenced work there on October 23, 2017. ROA 53. Bronder then immediately applied for another engineering position with NDOT. Id. The position posting was recalled and no interviews were conducted. Approximately

one month later, the same position was posted, Bronder applied and was listed as eligible to interview. ROA 445-446. Later, when Mr. Ratliff, the interviewing engineer called Human Resources (HR) for NDOT to confirm Bronder's eligibility, the HR office advised him that Bronder should not be considered eligible pursuant to NRS 284.240 because he had been "terminated." ROA 265-266. This advice was in error, because release from probation is not considered to be termination for misconduct. ROA 266-268.

Bronder filed his whistleblower appeal on January 16, 2018, claiming he had reported a "gross waste of government funds" to his supervisors and to the NDOT director and that he was released from probation in reprisal for his original report and improperly denied an interview in reprisal for his second report to the NDOT director. *Id.* 

NDOT moved to dismiss the appeal on the following bases: 1) the appeal was untimely as to the release from probation; 2) the appeal sought relief beyond the authority of the hearing officer to provide; and 3), reporting the alleged "gross waste of public money" to persons within the organization did not constitute protected speech entitling him to whistleblower protections under Ainsworth v. Newmont Mining Corp., 128 Nev. 878, 381 P.3d 588 (2012) (whistleblower protection limited to employees who reported activity to governmental agency outside of the company); Biesler v. Professional Systems Corp., 321 F. Supp. 2d 1165 (D. Nev. 2011) (employee's exposure of allegedly fraudulent and illegal conduct to individuals within company was insufficient under Nevada law for whistleblower protection); Wiltsie v. Baby Grand Corp., 105 Nev. 291, 774 P.2d 432 (1989) (internal reporting of improper activity to employer rather than appropriate authorities not sufficient to support tortious discharge); see also Reuber v. Reno Dodge Sales, Inc., 2013 WL 7158571 (Nev., Nov. 1, 2013) (unpublished decision) (reporting within company

<sup>6</sup> The circumstances surrounding the erroneous removal from the interview eligibility list were not discovered until after a motion to dismiss the administrative appeal had been litigated. The motion relied on stipulated facts, mostly as alleged by Bronder in his appeal, because there had been no opportunity to uncover this HR decision before the motion was filed. See ROA 496-501. Subsequent investigation uncovered the erroneous, but innocent advice. Despite the intended narrow application of the stipulated facts, it appears the hearing officer relied on them to support his decision in favor of Bronder, despite testimony to the contrary at the merits hearing.

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not eligible for whistleblower protections). ROA 558-596. The motion was denied. ROA 470-495.

A hearing on the merits of Bronder's appeal followed in January 2019. On March 9, 2019, the hearing officer entered his decision and order finding that, "[t]here was no rational or legitimate basis for rejection of Bronder's probation ... based on the testimony of NDOT witness Sharon Foerschler, the appointing authority for the Construction Division in Carson City." ROA 13. He further found that the NDOT's proffered reasons for releasing Bronder from probation were pretext and that his dismissal from probation was in reprisal for his reports of waste, all the while ignoring evidence in contemporaneous emails outlining Foerschler's concerns regarding Bronder's job performance. ROA 26, 11. 12-15; 363-366.

In his decisional fact-finding, the hearing officer relied on constitutional protections under the First and Fourteenth Amendments "of public employment speech" to find that Bronder's reports to Lani and then to Director Malfabon and Deputy Director Kaiser were "protected by statute and constitution" and thus NDOT's conduct may be considered as adverse employment action . . . ." ROA 18-19. The hearing officer also specifically found that "Bronder timely appealed NDOT's October 17, 2017 action denying Bronder employment opportunity 'per NAC 284.374'." ROA 19. The appeal was not filed until January 16, 2018.

The Hearing Officer went on to find that "no evidence suggests HR engaged in reprisal or retaliatory action" in removing Bronder from the eligibility list in October of 2017." ROA 13. In his legal analysis, the hearing officer went further. He erroneously determined that NRS 281.641(1) provided a 2-year period from the date of the disclosure of improper governmental action within which an appeal may be filed, when, in fact, a plain reading of the statute reveals a 2-year window of protection against reprisal, with procedural requirements for filing an appeal within 10 work-days of the alleged act of 281.315. and NAC NAC 281.305 forth inregulations reprisal, set

The NDOT filed its petition for judicial review of the Hearing Officer's decisions, contending that they are erroneous and an abuse of discretion.

V.

#### SUMMARY OF THE ARGUMENT

The Hearing Officer's decision on the motion to dismiss is contrary to law as it ignores the specific directives and plain meaning of the Nevada statutes and regulations governing the procedures for a state employee to file a whistleblower appeal and instead relies on a more general statute imposing a two-year limitation period for tort and civil rights cases. Further, that decision ignores long-standing case law which withholds protection for reporting made only within the employee's organization, as occurred here. This erroneous decision resulted in the Hearing Officer exercising jurisdiction over the appeal when such jurisdiction was never vested. The Hearing Officer's decision on the motion to dismiss should be reversed.

Additionally, the Hearing Officer's decision on the merits of the case ignores the reliable, probative, and substantial evidence in the record that NDOT did not consider Bronder's questions and concerns about contract costs to present any threat of exposure of improper activities within the agency and, therefore, had no motive to retaliate against Bronder. The decision ignores the reliable probative and substantial evidence that Bronder was released from probation for good and legal cause and also ignores documentary evidence demonstrating that those reasons were not "after the fact" excuses, but had been outlined and discussed by the appointing authority with her deputy engineers well before the issuance of the 11-month evaluation and the subsequent release from probation. Ignoring this substantial and reliable evidence to find that the release from probation was reprisal is an abuse of discretion by the Hearing Officer and warrants reversal of the decision.

The HO exceeded the statutory authority under NRS 281.641 in his decision to issue a cease and desist order of reinstating the probationary employment status of the employee and in ordering back pay and restoration of leave and work credit.

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#### ARGUMENT

#### A. Standard of Review

The standard of review for evaluating a hearing officer's decision is governed by the Administrative Procedure Act, NRS 233B. See Dredge v. State, ex rel., Dep't of Prisons, 105 Nev. 39, 43, 769 P.2d 56, 58 (1989). NRS 233B.135(3) provides, in pertinent part, as follows:

> ... The court may remand or affirm the final decision or set it aside in whole or in part if substantial rights of the Petitioner have been prejudiced because the final decision of the agency is:

- (a) In violation of constitutional or statutory provisions;
- (b) In excess of the statutory authority of the agency;
- (c) Made upon unlawful procedure;
- (d) Affected by other error of law;
- (e) Clearly erroneous in view of the reliable, probative and substantial evidence on the whole record; or
- (f) Arbitrary or capricious or characterized by abuse of discretion.

Accordingly, a court may reverse a hearing officer's decision "if the aggrieved party has been prejudiced by administrative findings, inferences, conclusions or decisions that are, inter alia, affected by error of law, clear error in view of the reliable, probative, and substantial evidence of record or an abuse or clearly unwarranted exercise of discretion." Dredge, 105 Nev. at 43, 769 P.2d at 58-59. See Meadow v. The Civil Serv. Bd. of LVMPD, 105 Nev. 624, 627, 781 P.2d 772, 774 (1989) (explaining an administrative agency acts arbitrarily and capriciously when it acts in disregard of the facts and circumstances involved). The burden of the proof is on the party attacking the decision to show the final decision is invalid. NRS 233B.135(2).

The construction of a statute is a question of law subject to review de novo. Diamond v. Swick, 117 Nev. 671, 674, 28 P.3d 1087, 1089 (2001). However, the reviewing court defers to an agency's interpretation of its governing statutes or regulations if the interpretation is within the language of the statute. Dutchess Business Svc, Inc. v. Nev. State Bd. of Pharmacy, 124 Nev. 701, 709, 191 P.3d 1159, 1165 (2008).

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Purely legal questions are reviewed de novo. Garcia v. Scolari's Food & Drug, 200 P.3d 514, 520, 125 Nev. 48, 56 (2009) citing Riverboat Hotel Casino v. Harold's Club, 113 Nev. 1025, 1029, 944 P.2d 819, 822 (1997). However, in reviewing questions of fact, the court is prohibited from substituting its judgment for that of the agency. NRS 233B.135(2); Garcia, 200 P.3d at 520, 125 Nev. at 56. Therefore, on factual issues, the court is limited to determining whether there is substantial evidence in the record to support the agency's decision. Id. "Substantial evidence is evidence that a reasonable mind might accept as adequate to support a conclusion." Garcia, 200 P. 2d at 520, 125 Nev. at 56 (citing Grover C. Dils Med. Ctr. V. Menditto, 121 Nev. 278, 283, 112 P.3d 1093, 1097 (2005)).

B. The Hearing Officer Clearly Erred and Exceeded His Statutory Authority When He Found the Appeal Timely, Failed to Apply the Specific Statutory and Regulatory Provisions Governing State Employee Whistleblower Appeals In Favor of More Generalized Limitation Periods Applicable to State Tort or Constitutional Claims, and Allowed the Untimely Appeal to Proceed to a Hearing on the Merits When He Had No Jurisdiction to do so.

#### i. Timeliness

The Hearing Officer erred when he ignored the specific limitations period imposed by statute and regulation on State personnel who appeal an employment action on the basis of alleged reprisal. Instead, he applied more generalized limitations periods applicable to civil tort or civil rights actions. Williams v. State Department of Corrections, 2017 WL 4456980, 402 P.3d 1260, 1265 (Nev. 2017); Piroozi v. Eighth Jud. Dist. Ct., 131 Adv. Op. 100, 363 P.3d 1168 (Nev. 2015) ("'Where a general and a special statute, each relating to the same subject, are in conflict and they cannot be read together, the special statute controls.'") quoting Laird v. State Publ Emps. Ret. Bd., 98 Nev. 42, 45 639 P.2d 1171, 1173 (1982).

NRS 281.641 provides for protection of state officers or employees who report improper governmental action and sets out the parameters of the procedures to be applied in such cases. The statute reads:

1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal or retaliatory action. The written appeal must be accompanied by a statement that sets forth with particularity:

(a) The facts and circumstances under which the disclosure of improper governmental action was made; and

(b) The reprisal or retaliatory action that is alleged to have been taken against the state officer or employee.

- → The hearing must be conducted in accordance with the procedures set forth in <u>NRS 284.390</u> to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4.
- 2. If the hearing officer determines that the action taken was a reprisal or retaliatory action, the hearing officer may issue an order directing the proper person to desist and refrain from engaging in such action. The hearing officer shall file a copy of the decision with the Governor or any other elected state officer who is responsible for the actions of that person.
- 3. The hearing officer may not rule against the state officer or employee based on the person or persons to whom the improper governmental action was disclosed.
- 4. The Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section that are not inconsistent with the procedures set forth in NRS 284.390 to 284.405, inclusive.
- 5. As used in this section, "Personnel Commission" means the Personnel Commission created by NRS 284.030. (Emphasis added.)

NRS 284.390(1), one of the statutes referenced in NRS 281.461, provides the procedure and timelines for state personnel to appeal a disciplinary matter. It states:

1. Within 10 working days after the effective date of an employee's dismissal, demotion or suspension pursuant to NRS 284.385, the employee who has been dismissed, demoted or suspended may request in writing a hearing before the hearing

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officer of the Commission to determine the reasonableness of the action. The request may be made by mail and shall be deemed timely if it is postmarked within 10 working days after the effective date of the employee's dismissal, demotion or suspension.

In conformance with the directive of NRS 281.641 and the procedures set out in NRS 284.390, the Personnel Commission imposed a 10 work-day limitations period on the filing of an appeal based on reprisal or retaliation against a state employee. NAC 281.305.

NAC 281.305, one of the regulations adopted by the Personnel Commission in response to the passage of NRS 281.641 states:

### NAC 281.305 Written appeal by officer or employee who claims retaliatory action was taken against him or her. (NRS 281.641).)

- 1. A state officer or employee who claims a reprisal or retaliatory action was taken against him or her for disclosing information concerning improper governmental action may file a written appeal pursuant to NRS 281.641 with a hearing officer of the Personnel Commission. The appeal must be:
- (a) Filed within 10 workdays after the date the alleged reprisal or retaliatory action took place.
- (b) Submitted on a form provided by the Division of Human Resource Management of the Department of Administration.
- 2. The hearing officer may reject a form that is incomplete or otherwise deficient as insufficient to commence the appeal. <sup>7</sup>

The 10 work-day limitation period established in this regulation is prominently printed in two places on the form that the Personnel Commission created for this purpose. ROA 605-607. Bronder used the exact form to draft and submit his whistleblower appeal. *Id.* However, he filed the appeal some six months after the alleged act of reprisal which gained him relief in the Administrative proceeding.

