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13 **SECOND JUDICIAL DISTRICT COURT**

14 **WASHOE COUNTY, NEVADA**

15 LAWRENCE GARVEY, an individual; and
16 ROBERT PAYTON, an individual;

17 Plaintiffs,

18 v.

19 CLUB TAHOE RESORT OWNERS
20 ASSOCIATION, INC., a Nevada nonprofit
21 corporation; KEITH WILSON, an individual;
22 GLORIA DEALBA, an individual; DONALD
23 WALL, an individual; ROBERT
24 VERMELTOORT, an individual; CHRISTINA
25 BECKER, an individual; KEITH OGDEN, an
26 individual; MARC PEARL, an individual; DOES 1
27 through 10 inclusive; and ROE CORPORATIONS
28 I through X inclusive,

Defendants.

Case No.: CV25-02319
Dept.: 9

**PLAINTIFFS' OPPOSITION TO
DEFENDANTS' MOTION FOR ORDER
TO SHOW CAUSE WHY PLAINTIFFS
WILL NOT SCHEDULE EARLY CASE
CONFERENCE AND FOR SANCTIONS**

COMES NOW Plaintiffs, LAWRENCE GARVEY and ROBERT PAYTON (hereinafter
"Plaintiffs"), by and through their counsel, the law office of Gibbs Giden Locher Turner Senet &
Wittbrodt LLP, and hereby files their Opposition to Defendants' Motion for Order to Show Cause
Why Plaintiffs will not Schedule Early Case Conference and for Sanctions (the "Opposition") filed by
Defendants CLUB TAHOE RESORT OWNERS ASSOCIATION (the "Association"), KEITH
WILSON (Mr. Wilson"), GLORIA DEALBA ("Ms. DeAlba"), DONALD WALL ("Mr. Wall"), and
MARC PEARL ("Mr. Pearl") (collectively, "Defendants").

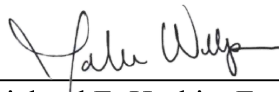
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This Opposition is made and based upon the pleadings and papers on file in this matter, the following Memorandum of Points and Authorities, the entire records in this case, any attached exhibits, and upon such argument as the Court may entertain at the hearing on the underlying Motion for Order to Show Cause Why Plaintiffs will not Schedule Early Case Conference and for Sanctions (the “Motion for OSC”).

DATED: May 26, 2026

GIBBS GIDEN LOCHER TURNER
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MEMORANDUM OF POINTS AND AUTHORITIES**I. INTRODUCTION**

At the April 1, 2026 hearing, both Parties agreed to the appointment of a Special Master to oversee a rule-compliant election and to manage the Association until a new Board was elected. *See* Order Appointing Special Master at 3:28-4:6. The Court granted this consensual request and appointed E. Alan Tiras, Esq. as Special Master to perform core Association functions, namely, conduct a compliant board election and supervise and manage Association operations until that new board is elected. *See generally* Order Appointing Special Master. The Parties jointly agreed that the immediate priority should be restoring neutral governance oversight and conducting a rule-compliant election under the supervision of the Special Master. Defendants' present effort to force the Parties into ordinary litigation discovery while the Special Master process is actively underway is inconsistent with both the purpose and practical effect of the consensual Special Master framework approved by the Court on April 1, 2026. This Court-appointed Special Master election process will resolve the core governance dispute in this matter, making an early case conference premature and unnecessary. The Court's April 3, 2026 Order appointing the Special Master reflects a deliberate judicial determination that this specialized process, rather than traditional litigation procedures, is the appropriate mechanism for resolving the Parties' dispute. Defendants' Motion asks the Court to move in the opposite direction by forcing the parties into discovery while the Court-supervised election process is already underway. That request is inconsistent with the practical remedy the Court selected on April 1, 2026: neutral Association oversight, preservation of operations, and a rule-compliant election to restore member-elected governance.

Defendants cannot credibly claim prejudice from allowing the Special Master process to proceed first. At the April 1 hearing, Defendants agreed that a new, rule-compliant election under neutral oversight was appropriate. The present Motion therefore attempts to impose litigation procedures that are unnecessary to accomplish the very remedy Defendants agreed should occur. It would be patently unreasonable to require the Parties to participate in lengthy, expensive, and inefficient discovery while the Special Master process has essentially provided the avenue for dispute resolution with the upcoming election in October 2026. Plaintiffs intend to dismiss this case

once the Special Master's election is completed, a final report and recommendations is filed and which the Court adopts, and a new Board of Directors is duly elected and seated pursuant to the Governing Documents of the Association. Under these circumstances, requiring an early case conference would impose unnecessary litigation costs and risk disrupting the Special Master's election process. As such, Defendants' Motion for OSC should be denied in its entirety, including the request for sanctions under NRCP 16.1.

