

**INTERLOCAL LEASE AGREEMENT AND OPERATING AGREEMENT
BETWEEN CLARK COUNTY AND UMC**

THIS INTERLOCAL LEASE AND OPERATING AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 2025 (“Effective Date”), by and between CLARK COUNTY, a political subdivision of the State of Nevada, (hereinafter referred to as “**LESSOR**” or “**COUNTY**”), and the University Medical Center of Southern Nevada, a publicly owned and operated hospital created by virtue of Chapter 450 of the Nevada Revised Statutes (hereinafter referred to as “**LESSEE**” or “**UMC**”), individually a “Party” and collectively referred to as the “Parties”.

RECITALS

WHEREAS, **COUNTY** is the owner of property with a commonly known physical building address of 5409 East Lake Mead Boulevard, Las Vegas, NV 89156 (referenced on the Assessor’s website as 5357 East Lake Boulevard, under Assessor’s Parcel Number 140-21-303-004), known as the Crisis Stabilization Center (hereinafter referred to as “Property”), as depicted in Exhibit “A”.

WHEREAS, the **COUNTY** may lease real property to another governmental entity pursuant to the authority of Nevada Revised Statute (“NRS”) 244.281(1)(e)(2) and 277.050 on terms authorized by the Board of County Commissioners (“Board”) without conducting a public auction as otherwise required by NRS 244.283 if the real property is used for a public use and the Board adopts a resolution declaring its intent to lease it, describing the real property to be leased, specifying the lease terms, finding that the lease will be in the best interest of the **COUNTY**, and setting a time for a public hearing at which objections to the Agreement may be made heard (“Resolution”); and

WHEREAS, the Resolution adopted by the Board has been published as required by NRS 277.050; and

WHEREAS, it is deemed that the lease of real property hereinafter set forth for public benefit dedicated for a Crisis Stabilization Center is in the best interest of the **COUNTY** and its inhabitants; and

NOW, THEREFORE, in consideration of the aforesaid promises, the Parties mutually agree as follows:

1. DESCRIPTION OF PREMISES.

COUNTY owns the Property which consists of a one (1) story medical office/behavioral health facility comprised of +/-17,182 square feet on +/-1.49 acres of fully developed land which **COUNTY** hereby leases to **LESSEE**, as shown on Exhibit "B" attached hereto and incorporated herein by reference (the "Premises").

2. TERM.

2.1 The initial term of this Agreement shall commence on the Effective Date for a period of five (5) years with five (5) one (1) year options to renew, to be exercised by giving at least a sixty (60) day written notice to the **COUNTY** before the end of such term or option.

2.2 In the event **COUNTY**'s future development of the Premises and Property affects **LESSEE**'s use described herein as determined solely by **COUNTY**, **LESSEE** will relocate at its own expense, but not earlier than after the notice period specified below in Section 10 unless mutually agreed upon otherwise by the Parties in writing.

3. RENT.

3.1 **COUNTY** agrees to lease the Premises and Property to **LESSEE** without requiring the payment of any rent.

4. USE OF THE PREMISES.

4.1 **LESSEE** shall use the Premises and Property only for a Crisis Stabilization Center to provide behavioral health services designed to de-escalate or stabilize a behavioral crisis, including, a behavioral health crisis experienced by a person with a co-occurring substance use disorder and connect the patient with providers of ongoing care as appropriate for the unique needs of the patient as outlined in Exhibit C – Crisis Stabilization Center Scope of Work. No other use of the Premises and Property shall be allowed unless prior written consent is obtained from the Director of Real Property Management (hereinafter referred to as "Director"), or their designee, at their sole discretion.

4.2 **LESSEE** shall observe and enforce all established rules and regulations of **COUNTY** in connection with **LESSEE**'S use of the Property and Premises. **LESSEE** shall not use or occupy the Property and Premises in violation of any law, covenant, condition, restriction, rule, or regulation or otherwise use or occupy the Property and Premises in a way which will negatively risk or affect the Property or Premises. Upon notice from **COUNTY**,

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LESSEE shall immediately discontinue any use of the Property and Premises which is declared by any governmental authority having jurisdiction to be a violation of a law, covenant, condition or restriction, rule, or regulation.