According to his decision on the motion to dismiss, the Hearing Officer found a conflict between the statute and regulation, stating,

<sup>&</sup>lt;sup>7</sup> Regulations reviewed and approved by the Legislature have the force and effect of law. NRS 233B.040; These Regulations were confirmed by Legislation Committee and filed with Secretary of State on March 1, 1996.

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the timeliness issue requires reconciling [the] statutory time limit in NRS 281.641(1) that allows an appeal if any reprisal or retaliatory action based on a disclosure is taken with[in] a 2-year period from the date of the disclosure and the regulatory time limit in NAC 281.305 that an appeal be filed within 10 days of the alleged reprisal or retaliatory action.

ROA 489-490, ll. 24-2. This reconciliation is not necessary given that the 2-year period is a period of protection from retaliation, not a procedural requirement setting out the period of time within which the appeal must be filed after an act of reprisal. The Hearing Officer simply misread and misinterpreted the applicable statutes. This error of law requires reversal.

- ii. Rules of Statutory Interpretation Do Not Support Hearing Officer's Analysis, Rendering the Decisions In Excess of the Statutory Authority of the Agency and Allowing the Matter to Go Forward Upon Unlawful Procedure.
  - a. Plain Text of Statute Applies.

"Statutory interpretation is a question of law subject to de novo review." State (2004).The goal 590 102 588. P.3dNev. 1030, 1033, v. Catanio. 120 of statutory interpretation "is to give effect to the Legislature's intent." Hobbs v. State, 127 Nev. 234, 237, 251 P.3d 177, 179 (2011). To ascertain the Legislature's intent, we look to the statute's plain language. Id. "[W]hen a statute's language is clear and unambiguous, the apparent intent must be given effect, as there is no room for construction." Edgington v. Edgington, 119 Nev. 577, 582-83, 80 P.3d 1282, 1286 (2003).

The statutory language set out in NRS 281.641 is unambiguous and clearly directs that the Personnel Commission draft regulations setting forth procedures which are in accordance with the procedures governing employee disciplinary appeals, as they are disciplinary provisions clearly and codified in NRS 284.390-284.405.  $\mathbf{Those}$ unambiguously set out the 10 work-day appeal period. NRS 284.390(1). NRS 281.641 requires the imposition of procedures for conducting the administrative hearing of a whistleblower appeal that are in conformity with the disciplinary appeal procedures. Having done as the Legislature directed, and having had those procedural rules reviewed and approved by the Legislature, the rules of procedure adopted by the Personnel Commission in Chapter 281 of the Nevada Administrative Code have the same force and effect as other statutory provisions imposing statutes of limitation on causes of action. NRS 233B.040; Turk v. Nevada State Prison, 94 Nev. 101, 104, 575 P.2d 599, 601 (1978) ("Those rules, mandated by the legislature and adopted in accordance with statutory procedures, have the force and effect of law.) NRS 284.155."); Oliver v. Spitz, 76 Nev. 5, 348 P. 2d 158 (1960).

The hearing officer erroneously interpreted the statute granting state employees an administrative appeal right to include a 2-year statute of limitations. Rather than read the plain text of NRS 281.641 to impose harmony between NRS 284.390 and NAC 281.305, by creating the 10 work-day filing deadline for whistleblower appeals, the hearing officer misinterpreted NRS 281.641 to create a conflict with NRS 284.390. A plain reading of the statute provides a 2-year window of protection against retaliatory actions, but imposes procedural requirements, "in accordance with the procedures set forth in NRS 284.390-284.490, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4." In fact, there is no conflict between the statutes and regulations as both NRS 281.641 and NAC 281.305 impose procedural requirements governing the hearing of the appeal, including a 10 work-day period to actually submit the appeal requesting a hearing. NRS 281.641 directly and explicitly refers to NRS 284.390, which sets out the 10 work-day filing period for disciplinary appeals for state employees, as the procedural basis for state employee whistleblower appeals.

#### b. Do Not Render Words Meaningless.

Another cannon of statutory interpretation also supports NDOT's position. The court must "avoid statutory interpretation that renders language meaningless or superfluous," *Hobbs*, 127 Nev. at 237, 251 P.3d at 179, and "whenever possible ... will interpret a rule or statute in harmony with other rules or statutes," *Watson Rounds v. Eighth Judicial Dist. Court*, 131 Nev. ——, 358 P.3d 228, 232 (2015) (quotation marks omitted). In this instance, the hearing officer's interpretation of NRS 281.641 rendered

language within that provision meaningless. The hearing officer completely ignores the Legislature's mandate to conduct the hearing in "accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive," as well as "the procedures adopted by the Personnel Commission pursuant to subsection 4." NRS 281.641(1). NRS 284.390 specifically identifies the 10 work day appeal period. The procedures adopted by the Personnel Commission pursuant to NRS 281.641(14) also specifically identify the 10 work day appeal period. Thus, the hearing officer improperly ignored the language in the statute directing such procedural requirements, rendering those words meaningless. Doing so allowed him to apply a longer appeal period under generalized statutes of limitations for actions under Title VII or the Civil Rights Act or under Chapter 11 of Nevada's Revised Statutes, which sets out the statutes of limitations for civil actions in this state. 8

c. The Hearing Officer Disregarded Specific Provisions of Law Applicable to Administrative Hearings In Favor of More General Limitations Rules.

The hearing officer ignored specific applicable statutory and regulatory provisions in denying NDOT's motion to dismiss in order to allow Bronder's appeal to proceed despite its untimely filing. NRS 281.641 and NAC 281.305, passed and approved by the State Legislature branch, apply specifically to State officer and employee's claims of reprisal in whistle blowing situations. Thus, the Hearing Officer's decision to interpret this statute to allow for a two-year limitation period, rather than a two-year period of protection is erroneous. His determination that the 10 work-day limitation period was not imposed by statute or that some other statute carries more weight than the specific statutes and regulations governing this specific scenario, is clearly wrong. Williams v. State Department of Corrections, 2017 WL 4456980, 402 P.3d 1260, 1265 (Nev. 2017); Piroozi v. Eighth Jud. Dist. Ct., 131 Adv. Op. 100, 363 P.3d 1168 (Nev. 2015).

To be sure, Bronder's appeal alleged two separate acts of reprisal based, apparently, on two separate purported whistleblowing reports. ROA 605-634. In reviewing the merits

<sup>&</sup>lt;sup>8</sup> It is not clear in his decision which statute of limitations the hearing officer actually applied. What is clear is that he either misinterpreted or disregarded the laws specifically governing state employee appeals in whistleblower actions.

of Bronder's allegations, the Hearing Officer found fault, but no act of reprisal, in the clerical error that resulted in Bronder's removal from an interview eligibility list in November, 2017, while granting relief on an alleged act of reprisal which was appealed some six months after it occurred. ROA 13, ll. 8-10; There was no evidence to suggest that NDOT had any influence over Bronder once he was released from probation in May of 2017, no mention in the appeal of other continuing actions by NDOT that could tie the two separate events together for a "continuing violation," and no finding by the Hearing Officer that there was such a continuing violation which might bring the May 2017 act within the appeal filed in January 2018. Moreover, Bronder knew of the 10 work-day appeal period and admitted he knew an appeal of the probationary release would be untimely once he concluded the release was retaliatory. ROA 74-75; ll. 16-2.

The Hearing Officer erred in denying the motion to dismiss, where it was clear that the alleged retaliatory release from probation occurred more than six months before the appeal was filed. The Hearing Officer could have and should have dismissed the untimely allegations, as he had no jurisdiction to review them. The decision on the motion to dismiss, particularly as to the imeliness of Bronder's appeal, violates state laws and regulation governing the appeal. Failing to timely file an appeal fails to vest jurisdiction in the reviewing court tribunal. Fitzpatrick v. State, Dep't of Commerce, Ins. Div., 107 Nev. 486, 488, 813 P.2d 1004, 1005 (1991) (providing that the time allotted by statute for taking an administrative appeal is jurisdictional.) Additionally, because the hearing officer found that the removal from an interview eligibility list was a clerical error not an act of reprisal (Exh. 8, p. 11), there was no continuing violation that might warrant a review of the untimely-appealed probationary release which occurred six months previous. Thus, the hearing officer acted without jurisdiction in allowing the appeal to proceed and in reviewing and deciding the merits of the appeal.9 The Hearing Officer made a clear error of law and his finding of reprisal and order for reinstatement should be reversed. 

<sup>&</sup>lt;sup>9</sup> Even the employee admitted at the hearing that he knew it was too late when he initially considered filing an appeal of his probationary release. ROA 74, ll.16-24.

C. The Hearing Officer Clearly Erred When He Found That A Report Inside the Organization Could Be Whistleblowing And When He Found That The Requested Relief Was Within His Authority Under NRS 281.641.

#### i. Report Made Within Organization

NRS 281.641 defines "improper governmental action" as an action which violates state law, or violates an ordinance, or is an abuse of authority, or gross waste of public money." Only reports made for a public purpose obtain whistleblower protections. Wiltsie v. Baby Grand Corp., 105 Nev. 291, 293 (1989), 774 P.2d 432, 433 (1989). As a result, the report of the improper governmental action must be made outside the organization — to the appropriate authorities. Otherwise, the report is not one made for a public purpose, but rather, for a private or proprietary purpose. Id. Because this type of reporting does not promote the public interest by publicly disclosing wrongful government action, it is not provided the same protections as a public disclosure.

Bronder's reports were both made within the organization where the purported improper governmental action occurred — in April, 2017 to the Deputy Construction Engineer and in July, 2017 to the Director and Deputy Director of NDOT. While the statute, which has been in effect since 1995, provides that the Hearing Officer cannot rule against the employee based upon who they report to, some of the above-cited decisions were decided after that time and have been relied upon in other personnel administrative appeals as grounds for dismissal. ROA 553-557. Moreover, there are many persons and places outside the organization where Bronder could have reported this improper governmental action, if he truly intended to report improper governmental action and have some impact. Bronder did not intend his questions to his supervisor or to the NDOT Director to be actual whistleblowing events. It is much more likely that he was simply trying to impress these individuals with his knowledge and his concern for the operations of NDOT to enhance his own professional standing and his chances for rehire.

#### ii. Relief Granted Outside Hearing Officer's Authority.

The authority granted the Hearing Officer under NRS 281.641(2) is to determine whether the action complained of by a State Officer or Employee was reprisal or retaliatory

action taken because of whistleblowing activity by the employee and, if so, to issue an order "directing the proper person to desist and refrain from engaging in such action." *Id.* Bronder seeks reinstatement of his pay grade and employment start date as well as a return of any lost sick leave he had accrued prior to his release from probation. ROA 605.

The requested relief is beyond the cease and desist authority granted to hearing officers under NRS 281.641 (2). Relying on another decision by an administrative hearing officer, Bronder argued such relief was allowed. However, decisions of administrative hearing officers have no precedential weight and this reliance is misplaced.

- D. The Hearing Officer's Finding of Pretext In NDOT's Decision To Release Bronder From Probation is Clearly Erroneous, And Is Arbitrary and Capricious In View of the Reliable, Probative, and Substantial Evidence in the Record.
  - i. Substantial Probative Evidence Supports NDOT's Argument that NDOT Had No Motive to Retaliate.

The hearing officer ignored the consistent and reliable testimony of all NDOT witnesses who unequivocally testified that Bronder's reports either to Lani, prior to his release from probation, or to Director Malfabon, after his release, provided no motive to retaliate because the information Bronder shared was already in the public arena and discourse, as is evidenced by the public discussions of the same held during hearings conducted by the Nevada Transportation Board. ROA 332-338, see also 344-345. The NDOT witnesses testified consistently that no person at NDOT who was aware of Bronder's reported concerns considered the subject matter to be secret, or to reflect negatively on the department such as to warrant a cover-up of the circumstances or removal of Bronder from employ by NDOT. Neither did the evidence suggest that NDOT feared discovery of the facts, since they were already a matter of public discussion. Id.; ROA 71; 94-109;125-140; 177; 206-208.

In fact, the Construction Division took Bronder's comments to heart, tried to explain the parameters governing the negotiations and the rates paid, and took steps to review the status of those parameters. *Id.* Thus, there was no motive for NDOT to shut Bronder

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down from commenting on the contracts or to shut him out of NDOT. The evidence does not support the hearing officer's findings that the reasons for Bronder's dismissal were pretext, when there was no motive or desire to cause Bronder harm.