II. STATEMENT OF FACTS

Plaintiffs refer the Court to Plaintiffs' Amended Complaint, Plaintiffs' Opposition to Defendants' Preliminary Injunction, and Plaintiffs' Preliminary Injunction and Reply in Support for an extensive rebuttal to the allegations made regarding Plaintiffs' conduct and 2025 Special Meeting wherein the entire 2025 Board was unanimously recalled and a new Board was installed in compliance with the Governing Documents and Nevada law and despite Defendants' and their general counsel's intentional and concerted efforts to prevent the recall and hold unlawful power over the Association. Plaintiffs provide the following facts refuting Defendants' allegations in the Motion for OSC:

Club Tahoe is a timeshare condominium property that is operated, maintained, and subject to the Association. The Association is governed by a Board of Directors, which until October 25, 2025, consisted of seven directors: Keith Wilson, President; Gloria DeAlba, Vice President; Donald Wall, Treasurer; Robert Vermeltfoort¹, Secretary; Christina Becker, Director and Assistant Treasurer; Keith Ogden, Director; and Marc Pearl, Director (collectively, the "Former Board"). (FAC at ¶20). As put forth in the First Amended Complaint ("FAC"), the Former Board was elected to their respective positions in the procedurally invalid and therefore void Annual Election held on April 25, 2025. (See FAC ¶¶21-61). In addition to conducting an improper April 2025 Annual Election, the Former Board's tenure has been marked by numerous violations of the Association's Governing Documents, including entering into multi-year management contracts that have been harmful to the Association, failing to maintain the Property adequately, allowing improper transfers

¹ Mr. Vermeltfoort resigned as Secretary of the Former Board on October 23, 2025.

1 of interval weeks to a Board Member and his wife, improperly transferring reserve funds without
2 authorization, and failing to provide required financial statements. (*See* FAC ¶¶62-124). Detailed
3 specifics of the Former Board’s improper and harmful actions can be found in the attached
4 Declarations to Plaintiffs’ Motion for Preliminary Injunction as Exhibits “1” – “4” and are
5 incorporated herein.

6 After ongoing concern from many Members of the Association regarding the issues and
7 improprieties carried out by the Former Board, a petition was circulated amongst Members to initiate
8 a recall of the members of the Former Board. (FAC at ¶126; Plaintiffs’ Motion for Preliminary
9 Injunction (“PI Motion”) Exhibit “1” at ¶¶19, 23-27, Exhibit “4” at ¶3). However, the Former Board
10 gained wind of these recall efforts, and within August 15 and 22, 2025 letters, the Former Board
11 expressly acknowledged their awareness of the ongoing recall efforts but sought to actively suppress
12 the recall effort by misleading Members, issuing false statements, and seeking proxy solicitations for
13 no valid or lawful purpose other than to obtain blanket voting authority in favor of the Former
14 Board. (FAC at ¶ 127). Specifically, the Former Board stated that “We are aware of the petition to
15 recall the Board and we firmly believe that a change of that degree while we are in the middle of this
16 very challenging transition will be detrimental to our owners, staff, and Club Tahoe.” (*Id.*). These
17 misleading proxy solicitations and statements to Owners demonstrated the Former Board’s early
18 efforts to consolidate control over voting power and obstruct the membership’s recall initiative.
19 (FAC at ¶128).

20 Thereafter, on September 18, 2025, Plaintiffs served the Former Board with a formal written
21 demand for a special meeting to recall the directors of the Former Board (the “Formal Demand re
22 Recall”). (FAC at ¶¶129-130). This Formal Demand re Recall was supported by petitions from
23 Members of the Association representing more than fifteen (15%) percent of the total voting power,
24 as required by Article IV, Section 4 of the Bylaws. (FAC at ¶131). Specifically, 770 signed Owner
25 petitions were provided to Owner Dusk Bennett, which represented 18.6% of the Association’s
26 membership according to Association records. (PI Motion Exhibit “1” at 29; Exhibit “4” at ¶¶3-5).
27 On September 18, 2025, Mr. Bennett packaged copies of the 768 Owner petitions he had received
28 through that date, and mailed the petitions via FedEx overnight delivery to the Association and

Former Board. (PI Motion Exhibit “4” at ¶5). The petitions were delivered by FedEx, addressed to the Association’s President, Keith Wilson on September 20, 2025, and were signed for by “Kevin K”. (PI Motion Exhibit “4” at ¶¶5-6) (FAC at ¶¶133-134). Despite this demand, the Former Board failed to call the special meeting as required by the Bylaws. (FAC at ¶¶135-139). The Former Board and its counsel continue to allege that they never received the petitions despite delivery confirmation and owner testimony to the contrary. These petitions were provided again to counsel in Plaintiffs’ Reply in Support of their Preliminary Injunction to support the 15% requirement to call the Special Meeting and magnitude of Owners demanding it be called.