4.3 **LESSEE** shall not knowingly do or permit to be done anything which will increase the risk of fire or create a hazard on or about the Property and Premises, and shall comply with all rules, orders, regulations, requirements and recommendations of **COUNTY'S** risk manager, or any other person or organization performing a similar function.

4.4 **LESSEE** shall not do or permit anything to be done in or about the Property and Premises which will in any way obstruct or interfere with the rights of other leases or occupants of the building, or injure or annoy them, or use or allow the Property and Premises to be used for any unlawful purposes.

4.5 **LESSEE** shall not cause, maintain, or permit any nuisance or waste in, on or about the Property and Premises.

4.6 **LESSEE** shall at all times meet the standards and guidelines established by the Clark County Health Department and any other entity having jurisdictional authority and/or oversight regarding the services provided by UMC.

4.7 **LESSEE** shall abide by the established guidelines outlined in Exhibit C – Crisis Stabilization Center Scope of Work.

5. REPAIRS, MAINTENANCE AND ACCESS.

5.1 **LESSEE** shall maintain the Premises, including all improvements, fixtures and furnishings therein, in good order, condition and repair at all times during the Agreement term, provided however, that, at **COUNTY'S** option, or if **LESSEE** fails to make such repairs, **COUNTY** may, but need not, make such repairs and replacements, and **LESSEE** shall pay **COUNTY'S** cost or expenses, including **COUNTY'S** overhead, arising from **COUNTY'S** involvement with such repairs and replacements forthwith upon being billed for same. **LESSEE** hereby waives and releases its right to make repairs at **COUNTY'S** expense.

5.2 **COUNTY** shall, at its sole cost and expense, repair and maintain the Property, its structural or building systems (mechanical (HVAC) sub-surface or cement embedded, electrical, plumbing, and low voltage systems, exterior walls, and exterior roof) serving the Property and Premises, sidewalks, driveways, landscaping and parking lots,

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fixtures in common areas, and appurtenances furnished in common areas by **COUNTY** under this Agreement, in good repair and tenantable condition, except that **LESSEE** shall reimburse **COUNTY**, for any costs incurred by **COUNTY** in repair and maintenance of damage to said portions caused by the intentional or negligent acts of **LESSEE**, its officers, agents or employees. **LESSEE'S** failure to repair and maintain the Premises to **COUNTY'S** satisfaction gives **COUNTY** the right to terminate this Agreement in accordance with Section 10.

5.3 **COUNTY** shall service any fire extinguishers serving the Premises and provide for any inspections or repairs of the fire extinguishers, fire sprinklers, fire alarms or specialty fire suppression systems including kitchen hood suppression systems. **LESSEE** must make the Property and Premises available for these services to be performed. **COUNTY** will provide a schedule for non-emergency services.

5.4 **LESSEE** shall also be responsible for any repairs which arise out of (a) **LESSEE'S** use or occupancy of the Property and Premises; (b) the installation, removal, use or operation of **LESSEE'S** property; (c) the moving of **LESSEE'S** property into or out of the Property and Premises; or (d) the act, omission, misuse or negligence of **LESSEE**, its officers, agents, employees, or invitees. If **LESSEE** fails to repair any damage to the Property and Premises within thirty (30) days of written notice, **COUNTY** may at its option terminate this Agreement.

5.5 Upon the expiration or earlier termination of this Agreement, **LESSEE** shall return the Property and Premises to **COUNTY** in the same condition as on the date **LESSEE** took possession, except for normal and ordinary wear and tear. Any damage to the Property or Premises, including any damage resulting from **LESSEE'S** use of the Property and Premises or resulting from the removal of **LESSEE'S** property from the Property and Premises shall be repaired by **LESSEE** at its sole expense. If **LESSEE** fails to repair any damage to the Property or Premises before vacating the Property and Premises, **LESSEE** agrees to pay for such repairs performed by **COUNTY** or its contractor within thirty (30) days of receipt of **COUNTY** invoice.