Bronder's stated concerns for the cost of contracting project management services on highway construction projects were common to persons who reviewed the contracts, including the Nevada Transportation Board, as well as to staff and leadership of the NDOT. However, the concerns did not represent any improper actions by NDOT staff or leadership because the costs of the contracts are governed by State and Federal regulations and are closely and independently reviewed by various review teams within the State. ROA 120-145. Deputy Construction Engineer Stephen Lani testified that the hourly rates paid for the consulting contractors included not only the generally higher hourly rates paid to construction workers in the private sector, due to competition or prevailing wage requirements, but also accounted for federally audited and established overhead rates for the consultants' employer's as well as an allowance for the reasonable profit of those employing companies. Id. Lani's testimony was fully supported by the testimony of Reid Kaiser, ROA 89-101, and Sharon Foerschler, ROA 207-209, as well as by documentary evidence showing the negotiations of the consulting contract and audits of the outcome of the contract, post-performance. ROA 008-010; 032; 315-317; 340-342. Moreover, Bronder testified that he was personally aware that private rates of pay were higher than state rates of pay based on his own experiences in the private sector where he testified he was paid approximately \$60,000 more annually than the rate of pay for equivalent state engineers. ROA 72, ll. 12-21.

Bronder also alleged concerns that the high contract rates are protected by NDOT to ensure that when NDOT employees retire from state service they can obtain these highpaid contracting positions and continue to earn large sums of money at the state's expense. ROA 609-611. He did not present any evidence at the hearing to support this assertion. However, the uncontroverted evidence presented by NDOT clearly showed that there is a statutory cooling off period prohibiting an immediate return to contract work for the state

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and there is no preference in NDOT contract proposals for NDOT experienced employees. ROA 151-156.

## ii. A Lawful Release From Probation With or Without Stated Cause Is Not Evidence of Pretext.

In finding that NDOT's proffered reasons for releasing Bronder from probation were pretext, the Hearing Officer ignored the sworn and uncontroverted testimony of NDOT witnesses and relied almost exclusively on his own unfounded belief that the unexplained release from probation, when a month of probationary time remained, was an act of reprisal, despite clear statutory authority that probationary employees can be dismissed at any time during the probationary period, so long as it is done in compliance with regulations. NRS 284.290. There is no requirement in the regulations that the employee be given a reason for his or her release, nor is there any requirement that the full period of probation be expended. See generally NAC 284.442-284.458.

Moreover, a thorough review of Sharon Foerschler's testimony rebuts the Hearing Officer's finding that it was contradictory and inconsistent. ROA 18. While the hearing officer found that "there was no substantive discussion with Bronder of reasons for actions taken by Ms. Foerschler," (ROA 15), Foerschler testified that she outlined her reasons for letting Bronder go before she met with him and that she discussed those reasons with him during the meeting on May 5, 2017. ROA 200-203; 359, Stephan Lani, who sat in on the meeting also testified that Bronder was offered various reasons for his release, consistent with Foerschler's list. ROA 148-150. Furthermore, the Hearing Officer seems to be more concerned that Foerschler told Kaiser and Ratliff that Bronder wasnot a "good fit," when she did not tell Bronder the same thing. "Not a good fit" is a euphemism similar to "did not work out" or "did not cut it" rather than stating the employee failed to demonstrate his abilities to do the job without going into specifics. Even Bronder admitted that he could be released from probation if he was unable to show he could do the job. ROA 65-66. As testified by Lani and the HR employee, it is usually advised that appointing

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authorities releasing employees from probation should not give them a reason for the dismissal. ROA 191; 239-240; 270-271.

## iii. Bronder's Report to Lani and to Director Malfabon Did Not Disclose Improper Governmental Action or Gross Waste of Public Money.

The hearing erred in determining that Broder's report of the high costs of contract employees was whistleblower activity. As noted above, the concerns raised by Bronder of alleged gross waste of public funds was not information that was new or accurate or secret, either at NDOT or within State government generally. The contract rates, while appearing to be high in a snapshot, were and are controlled by federal regulations (ROA 125; 127-132; 379-409), include the generally higher prevailing wages within the region of construction required by the Davis-Bacon Act of 1931 (Pub. L. 71-798) and are monitored and negotiated prior to award of the contract. Moreover, Bronder himself testified that he was paid significantly more as a private engineer than the state wages he was earning as a Manager 1, estimating a figure of \$60,000 more annually than his state salary. ROA 72. Importantly, as Lani testified, the contractors are chosen based on their qualifications to meet the needs of the contract before the costs are considered. ROA 130-132. And, if the chosen contractor is unable to bring the contract costs to within the budgeted amounts, negotiations are closed and another contractor is considered. ROA 189.

Bronder's reports to Stephan Lani and to Director Malfabon did not reveal anything untoward or nefarious and raised no internal concerns for the department. Thus, NDOT had no motive to retaliate against Bronder at the time of his release from probation. As Lani testified, he considered Bronder's report to arise from his lack of his understanding the contracting process and its parameters. ROA 97; 128; 179-181. NDOT considered and treated the conversation as a learning opportunity for Bronder and nothing more.

There is no motive for reprisal and no concern for public disclosure of the information presented in the purported whistleblower report. The Hearing Officer's characterization of normal business decisions as reprisal is unfair and unsupported by the substantial, probative evidence presented at the hearing. Moreover, "expenditure of public

money through an open and public process does not qualify as improper government action." As the testimony unequivocally shows, none of the individuals who were aware of Bronder's report considered it to be any type of threat to their positions or their processes. They simply had no reason and no motive to retaliate for Bronder's lack of knowledge or understanding. The hearing officer's determination to the contrary is without support in the evidence and plainly wrong.

## CONCLUSION

The decisions made during the course of this State employee whistleblower appeal were erroneous and in violation of statutory provisions specifically applicable to these administrative proceedings. In allowing the appeal to go forward despite its untimely filing, the Hearing Officer acted without jurisdiction and in excess of his statutory authority. Additionally, the Hearing Officer disregarded the reliable, probative and substantial evidence in the record showing that Bronder's report gave his employers no motive to retaliate. The report was not considered to be a whistleblower report and never caused NDOT concerns about public awareness of the costs of outside contracting or the legality of the process employed in negotiating those contracts. In disregarding the credible, consistent, and substantial evidence provided by NDOT witnesses, the hearing officer acted in a capricious and arbitrary manner.

NDOT requests that this Court reverse the Hearing Officer's erroneous and unsupported decisions.

DATED this 25 day of June, 2019.

ARRON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835
Attorneys for Petitioner

## **AFFIRMATION**

## Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person pursuant to NRS 239B.030.

DATED this \_\_\_\_\_, day of June, 2019.

AARON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835

### CERTIFICATE OF SERVICE

Pursuant to Nevada Rules of Civil Procedure 5(b), I hereby certify that, on the day of June, 2019, service of the NEVADA DEPARTMENT OF TRANSPORTATION'S OPENING MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF ITS PETITION FOR JUDICIAL REVIEW was made this date by depositing a true copy of the same for mailing, first class mail, at Carson City, Nevada, addressed as follows:

Thomas J. Donaldson
Dyer Lawrence, LLP
2805 Mountain Street
Carson City, NV 89703
(775) 885-1896 office
(775) 885-8728 facsimile

Sally A. Bullard, LS II

An employee of the Office of Attorney General

# **EXHIBIT F**

# **EXHIBIT** F

| 1<br>2<br>3<br>4<br>5<br>6 | THOMAS J. DONALDSON Nevada Bar No. 5283 DYER LAWRENCE, LLP 2805 Mountain Street Carson City, Nevada 89703 (775) 885-1896 telephone (775) 885-8728 facsimile tdonaldson@dyerlawrence.com  Attorneys for Respondent JOHN BRONDER |                                     |
|----------------------------|--|-------------------------------------|
| 7<br>8                     | IN THE FIRST JUDICIAL DISTRICT O   | OURT OF THE STATE OF NEVADA         |
| 9                          | IN AND FOR CARSON CITY   |                                     |
| 10                         | IN THIS TORK   |                                     |
| 11                         | STATE OF NEVADA DEPARTMENT OF TRANSPORTATION,  | CASE NO.: 19 OC 00066 1B            |
| 12                         | Petitioner,  | DEPT NO.: 1                         |
| 13  <br>14                 | vs.  |                                     |
| 15                         | STATE OF NEVADA, DEPARTMENT  |                                     |
| 16                         | OF ADMINISTRATION, HEARINGS DIVISION, an agency of the State of Nevada, and JOHN BRONDER,  |                                     |
| 17                         | Respondents.   |                                     |
| 18                         |  | <i>}</i>                            |
| 19                         | NOTICE OF ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION   |                                     |
| 20                         | DENYING PETITION FO  | OR JUDICIAL REVIEW                  |
| 21                         | PLEASE TAKE NOTICE THAT on September 10, 2019, the above-entitled Court entered the  |                                     |
| 22                         | Findings of Fact, Conclusions of Law and Decision Denying Petition for Judicial Review, in the above   |                                     |
| 23                         | captioned matter, a copy of which is attached hereto as Exhibit "1."   |                                     |
| 24                         | DATED this 12 <sup>th</sup> day of September, 2019.  |                                     |
| 25                         | DYER LAWRENCE, LLP   |                                     |
| 26 <sup>.</sup>            |  | S A 1                               |
| 27                         | By   |                                     |
| 28                         | Thomas J. Donaldson<br>Nevada Bar No. 5283   |                                     |
|                            |  | orneys for Respondent<br>hn Bronder |

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### CERTIFICATE OF SERVICE

I hereby certify that I am an employee of Dyer Lawrence, LLP, and that on the 12<sup>th</sup> day of September, 2019, I caused a true and correct copy of the within NOTICE OF ENTRY OF FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION DENYING PETITION FOR JUDICIAL REVIEW, to be delivered via U.S. Mail, first-class postage prepaid and electronic mail to the following persons:

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Oelioa ME Debora McEachin

## EXHIBIT "1"

EXHIBIT "1"

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Attorneys for Respondent JOHN BRONDER

STATE OF NEVADA DEPARTMENT

## IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR CARSON CITY

OF TRANSPORTATION. CASE NO.: 19 OC 00066 1B Petitioner, **DEPT NO.: 1** vs. STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, HEARINGS DIVISION. an agency of the State of Nevada, and JOHN BRONDER.

Respondents.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION DENYING PETITION FOR JUDICIAL REVIEW

PETITIONER STATE OF NEVADA DEPARTMENT OF TRANSPORTATION ("NDOT") having filed herein a Petition for Judicial Review ("Petition") on or about April 8, 2019, pursuant to NRS 281.641 and NRS 233B.010 et seq., challenging the Decision and Order on Whistleblower Appeal ("Decision") issued by RESPONDENT STATE OF NEVADA DEPARTMENT OF ADMINISTRATION, HEARINGS DIVISION Hearing Officer Paul H. Lamboley, Esq., on or about March 7, 2019, with notice to all parties; this Court having considered the pleadings, legal authorities and supporting documents submitted by the parties; hereby makes the following findings of fact, conclusions of law and decision denying the Petition. *III* . ///

### Findings of Fact

The underlying administrative proceeding concerns a whistleblower appeal filed on or about January 16, 2018, by RESPONDENT JOHN BRONDER ("Employee") pursuant to NRS 281.611 et seq. Record on Appeal ("ROA") 605-634. Employee was hired as a Manager I (Grade 43, Step 8) by NDOT in Elko, Nevada, on June 6, 2016. ROA 040, 053:17-18, 430, 496. The position has a one (1) year probationary period. ROA 065:10-13. On or about February 13, 2017, Employee accepted a lateral transfer to the same position in Carson City. ROA 040, 430, 496. In addition to his regular job duties and responsibilities, Employee was directed immediately to assist with rewriting NDOT's Construction Manual and to learn the job duties of another Manager I, who was retiring in May, 2017. ROA 061-062, 430, 496-497.

On or about April 10, 2017, Employee viewed NDOT's Board of Directors' meeting and, based upon then Governor Brian Sandoval's question and comments about seemingly excessive compensation of contracted consultants, immediately expressed his concerns to NDOT Assistant Construction Engineer Stephen Lani. Mr. Lani dismissed Employee's concerns of a gross waste of public money. ROA 045-046, 430, 609, 615-621.

The next day, at a Nevada Board of Examiners meeting on April 11, 2017, when discussing consulting contracts with former NDOT employees, then Governor Sandoval stated:

This is something that will likely be taken up at the Board of Transportation, but the total amount for consultants is \$186 million. That's a really big number. I asked yesterday, it's bigger than the entire payroll of NDOT for a year. Today is not the day to do it but I'd like you to be thinking about it — we pay \$41.93 for an employee to do it and we're paying \$134.40 for a consultant to do the same work. I think a conversation needs to be had with the amount of money that is going out the door versus what is being done internally. As I said, I am very surprised that we have that amount of money. We approve these consulting contracts piecemeal but we've never had them aggregated and this is a massive number. I know your bandwidth is only so wide and we have a lot of projects going on out there, but again, I've got to get a better feel for what's going on because we see at least two or three of these every month for former employees working as consultants. (Emphasis added.)