After two weeks without a response from the Former Board, Mr. Bennett sent an email to the entire Former Board advising them that petitions were delivered and demanding a Special Meeting. (PI Motion Exhibit “1” at ¶30; Exhibit “3” at ¶¶ 7-10; Exhibit “4” at ¶¶7-10). Five of the seven Former Board members did not respond. (PI Motion Exhibit “4” at ¶¶11-12). Thereafter, on October 8, 2025, Directors Ogden and Becker issued a formal demand, demanding that the Former Board call a special meeting for October 25, 2025. (PI Motion Exhibit “1” at ¶31; Exhibit “3” at ¶¶12-28). The Former Board did not respond. (PI Motion Exhibit “3” at ¶25). After three formal requests were made to the Former Board to hold the special meeting without any response, Directors Ogden and Becker issued a notice to the membership on October 11, 2025, in compliance with the fourteen-day notice requirement of Article IV, Section 2 of the Bylaws. (FAC at ¶¶140-144) (PI Motion Exhibit “3” at ¶¶26, 28-33). The Former Board failed and refused to acknowledge their fiduciary and legal requirements under the Bylaws to notice a special meeting pursuant to the petitions of more than fifteen (15%) percent of the membership for the purpose of recalling the Former Board. (FAC at ¶145).

On October 25, 2025, a Special Meeting of the membership, properly noticed by Directors Ogden and Becker, was duly convened for the purpose of holding a recall election. (FAC at ¶148) (PI Motion Exhibit “2” at ¶¶81; Exhibit “3” at ¶¶32-33, 39-47). Less than 24 hours before the Special Meeting, access to the Association’s clubhouse was denied through representatives of the Former Board, forcing Members to relocate to an alternative facility within Washoe County, Nevada to conduct the special meeting. (FAC at ¶¶149-150) (PI Motion Exhibit “1” at ¶¶32-34; Exhibit “2”

1 at ¶82; Exhibit “3” at ¶36). Despite this obstacle, the Special Meeting proceeded on October 25,
 2 2025, with a quorum established. (PI Motion Exhibit “1” at ¶34-36; Exhibit “2” at ¶84-85; Exhibit
 3 “3” at ¶42-44) (FAC at ¶151). At the Special Meeting, Members voted to recall all Former Board
 4 members, with a *unanimous* recall of 641 votes cast in favor of the recall, and none that opposed.
 5 (PI Motion Exhibit “1” at ¶¶35-37; Exhibit “2” at ¶¶83-85; Exhibit “3” at ¶¶45-46) (FAC at ¶151).
 6 Pursuant to Article V, Section 3 of the Bylaws, the motion to recall all members of the Former Board
 7 was approved by the required two-thirds vote of present voting Members, and all Former Board
 8 members were recalled from their positions effective immediately. (FAC at ¶¶152-153). Following
 9 the recall, seven successor directors were immediately elected at the Special Meeting to fill the
 10 vacancies created by the recall (the “New Board”). (FAC at ¶¶155) (PI Motion Exhibit “1” at ¶38,
 11 Exhibit “3” at ¶50).

12 The Former Board refused to acknowledge the recall results, failed to cooperate with the
 13 transition to the New Board, and withheld Association records, keys, contracts, vendor information,
 14 and the membership roster from the New Board. (FAC at ¶¶157-158). Moreso, the Former Board’s
 15 counsel, the law firm of Leach Kern Gruchow Song (“LKG”), purported to represent only a fraction
 16 of the Former Board, as LKG noticed Directors Ogden and Becker that they were excluded from a
 17 Former Board meeting on October 29, 2025, even though LKG and the Former Board took the
 18 position that the Special Meeting recall and successor director election were invalid and that the
 19 Former Board remains the rightful board. (FAC at ¶¶159-161) (PI Motion Exhibit “3” at ¶¶51-62).
 20 Directors Ogden and Becker were not included in Association-provided counsel, and were required
 21 to find their own counsel for the litigation given Defendants determination that Ogden and Becker
 22 were conflicting parties due to their actions surrounding the Special Meeting.