5.6 **LESSEE** shall comply with all applicable Nevada laws, ordinances and rules of any public authority relating to its use and occupancy of the Property and Premises.

5.7 **LESSEE AND COUNTY**, entered into an Interlocal Agreement for **COUNTY** to reimburse **LESSEE** for costs to construct a Crisis Stabilization Center, dated April 1, 2025. This includes tenant improvements to the Property and Premises, and the purchase of certain equipment ("Improvements"). All Improvements are **COUNTY**-owned and the equipment shall be noted in Exhibit D as **COUNTY**-owned equipment that shall

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remain with the Property and Premises upon the expiration and/or termination of the Agreement. A list of property and equipment will be incorporated within ninety (90) days of approval of the Agreement and shall be updated annually by LESSEE.

6. SERVICES AND UTILITIES.

6.1 **COUNTY** shall provide, at no additional cost to **LESSEE** the following utilities and services: sewer.

6.2 **LESSEE** shall be responsible to pay for installation and charges for power, water, gas, trash removal, telephone, data, and any other service required by **LESSEE** for its operation. **LESSEE** shall be responsible for staffing the Property and Premises and shall be responsible for any and all administrative and overhead cost associated with its operations on the Property and Premises. **LESSEE** shall provide and pay the cost of all supplies and equipment required for its use of the Property and Premises.

7. ALTERATIONS AND IMPROVEMENTS.

7.1 **LESSEE** shall have the right, at its expense, to make any non-structural improvements to the Property or Premises, provided (a) **LESSEE** requests permission, in writing, to make such improvements, and provided (b) Director, in their sole discretion, gives written approval of the requested non-structural improvements, and (c) all necessary permits and approvals have been obtained by **LESSEE**.

7.2 Upon the termination of this Agreement, **LESSEE** shall have the right, at its sole expense, to remove any personal property or fixtures which **LESSEE** has installed or placed on the Property and Premises. **LESSEE** shall completely repair, at its sole expense, any and all damage resulting from such removal as provided above in Section 5.

7.3 All fixtures or other improvements remaining upon relocation, expiration or termination of this Agreement shall be deemed to be the property of **COUNTY**.

8. INDEMNIFICATION. Each Party shall remain liable for its own negligence in accordance with general law of the State of Nevada. **LESSEE** shall indemnify **LESSOR** for all claims, causes of action and lawsuits which arise out of **LESSEE**'s use of the Property and Premises. **LESSEE** agrees to hold harmless, indemnify and defend **LESSOR** and its agents, officers and employees against any and all claims or liability of any kind, including liability for attorneys' fees and other litigation costs and expenses, for any injury, death, damage, or loss to any person or property whatsoever, including employees and property of

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LESSOR, occurring in, on or about the Property or Premises, adjacent streets or sidewalks or any part thereof, due to the negligence, fault, act or omission of **LESSEE**, its agents, officers employees and invitees or due to the breach or default by **LESSEE** under this Agreement. Notwithstanding that this paragraph is written in the form of an agreement to indemnify, LESSOR and LESSEE's liability to indemnify is limited by applicable provision of law, including NRS 41.0305 to 41.039, inclusive. The Parties do not waive and will assert the defense of sovereign immunity in all appropriate cases.

LESSEE further agrees to require its contractors, subcontractors, service providers, vendors, consultants and agents to hold harmless, indemnify and defend the LESSOR against and from any and all liability, loss, damage, fines, claims, demands, lawsuits, causes of action, awards, litigation, judgments, of whatever nature, whether false, groundless or fraudulent, costs and expenses, including, but not limited to, investigation costs, reasonable attorney fees and expenses, expert witness fees, analysis and expenses and court or arbitration or other alternative dispute resolution costs, which may result from injury to or death of any person, or against and from damage to or loss, or destruction, or claims relating to property when such injury, death, loss, destruction, claim, or damage is due to or arising from or as a result of any alleged act or omission, whether willful, reckless or negligent 1) relating to any use, maintenance or operations of the Premises, 2) work performed on the Premises or any work related to the use of the Premises, or 3) occurring in, on or in the vicinity of the Premises, public improvements, including but not limited to the adjacent streets or sidewalks or any part thereof.