ROA 046-046, 439.

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Two (2) weeks later, just before a planned family vacation, Employee received an overall "meets standards" 11-month performance evaluation on April 24, 2017, which was the first and only evaluation he received from NDOT. ROA 047-049, 623-625. NDOT Chief Construction Engineer Sharon Foerschler reviewed, approved and signed the evaluation. ROA 215:4-15, 239-240, 623. Employee was never the subject of disciplinary action while employed by NDOT. ROA 048:23-25.

When Employee returned from vacation on Friday, May 5, 2017, NDOT rejected him from employment one (1) month prior to the completion of his twelve (12) month probationary period on June 6, 2017. ROA 049-050, 627. On July 14, 2017, Employee met with now former NDOT Director Rudy Malfabon and now former Assistant Director of Operations Reid Kaiser regarding the concerns he expressed to Mr. Lani and the termination of his NDOT employment.<sup>2</sup> ROA 051-052, 088:1-15, 092, 610. Mr. Kaiser told Employee that he was rejected because he was "not a good fit" in NDOT's Construction Division, but offered to speak to other NDOT managers about rehiring him. ROA 051-052, 103-105, 113.

On September 8, 2017, Employee was hired as a Professional Engineer (Grade 40, Step 1) by the Nevada Department of Conservation and Natural Resources, Division of State Parks. ROA 053:7-16.

On October 10, 2017, NDOT posted a job vacancy notice for Resident Engineer (Grade 43) in Elko, Nevada. ROA 054-055, 610. On October 24, 2017, Employee applied for the Resident Engineer position and was ranked #1 on the list. ROA 055-056, 442. However, rather than interviewing (and hiring) Employee, NDOT withdrew the job posting on October 31, 2017. ROA 431, 610.

Three (3) days later, on November 3, 2017, NDOT re-posted the vacancy for Resident Engineer in Elko, Nevada. ROA 445. Employee applied for the position and was identified as eligible, but not interviewed (or hired) per NAC 284.374. ROA 056, 446.

NRS 284.340(2) provides, "[e]ach appointing authority shall . . . [f]ile reports with the Administrator on the performance, during the probationary period, of each of the employees of the appointing authority who holds a position in the classified service. A report must be filed at the end of the 2nd and 5th months of employment if the probationary period is 6 months, or at the end of the 3rd, 7th and 11th months of employment if the probationary period is 12 months."

Former Director Malfabon was present throughout the underlying administrative hearing on January 17, 2019, but did not testify to rebut any of Employee's claims or testimony. ROA 033, 036:1-8.

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On January 16, 2018, Employee filed the underlying whistleblower appeal. ROA 605-606. On or about May 1, 2018, NDOT filed a Motion to Dismiss ("Motion") the appeal, which was fully briefed. On July 13, 2018, Hearing Officer Lamboley conducted a hearing regarding the Motion based upon the parties' Stipulated Facts and subsequently issued his Decision and Order ("Order") denying NDOT's Motion dated October 6, 2018. ROA 470-501. The Order determined:

... to whom an employee makes a disclosure or statement, albeit to a party within or without the employee's employment setting, is neither relevant nor material under NRS 281.641(3).

ROA 484:18-20. Further, the Hearing Officer concluded that Employee's appeal was timely, that Employee alleged reprisal or retaliatory action as defined in NRS 281.611(5) and that the Hearing Officer could grant the relief requested by Employee. ROA 489-493.

On January 17, 2019, Hearing Officer Lamboley conducted an administrative hearing concerning Employee's whistleblower appeal and subsequently issued his Decision dated March 7, 2019. ROA 001-030. In the Decision, the Hearing Officer first found:

There is no serious question that Bronder's statements [to Assistant Construction Engineer Stephen Lani on April 10, 2017,] involved matters of public concern over what may be properly termed "gross waste of public money," i.e., taxpayer money, regarding consultants and construction contract awards that include concern for excessive cost allowances and considered improper governmental action for which NDOT admittedly has an interest in, is responsible for, and is able to critically evaluate and remedy if need be.

ROA 010-011.

Hearing Officer Lamboley also properly determined:

Moreover, the criteria for whistleblower protected speech is *not* whether the content or action of expressed concern is *in fact or proven to be* true or correct, or *is* a violation of law, or is *not considered as such* by the employer, but rather the criteria *is* whether the employee disclosure *in good faith, reasonably believed* there may be improper governmental action. *Simonian v. Univ. and Cmt. Coll. Sys.*, 122 Nev. 187, 128 P.3d 1057 (Nev. 2006); also *Allum v. Valley Bank of Nevada*, 114 Nev. 1313, 1323-24, 970 P.2d 1062, 1068 (Nev. 1998) (tortious discharge); cf. *International Game Technology v. Dist. Court*, 124 Nev. 193, 179 P.2d 556 (Nev. 2008) (false claims statutory protection) and *International Game Tech. v. Dist. Court*, 122 Nev. 132, 127 P.3d 1088 (Nev. 2006), J. Maupin dissenting.

ROA 011-012 (emphasis in original).

Additionally, the Hearing Officer appropriately established:

The absence of coherent, cogent and credible reasons for NDOT's action and the negative statements NDOT made post-action regarding Bronder's re-transfer provide legitimate nexus and causal relation between NDOT['s] action and Bronder's April 10 expressed concerns over consultants and construction bid/contract award costs to his supervisors that were reported to the appointing authority, and support the conclusion that NDOT's rationale evidences reprisal or retaliatory action as the real predicate for NDOT's rejection of probation and termination of Bronder, if not his removal from the interview eligibility list "per NAC 284.374."

ROA 018:8-14.

Next, Hearing Officer Lamboley logically determined that Employee properly had standing to file the whistleblower complaint. ROA 021-022. Then, the Hearing Officer correctly determined that he had the authority under NRS 281.641(2) to reinstate Employee to NDOT employment as a remedy for NDOT's retaliatory action against Employee. ROA 022-024. Finally, Hearing Officer Lamboley appropriately rejected NDOT's misplaced attempt to rely upon the Nevada Supreme Court's recent opinion in O'Keefe v. DMV, 134 Nev. Adv. Op. 92 (December 6, 2018), which concerned the appeal of a disciplinary action pursuant to NRS 284.385, not a whistleblower appeal. ROA 024.

Ultimately, the Hearing Officer granted Employee's whistleblower appeal due to NDOT's reprisal or retaliatory actions, reversed NDOT's termination (rejection from probation) of Employee, reinstated Employee to his former probationary status and employment with NDOT as a Manager I, Grade 43, Step 8, and restored Employee's accrued benefits previously earned. ROA 028.

NDOT filed its Petition on or about April 8, 2019. NDOT is seeking to have the Court overturn the Hearing Officer's Decision granting Employee's whistleblower appeal. ROA 28. NDOT filed a motion for a temporary stay of the Decision pending appeal, which was not opposed by Employee and, thus, granted by the Court in its Order dated April 9, 2019.

Any Finding of Fact hereinafter construed to constitute a Conclusion of Law shall be, and hereby is, incorporated as such to the same extent as if originally so designated.

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## Conclusions of Law

The Court has jurisdiction over the Petition, which was filed on or about April 8, 2019, in the above-entitled Court, which is the same county where the underlying agency proceeding occurred. Petition; ROA 031. Additionally, the Decision is a final decision of the agency, which is the Hearings Division, and this matter is properly before the Court pursuant to NRS 233B.130 et seq.<sup>3</sup>

In essence, NDOT contends in its Opening Brief that the Hearing Officer's Decision is "arbitrary and capricious," "clearly erroneous" and "in excess of [the Hearing Officer's] statutory authority" because the Hearing Officer granted Employee's whistleblower appeal under the circumstances. Opening Brief, p. 13. However, NDOT's arguments are not persuasive.

## 1. Employee's whistleblower appeal was timely filed.

NDOT first claims that "[t]he Hearing Officer erred when he ignored the specific limitations period imposed by statute and regulation on State personnel who appeal an employment action on the basis of alleged reprisal." Opening Brief, p. 15. However, the Hearing Officer properly applied the applicable statutes.

Initially, the Nevada Legislature specifically declared that it is the public policy of this State that State officers and employees are encouraged to disclose, to the extent not expressly prohibited by law, improper governmental action, and it is the intent of the Legislature to protect the rights of a State officer or employee who makes such a disclosure. NRS 281.621. Additionally, a State officer or employee shall not directly or indirectly use or attempt to use the official authority or influence of the officer or employee to intimidate, threaten, coerce, command, influence or attempt to intimidate, threaten, coerce, command or influence another State officer or employee in an effort to interfere with or prevent the disclosure of information concerning improper governmental action. NRS 281.631(1). The use of "official authority or influence" includes taking, directing others to take, recommending, processing or approving any personnel action such as an appointment, promotion, transfer, assignment, reassignment, reinstatement, restoration, reemployment, evaluation or other disciplinary action. NRS 281.631(2).

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Respondent Hearings Division (and Hearing Officer Lamboley) did not file a timely notice of intent to participate in the instant judicial review proceeding pursuant to NRS 233B.130(3).

The procedures and requirements for a whistleblower appeal are set forth in NRS 281.641, which provides:

1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal or retaliatory action. The written appeal must be accompanied by a statement that sets forth with particularity:

(a) The facts and circumstances under which the disclosure of improper governmental

action was made; and

(b) The reprisal or retaliatory action that is alleged to have been taken against the state officer or employee.

The hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4.

2. If the hearing officer determines that the action taken was a reprisal or retaliatory action, the hearing officer may issue an order directing the proper person to desist and refrain from engaging in such action. The hearing officer shall file a copy of the decision with the Governor or any other elected state officer who is responsible for the actions of that person.

3. The hearing officer may not rule against the state officer or employee based on the

person or persons to whom the improper governmental action was disclosed.

4. The Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section that are not inconsistent with the procedures set forth in NRS 284.390 to 284.405, inclusive.4

5. As used in this section, "Personnel Commission" means the Personnel Commission created by NRS 284.030.

"Improper governmental action" means any action taken by a state officer or employee or local governmental officer or employee in the performance of the officer's or employee's official duties, whether or not the action is within the scope of employment of the officer or employee, which is among other things, a gross waste of public money. NRS 281.611(1)(e).

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NRS 284.390 to NRS 284.405 concern a hearing to determine the reasonableness of a dismissal, demotion or suspension of a State employee.

## "Reprisal or retaliatory action" includes:

(a) The denial of adequate personnel to perform duties;

(b) Frequent replacement of members of the staff;

(c) Frequent and undesirable changes in the location of an office;

(d) The refusal to assign meaningful work;

(e) The issuance of letters of reprimand or evaluations of poor performance;

(f) A demotion;

(g) A reduction in pay;

(h) The denial of a promotion;

(I) A suspension:

(i) A dismissal:

(k) A transfer:

(l) Frequent changes in working hours or workdays; or

(m) If the employee is licensed or certified by an occupational licensing board, the filing with that board, by or on behalf of the NDOT, of a complaint concerning the employee, if such action is taken, in whole or in part, because the state officer or employee or local governmental officer or employee disclosed information concerning improper governmental

NRS 281.611(5). With respect to an NRS 281.641(1) reprisal/retaliation claim, the Hearing Officer must only determine whether a State employee has engaged in protected activity, i.e., has disclosed information concerning alleged conduct that might constitute "improper governmental action." Simonian v. Univ. & Cmty. Coll. Sys., 122 Nev. 187, 198, 128 P.3d 1057 (2006). As a result, the Hearing Officer need not determine whether the employee's allegations are correct. Id. at 198-199.

Here, Employee disclosed improper governmental action to Mr. Lani on April 10, 2017. ROA 045-046, 430, 609, 615-621. Two (2) weeks later on April 24, 2017, Employee received his first and only performance evaluation with an overall rating of "meets standards," which his "appointing authority," NDOT Chief Construction Engineer Sharon Foerschler reviewed, "agree[d]" with and signed. ROA 047-049, 215:4-15, 239-240, 623-625. NDOT rejected Employee from probation, i.e., terminated his employment, two (2) weeks later on May 5, 2017, one (1) month before he would have completed his twelve (12) month probationary period on June 6, 2017. ROA 049-050, 627. Employee subsequently learned on January 5, 2018, that NDOT unlawfully removed his name from the interview eligibility list "per NAC 284.374." ROA 056, 446. Employee filed his whistleblower appeal on or about January 16, 2018. ROA 605-606.