23 The exclusion of certain Former Board directors and failure to acknowledge the recall vote
 24 continued, as the Former Board held secret board meetings and secret executive meetings as
 25 standalone sessions without providing any notice or agenda or meeting minutes to the membership.
 26 (PI Motion Exhibit “3” at ¶¶51-62). Those secret and improper meetings were never disclosed as
 27 required under the Bylaws and Nevada nonprofit governance principles, and there are no records of
 28 any Former Board actions taken at these meetings. (PI Motion Exhibit “3” at ¶¶51-62). Further, Mr.

1 Ogden and Ms. Becker continued to be removed from Former Board communications, were never
2 provided access to Association documents as Board Directors, and were excluded from any Former
3 Board meetings, despite LKG and the Former Board's position that the Former Board remained the
4 duly elected directors of the Association, and no valid Former Board action authorized such
5 exclusion. (PI Motion Exhibit "3" at ¶¶51-62).

6 The Former Board's tenure was marked by numerous violations of the Association's
7 Governing Documents, including: conducting an improper April 2025 election using unauthorized
8 electronic voting; improperly using Association-owned weeks for voting; entering into unauthorized
9 multi-year management contracts (that have been detrimental to the Association); failing to maintain
10 the Property adequately; improperly transferring reserve funds without authorization; failing to
11 provide required Association financials; failing to distribute the annual audited financials to
12 Members by March 31, 2025 in accordance with Article XIII, Section 3 of the Association's Bylaws
13 or provide any interim financials after being requested; failing to provide the membership roster after
14 being requested by various Members of the Association; and all other actions detailed in the
15 Declarations attached as Exhibit "1" through Exhibit "4" to Plaintiff's PI Motion. Moreso, the
16 Former Board refused to acknowledge the outcome of the October 25, 2025 Special Meeting
17 wherein the entire Former Board was unanimously recalled and successor directors were duly
18 elected as the current New Board of the Association. The governance dispute resulted in the
19 paralysis of the Association's operations, jeopardizing its financial stability, the safety and
20 maintenance of the Property, and the rights of the Association's Members.

21 Thereafter, the Court held a hearing on April 1, 2026, on the multiple pleadings surrounding
22 the competing preliminary injunctions filed by both sides. Both Parties agreed that a Special Master
23 should be appointed to oversee a rule-compliant election and manage the Association in the interim.
24 Thereafter, on April 3, 2026, the Court issued an Order Appointing Special Master, wherein the
25 Court appointed Special Master Tiras pursuant to NRCP 53. The Order provides that the Special
26 Master shall promptly schedule and oversee an election for the Board of Directors in compliance
27 with the Association's Governing Documents and Nevada law, and he shall manage, supervise, and
28 maintain the Association until the new Board is elected and fully established. *See* Order at p. 2-6.

1 The Court stated during the April 1 hearing that there would be nothing affirmative done by either
2 purported board, and there is no board as far as the Court is concerned at this time. *See* Exhibit “L”
3 to Defendant’ Motion for OSC at 42:5-8. The Parties and counsel have been working with the
4 Special Master continuously. Following subsequent meetings with the Special Master and counsel,
5 an Amended Initial Report was filed by the Special Master on May 19, 2026, proposing an election
6 date of October 17, 2026, with a contingency date of November 7, 2026. The Special Master’s
7 election plan includes a membership vote on board size, quorum calculations excluding delinquent
8 owners with balances outstanding for more than one year, virtual meeting format with proxy
9 participation, and staggered terms for newly elected directors.

10 On April 7, 2026, Plaintiffs voluntarily dismissed all claims against Directors Ogden and
11 Becker, recognizing that these directors acted properly within their fiduciary duties by calling the
12 Special Meeting when the Former Board failed to do so. Under Nevada law, directors of nonprofit
13 corporations have fiduciary duties to act in good faith and with loyalty to the corporation and its
14 members. NRS § 82.226. The Association’s Bylaws and Nevada law impose a mandatory duty on
15 the Board to call a special meeting when requested by voting members representing at least fifteen
16 percent of total votes. *See* Article IV, Section 4 of Bylaws; NRS § 82.336. The remaining
17 Defendants failed to perform this mandatory duty despite receiving valid petitions on September 20,
18 2025, and despite multiple demands from Plaintiffs’ counsel, Association members, and fellow
19 directors. This failure persisted for more than three weeks. When the Board fails to perform a
20 mandatory duty, individual directors have a fiduciary obligation to take action to ensure the duty is
21 performed. Directors who stand by while the Board violates its mandatory duties and the
22 membership’s rights would themselves be breaching their fiduciary obligations. Directors Ogden
23 and Becker’s October 8, 2025 demand to the Board and their October 11, 2025 notice of the Special
24 Meeting were proper exercises of this fiduciary obligation. The First Amended Complaint does not
25 allege that Directors Ogden and Becker breached their fiduciary duties, the Governing Documents,
26 committed election violations, or improperly transferred funds. Plaintiffs’ dismissal of Ogden and
27 Becker reflects this distinction between their conduct and the remaining defendants’ conduct.

