

**RESOLUTION ADOPTING COOPERATIVE AGREEMENT KNOWN  
AS THE CLARK COUNTY GROUP SELF-INSURANCE RISK POOL  
FOR COVERAGE OF LIABILITY CLAIMS AND RELATED EXPENSES**

**WHEREAS**, pursuant to NRS 277.045, two or more political subdivisions of the State of Nevada may enter into a cooperative agreement for the performance of any governmental function; and,

**WHEREAS**, pursuant to NRS 41.038, any local government may insure itself against any liability or related expense through the purchase of a policy of insurance or the establishment of a self-insurance fund, or any combination thereof; and,

**WHEREAS**, pursuant to NRS 354.612, any local government may establish an internal service fund to account for the costs of providing a program of insurance or self-insurance.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of County Commissioners of Clark County, Nevada, and the Board of the Clark County Regional Flood Control District that the following Cooperative Agreement for Coverage of Liability Claims and Related Expenses is hereby adopted and approved.

**COOPERATIVE AGREEMENT KNOWN AS  
THE CLARK COUNTY GROUP SELF-INSURANCE RISK POOL FOR COVERAGE  
OF LIABILITY CLAIMS AND RELATED EXPENSES**

**THIS AGREEMENT** is made and entered into this 1<sup>st</sup> day of July, 2025, by and between the County of Clark, and the Clark County Regional Flood Control District (hereinafter collectively referred to as the “Participating Entities”), which are now, or hereafter apply to become, and upon admission will become, members of the Clark County Group Self-Insurance Risk Pool (the “Pool”), administered by the Clark County Board of County Commissioners (the “Board”).

**WITNESSETH:**

**WHEREAS**, each Participating Entity is a political subdivision or local government entity as defined by NRS 41.038, with statutory authorization to enter into this Cooperative Agreement;

**WHEREAS** the Participating Entities were parties to the Cooperative Agreement establishing a reserve or fund for the purchase of insurance and/or to provide self-insured liability coverage, due to expire on June 30, 2025;

**WHEREAS**, Participating Entities desire to continue cooperatively funding liability claims and related expenses; and the members of the Pool will provide for joint and cooperative action to self- insure and to pool their separate risks and liabilities as authorized by the Nevada Revised Statutes stated hereinabove; and

**WHEREAS**, pursuant to the terms of this cooperative agreement, the Participating Entities intend to provide and participate in a program to provide for comprehensive general liability coverage as defined herein below; and

**WHEREAS** the Board is authorized to direct the affairs of said Pool as more particularly described herein below; and

**WHEREAS** each Participating Entity, as evidenced by its authorized signature hereon covenants and agrees to pay contributions and assessments, based upon appropriate classifications and rates, into a designated fund out of which expenses of the Pool and lawful and proper claims and awards are to be paid, and further, that there will be no disbursements out of this fund by way of dividends or distribution of accumulated reserves to the respective members, except at the discretion of the Board as provided herein; and

**WHEREAS** each Participating Entity of the Pool has elected to become a party to this agreement, to comply with the conditions set forth herein consistent with the Nevada Revised Statutes, and to execute such other instruments and take such other action as may be required to form and continue such Pool; and

**NOW, THEREFORE**, for and in consideration of the mutual covenants, promises and obligations herein contained, which are accepted by each Participating Entity, the parties hereto covenant and agree as follows:

**I. THE FUND**

A. The Clark County Self-Insurance Liability Pool Internal Service Fund, hereinafter referred to as the “FUND”, is hereby created to account for the deposit of revenues and the costs of providing insurance and/or self-insurance coverage to the Participating Entities in this Agreement.

B. The resources of the FUND shall be used for the payment of all costs and expenses necessary to provide the coverage set forth in the Memorandum of Coverage attached hereto as Exhibit A, to purchase any excess or supplemental insurance or reinsurance, to purchase comprehensive property and casualty insurance, and to fund any allowable administrative

expenses. Such administrative expenses may include but not be limited to risk management education and consulting services, actuarial services, and legal services to include court reporting and expert witness fees.

## **II. FUND MANAGEMENT**

### **A. Administration and Financial Management**

Clark County shall be the entity responsible for the management and administration of the FUND. Clark County is authorized to contract for claims adjusting services, legal services, consulting services, brokerage services, or to enter into contracts for the purchase of property and casualty insurance or excess or supplemental liability insurance; to invest the FUND's assets in accordance with all applicable laws and regulations and to make disbursements from the FUND pursuant to the terms of this Agreement. The County is authorized to charge the FUND an administrative fee of 5% of the FUND's annual revenues in order to defray the costs of operating the Clark County Office of Risk Management, as the department responsible for management and administration of this Agreement.