9. INSURANCE. **LESSEE**, at its expense, will maintain the following insurance coverage or the self-insured equivalent during the initial and any extended terms of this Agreement and will name **COUNTY** as an additional insured:

9.1 Workers compensation in accordance with Nevada law.

9.2 Commercial general liability with a combined single limit for bodily injury and property damage of not less than Two Million Dollars (\$2,000,000) per occurrence to protect the **COUNTY**, **LESSEE** and **LESSEE'S** contractors and agents against claims for bodily injury or death and damage to the property of others.

9.3 No deductible or self-insured retention may exceed ten thousand dollars (\$10,000).

9.4 During the term of this Agreement the **LESSEE** shall provide fire and extended coverage insurance for \$150,000 for the Premises.

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9.5 Before a contractor, subcontractor, or vendor commences any work or provides any services on the Premises, LESSEE shall require the contractor, subcontractor, or vendor to obtain and maintain throughout the term of the contract, bonds and insurance coverage meeting the requirements and shall name LESSEE and COUNTY as additional insureds and furnish certificates of such insurance coverage to the COUNTY.

10. TERMINATION. For any reason other than breach of this Agreement as provided for in Section 11 herein, either Party, may terminate this Agreement upon sixty (60) days written notice to the other Party.

11. BREACH. In the event of LESSEE's default or breach of this Agreement, COUNTY shall give LESSEE written notice of the breach, LESSEE shall have thirty (30) days after receipt of said Notice of Breach to cure the breach or vacate the Property and Premises. LESSEE'S failure to cure the breach or vacate the Property and Premises within such thirty (30) day period, gives COUNTY the right to immediately retake possession of the Property and Premises in compliance with Nevada law.

12. NOTICES. All notices, approvals and demands allowed or required to be given under this Agreement shall be in writing and deemed duly served or given if personally delivered or sent by certified or registered U.S. mail, postage prepaid and addressed as follows:

To COUNTY:

Clark County Department of Real Property Management
Attention: Director of Real Property Management
500 S. Grand Central Parkway, 4th Floor
Las Vegas, NV 89155-1825

To LESSEE:

University Medical Center of Southern Nevada
Attention: CEO
1800 West Charleston Boulevard
Las Vegas, NV 89102

13. WAIVER. COUNTY'S failure to enforce or delay in the enforcement of any provision hereof or enforcement of any right hereunder shall not be construed as a waiver of such provision or right. **LESSEE'S** exercise of any right hereunder shall not preclude or prejudice the exercise thereafter of the same or any other right. This Paragraph 13 may not be waived.

14. MISCELLANEOUS.

14.1 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any other association between **LESSOR** and **LESSEE**. No provisions of this Agreement, nor any acts of the Parties hereto, shall be deemed to create any relationship between **LESSOR** and **LESSEE** other than as set forth in this Agreement.

14.2 Remedies Cumulative. The various rights, options, elections, and remedies of **LESSOR** contained in this Agreement shall be cumulative, and no one of them shall be construed as exclusive of any other, or of any right, priority or remedy allowed or provided by law and not expressly waived in this Agreement.

14.3 Governing Law. The laws of the State of Nevada shall govern the validity, construction, performance, and effect of this Agreement.

14.4 Entire Agreement. This Agreement sets forth the entire understanding and agreement between the Parties hereto and supersedes all previous communications, negotiations, and agreements, whether oral or written, with respect to the subject matter hereof. No addition to or modification of this Agreement shall be binding on either Party unless reduced to writing and duly executed by or on behalf of the Parties hereto. No representation or statement not expressly contained in this Agreement or in any written, properly executed amendment to this Agreement shall be binding upon **LESSOR** or **LESSEE** as a warranty or otherwise.