28 On May 11, 2026, Defendants filed their Motion for OSC arguing that Plaintiffs have failed

1 to schedule the early case conference required by NRCP 16.1 and requesting sanctions. Defendants
2 focus much of their brief on allegations regarding Plaintiffs' conduct, including allegations
3 previously made in Court pleadings, media inquiries and communications, and communication with
4 Association members regarding fundraising efforts and the ongoing litigation. These allegations are
5 all disputed and are not supported by factual evidence. Defendants' allegations that Plaintiffs are
6 conducting a "concerted misinformation campaign" are patently false, prejudicial, and a salacious
7 attempt to cast Plaintiffs in a negative light to incur favor with the Court and Special Master. The
8 actions Defendants complain about are core First Amendment rights that Plaintiffs are afforded: they
9 are allowed to talk with media sources regarding inquiries into the case, which is public and has
10 garnered interest from the media; they are allowed to discuss the litigation, upcoming election, and
11 concerns with the conduct of the members of the former board with their fellow Association owners;
12 and they are allowed to seek donations and monetary contributions to help fund the litigation
13 expenses required to seek judicial intervention given the harmful and alleged unlawful actions by
14 Defendants, their ignorance of the membership's will, and insistence to hold power over the
15 Association. Plaintiffs' actions have not interfered with the Special Master's duties, the upcoming
16 election, and simply are First Amendment rights that Defendants seek to gag simply because they do
17 not like the consequences of their own actions.

18 Further, Plaintiffs' conduct may constitute legitimate political activity within the Association.
19 Encouraging members to revoke proxies, distributing information about governance issues, and
20 fundraising to support litigation are activities protected by principles of free speech and association
21 governance. Defendants' characterization of these activities as improper misinformation and bribing
22 is disputed and not established by evidence. Furthermore, Defendants' assertion that Plaintiffs
23 refuse to dismiss the litigation despite admitting there are no monetary damages mischaracterizes
24 Plaintiffs' position. Plaintiffs have a legitimate interest in ensuring that the Association is properly
25 governed and that elections are conducted in compliance with the governing documents. The
26 absence of monetary damages does not negate the importance of governance compliance, which is
27 being overseen by the Special Master with a rule-compliant election scheduled for October 2026.

28 In all, this case is proceeding under the supervision and direction of the Special Master, and a

1 new election will be held in the coming months. Defendants' insistence on launching discovery
2 while the Special Master process is underway would impose unnecessary costs and distract from the
3 Court-supervised election process, which Plaintiffs reasonably expect will substantially resolve or
4 narrow the remaining issues in this litigation. Therefore, Plaintiffs respectfully request, as outlined
5 below, that the Court reject Defendants' Order to OSC and use its statutory and inherent powers to
6 stay all discovery obligations in this case pursuant to the resolution of the matter by the new October
7 2026 election.

8 **III. LEGAL ARGUMENT**

9 The Court should deny Defendants' Motion for OSC because the Court-appointed Special
10 Master's election process supersedes the need for an early case conference and traditional litigation
11 procedures. The Court's appointment of a Special Master reflects findings of exceptional
12 governance conditions that constitute compelling and extraordinary circumstances justifying deferral
13 of mandatory early case conference and discovery requirements under NRCP 16.1. The Special
14 Master's comprehensive elections plan, currently scheduled for October 2026, is the dispositive
15 mechanism for resolving the core governance dispute regarding the Board's composition, quorum
16 requirements, and election procedures. The Special Master is currently overseeing all management
17 and operational tasks for the Association, and there is no current board at this time. An early case
18 conference would create wasteful parallel litigation and risk undermining the Special Master's
19 ability to conduct a fair, neutral election. Plaintiffs are not asking the Court to permanently
20 eliminate all discovery rights. Plaintiffs request only that ordinary discovery and early case
21 conference obligations be deferred until after the Special Master completes the election process, files
22 his report and recommendations, and the Court determines what issues, if any, remain for litigation.

