EXHIBIT 3

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

TAHOE WESTERN ASPHALT, LLC,

Case No.: 20 OC 00004 1B

Dept. No.: I

Petitioner,

VS.

NEVADA STATE ENVIRONMENTAL COMMISSION, an administrative agency/department/division of the State of Nevada; STATE OF NEVADA DEPARTMENT OF CONSERVATION & NATURAL RESOURCES, an administrative department of the State of Nevada; STATE OF NEVADA DIVISION OF ENVIRONMENTAL PROTECTION, an administrative division of the State of Nevada Department of Conservation & Natural Resources,

Respondents.

ORDER REMANDING FINAL ADMINISTRATIVE DECISION

This matter stems from the Parties' dispute involving three Notice of Alleged Violation ("NOAV") orders, which were issued by the Nevada State Environmental Commission ("NSEC"). Following a series of meetings and discussions, the Parties met on December 09, 2020 to further discuss the NOAVs. On that same day, the NSEC issued a Final Decision, which upheld the penalties for two of three NOAVs issued against Petitioner and substantially reduced the penalty for the third NOAV. Following the NSEC's final decision, Petitioner timely filed a Petition for Judicial Review on January 11, 2021.

This Court reviews administrative decisions for clear error or an arbitrary abuse of discretion, while giving deference to the agency's findings. *Valenti v. State DMV*, 131 Nev. 875, 362 P.3d 83, 85 (2015); *Elizondo v. Hood Mach., Inc.*, 129 Nev. 780, 784, 312 P.3d 479, 482 (2013). This Court will only overturn those findings that are not supported by "substantial evidence;" which is evidence that a reasonable person would find sufficient to support the agency's conclusion. *Elizondo*, 129 Nev. at 784, 312 P.3d at 482. Judicial review of an agency's final decision is "confined to the record," and 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.

As an initial matter, this Court does not address the validity of the penalties and imposed and makes no findings on the merits of this dispute. Pursuant to NRS 233B.125, a final administrative decision must be supported by findings of fact and conclusions of law, which are to be separately stated. NRS 233B.125. Absent detailed findings of fact or conclusions of law, the Court cannot appropriately review the merits of an administrative agency's decision. See Poremba v. S. Nev. Paving, 133 Nev. 12, 19-20, 388 P.3d 232, 238 (2017) (finding that the matter should be remanded to the agency for a new hearing and determination); see Nev. State Bd. Of Architecture v. Eighth Judicial Dist. Ct., 449 P.3d 1262, 1265 (2019) (finding that "the record lacked the requisite findings of fact and conclusions of law to constitute a final decision pursuant to NRS 233B.125"); see also Dickinson v. Am. Med. Response, 124 Nev. 460, 469, 186 P.3d 878, 884 (2008) (finding that the appeals officer failed to provide a sufficient legal and factual explanation for her decision, frustrating judicial review).

Here, under Nevada's vast precedent underlying chapter 233B, an administrative body commits clear error when findings of fact and conclusions of law are not provided concurrent with its final decision. The NSEC's Final Decision imposing more than Fifty Thousand Dollars (\$50,000) in total fines does not provide any findings of fact or conclusions of law and fails to conform to the requirements of NRS 233B.125. Although discussion between the Parties undoubtedly occurred on December 09, 2020, the Court will not speculate as to the substance of such discussions, nor will it attempt to infer the basis of the NSEC's determination.

NOW, THEREFORE, IT IS HEREBY ORDERED that the matter is REMANDED for further review, and for a final decision to be made setting forth findings of facts and conclusions of law pursuant to NRS 233B.125.

DATED this <u>19</u> day of August, 2021.

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 19 day of August, 2021, I deposited for mailing at Carson City, Nevada, a true and correct copy of the foregoing Order addressed as follows:

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