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After thorough legal analysis, the Hearing Officer properly determined:

The 2-year time [period] in NRS 281.641(1) is a specific statutory time applicable to whistleblower protection on appeal of a state NDOT's alleged reprisal or retaliatory action, and is jurisdictional, not procedural. By contrast the 10-day time [period] in NAC 281.305(1)(a) is regulatory time applicable to appeal hearing procedures to determine [the] reasonableness of NDOT's disciplinary dismissal, demotion, or suspension under NRS 284.390.390-.405, and is not consistent with [the] authority grant[ed] under NRS 281.641(4) for whistleblower fee speech protection.

ROA 020:17-19 (footnote omitted). Hearing Officer Lamboley states in his Decision, "[w]hat is factually clear is that NDOT's reprisal or retaliatory action occurred within a 2-year period after Bronder's disclosures at issue." ROA 020:10-11. Thus, the Hearing Officer correctly concluded that "Bronder's appeal is timely for the relief requested." ROA 021:4-5.

Administrative regulations cannot contradict or conflict with the statute they are intended to implement. Roberts v. State Univ. of Nevada Sys., 104 Nev. 33, 752 P.2d 221 (1988), cited, Hager v. Nevada Medical Legal Screening Panel, 105 Nev. 1, at 3, 767 P.2d 1346 (1989), Clark County Social Servs. Dep't v. Newkirk, 106 Nev. 177, at 179, 789 P.2d 227 (1990), AGO 93-23 (9-29-1993), AGO 94-01 (2-16-1994), State, Div. of Ins. v. State Farm Mut. Auto. Ins. Co., 116 Nev. 290, at 293, 995 P.2d 482 (2000), see also Meridian Gold Co. v. State, 119 Nev. 630, at 635, 81 P.3d 516 (2003), NAIW v. Nevada Self-Insurers Association, 126 Nev. 74, at 83, 225 P.3d 1265 (2010), AGO 2010-14 (5-13-2010), Public Agency Compensation Trust v. Blake, 127 Nev. 863, at 869, 265 P.3d 694 (2011). Conflict between a statute and a regulation renders the regulation invalid. State, Div. of Ins. v. State Farm Mut. Auto. Ins. Co., id. at 295, 995 P.2d 482, 486.

NDOT concedes that the "Plain Text of [the] Statute Applies." Opening Brief, pp. 18-19. Applying this standard, NRS 281.641(1) plainly states, "[t]he hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant to [NRS 281.641] subsection 4." Further, NRS 281.641(4) plainly provides, "[t]he Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section . . . ."

Thus, the regulations adopted by the Personnel Commission can only concern the whistleblower hearing procedures, not the timeline for filing a whistleblower appeal. Since NRS 281.641 does not require a whistleblower appeal to be filed "within 10 working days," NAC 281.305(a) is invalid since it is contrary to NRS 281.641. Clearly, the Hearing Officer did not err when he found that Employee's whistleblower

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appeal was timely.

#### Employee was not required to report improper governmental action outside NDOT. <u>2.</u>

Next, based solely upon the Nevada Supreme Court's holding in a single private (not under NRS Chapter 281) whistleblower case, NDOT contends that "[o]nly reports made for a public purpose obtain whistleblower protection." Opening Brief, p. 22. However, this is not true in whistleblower cases involving State employees under NRS Chapter 281.

The hearing officer may not rule against the state officer or employee based on the person or persons to whom the improper governmental action was disclosed. NRS 281.641(3).

Hearing Officer Lamboley addressed this issue in his Order dated October 6, 2018. ROA 482-484. Based upon current language of NRS 281.641(3) and its legislative history (Senate Bill 357, 1995), the Hearing Officer determined:

A fair, impartial and critical reading of that legislative history on whistleblower protection makes clear the specific language in NRS 281.641(3) was chosen to clarify a jurisdictional issue, and specifically intended to legislatively correct a problem created by a prior decision of a hearing officer which denied whistleblower relief to an employee "because the employee did not render his whistle-blowing to the proper level or jurisdiction, it did not fall within this law."

ROA 482-483. The Hearing Officer then concluded, "[t]hus, to whom an employee makes a disclosure or statement, albeit to a party within or without the employee's employment setting, is neither relevant nor material under NRS 281.641(3)." ROA 484:18-20. Clearly, the Hearing Officer did not err when deciding this legal issue.

#### The relief requested by Employee and granted by the Hearing Officer is appropriate. <u>3.</u>

Next, NDOT summarily contends that the Hearing Officer lacked authority to reinstate Employee after determining that NDOT's termination of Employee constituted reprisal or retaliatory action. Opening Brief, pp. 22-23. However, such a reading and application of NRS 281.641(2) would make the Legislature's policy declaration and NRS 281.611 et seq. utterly meaningless. See Hobbs v. State, 127 Nev. 234, 237, 251 P.3d 177 (2011).

If the Hearing Officer determines that the action taken was a reprisal or retaliatory action, the Hearing Officer may issue an order directing the proper person to desist and refrain from engaging in such action. NRS 281.641(2).

Here, Hearing Officer Lamboley spent over a page of his Decision explaining how reinstating Employee to NDOT employment with accrued benefits is the only meaningful way to cure NDOT's reprisal or retaliatory action of rejecting Employee from probation, *i.e.*, terminating him, after he reported improper governmental action. ROA 022-024. A probationary employee may be rejected for any lawful reason. NAC 284.458(1). Logically, if the employee's rejection constitutes reprisal or retaliatory action in violation of NRS 281.611 et seq., the rejection is unlawful and must be invalidated.

Reinstatement of Employee is consistent with Hearing Officer Lansford W. Levitt's reinstatement of Rocky Boice in *Boice v. NDOT*, Case No. CC-07-13-LWL (June 26, 2014). ROA 448-458. Pursuant to NRS 47.130 the Court may take judicial notice that NDOT appealed Hearing Officer Levitt's decision to this Court in Case No. 14 OC 00158 1B, the Court dismissed NDOT's appeal by Order dated July 22, 2015, NDOT then appealed the matter to the Nevada Supreme Court in Case No. 68696, but subsequently voluntarily dismissed the appeal on November 28, 2017. Clearly, Hearing Officer Lamboley's conclusion that "the desist and refrain remedy [of NRS 281.641(2)] requires reinstatement of Bronder's probation and his employment with acquired benefits" is proper.

## 4. NDOT's rejection of Employee from probation was unlawful.

Finally, NDOT claims that the Hearing Officer's finding that NDOT's reasons for rejecting Employee from probation two (2) weeks after issuing him a "meets standards" performance evaluation and just one (1) month prior to completing his twelve (12) month probationary period were pretextual was arbitrary and capricious. Opening Brief, pp. 23-27. However, the evidence proves otherwise.

The Court shall not substitute its judgment for that of the agency as to the weight of evidence on a question of fact. NRS 233B.135(3). The hearing officer's conclusions of law, which are necessarily closely related to the hearing officer's view of facts, are entitled to deference and will not be disturbed if they are supported by substantial evidence. *Frangul, supra*, 110 Nev. 46, 51, 867 P.2d 397 (1994). "Substantial evidence" is that which a reasonable mind might accept as adequate to support a conclusion. *Barsy, supra*, 113 Nev. 712, 719, 941 P.2d 971 (1997).

The Court may take judicial notice of administrative proceedings. *Mack v. Estate of Mack*, 125 Nev. 80, 92, 206 P.3d 98, 106 (2009).

Hearing Officer Lamboley spent seven (7) pages of his Decision setting forth the facts related to NDOT's rejection of Employee from probation on May 5, 2017, just two (2) weeks after issuing him a "meets standards" performance evaluation on April 27, 2017, and one (1) month before Employee would have completed his twelve (12) month probationary period on June 6, 2017. ROA 012-018. The Hearing Officer found:

In this case, the sequence of events coupled with staff testimony and [the] evidence overall, and the inconsistent and contradictory testimony of Ms. Foerschler in particular, regarding Bronder's job performance as Manager I in Carson City, do not provide a smoking gun of reprisal or retaliatory action, but the reasons for NDOT's action appear to be pretextual and an ex post facto rationale offered by the action-responsible appointing authority.

## ROA 018:3-7. Hearing Officer Lamboley then concluded:

The absence of coherent, cogent and credible reasons for NDOT's action and the negative statements NDOT made post-action regarding Bronder's re-transfer provide [the] legitimate nexus and causal relation between NDOT['s] action and Bronder's April 10 expressed concerns over consultants and construction bid/contract award costs to his supervisors that were reported to the appointing authority, and support the conclusion that NDOT's rationale evidences reprisal or retaliatory action as the real predicate for NDOT's rejection of probation and termination of Bronder, if not his removal from the interview eligible list "per NAC 284.374."

ROA 018:8-14.

Ms. Foerschler, who was the "appointing authority" in this case, claimed that she came up with a list of reasons why she was rejecting Employee from probation, including an after-the-fact timeline of events. ROA 200-206, 359-362 (ER 048-051). However, it is clear from the Hearing Officer's questioning of Ms. Foerschler, that he did not believe her. ROA 223-242, 359-362. Ms. Foerschler had no credible evidence that Employee was not interacting with his subordinates, that Employee had not "sought out additional work assignments," that Employee did not work forty (40) hours the "week of [the] Partnering Conference" in Reno, that he "did not partake in [the] Construction Manual rewrite project as assigned," or that he did not learn the Consultant program, which was another (retiring) manager's responsibility. *Id*.

Additionally, it is undisputed that Mr. Lani told Ms. Foerschler about Employee's concerns about the exorbitant costs of the consulting contracts, *i.e.*, gross waste of money or improper governmental action, and that Ms. Foerschler tainted Employee's former supervisor in Elko, Boyd Ratliff, when she called Mr. Ratliff regarding her decision to reject Employee from probation. ROA 195, 206:20-25, 248-251.

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Finally, despite Ms. Foerschler's contention that she involved Employee's supervisor, Jeff Freeman, and Mr. Lani in her decision to reject Employee from probation, Mr. Freeman had no significant issues with Employee based upon the performance evaluation that he prepared, and Mr. Lani was not even aware of the "meets standards" evaluation. ROA 174, 185-188, 623-625. Thus, the Hearing Officer's finding that "the reasons for NDOT's action appear to be pretextual and an ex post facto rationale" for Employee's termination are clearly supported by substantial evidence in the record. ROA 018:3-7.

Any Conclusion of Law hereinafter construed to constitute a Finding of Fact shall be, and hereby is, incorporated as such to the same extent as if originally so designated.

## Order and Decision

IT IS HEREBY ORDERED that NDOT's Petition for Judicial Review dated April 8, 2019, is hereby DENIED.

IT IS FURTHER ORDERED that Hearing Officer Lamboley's Decision dated March 7, 2019, in Hearings Division Appeal No. 1802330-PHL is hereby AFFIRMED.

IT IS FURTHER ORDERED that within ten (10) days of the date of this Order, NDOT shall comply with and implement Hearing Officer Lamboley's Decision in Hearings Division Appeal No. 1802330-PHL by reinstating Employee to his former probationary status and employment with NDOT as a Manager I, Grade 43, Step 8, and restoring Employee's accrued benefits previously earned retroactive to May 5, 2017, and serving a copy of the Decision on the Governor of Nevada and any other appointed State officer(s) or person(s) responsible for the personnel actions of NDOT.

DATED this 10 day of September, 2019.

DISTRICT COURT JUDGE

Submitted by:

DYER LAWRENCE, LLP

By: Thomas J. Donaldson
Nevada Bar No. 5283
Attorneys for Respondent
John Bronder

## **CERTIFICATE OF MAILING**

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on this 10 day of September, 2019, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

Thomas J. Donaldson, Esq. 2805 Mountain Street Carson City, NV 89703

Lori M. Story, Esq.
Office of the Nevada Attorney General
100 S. Carson Street
Carson City, NV 89701

C. McClintick Law Clerk, Dept. 1

# EXHIBIT G

# EXHIBIT G

that decision to the Nevada Supreme Court.

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This Motion is made pursuant to Nevada Rules of Appellate Procedure Rule 8 and based on the following memorandum of points and authorities, the pleadings and papers on file herein, and any oral argument to be presented by counsel at any hearing in this matter.

