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Summary of Arguello v. Sunset Station, Inc., 127 Nev. Adv. Op. No. 29

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Arguello v. Sunset Station, Inc., 127 Nev. Adv. Op. No. 29 (June 2, 2011)[1]
CIVIL PROCEDURE

Summary

Appeal from a district court summary judgment in a tort action. In district court, Judge Timothy Williams held that NRS §651.010(1) shielded Sunset Station from liability for damage to motor vehicles parked in Sunset Station's valet parking lot.[2]

Disposition/Outcome

The Supreme Court of Nevada held that Appellant had standing to sue and that NRS §651.010(1) did not, in fact, shield Sunset Station from liability for damage to motor vehicles parked in Sunset Station's valet parking lot. Consequently, the Court reversed and remanded the case.

Factual and Procedural History

Marcos Arguello ("Arguello") used the Sunset Station valet to park his car one evening in 2006. When he returned to retrieve his car a few hours later, the valet informed him that the car had been stolen. It was recovered the next day, in a stripped condition. Arguello filed a claim with his insurer and was reimbursed for the value of the car.

Next, Arguello sued Sunset Station in a tort action, for the loss of the use of his vehicle and for the cost of the customizations he made to the car. Sunset Station moved for summary judgment under the theory that NRS §651.010(1) shielded the casino from all liability concerning damage done to motor vehicles while parked on its property. Sunset Station also claimed Arguello had no standing because his insurer had settled his claim. Therefore, Farmer's became subrogated and Arguello had no standing to file suit. Judge Williams agreed that NRS §651.010(1) shielded Sunset Station, and granted its Motion for Summary Judgment.

Discussion

Standing and subrogation

In a per curiam opinion, the Justices swiftly dealt with the subrogation issue. The Justices noted the distinction between total subrogation and partial subrogation. When an insured party is completely reimbursed for all of the damages related to a claim, subrogation is complete. And, if that had been the case here, Arguello would have had no standing to pursue his claim.

However, the Justices noted that Arguello was only reimbursed for the value of his car, and not for the loss of use or for the customizations made to the vehicle. The lack of full

[1] By Charles Gianelloni
[2] *See* NEV. REV. STAT. §651.010(1) (2006).

reimbursement meant that Farmer's was only partially subrogated. Thus, Arguello was still a real party in interest and had the right to sue for the full amount of the loss incurred.[3]

NRS §651.010

Next, the Justices examined the plain language of NRS §651.010.[4] They determined that, read in isolation, NRS §651.010(1) could mean that the statute applied to all property. However, when read as a whole, the statute was written to exclude motor vehicles. The basis for this interpretation was that the legislature included the phrase "or left in a motor vehicle upon the premises" when illustrating the types of property shielded under the statute.[5] The Justices determined that it would be illogical for one to conclude that a motor vehicle would among property "left in a motor vehicle."[6] Thus, the statute does not extend to motor vehicles and, consequently, does not shield Sunset Station from motor vehicle liability.[7]

Conclusion

Arguello was a real party in interest and had standing to sue because Farmer's Insurance only partially compensated him for his claim. Additionally, NRS §651.010(1) did not shield Station Casinos from liability for damage done to a motor vehicle on its premises.

[3] The question of distribution of any amount awarded would be between Arguello and his insurer, Farmer's Insurance.
[4] NEV. REV. STAT. §651.010 (2006).
[5] §651.010(1).
[6] *Id.*
[7] The Justices briefly discussed a bailment issue, but ultimately did not reach the issue of whether NRS §651.010(1) invalidates common law bailment liability.