23 Plaintiffs have stated their intention to dismiss this case once the election is completed and
24 new Board is seated pursuant to the Governing Documents and Nevada law, with the Court retaining
25 jurisdiction at this time for compliance reasons. Similarly, the Court's Order Appointing Special
26 Master also demonstrates that the Court is simply holding the case for review of the Special Master's
27 final report and recommendation and for any compliance issues. The Court can retain jurisdiction
28 over the collateral matters and any enforcement matters related to the Special Master's duties and

reports without requiring an early case conference or discovery, as courts maintain authority to enforce their orders and address noncompliance issues and to manage their dockets. Defendants' arguments regarding Plaintiffs' conduct, including alleged media communications, flyer distribution, and fundraising efforts, are all irrelevant to the NRCP 16.1 argument, and are prejudicial to Plaintiffs. Defendants seek to curb Plaintiffs' First Amendment rights, yet again, and falsely construe Plaintiffs' conduct in a negative light that is not a reflection of Plaintiffs' true and actual conduct. The Court should disregard these prejudicial, false, and irrelevant contentions.

Moreso, the Directors Ogden and Becker are not indispensable parties under NRCP 19, as they are not necessary to the action and their interests would not be prejudiced, and the Court can render complete relief without them. *See* NRCP 19(a); *see also Olsen Family Trust v. District Court*, 110 Nev. 548, 553-54, 874 P.2d 778, 781-82 (1994); *Potts v. Vokits*, 101 Nev. 90, 92, 692 P.2d 1304, 1306 (1985). Ogden and Becker are not indispensable because their interests align with Plaintiffs' interests in establishing a lawful Board through a proper election. They are not adverse parties. The remaining Defendants can fully defend against the allegations in the Amended Complaint without Ogden and Becker's participation. Accordingly, Ogden and Becker's dismissal was proper.

For the reasons set forth herein, the Court should deny Defendants' Motion for OSC and request for sanctions as NRCP 16.1(e)(1) supports not holding an early case conference and the appointment and oversight of the Special Master disposes of any current need for an early case conference.

A. The Court's Special Master Appointment Constitutes Compelling and Extraordinary Circumstances Justifying Deferral of the Early Case Conference

Sanctions are not warranted. Plaintiffs have not refused to participate in the early case conference in bad faith. Rather, Plaintiffs reasonably understood that the Court's appointment of a Special Master, the Special Master's ongoing management of the Association, and the pending October 2026 election process substantially altered the posture of the case and made immediate discovery proceedings unnecessary and inefficient. At minimum, those circumstances constitute good cause to deny sanctions. NRCP 16.1(e)(1) provides that if the early case conference is not held

1 within 180 days after service of an answer, the court may dismiss the case without prejudice unless
2 there are compelling and extraordinary circumstances for a continuance beyond this period. The
3 rule's use of the word "may" establishes that dismissal is discretionary, not mandatory. This
4 discretionary framework requires courts to consider the specific factual posture of each case and
5 whether dismissal serves the interests of justice, and if there are compelling or extraordinary
6 circumstances that support deferring an early case conference. Here, the Court has implemented a
7 specialized, court-ordered and supervised mechanism to resolve the central governance dispute
8 through the appointment of a Special Master. The Court's April 3, 2026 Order reflects that this case
9 presents conditions warranting extraordinary judicial intervention. *See Order Appointing Special*
10 *Master at 3:24-28.* These circumstances constitute precisely the type of compelling and
11 extraordinary circumstances that justify deferring ordinary discovery requirements such as
12 scheduling an early case conference.

13 A Special Master appointment under NRCP 53 is an extraordinary remedy. The Court's
14 decision to appoint the Special Master demonstrates that this case presents exceptional governance
15 conditions beyond the scope of ordinary civil litigation requiring traditional discovery and case
16 management procedures. The Court's Order Appointing Special Master vests comprehensive
17 authority in the Special Master to manage the Association's operations and conduct an election
18 compliant with the Association's Governing Documents and Nevada law. By appointing the Special
19 Master, the Court effectively paused factional governance and vested operational authority in a
20 neutral third party. This specialized mechanism addresses the core dispute in a manner that an early
21 case conference, designed for ordinary civil cases requiring discovery coordination and trial
22 preparation, cannot replicate. The Special Master's proposed October 17, 2026 election date with
23 detailed procedures for board size determination, quorum calculations, proxy use, and virtual
24 participation represents the Court's chosen vehicle for resolving the governance question. An early
25 case conference conducted in parallel with this specialized process would create duplicative
26 litigation management structures and risk conflicting directives regarding the Association's
27 operations and the election framework.