## MEMORANDUM OF POINTS AND AUTHORITIES

## I. INTRODUCTION

On May 5, 2017, Petitioner, Nevada Department of Transportation (NDOT), released Respondent John Bronder from his probationary status as a Manager I, one month before he would have attained permanent employee status. Employers within the State system can release a probationary employee for any lawful reason. In October, Bronder was hired by the Nevada Department of Conservation and Natural Resources as a resident engineer. He then submitted an application for another NDOT Manager I position District III. That job posting was withdrawn. He applied for the same position when it was reposted in November, 2017. When, on January 5, 2018, he learned that his name had been removed from the list of eligible applicants pursuant to NRS 284.374, he filed a whistleblower appeal pursuant to NRS 281.641(1) on January 16, 2018. Record On Appeal (ROA) 605-634.1

NDOT moved to dismiss the appeal as untimely, as seeking review of a non-appealable probationary release, not establishing a whistleblower report was made, and as seeking relief beyond the authority of the hearing officer to grant. ROA 558-596. After the hearing officer denied the motion to dismiss (ROA 470-495), a hearing on the merits of Bronder's whistleblower appeal was conducted on January 17, 2019, by Hearing Officer Paul H. Lamboley. ROA 031-291. Lamboley entered his Decision and Order on Whistleblower Appeal on March 7, 2019, finding that Bronder's release from probation, appealed more than six months after its occurrence, was reprisal or a retaliatory action and ordering that Bronder be "reinstated by NDOT to his former probationary status and

<sup>&</sup>lt;sup>1</sup> The Record on Appeal is cited, but is not provided, as it is voluminous and has already been provided to the Court.

employment with NDOT as Manager 1, Grade 43, Step 8, with restoration of accrued benefits previously earned. ROA 001.030.

On September 10, 2019, this Honorable Court entered its Findings of Fact, Conclusions of Law and Decision Denying Petition for Judicial Review upholding the Hearing Officer's decision. The Court specifically found that Bronder's appeal, filed more than six months after the occurrence of his release from probation and well beyond the 10 work-day period set out in NRS 284.390, was timely. This decision, if allowed to stand, can and will be interpreted to mean that all State employees, permanent or probationary, have two years from the act of reprisal within which to file an administrative appeal challenging the action. This determination will result in inconsistency within employee appeal processes and will negatively impact the State's ability to address and correct improper personnel actions in a timely and efficient manner.

Other employee appeals within the State classified employment system, including appeals of discipline in the form of suspensions, demotions or dismissal under NRS 284.390, grievances appealed to the Employee Management Committee under NRS 284.384 and NAC 284.682, 284.686, 284.690, 284.695, as well as involuntary transfers under NRS 284.376, must be filed with the Personnel Commission within 10 work-days of the occurrence, while this Court's decision allows a full two years within which a classified state employee may file such an appeal of an alleged act of reprisal for whistleblowing. The decision circumvents the legislative directive in NRS 281.641 that the "hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive," where NRS 284.390 is the statute that imposes the 10 work-day period for filing the appeal.

## II. STATEMENT OF FACTS 2

On June 6, 2016, Bronder was hired to fill a Manager I engineering position in the Department of Transportation, District III in Elko, Nevada. ROA 40. As a new State employee, Bronder was required to complete a one-year probationary period before

<sup>&</sup>lt;sup>2</sup> The Undersigned recognizes that these facts may be well-known to the Court at this juncture, but provides the same for clarity and completeness.

becoming a permanent classified employee. NRS 284.290. A probationary employee may be dismissed at any time during the probationary period, so long as the dismissal complies with regulations. *Id.*, NAC 284.458. Regulations require that the dismissal be for a lawful reason and that notice be provided to the employee and the Division of Human Resource Management before the expiration of the probationary period. *Id.* 

On February 13, 2017, eight months into his probationary period, Bronder laterally transferred to another Manager I position in the Carson City Construction Division within NDOT. ROA 40. The new position came with different job responsibilities than the Manager I position he started in Elko. ROA 40, 80-83. As part of his responsibility, he was asked to sit in on the Construction Manual edit meetings and begin to familiarize himself with another related management position to assist with coverage until a replacement could be hired once that individual retired. ROA 83, 196.<sup>3</sup> This transfer did not change his probationary status (NAC 284.106), a fact that was specifically discussed with him during his interview for the transfer. ROA 188-189; 194.

In his new position, Bronder attended a meeting for negotiations of a Construction Engineering Service contract. ROA 41-42, 121. At the negotiation meeting, various issues in the contract were reviewed and terms negotiated. ROA 121-126. Those negotiations were memorialized in a memorandum and included discussions of adjustments to the augmentation staffing durations and levels, estimated overtime for field staff, a reduction in overtime pay rates, an adjustment to pay rates for cultural resources, including a field monitor and a professional archaeologist, a reduction in vehicle rates and cell phone rates for field staff, and a reduction to the contractor's fee proposal for technology equipment. ROA 613-614.

Following the Nevada Transportation Board meeting to consider this same contract, at which the Governor expressed concerns regarding the contract's costs, Bronder met

<sup>&</sup>lt;sup>3</sup> Bronder's assertions as to his work assignments were contradicted by the District Engineer, Sharon Foerschler (ROA 196-197), and it was intended that he cover the soon-to-be vacant position temporarily until a replacement could be hired, not to double his workload. ROA 198. As the Chief Construction Engineer noted, Bronder did not step up to that request or make efforts toward learning the position. *Id.* 

with Assistant Construction Engineer Stephen Lani (Lani) and expressed the Governor's concerns about the costs of the contract. ROA. 45; 127-129. According to Lani, issues such as Bronder raised were commonly discussed in the publicly-held Nevada Transportation Board meetings and in other fora. ROA 134-135, ll. 13-4. Lani did not identify Bronder's questions to be a whistleblowing event which could cause trouble for NDOT. ROA 134.

By April, 2017, the Construction Division leadership, met to discuss Bronder's progress and probation. ROA 146-147. "Leadership "needed to make sure [they] were comfortable with his overall performance and that he was living up to the expectations." Id. The consensus was that Bronder "probably wasn't the best fit for the position at the end of the day." Id. According to Lani, Bronder's meeting to discuss the contract concerns was not a factor and played no role in the decision. Id. According to Lani, the concerns were also not about Bronder's willingness to take on the other manager duties, but rather his management of his team and his overall fit within the dynamic of the Construction office "to be able to keep the program moving in the correct direction. ROA 148.

In the end, Chief Construction Engineer Sharon Foerschler determined that Bronder was not demonstrating the necessary aptitude to meet the requirements of the Construction Manager position, based upon his performance during his time in the Construction Division. ROA 359; ROA 226, 230-235. She determined to release him from probation before he obtained permanent status. ROA 205-206.

Dismissals or demotions may be made at any time during the probationary period in accordance with regulations adopted by the Commission. NRS 284.290. Before Foerschler released Bronder from probation, she called Bronder's former NDOT supervisor to see if that division would accept Bronder back. ROA 201; Il. 8-14; 250. This was a courtesy call; probationary employees have no right to revert to a previous position. See NAC 284.458; cf. NAC 284.462.

Bronder was released from probation on May 5, 2017, prior to the end of his probationary period, and did not become a permanent classified employee for NDOT. NAC 284.458(5). When asked why he did not file an appeal in May, he testified that by the time he thought of it, he was too late. ROA 74. In fact, when asked "how late is too late?" It was two weeks –beyond two weeks." ROA 75, line 1.4 After being released from probation by NDOT, Bronder interviewed for several other state positions, including for his current position with the Division of State Parks in the Nevada Department of Conservation and Natural Resources. ROA 76-77; 371-372.

Two months later, Bronder met with Director Malfabon and Deputy Director Kaiser of NDOT to raise his concerns about contract costs and to express his frustration with being released from probation. ROA 611. Here too, the seasoned employees of NDOT realized that, while Bronder's concerns were rational from a lay person's perspective, the process and costs were in line with state and federal regulations and accounted not only for the salaries of the contracted employees, but for the overhead and profit allowed to the contract employee's regular employer. Thus, neither the Deputy Director nor the Director considered Bronder's report to be a whistleblower report and had no reason to retaliate against him for expressing his concerns. ROA. 95-97.

Bronder secured his current position with the Division of State Parks, Department of Conservation and Natural Resources and commenced work there on October 23, 2017.

(Emphasis added.)

<sup>&</sup>lt;sup>4</sup>Even Bronder believed the appeal limitation period was two weeks (10 workdays), a time-frame consistent with NRS 284.390 and NAC 281.305(1) which states:

<sup>1.</sup> A state officer or employee who claims a reprisal or retaliatory action was taken against him or her for disclosing information concerning improper governmental action may file a written appeal pursuant to NRS 281.641 with a hearing officer of the Personnel Commission. The appeal must be:

<sup>(</sup>a) Filed within 10 workdays after the date the alleged reprisal or retaliatory action took place.

<sup>(</sup>b) Submitted on a form provided by the Division of Human Resource Management of the Department of Administration.

Exh. 4, p. 22. On October 24, 2017, Bronder applied for another engineering position with Id. The position posting was recalled and no interviews were conducted. NDOT. Approximately one month later, the same position was posted, Bronder applied and was listed as eligible to interview. Later, when the interviewing supervisor called Human Resources (HR) for NDOT to confirm Bronder's eligibility, the HR office advised him that Bronder should not be considered eligible pursuant to NRS 284.240 because he had been "terminated." ROA 265-266. This advice was in error, because release from probation is not considered to be termination for misconduct.<sup>5</sup> Id. pp. 265-268. Mr. Lamboley determined that there was no retaliatory intent related to this misconstruction of the 9 disqualification regulation. ROA 13, ll. 9-10. 10

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A hearing on the merits followed after denial of NDOT's motion to dismiss. On March 9, 2019, the hearing officer entered his decision and order finding that, "[t]here was no rational or legitimate basis for rejection of Bronder's probation ... based on the testimony of NDOT witness Sharon Foerschler, the appointing authority for the Construction Division in Carson City." ROA 13, ll. 13-14. He further found that the NDOT's proffered reasons for releasing Bronder from probation were pretext and that his dismissal from probation was in reprisal for his reports of waste. ROA 26, lines 12-15.

In his decisional fact-finding, the hearing officer relied on constitutional protections under the First and Fourteenth Amendments "of public employment speech" to find that Bronder's reports to Lani and then to Director Malfabon and Deputy Director Kaiser were "protected by statute and constitution" and thus NDOT's conduct may be considered as adverse employment action..." ROA 18-19. The hearing officer also specifically found that "Bronder timely appealed NDOT's October 17, 2017 action denying Bronder employment opportunity 'per NAC 284.374'." ROA 19.

The circumstances surrounding the erroneous removal from the interview eligibility list was not discovered until after a motion to dismiss the administrative appeal as untimely had been litigated. The motion relied on stipulated facts, mostly as alleged by Bronder in his appeal, because there had been no opportunity to investigate this HR decision before the motion was filed. Subsequent investigation uncovered the erroneous, but innocent advice. Despite the intended narrow application of the stipulated facts, it appears the hearing officer relied on them to support his decision.

In his legal analysis, the hearing officer went further. He erroneously determined that NRS 281.641(1) provided a 2-year period from the date of the disclosure of improper governmental action within which an appeal may be filed. The NDOT filed a petition for judicial review which was denied by this Court on September 10, 2019.

## III. LEGAL STANDARD

NRS 233B.140 governs the procedure for seeking a stay of a final administrative agency decision in Nevada. It provides as follows:

- 1. A petitioner who applies for a stay of the final decision in a contested case shall file and serve a written motion for the stay on the agency and all parties of record to the proceeding at the time of filing the petition for judicial review.
- 2. In determining whether to grant a stay, the court shall consider the same factors as are considered for a preliminary injunction under Rule 65 of the Nevada Rules of Civil Procedure.
- In making a ruling, the court shall:
  - (a) Give deference to the trier of fact; and
  - (b) Consider the risk to the public, if any, of staying the administrative decision.

Generally, pursuant to NRS 233B.140, "the petitioner must provide security before the court may issue a stay." However, the state or an agency of the state is not required to post security as a condition for filing such a motion. See NRCP 65(2)(c).

The Nevada Supreme Court has adopted specific factors to consider in determining whether a preliminary injunction (or in this case, a stay) should issue:

A party seeking the issuance of a preliminary injunction bears the burden of establishing (1) a likelihood of success on the merits; and (2) a reasonable probability that the non-moving party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is an inadequate remedy.

S.O.C., Inc. v. Mirage Casino-Hotel, 117 Nev. 403, 408, 23 P.2d 243, 246 (2001).