### **B. Designated Representatives of Participating Entities**

Each Participating Entity is required to select a Designated Representative, and to provide current contact information to Clark County Risk Management for said representative, including full name and organizational title, for purposes of participation in Pool claim management as set forth herein. In the event there is a need to replace the Designated Representative, Clark County Risk Management will be immediately advised of the change.

## **III. TERM OF AGREEMENT**

A. The term of this Agreement will be July 1, 2025, ending June 30, 2030.

B. Upon termination, at any time, the FUND shall continue to exist for such time as may be necessary to dispose of claims and otherwise conclude any obligations of the Pool. Thereafter, all assets of the FUND shall be distributed among the Participating Entities in proportion to their premium payments. If the assets of the FUND are insufficient to dispose of all the obligations of the Pool, the Participating Entities shall make supplemental premium payments to the FUND in proportion to each Participating Entity's premium payments in the amount necessary to liquidate all of the obligations of the Pool.

#### **IV. MEMBERSHIP**

##### **A. Current Pool Membership**

Each Participating Entity acknowledges that it is a political subdivision or local government entity as defined by NRS 41.038, legally authorized to enter into a self-insured liability pooling agreement.

##### **B. Future Pool Membership**

The Board may admit as members of the Pool only authorized political subdivisions or local government entities as defined by NRS 41.038. Applicants for, and acceptance of, an application for Pool membership will be considered at the sole discretion of the Board and shall include proof of previous insurability and loss runs, if applicable. The application, and the financial terms and conditions of the acceptance of the application, will then be submitted to the Board for a vote to approve the application, at a regularly scheduled public meeting of the Board. If approved by the Board, the newly admitted political subdivision or local government entity as defined by NRS 41.038 shall be required to provide payment to FUND to offset existing reserves. The payment shall be the most recent premium rate based on the total payroll of the newly accepted member's previous year salary expenditures.

##### **C. Termination of Pool Membership – For Convenience**

Each Participating Entity acknowledges and agrees that a Participating Entity may, at the sole discretion of the Board, be terminated from membership in the Pool at any time after 90 days' notice, in writing, has been given to such Participating Entity, except that a Participating Entity may be terminated at any date after 30 days written notice to such Entity for non- payment of contributions or assessments as set forth more specifically hereinbelow. Except as otherwise expressly provided, no liability shall accrue to the Pool or to the remaining Entities for any liability of any terminated Entity arising subsequent to the date of termination specified in said notice and such terminated Entity shall be separately and solely responsible for any liability arising thereafter.

##### **D. Voluntary Membership Withdrawal**

1. *End of Fiscal Year* – Each Participating Entity represents that its present intention is to remain in the Pool for at least three years, subject to appropriations of necessary funds by its governing body. Each Participating Entity may withdraw from the Pool

at the end of any fiscal year by giving 90 days prior written notice to the other Participating Entities. A Participating Entity may withdraw from the Pool at the end of any fiscal year as set forth herein, provided, however, that any Participating Entity which for any reason does not remain in the Pool for at least three consecutive years shall not be entitled to receive any refunds of paid contributions or assessments nor, unless otherwise determined by the Board, any share in surplus assets of the FUND. After a Participating Entity has been in the Pool for three consecutive years, it may withdraw from the Pool upon required written notice and may be entitled to share in any surplus assets of the FUND.

2. *At Any Time* – Withdrawal from the Pool at any time other than the close of a fiscal year may only occur by amendment of this Agreement, upon approval of the governing body for each Participating Entity. The Participating Entity seeking to withdraw shall remain responsible for premiums until such time as the Member Entity obtains approval of an amendment from all the Participating Entity governing bodies and is subject to the three-year minimum participation penalties as set forth in paragraph D.1. above. Any Participating Entity that withdraws from the Pool shall remain liable for the retained portion of any incurred claim and the Participating Entity will not receive any refunds of paid contributions or assessments.

E. Involuntary Membership Termination:

Either Participating Entity may cancel or terminate the other Participating Entity's participation in the Pool Agreement following 60 days written notice for any of the following reasons:

1. Failure to report claims or give notice as required by this Agreement.
2. Failure to correct unsafe practices or known hazards.
3. Failure to cooperate with the designated claims adjusting firm and/or legal counsel in the investigation or defense of any claim.
4. Failure to comply with document and electronically stored information (ESI) preservation obligations related to a claim covered by this Agreement.

Upon cancellation or termination pursuant to this section of the Agreement, the FUND shall return any premiums paid during the current fiscal year pro-rated based on the number of months the entity participated in the Pool during that fiscal year. The Participating Entity shall

remain liable for its retained portion of any incurred claim prior to the date of the termination, and the Participating Entity will also become responsible for the cost of defense, and for any liability resulting from, the claim related to any one of the causational events described above in sections 1, 2, 3, or 4 of this paragraph, when said event results in the involuntary termination of participation in this Agreement. The terminated Entity shall reimburse the FUND for any costs or expenditures incurred by the FUND as a result of the termination related claim.