14.5 Assignment and Sublease. Any attempt by **LESSEE** to assign any rights, delegate any duties arising from this Agreement, or to sublease the Premises without the written consent of **LESSOR** shall be void.

14.6 Third Party Beneficiary. This Agreement is not intended to create any rights, powers, or interest in any third party and this Agreement is entered into for the exclusive benefit of the undersigned Parties.

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14.7 Non-discrimination. **LESSEE** shall not unlawfully discriminate against any person in the use of the Property and Premises.

[SIGNATURE PAGE TO FOLLOW]

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IN WITNESS WHEREOF, we have executed this Agreement the day and year first written above.

CLARK COUNTY

UNIVERSITY MEDICAL CENTER OF
SOUTHERN NEVADA

By _____
Shauna Bradley, Director
Real Property Management

By _____
Mason Van Houweling
Chief Executive Officer

Approved as to form:

By _____
Nichole Kazimirovicz
Deputy District Attorney

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EXHIBIT “A”
Property

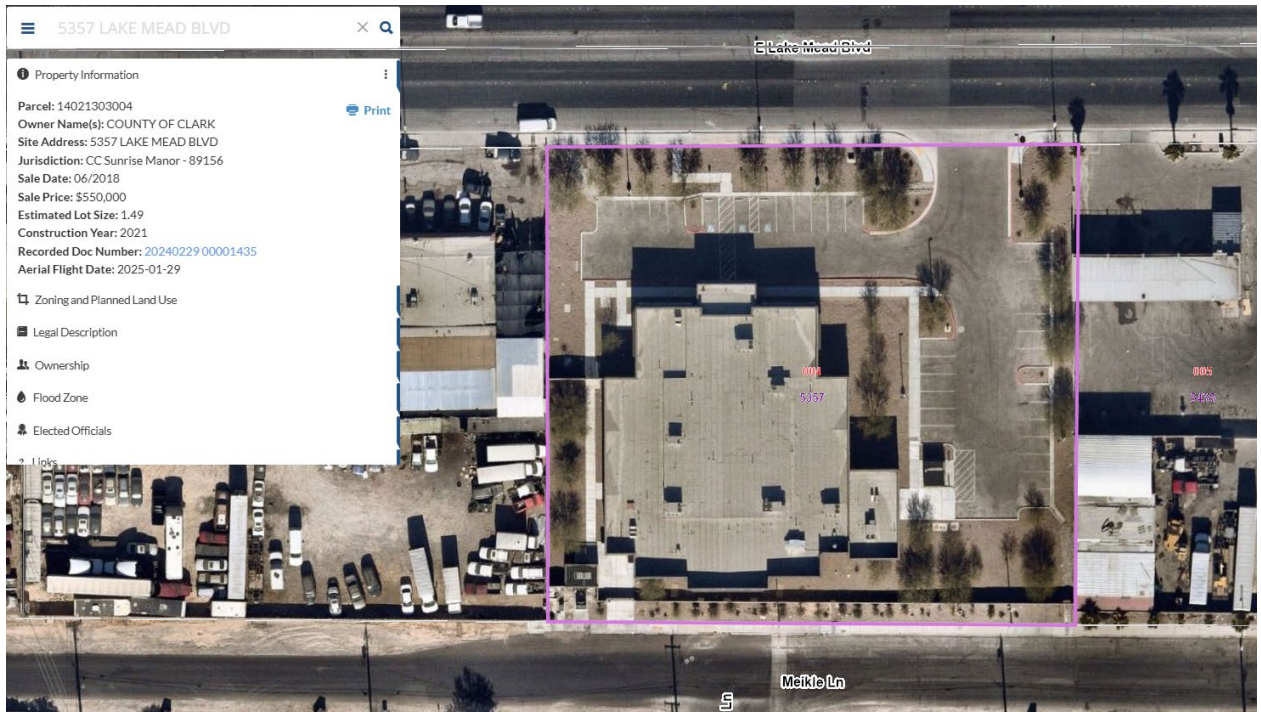


EXHIBIT “B”
Premises

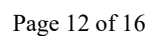


EXHIBIT “C”