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## IV. LEGAL ARGUMENT

## A. LIKELIHOOD OF SUCCESS ON THE MERITS

B. In order for a stay to issue, NDOT will have to demonstrate a likelihood of success on the merits. NRS 233B.135 provides the grounds for granting a Petition for Judicial Review and states:

The court shall not substitute its judgment for that of the agency as to the weight of evidence on a question of fact. The court may remand or affirm the final decision or set it aside in whole or in part if substantial rights of the petitioner have been prejudiced because the final decision of the agency is:

- (a) In violation of constitutional or statutory provisions;
- (b) In excess of the statutory authority of the agency;
- (c) Made upon unlawful procedure;
- (d) Affected by other error of law;
- (e) Clearly erroneous in view of the reliable, probative and substantial evidence on the whole record; or
- (f) Arbitrary or capricious or characterized by abuse of discretion.

### NRS 233B.135 (3).

The authority granted the Hearing Officer under NRS 281.641(2) is to determine whether the action complained of by a State Officer or Employee was reprisal or retaliatory action taken because of whistleblowing activity by the employee and, if so, to issue an order "directing the proper person to desist and refrain from engaging in such action." *Id.* Under Nevada law governing the disclosure of improper governmental action, reprisal or retaliatory action "includes:"

- (a) The denial of adequate personnel to perform duties;
- (b) Frequent replacement of members of the staff;
- (c) Frequent and undesirable changes in the location of an office;
- (d) The refusal to assign meaningful work;
- (e) The issuance of letters of reprimand or evaluations of poor performance;
  - (f) A demotion;
  - (g) A reduction in pay;
  - (h) The denial of a promotion;

- (i) A suspension;
- (j) A dismissal;
- (k) A transfer;
- (1) Frequent changes in working hours or workdays; or
- (m) If the employee is licensed or certified by an occupational licensing board, the filing with that board, by or on behalf of the employer, of a complaint concerning the employee,
- if such action is taken, in whole or in part, because the state officer or employee or local governmental officer or employee disclosed information concerning improper governmental action.

## NRS 281.611(5).

Finally, improper governmental action is defined as:

[A]ny action taken by a state officer or employee or local governmental officer or employee in the performance of the officer's or employee's official duties, whether or not the action is within the scope of employment of the officer or employee, which is:

- (a) In violation of any state law or regulation;
- (b) If the officer or employee is a local governmental officer or employee, in violation of an ordinance of the local government;
  - (c) An abuse of authority;
- (d) Of substantial and specific danger to the public health or safety; or
  - (e) A gross waste of public money.

### NRS 281.611(1).

Bronder alleged that he disclosed to his NDOT superiors that NDOT engages in contract agreements for construction project management services which allow payments to those contractors which far exceed the rate of pay that a State employee in a similar capacity would receive for the same work. He alleged that this amounts to a gross waste of public money. ROA 609. He further alleged that because he made this report he was released from probation before he could obtain permanent employee status and, then eight months later he was improperly removed from an interview eligibility list. Bronder seeks reinstatement of his pay grade and employment start date as well as a return of any lost sick leave he had accrued prior to his release from probation. ROA 605

In order to appeal an alleged act of reprisal in State employment, NRS 281.641 provides that a hearing on the appeal must proceed in accordance with the procedures set out in NRS 284.390-284.405. NRS 284.390 specifically provides that in order to obtain a

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hearing on an appeal for a disciplinary action, the appeal must be filed with the Personnel Commission within 10 working days of the date of the alleged improper action. The reference to an appeal "for a disciplinary action" should be disregarded in this matter, as the whistleblower statute invokes this statute for its procedural requirements.

To be in compliance with NRS 281.641, and obtain a hearing, a whistleblower appeal must be filed within that same 10 working day period identified in NRS 284.350 and in the regulations adopted in conformance with NRS 281.641, which were formulated by the Personnel Commission and found at NAC 281.305-315.

NDOT submits that the Court's determination to uphold Hearing Officer's Decision regarding the timeliness of the appeal substantially violated NDOT's rights because: (1) the decision to allow the untimely appeal of the release from probation to proceed on the merits violates of NRS 281.641; (2) the decision is affected by other errors of law, including the hearing officer's determination that general statutory or constitutional protections apply to Bronder's appeal when more specific statutory and regulatory provisions are in place and applicable to this specific situation; and (3) because the decision is clearly erroneous in view of the reliable, probative and substantial evidence of the entire record. NDOT further submits that is likely to succeed on the merits of its appeal and that it will suffer irreparable harm if the stay is not granted, thereby justifying the grant of a stay of the hearing officer's decision pending the outcome of the appeal.

#### The Hearing Officer's Decision to Deny NDOT's Motion to Dismiss Was in 1. Violation of Laws Governing Whistleblower Appeals.

This matter improperly proceeded to a hearing on the merits of Bronder's whistleblower appeal because the hearing officer misinterpreted and misapplied the statutes authorizing such appeals and the applicable statute of limitations in this matter. In both his decision on the NDOT's motion to dismiss and on the merits, Hearing Officer Lamboley misinterpreted the provisions of NRS 281.641. He did so in order to give Bronder a two-year period to appeal an allegedly retaliatory employment action by his State employer, when in fact, the period to file this type of appeal is set forth in

NRS 284.390. The 10 workday period to file an appeal under NAC 281.305 conforms to procedures set out in statute NRS 284.390(1).

According to his decision on the motion to dismiss, the hearing officer found a conflict between the statute and regulation, stating,

the timeliness issue requires reconciling [the] statutory time limit in NRS 281.641(1) that allows an appeal if any reprisal or retaliatory action based on a disclosure is taken with[in] a 2-year period from the date of the disclosure and the regulatory time limit in NAC 281.305 that an appeal be filed within 10 days of the alleged reprisal or retaliatory action.

Exh. 3, p. 20. However, this is a misinterpretation of the law because it is NRS 284.350 (specifically cited in NRS 281.641) that imposes the 10 workday period.

- 2. Rules of Statutory Interpretation Do Not Support Hearing Officer's Decisions, Rendering the Decisions in Excess of the Statutory Authority of the Agency and Allowing the Matter to Go Forward Upon Unlawful Procedure.
  - a. Plain Text of Statute Applies.

The Court and hearing officer improperly interpreted the statute granting state employees an administrative appeal right to include a 2-year statute of limitations. Rather than read the plain text of NRS 281.641, in its entirety, to find harmony between the statutes and the regulations, the hearing officer misinterpreted NRS 281.641 to create a conflict with NRS 284.390.

A proper reading of the plain text of the statute shows that it actually provides a 2-year window of protection against retaliatory actions, but imposes procedural requirements, "in accordance with the procedures set forth in NRS 284.390-284.490, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4." In fact, there is no conflict between the statutes and regulations as both NRS 281.641, by its reference to NRS 284.350, and NAC 281.305 impose a 10 work-day period to submit the appeal. NRS 281.641 directly and explicitly refers to NRS 284.390, which sets out the 10 workday filing period for disciplinary appeals for state employees, as the procedural basis for state employee whistleblower appeals.

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"Statutory interpretation is a question of law subject to de novo review." State v. Catanio, 120 Nev. 1030, 1033, 102 P.3d 588, 590 (2004). The goal of statutory interpretation "is to give effect to the Legislature's intent." Hobbs v. State, 127 Nev. 234, 237, 251 P.3d 177, 179 (2011). To ascertain the Legislature's intent, we look to the statute's plain language. Id. "[W]hen a statute's language is clear and unambiguous, the apparent intent must be given effect, as there is no room for construction." Edgington v. Edgington, 119 Nev. 577, 582–83, 80 P.3d 1282, 1286 (2003).

NDOT contends that the statutory language set out in NRS 281.641 is unambiguous and clearly directs that "the hearing must be conducted in accordance with the procedures set out in NRS 284.350 to 284.405, inclusive, ...." These are statutory rules and they do not conflict with the 2-year window of protection also provided in NRS 281.641. Those disciplinary appeal provisions, referenced in NRS 284.641 as setting out the required procedures for a whistleblower appeal, clearly and unambiguously set out the 10 work-day appeal period. NRS 284.390(1). NRS 281.641 requires the imposition of the same procedures for conducting the administrative hearing of a whistleblower appeal.

Having done as the Legislature directed, and having had those procedural rules reviewed and approved by the Legislature, the rules of procedure adopted by the Personnel Commission have the same force and effect as other statutory provisions imposing statutes of limitation on causes of action. NRS 233B.040(1); Turk v. Nevada State Prison, 94 Nev. 101, 575 P.2d 599 (1978) (holding that the regulations prescribed by the Department of Personnel have the "force and effect of law"). Thus, these statutory procedures should carry greater weight in the hearing officer's review, because they are specific to the administrative appeal authorized by the statute.

### b. Do not render words meaningless

Another cannon of statutory interpretation also supports NDOT's position. The court "avoid[s] statutory interpretation that renders language meaningless or superfluous," *Hobbs*, 127 Nev. at 237, 251 P.3d at 179, and "whenever possible ... will

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interpret a rule or statute in harmony with other rules or statutes," Watson Rounds v. Eighth Judicial Dist. Court, 131 Nev. ——, 358 P.3d 228, 232 (2015) (quotation marks omitted). In this instance, the hearing officer's interpretation of NRS 281.641 rendered language within that provision meaningless. The hearing officer completely ignores legislature's mandate to conduct the hearing in "accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive," as well as "the procedures adopted by the Personnel Commission pursuant to subsection 4." NRS 281.641(1). NRS 284.390 specifically identify the 10 workday appeal period. The procedures adopted by the Personnel Commission pursuant to NRS 281.641(14) also specifically identify the 10 workday appeal period. Thus, the hearing officer improperly ignored the language in the statute directing such procedural requirements, rendering those words meaningless. Doing so allowed him to apply a longer appeal period under generalized statutes of limitations for actions under Title VII or the Civil Rights Act or under Chapter 11 of Nevada's Revised Statutes, which sets out the statutes of limitations for civil actions in this state.

c. The Court Erred in Affirming Hearing Officer's Decision on the Motion to Dismiss Which Relied on General Constitutional Provisions in Disregard of More Specific Provisions of Law Applicable to Administrative Hearings.

This Court as well as the hearing officer ignored specific applicable statutory and regulatory provisions in denying NDOT's motion to dismiss in order to allow Bronder's appeal to proceed despite its untimely filing. NRS 281.641 and NAC 281.305, passed and approved by the State Legislature branch, apply specifically to State officer and employee's claims of reprisal in whistle blowing situations. NRS 281.641 addresses reprisal against state officers or employees and provides in pertinent part:

NRS 281.641 Reprisal or retaliatory action against state officer or employee who discloses improper governmental action: Written appeal; hearing; order; negative ruling may not be based on identity of persons to whom disclosure was made; rules of procedure.

1. If any reprisal or retaliatory action is taken against a state officer or employee who discloses information concerning improper governmental action within 2 years after the

information is disclosed, the state officer or employee may file a written appeal with a hearing officer of the Personnel Commission for a determination of whether the action taken was a reprisal or retaliatory action. The written appeal must be accompanied by a statement that sets forth with particularity:

(a) The facts and circumstances under which the disclosure of improper governmental action was made; and

(b) The reprisal or retaliatory action that is alleged to have been taken against the state officer or employee.

The hearing must be conducted in accordance with the procedures set forth in NRS 284.390 to 284.405, inclusive, and the procedures adopted by the Personnel Commission pursuant to subsection 4.

4. The Personnel Commission may adopt rules of procedure for conducting a hearing pursuant to this section that are not inconsistent with the procedures set forth in NRS 284.390 to 284.405, inclusive.

5. As used in this section, "Personnel Commission" means the Personnel Commission created by NRS 284.030.

Chapter 284 of the Nevada Revised Statutes specifically governs the state personnel system. NRS 284.390 to 284.405 govern hearing procedures in State employee disciplinary challenges and provide for an appeal filing deadline, the format and form of the appeal, as well as other related procedural concerns for conducting an appeal.<sup>6</sup> The plain language in NRS 281.641 referencing personnel system disciplinary appeal procedures and NRS 284.390 specifically identified the guiding principles to be used in drafting and adopting procedures for the whistleblower protection of State employees, including the 10 work-day appeal period set out in NRS 284.390.

Relatedly, NAC 281.305, one of the regulations adopted by the Personnel Commission in response to the passage of NRS 281.641 states:

NAC 281.305 Written appeal by officer or employee who claims retaliatory action was taken against him or her. (NRS 281.641)

<sup>6</sup> In fact, the form for a whistleblower appeal also contains the language of NAC 281.305, as well as instructions noting that the appeal must be filed within 10 workdays of the occurrence, providing the employee clear notice of the 10 working-day filing limitation. Exh.1, pp. ER 002-003.

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1. A state officer or employee who claims a reprisal or retaliatory action was taken against him or her for disclosing information concerning improper governmental action may file a written appeal pursuant to NRS 281.641 with a hearing officer of the Personnel Commission. The appeal must be:

(a) Filed within 10 workdays after the date the alleged

reprisal or retaliatory action took place.