F. Termination for Failure to Pay Premium

A Participating Entity's participation in this Agreement shall be deemed withdrawn effective at the commencement of any fiscal year within which the Participating Entity's premium payment is more than 30 days past due. The defaulting Participating Entity shall be solely responsible for any claims or liability resulting from an occurrence during the fiscal year in which the entity defaults on premium payment, and shall reimburse the FUND for any costs or expenditures incurred by the FUND as a result of such claims.

G. Termination for Failure to Appropriate Funds

Any Participating Entity's participation in this Agreement shall terminate at the end of any fiscal year in the event that the governing body of the Participating Entity fails to appropriate monies for the ensuing fiscal year sufficient to fund that Participating Entity's continued participation in the Pool. The Participating Entity shall also remain liable for its retained portion of any incurred claim.

**V. CLAIM NOTIFICATION**

A. Events Giving Rise to Liability:

A Participating Entity's Designated Representative shall notify Clark County Risk Management, and the Third-Party Claims Administrator contracted by Clark County, of any occurrence for which it is believed liability will exceed that Participating Entity's retention. Each Participating Entity is solely responsible for the costs of the services rendered it by the claims adjusting firm.

B. Litigation:

Following the filing and service of any legal action against a Participating Entity, the Participating Entity shall give immediate written notice of the Complaint to Clark County Risk Management and to the Civil Division of the Clark County District Attorney's Office. The

Notice shall be accompanied by a copy of the Summons and Complaint, notification of the date and manner of the Participating Entity's receipt of or notice of the Summons and Complaint, as well as the name and contact information for the Participating Entity's designated contact regarding the lawsuit.

## **VI. CLAIM MANAGEMENT**

### **A. Claim/Lawsuit Defense**

1. *Claims* – Claim management prior to the filing of suit shall be handled by the Participating Entity, in conjunction with the Third-Party Claims Administrator contracted by Clark County to provide claims management services.
2. *Lawsuits* – For claims that proceed to litigation, Clark County will enter into contracts with qualified law firms for the legal defense of claims covered by the Pool. Upon notification of litigation, the District Attorney's Office shall provide/arrange for the entity's defense either through the District Attorney's Office or a contracted law firm, shall advise the Designated Representative of the Participating Entity of the assigned defense counsel, and shall coordinate and advise the Participating Entity, in conjunction with Clark County Risk Management, regarding settlement or defense of the legal action.

### **B. Participating Entity Responsibility/Discretion**

1. *Litigation Support* – Each Participating Entity must cooperate with and assist the designated claims adjusting firm and/or legal counsel in the investigation or defense of any claim, including document and ESI preservation, and must assign responsible Participating Entity personnel to that purpose on a claim-by-claim basis.
2. *Selection of Legal Counsel* – Each Participating Entity may elect to provide its own legal defense in which case the Pool shall reimburse such entity for the cost of such defense up to the limit of the amount the FUND would have paid pursuant to the legal services contracts entered into by the County. A request to be reimbursed for the cost of legal services not provided under a contract entered into by Clark County on behalf of the Pool, shall be submitted by the Participating Entity's Designated Representative, in writing, to the Designated Representative

for Clark County who shall call a meeting of the Designated Representatives of the Participating Entities as set forth in paragraph VII.B.2. hereinbelow, for the purpose of addressing the Participating Entity's request for reimbursement from the FUND in accordance with this Agreement.

3. *Costs/Retained Limit* – Each Participating Entity is solely responsible to pay all claims costs which come within its retained limit as set forth in Exhibit A.

## **VII. CLAIM COMPROMISE/SETTLEMENT AUTHORIZATION**

### **A. Participating Entity Authority**

By adoption of this Agreement, each Participating Entity grants to its Designated Representative, the authority to pay, compromise or settle any judgment or claim up to \$25,000, provided that there is a significant potential for a judgment adverse (including costs of defense) to the Participating Entity on the merits of the claim, and the settlement amount is equal to or less than the Participating Entity's potential liability and cost of litigation, and further provided that the claim would be a covered claim under this Agreement, except for the amount of the claim.

### **B. Excess of Participating Entity Authority**

1. *Judgment* – Upon receipt of a request to pay a claim covered by the Pool Agreement pursuant to a final judgment, decision or order (including binding arbitration), the Designated Representative for Clark County will pay the amount covered by the Pool unless the payment has been stayed pending appeal or post-trial proceedings.
2. *Settlement/Compromise* – When a Participating Entity wishes to pay or settle a claim or lawsuit in excess of its retained limit amount it must submit a written request for withdrawal of monies from the FUND to the Designated Representative of Clark County. Such requests may be made regardless of whether or not the governing body of the Participating Entity has first acted on the claim. Upon receipt of a request to pay a claim based upon settlement, the Designated Representatives shall meet and vote whether to approve the request and, if approved, what amount shall be paid from the FUND. A majority of the Designated Representatives shall constitute a quorum for all purposes.