28 The appointment of a Special Master has fundamentally altered this litigation's posture.

1 Importantly, the Special Master process was not imposed over the objection of the Parties. Both
2 Parties agreed during the April 1, 2026 hearing that neutral oversight and a new election were
3 appropriate mechanisms to address the governance dispute. Having agreed to that framework,
4 Defendants now seek to proceed as though the case were still in ordinary litigation posture despite
5 the Court's ongoing supervision of the Special Master election process. Rather than proceeding
6 through conventional discovery and motion practice, the case is now subject to Court-supervised
7 governance management effectuated by the Special Master, with resolution pending the finalization
8 of the new Board election.

9 In this context, ordinary discovery scheduling is not the immediate priority. The Parties are
10 actively working with the Special Master to expeditiously conduct a compliant election so that this
11 matter can be formally closed. Any legitimate discovery needs or disputes can be revisited after the
12 Special Master's management and election process resolves the governance question, or upon the
13 Special Master's report that litigation management through conventional procedures is necessary.
14 Until the election occurs and the governance structure is restored, discovery is not proportional to the
15 needs of the case. The Special Master's election process addresses the substantive governance
16 issues through the election itself, including verification of petition signatures, compliance with
17 governing documents, proper notice and voting procedures, and establishment of the lawful Board
18 composition. Given the extraordinary circumstances that first required the appointment of the
19 Special Master, those extraordinary circumstances would also support the continuance of the early
20 case conference under NRCP 16.1(e)(1).

21 **B. The Special Master's Election Process is the Dispositive Mechanism for Resolving the**
22 **Core Governance Dispute**

23 The Court's appointment of a Special Master to manage the Association and oversee a rule-
24 compliant election represents a deliberate judicial determination that this mechanism, not traditional
25 litigation discovery and proceedings, is the appropriate vehicle for resolving the Parties' core
26 governance dispute. The Special Master's proposed election plan directly addresses every
27 substantive issue in controversy: board size, quorum calculations, proxy use, Association-voting,
28 virtual meeting logistics, and staggered terms, to name a few. These matters constitute the heart of

1 the governance dispute that Plaintiffs, and Defendants, seek to resolve. The Special Master is
2 actively coordinating with management and counsel to ensure that the election process operates
3 fairly and in compliance with applicable rules. This ongoing coordination demonstrates that the
4 Court's ordered remedy is functioning as intended and is actively progressing toward resolution.
5 Compelling an early case conference at this juncture would superimpose traditional litigation
6 procedures onto a specialized process that the Court has already designed and implemented to
7 address precisely these governance questions, and impede the speedy resolution of the matter.

8 Opening discovery and imposing the full machinery of discovery litigation through an early
9 case conference would create precisely the kind of wasteful parallel proceedings that undermines
10 judicial efficiency and the integrity of the Special Master's process. The Special Master is tasked
11 with managing the Association and conducting an election that will determine who governs, how
12 many directors will serve, and what voting and quorum mechanics will apply. These determinations
13 will emerge from the election process itself, not from discovery disputes or litigation positioning.
14 An early case conference would necessarily require the parties to engage in discovery regarding
15 governance issues that the Special Master is already addressing through the election plan. This
16 duplication of effort would impose unnecessary litigation costs on all Parties while simultaneously
17 creating the risk that litigation discovery and positioning could undermine the neutrality and
18 integrity of the election process. The Special Master's ability to conduct a fair, rule-compliant
19 election depends on the Parties' focus remaining on the election itself, not on adversarial discovery
20 and litigation strategy.

21 Plaintiffs seek governance relief through a properly conducted election and transition to
22 legitimate governance. Plaintiffs intend to dismiss this action after a fair and compliant election is
23 held and handoff by the Special Master is completed. This stated intention reflects the fundamental
24 reality: the case is functionally in a temporary holding pattern pending the election outcome. The
25 election is not a collateral matter; it is the dispositive resolution of the dispute. Because Plaintiffs'
26 ultimate objective is to obtain governance relief through the election process and then exit the
27 litigation, the case does not require the full panoply of discovery and litigation procedures at this
28 time. The Special Master process is designed to accomplish Plaintiffs' remedial objectives, and was

1 agreed to by all Parties at the April 1, 2026 hearing. Compelling an early case conference would
2 force the Parties into litigation procedures that are unnecessary to achieve the Court's ordered
3 remedy and that Plaintiffs do not intend to pursue beyond the election transition. Plaintiffs'
4 admission during the April 1, 2026 hearing that no monetary damages are at issue further
5 demonstrates that traditional discovery is unnecessary. With monetary damages absent, the primary
6 relief concerns governance, election integrity, and declaratory relief related to the Association's
7 governance. The Special Master's election process directly addresses these issues and disposes of
8 them following a finalized election and report and recommendation submitted by the Special Master
9 to the Court.