(b) Submitted on a form provided by the Division of Human Resource Management of the Department of Administration.

2. The hearing officer may reject a form that is incomplete or otherwise deficient as insufficient to commence the appeal.

Regulations reviewed and approved by the Legislature have the force and effect of law.

NRS 233B.040; 7

Under the general versus specific canon of statutory interpretation, the more specific statute will take precedence, Lader v. Warden, 121 Nev. 682, 687, 120 P.3d 1164, 1167 (2005), and will be construed as an exception to the more general statute, see Antonin Scalia & Bryan A. Garner, Reading Law: The Interpretation of Legal Texts 183 (2012). This allows the two statutes to be read together without conflict. Id. at 185. See also Piroozi v. Eighth Judicial Dist. Court, 131 Nev. ——, 363 P.3d 1168, 1172 (2015) ("Where a general and a special statute, each relating to the same subject, are in conflict and they cannot be read together, the special statute controls." (internal quotation marks omitted)). Williams v. State Dep't of Corr., 402 P.3d 1260, 1265 (Nev. 2017)

In reviewing the NDOT's motion to dismiss the appeal, the hearing officer and this Court improperly included protections afforded to non-state employee citizens through a court action, by relying on statutory limitations applicable to a civil action in a court of law, but not applicable to this specific administrative process. Exh. 3, pp. 12-15. Williams, 402 P. 3d 1265. The purpose of the administrative appeal in the state classified personnel system is to provide a speedy resolution to contested employment actions while ensuring that the employee receives due process.

<sup>&</sup>lt;sup>7</sup> These Regulations were confirmed by Legislation Committee and filed with Secretary of State on March 1, 1996.

The Court improperly adopted the hearing officer's reliance on the general limitations and procedural requirements applicable to civil court cases, rather than the specific statutes applicable to State employees or officers in an administrative proceeding. As a result, the decision on this Petition for Judicial Review, particularly as to the timeliness of Bronder's appeal, violates state laws and regulation governing the appeal. Failing to timely file an appeal fails to vest jurisdiction in the reviewing court tribunal. Fitzpatrick v. State, Dep't of Commerce, Ins. Div., 107 Nev. 486, 488, 813 P.2d 1004, 1005 (1991) (providing that the time allotted by statute for taking an administrative appeal is jurisdictional.) Additionally, because the hearing officer found that the removal from an interview eligibility list was a clerical error not an act of reprisal (ROA 13), there was no continuing violation or justification that might warrant a review of the untimely-appealed probationary release which occurred six months previous. Thus, the hearing officer acted without jurisdiction in allowing the appeal to proceed and in reviewing and deciding the merits of the appeal. 8 This Court's affirmance of that decision was in error.

- 2. The Hearing Officer's Finding of Pretext is Clearly Erroneous In View of the Reliable, Probative, and Substantial Evidence in the Record.
  - i. A Lawful Release From Probation With or Without Stated Cause Is Not Evidence of Pretext.

In finding that NDOT's proffered reasons for releasing Bronder from probation were pretext, the hearing officer and this Court ignored the sworn and uncontroverted testimony of NDOT witnesses and relied almost exclusively on his unfounded belief that the unexplained release from probation when a month of probationary time remained was an act of reprisal, despite clear statutory authority that probationary employees can be dismissed at any time during the probationary period, so long as it is done in compliance with regulations. NRS 284.290. There is no requirement in the regulations that the employee be given a reason for his or her release, nor is there any requirement that the full period of probation be expended. See generally NAC 284.442-284.458.

<sup>&</sup>lt;sup>8</sup> Even the employee admitted at the hearing that he knew it was too late when he initially considered filing an appeal of his probationary release. ROA 74, ll. 16-24.

Moreover, a thorough review of Sharon Foerschler's testimony rebuts the hearing officer's finding that it was contradictory and inconsistent. While the hearing officer found that "there was no substantive discussion with Bronder of reasons for actions taken by Ms. Foerschler," (ROA 15), Foerschler consistently testified that she outlined her reasons for letting Bronder go before she met with him and that she discussed those reasons with him during the meeting on May 5, 2017. Stephan Lani, who sat in on the meeting also testified that Bronder was offered various reasons for his release, consistent with Foerschler's list. ROA 148-150. Even Bronder admitted that he could be released from probation if he was unable to show he could do the job. ROA. 65-66. As testified by Lani and the HR employee, it is usually advised that appointing authorities releasing employees from probation should not give them a reason for the dismissal. ROA. 191, 270-271.

## ii. Where There Is No Motive to Retaliate, Proper Employment Decision Are Not Pretext for Retaliation.

The hearing officer's determination that Broder's report of the high costs of contract employees was whistleblower activity was incorrect and was error. The concerns raised by Bronder of alleged gross waste of public funds was not information that was new or accurate or secret, either at NDOT or within State government generally. The contract rates, while appearing to be high in a snapshot view, are controlled by federal regulations (ROA 125, 127, 130-132; see ROA 329-428); include the generally higher prevailing wages within the region of construction required by the Davis-Bacon Act of 1931 (Pub. L. 71-798) and are monitored and negotiated prior to award of the contract. Moreover, Bronder testified that he was paid significantly more as a private engineer than the state wages in effect, estimating he earned about \$60,000 more annually. ROA 72. Importantly, as Lani testified, the contractors are chosen based on their qualifications to meet the needs of the contract before the costs are considered. ROA 130-132. And, if the chosen contractor is unable to bring the contract costs to within the budgeted amounts, negotiations are closed and another contractor is considered. ROA 189.

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Bronder's reports to Stephan Lani and to Director Malfabon did not reveal anything untoward or nefarious and raised no internal concerns for the department. Thus, NDOT had no motive to retaliate against Bronder at the time of his release from probation. As Lani testified, he considered Bronder's report of concerns to be the result of a lack of his understanding the process and its parameters. ROA. 128,179-181. Lani considered and treated the conversation as a learning opportunity for Bronder and nothing more.

Where there is no motive for reprisal and no concern for public disclosure of the information presented in a purported whistleblower report, the characterizing normal business decisions as reprisal is improper and unsupportable. Moreover, expenditure of public money through an open and public process does not qualify as "improper government action." As the testimony unequivocally shows, none of the individuals who was aware of Bronder's report considered it to be any type of threat to their positions or their processes. They simply had no reason and no motive to retaliate for Bronder's lack The Court's affirmance of the hearing officer's of knowledge or understanding. determination to the contrary is without support in the evidence and plainly wrong.

#### C. Irreparable Harm

In addition to showing a likelihood of success on the merits of its appeal, to obtain a stay of the hearing officer's order to reinstate Bronder, NDOT must demonstrate irreparable harm will flow to the agency for which compensatory damages in inadequate. S.O.C., Inc. v. Mirage Casino-Hotel, 117 Nev. 403, 408, 23 P.2d 243, 246 (2001). The hearing officer ordered that Bronder be "reinstated by NDOT to his former probationary status and employment with NDOT as Manager I, Grade 43, Step 8, with restoration of accrued benefits previously earned." ROA 28. Bronder is currently employed with the Division of State Parks (Parks) as a professional engineer in a Grade 40 position. ROA 53. To reinstate him to his probationary status and employment with NDOT, Bronder will have to leave his current position with Parks and that agency would be entitled to refill his position. This will cost time and energy to Parks and the State and will leave any projects Bronder is involved in in that position pending and incomplete. In addition, if the appeal outcome is favorable to

NDOT, but Bronder has already been reassigned to an NDOT position, he will have lost his Parks position and be without employment.

In the case of State of Nevada Office of the Military v. William Simpson, 18-908153, dated December 11, 2018, the Nevada Supreme Court determined that because there is no provision in Nevada law that would allow an employer to recoup "unwarranted back pay," a state agency is not entitled seek restitution of paid out back pay even if the court concludes the dismissal was proper. Simpson, at 5, citing Ransier v. State Indus. Ins. Sys., 104 Nev. 742, 746-47, 766 P.2d 274, 276-77 (1988). Thus, if the court denies the motion for stay pending this appeal and Bronder is immediately reinstated to employment with NDOT and paid his accrued benefits, should the appeal be decided in favor of NDOT, the State will be unable to recoup those back pay dollars and will suffer irreparable harms as a result.

As noted above, it is not only NDOT that risks irreparable harm. The employee will also be at risk of losing his current employment in pursuit of a wrongfully restored probationary position with NDOT.

#### V. CONCLUSION

The decisions made during the course of this State employee whistleblower appeal and the judicial review of same were erroneous and in violation of statutory provisions specifically applicable to these administrative proceedings. In allowing the appeal to go forward despite its untimely filing, the hearing officer acted without jurisdiction and in excess of his statutory authority. Additionally, the hearing officer disregarded the reliable, probative and substantial evidence in the record showing that Bronder's report gave his employers no motive to retaliation because it was not considered to be a whistleblower report and never caused his employer concerns about public awareness of the costs of outside contracting or the legality of the process employed in negotiating those contracts. In disregarding the credible and consistent evidence provided by NDOT witnesses, the hearing officer acted in a capricious and arbitrary manner.

NDOT requests that this Court issue a stay of the Court's decision pending appeal to the Nevada Supreme Court so as to allow a full and fair review of the record and to prevent the parties from suffering irreparable harm in carrying out an unlawful or incorrect decision.

DATED this 20<sup>th</sup> day of September, 2019.

AARON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835 Attorneys for Petitioner

#### **AFFIRMATION**

#### Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person pursuant to NRS 239B.030.

DATED: September 20, 2019.

AARON D. FORD Attorney General

LORI M. STORY

Senior Deputy Attorney General

State Bar No. 6835

#### CERTIFICATE OF SERICE 1 Pursuant to Nevada Rules of Civil Procedure 5(b), I hereby certify that, on the 2 of day of September, 2019, service of the NEVADA DEPARTMENT OF 3 TRANSPORTATION'S MOTION TO STAY PENDING APPEAL was made this date 4 by depositing a true copy of the same for mailing, first class mail, at Carson City, Nevada, 5 6 and or via e-mail, addressed as follows: (Via U.S. mail and E-mail): phlamboley@aol.com Paul H. Lamboley, Esq. Bank of America Plaza 8 50 W. Liberty Street, Ste. 645 Reno, NV 89501 9 (Via U.S. Mail and E-mail): tdonaldson@dverlawrence.com 10 Thomas J. Donaldson Dyer Lawrence, LLP 11 2805 Mountain Street Carson City, NV 89703 12 (775) 885-1896 office 13 (775) 885-8728 facsimile 14 (Via U.S. Mail and E-mail): teaton@admin.nv.gov Tasha Eaton, Judicial Assistant For Paul Lamboley, Esq. 15 Appeals Officer State of Nevada, Dept. of Administration / Hearings Division 16 1050 E. Williams Street, Ste. 450 17 Carson City, Nevada 89701 18 19 20 An employee of the Office of Attorney General 21 22 23 24 25 26 27 28

## EXHIBIT H

# **EXHIBIT H**

Case No.: 19 OC 00066 1B

TRANSPORTATION,

VS.

BRONDER,

STATE OF NEVADA DEPARTMENT OF

STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, HEARINGS DIVISION,

an agency of the State of Nevada, and JOHN

Respondents.

Petitioner,

Dept. No.: 1

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#### ORDER DENYING MOTION FOR STAY PENDING APPEAL

PETITIONER STATE OF NEVADA DEPARTMENT OF TRANSPORTATION ("NDOT") having filed herein a Motion for Stay Pending Appeal ("Motion") of this Court's Findings of Fact, Conclusions of Law and Decision Denying Petition for Judicial Review ("District Court Decision") dated September 10, 2019, and the Court having considered the Motion and all responsive pleadings thereto hereby concludes that NDOT has no likelihood of success on the merits of its appeal of the District Court Decision and that complying with said Decision will not cause any irreparable harm to NDOT. Therefore,

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR CARSON CITY

IT IS HEREBY ORDERED that NDOT's Motion for Stay Pending Appeal is DENIED.; IT IS FURTHER ORDERED that NDOT shall comply with this Court's Decision dated September 10, 2019, in this matter within ten (10) days of the date of this Order.

DATED this \_\_\_/44c day of October, 2019.

JAMES T. RUSSELL District Judge

#### **CERTIFICATE OF MAILING**

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and that on this day of October, 2019, I deposited for mailing, postage paid, at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

Lori M. Story Senior Deputy Attorney General 1263 S. Stewart Street Carson City, NV 89712

Thomas J. Donaldson, Esq. 2805 Mountain Street Carson City, NV 89703

Angela Jeffries

Judicial Assistant, Dept. 1