#### C. Participating Entity Claim Recovery

The Designated Representative of each Participating Entity is authorized to, and shall vigorously pursue, any counter claim, third party claim, other insurance or any other feasible remedy to reduce or recover monies paid out of the FUND. Any recoveries must be paid back to the FUND in an amount proportionate to that portion of the claim and related expenses, which was paid from the FUND. The Designated Representative of each Participating Entity is authorized to compromise or settle any claim for reimbursement up to \$25,000 provided there is a reasonable likelihood that a judgment on the merits of the claim could exceed the settlement amount.

#### D. Budgetary Approval Process

All claims and expenses payable from the FUND shall follow the normal Clark County budgetary approval process and shall be audited and allowed by the Clark County Comptroller in the same manner as any other claim against the County.

### **VIII. PREMIUM**

#### A. Premium Payment Due

Premiums shall be paid in one annual installment due March 31 of any given fiscal year.

#### B. Calculation of Premium

For the first fiscal year of this Agreement, the premium rate charged each Participating Entity and each County fund shall be 0.8 percent of total salaries and wages as displayed in the prior year's Annual Financial Report of the County or the Participating Entity, except that the rate for Harry Reid International Airport shall be 0.4 percent of total salaries and wages, as long as additional coverage remains in effect and/or reserve funds are maintained to cover retention costs for such entities. For all subsequent fiscal years, the premium rates to be charged each Participating Entity and each County fund may be revised through mutual agreement of the Designated Representatives of the Participating Entities subject to approval by the governing bodies of the Participating Entities as part of their annual budget. The FUND reserves the right to apportion premium to entities who are not directly billed via established payroll billing when it is determined that such entities receive benefit from insurance coverages purchased by the FUND. This includes premium for liability, property and crime policies.

### C. Premium Revision

Clark County shall require the review of premium rate sufficiency in the biennial actuarial analysis. If actuarial analysis determines insufficient premiums, rates shall be adjusted to ensure fiscal viability of FUND. In considering a revision to the premium rates for any subsequent fiscal year, consideration shall be given to the average annual claims costs and legal services costs incurred during the previous three fiscal years, the estimated costs of renewing any policies of insurance, any actuarially required reserves as determined pursuant to Governmental Accounting Standards Board (GASB) Statement No. 10, offset by the amount anticipated to be earned on the investment of the FUND's assets.

## **IX. LITIGATION OVER AGREEMENT**

If any Participating Entity commences an action against another Participating Entity arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover from the losing party reasonable attorney's fees and costs of suit as awarded by the court.

## **X. BENEFICIARIES OF AGREEMENT**

The creation of the Pool is solely for the benefit of the Participating Entities and does not create or expand any rights or benefits to any other persons or organizations. Participation in this Agreement does not waive any privileges, defenses, immunities, or confidentiality, which the Participating Entities may have.

## **XI. NOTICES**

Any notice required or permitted to be given hereunder shall be in writing and will be effective when received by the party to whom directed by personal service, hand delivery or United States mail delivered to the address to be provided by each Participating Entity or its Designated Representative to the Designated Representative for Clark County.

## **XII. SEVERABILITY**

In the event that any provision of this Agreement is rendered invalid or unenforceable by a court of competent jurisdiction, all the remaining provisions of the Agreement shall remain in full force and effect, and the parties may renegotiate the Agreement for the sole purpose of correcting the deficiency.

### **XIII. GOVERNING LAW**

This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada.

### **XIV. ASSIGNMENT PROHIBITION**

No assignment of rights, duties or obligations of this Agreement shall be made by any Participating Entity without the express written approval of the other Participating Entities.

### **XV. ENTIRE AGREEMENT/AMENDMENT IN WRITING**

This Agreement constitutes the entire agreement between the Participating Entities and may only be modified, supplemented, or amended by written agreement of the Participating Entities with the same formality attending execution of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be signed and intend to be legally bound thereby.

DATE:\_\_\_\_\_

COUNTY OF CLARK

ATTEST:

BY:\_\_\_\_\_

TICK SEGERBLOM, Chair  
Board of County Commissioners

BY:\_\_\_\_\_  
LYNN MARIE GOYA, County Clerk

CLARK COUNTY REGIONAL FLOOD  
CONTROL DISTRICT

ATTEST:

BY:\_\_\_\_\_

JUSTIN JONES, Chair

BY:\_\_\_\_\_  
DEANNA HUGHES, Secretary

APPROVED AS TO FORM:

STEVEN B. WOLFSON, District Attorney

BY:\_\_\_\_\_  
LISA LOGSDON  
County Counsel