10 Additionally, the principle that courts maintain authority over collateral and enforcement-
11 related matters applies here. The Court's Order Appointing Special Master and the ongoing election
12 administration process constitute collateral matters over which the Court should maintain
13 jurisdiction. The Special Master's role in managing operations, overseeing the election, and
14 addressing governance obstacles is independent from the ultimate merits of any underlying dispute
15 about past Board conduct. Enforcement of the Special Master's directives and resolution of election
16 logistics are matters that do not implicate the merits of the underlying claims but rather concern the
17 Court's ability to effectuate its own orders and ensure orderly governance during the transition to a
18 duly elected board from the Special Master.

19 The circumstances present compelling reasons for the Court to retain jurisdiction. The
20 Court's ability to enforce compliance with the Special Master's recommendations and to address any
21 interference with the election process or transition to a duly elected board is essential to the
22 effectiveness of the Court's own remedial order. Without retained jurisdiction, the Court would be
23 unable to respond to noncompliance, to ratify necessary transfers of authority, or to resolve election
24 logistics and quorum issues as they arise during the Special Master process. The Court's Order
25 provides for Special Master reports and procedures for objections and modifications pursuant to
26 NRCP 53. Retaining jurisdiction over these collateral enforcement matters does not require the
27 Court to revisit the merits of any underlying dispute. Rather, it permits the Court to fulfill its role as
28 the guarantor of its own orders' effectiveness.

Should the Court believe that case management is required, rather than compelling an early case conference now, the Court can appropriately manage the case by scheduling limited status conferences at key junctures in the Special Master process. The Court can set a status conference after the Special Master files his next report or closer to the election date, at which time the Court can address any compliance issues, resolve election logistics, and determine whether further Court action is necessary. This approach preserves the Court's jurisdiction to enforce its Special Master order and to address any interference with Association management or the election process, while avoiding the disruption that would result from imposing ordinary litigation scheduling now.

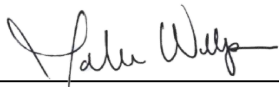
IV. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully request that this Court deny Defendants' Motion for OSC and request for sanctions entirely. Plaintiffs respectfully request that the early case conference and discovery obligations be held in abeyance until after completion of the October 2026 election, the seating of a duly elected Board, and the Court's review of the final Special Master report.

DATED: May 26, 2026

GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP

By: _____


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CERTIFICATE OF SERVICE

The undersigned, an employee of the law firm of GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP, hereby certifies that on May 26, 2026, they served a copy of the
foregoing **PLAINTIFFS' OPPOSITION TO DEFENDANTS' MOTION FOR ORDER TO
SHOW CAUSE WHY PLAINTIFFS WILL NOT SCHEDULE EARLY CASE
CONFERENCE AND FOR SANCTIONS** by electronic service through the Regional Justice
Center for Washoe County, Nevada's ECF System:



An employee of
Gibbs Giden Locher Turner
Senet & Wittbrodt LLP

1
2 SECOND JUDICIAL DISTRICT COURT
3 COUNTY OF WASHOE, STATE OF NEVADA

4 AFFIRMATION
5 Pursuant to NRS 239B.030 and 603A.040

6 The undersigned does hereby affirm that the preceding document, *(title of document)*
7 PLAINTIFFS' OPPOSITION TO DEFENDANTS' MOTION FOR ORDER TO SHOW CAUSE
8 file in case number: CV25-02319

9
10 (☒ mark one)

11 ☒ Document does not contain the personal information of any person.

12
13 ☐ Document contains the personal information of a person as required by: (☒ mark one)

14 ☐ A specific state or federal law, to wit: *(write the specific state or federal law)*

15 _____
16 ☐ For the administration of a public program

17 ☐ For the administration for a federal or state grant

18 ☐ Confidential Family Court Information Sheet (NRS 125.130, NRS 125.230, and
19 NRS 125B.055)

20
21
22 DATED this (day) 27th day of (month) MAY, 2026.

23
24 Submitted By: (Your signature) _____

25 (Print your name) Madison Wedderspoon, Esq.

26 (Attorney for) Plaintiffs
27
28