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Case No. 2023-CV-00162

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BY:....

IN THE NINTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF DOUGLAS

RICKY DEAN MILLER, an individual, MARTIN SWISHER, JR., an individual, JOSEPH GIRDNER, an individual, and ROBBE LEHMANN, an individual,

Petitioners,

vs.

ORDER REGARDING INDEMNIFICATION (NRS 41.0349(2))

DOUGLAS COUNTY SCHOOL DISTRICT, SUSAN JANSEN, Trustee, Douglas County School District, TRUSTEE DAVID BURNS, Trustee, Douglas County School District, TRUSTEE KATHERINE DICKERSON, Trustee, Douglas County School District, and TRUSTEE DOUG ENGLEKIRK, Trustee, Douglas County School District,

Respondents.

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THIS MATTER comes before the Court on Respondents' Joint Request for Entry of Ruling Pursuant to NRS 41.0349(2) Without Further Briefing. Good cause appearing, the Court finds and orders as follows:

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PROCEDURAL BACKGROUND

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The Court entered its Second Order Regarding Petitioners'
Attorney's Fees and Costs on February 21, 2025, holding Douglas

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County School District ("DCSD") and Susan Jansen, David Burns,

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

Katherine Dickerson and Doug Englekirk ("Trustees") jointly and 2 3 4 5 6 7 8 9 10 11 12 13 14

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severally liable for a portion of Petitioners' attorney's fees and costs pursuant to NRS 239.011(2). Judgment entered on March 21, 2025. The Court offered to rule on DCSD's obligation to indemnify Trustees, with or without further briefing, if requested by DCSD and Trustees. Order Regarding Petitioners' Attorney's Fees and Costs; Civil Penalties, p. 39. On April 22, 2025, DCSD and Trustees filed a stipulation requesting, "[T]he Court enter its ruling on the question of [whether] the Trustees failed to cooperate in good faith in the defense of the action pursuant to NRS 41.0349(2), based on the evidence already presented to the Court during the evidentiary phase of the Writ proceedings. Respondents jointly request the Court enter those evidentiary findings without further briefing." Respondents' Joint Request for Entry of Ruling Pursuant to NRS 41.0349(2) Without Further Briefing, p. 2.

FINDINGS OF FACT AND CONCLUSIONS OF LAW Question Presented: Did Trustees fail "to cooperate in good faith in the defense of the action" as per NRS 41.0349(2)?

The Court's analysis of the question is constrained and limited by the context in which the question is posed. drives whether Trustees are entitled to indemnification from DCSD relative to the Judgment. Critically, at no time during the litigation, including the present, has DCSD taken a position contrary to Trustees; argued that DCSD does not have to indemnify Trustees; or that Trustees failed to cooperate in good faith in defense of the action. Pre-evidentiary hearing, the parties requested and were extended an opportunity to brief whether

 elected trustees can be held liable for attorney's fees and costs pursuant to NRS 239.011(2). Trustees filed two briefs touching upon the issue of indemnification. See, Trustees' Pre-Hearing Brief RE: Individual Liability, August 8, 2024; Trustees' Response to Petitioners' Brief in Support of Individual Trustee Liability in Accordance with NRS 239, August 15, 2024. DCSD did not file a single brief addressing the issue. At the conclusion of the September 17, 2024 evidentiary hearing, DCSD took no position regarding Trustees' good faith/bad faith, stating the issue was for the Court to decide. The same goes for the pending Joint Request for Entry of Ruling Pursuant to NRS 41.0349(2) Without Further Briefing, p. 2.

DCSD, as the only party with standing to contest Trustees' request for indemnification, has never promulgated an argument or presented evidence that Trustees, or any one of them, failed to cooperate in good faith in defense of the action and/or that DCSD is not obligated to indemnify Trustees. Additionally, in framing the question presented, DCSD presupposes NRS 41.0349 applies to attorney fees awarded pursuant to NRS 239.011; Trustees acted within the scope of their public duty; and Trustees' acts or omissions were not wanton or malicious. NRS 41.03475; 41.0348. The Court finds that DCSD waived any claim that Trustees failed to cooperate in good faith and/or are not entitled to indemnification.

Alternatively, the Court analyzes and answers the question presented. The Court makes assumptions due to DCSD's failure to take a position or otherwise raise issues for court determination. The Court assumes, without deciding, that Trustees acted within

the scope of their public duty, were not wanton or malicious and that NRS 41.0349 applies to the attorney fees awards pursuant to NRS 239.011.

NRS 41.0349 interposes a general rule requiring indemnification in the absence of an enumerated exception. DCSD and Trustees concede applicability of the general rule and point to a single enumerated exception, i.e., whether Trustees "failed to cooperate in good faith in the defense of the action." NRS 41.0349(2). The exception draws focus on Trustees' post-case inception conduct and whether Trustees cooperated in good faith with the defense. The exception tests the relationship between Trustees and DCSD related to defense of the action, as opposed to the relationship between Trustees and Petitioners related to Trustees' response to Petitioner's public records requests.

At case inception, Joey Gilbert Law represented DCSD. DCSD and Joey Gilbert Law took on the defense of Trustees, filing a joint Answer. DCSD and Trustees presented a unified front until DCSD's rejection of the proposed settlement. DCSD did not present a stich of evidence indicating that Trustees, or any one of them, did not cooperate in good faith with the defense. To the contrary, Trustees each testified to having followed and relied upon Joey Gilbert Law's advice and guidance. This evidence was not controverted. DCSD never, including now, claimed that Trustees did not cooperate in good faith with the defense. DCSD did not reach its burden of proving applicability of the NRS 41.0349(2) exception to indemnification.

¹ Trustees' conduct after the attempted settlement is irrelevant since the Court did not order Trustees to pay attorney fees accrued after the failed settlement. See, Second Order Regarding Petitioners' Attorney's Fees and Costs, February 21, 2025.

Whether by waiver or failed proof, the answer to the question of whether Trustees failed "to cooperate in good faith in the 2 defense of the action" as per NRS 41.0349(2), is no. DCSD must 3 indemnify Trustees. IT IS SO ORDERED. 5 DATED this $\sqrt{7^{4/3}}$ day of May, 2025. 6 7 8 DISTRICT JUDGE 9 Copies served by mail on May 272 2025, addressed to: 10 11 Richard J. McGuffin, Esq. P.O. Box 3390 12 Stateline, Nevada 89449 13 Frank C. Gilmore, Esq. 14 1495 Ridgeview Drive, Ste 90 15 Reno, Nevada 89519 16 J. Robert Smith, Esq. 61 Continental Drive 17 Reno, Nevada 89509 18 Eun C. Plante 19 20 21 22 23 24 25 26

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