**CRISIS STABILIZATION SERVICES
SCOPE OF WORK**

CRISIS STABILIZATION SERVICES

The County and UMC agree that UMC will use the Property to provide behavioral health services designed to de-escalate or stabilize a behavioral crisis, including, a behavioral health crisis experienced by a person with a co-occurring substance use disorder and connect the patient with providers of ongoing care as appropriate for the unique needs of the patient hereinafter referred to as (“Services”).

Services shall be provided 24/7 and shall serve individuals to remain for less than 24 hours. UMC shall accept drop-offs from law enforcement and transfers from emergency departments at the Property.

The target population for the Services are adults 18 years and older experiencing a behavioral health crisis with or without a co-occurring substance use disorder. UMC will accept all patients, without regard to the race, ethnicity, gender, socioeconomic status, sexual orientation or place of residence of the patient; any social conditions that affect the patient; the ability of the patient to pay or insurance.

RESPONSIBILITIES OF UMC

UMC shall provide or contract with a provider to provide on-site qualified crisis stabilization Services 24 hours per day, 7 days per week at the Property.

UMC will offer trauma-informed specialty mental health care to include, but not limited to:

- A. Psychiatric assessment
- B. Medication evaluation and management
- C. Individualized recovery-oriented interventions
- D. Evaluation for voluntary or involuntary detention
- E. Admissions evaluation for inpatient psychiatric hospitalization if necessary
- F. Substance abuse screening
- G. Peer support services and linkage to aftercare through Resource Center
- H. Case management services, including, without limitation, such services to assist patients to obtain housing, food, primary health care and other basic needs
- I. Services to intervene effectively when a behavioral health crisis occurs and address underlying issues that lead to repeated behavioral health crises
- J. Treatment specific to the diagnosis of a patient

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- K. Coordination of aftercare for patients, including, without limitation, at least one (1) follow-up contact with a patient not later than seventy-two (72) hours after the patient is discharged.
- L. Administration and documentation of medications ordered and administered.
- M. Maintain documentation of professional medical records, files and reports to meet Nevada State Board of Nursing guidelines, UMC'S protocol and COUNTY'S protocol.
- N. Develop and maintain clear communication with COUNTY'S staff, children's parents and caregivers of the children and community medical providers to assure continuity of care for the patient.
- O. Provide communication to COUNTY'S emergency shelter supervisors of any medical concerns for any adults placed in COUNTY emergency shelters from the crisis stabilization center prior to placement.
- P. Provide equipment needed for the operation of the Facility and treatment of patients.
- Q. Provide medical liability insurance and administrative support for its employees.
- R. Provide appropriate trained and supervised personnel to provide the necessary crisis stabilization services during the term of this Contract.
- S. Provide quarterly report including: referral sources, discharges, legal holds, average length of stay, recidivism rate, payor mix or other data as requested by the County.
- T. Assure that all UMC'S personnel and subcontracted service providers maintain their professional licenses.
- U. Maintain written records on all individuals treated pursuant to this Contract.
- V. Maintain confidentiality of all patient's records.
- W. Maintain all books, records, documents, and other evidence of its performance under the Contract as required by local, state or federal law. COUNTY will have access to such books, records, documents, and other evidence for the purpose of inspection; audit and copying at any time during the period such records are required to be maintained.
- X. At UMC'S discretion and as authorized by law, UMC shall bill third party payers (e.g., Medicaid, private insurance, etc.) for on-site crisis stabilization Services performed at the Property. Whether or not UMC receives any additional monies from third party payors, UMC agrees to provide all on-site crisis stabilization Services as described in this Agreement.

RESPONSIBILITIES OF BOTH PARTIES

- A. Finance personnel from the COUNTY and UMC will convene a collaborative oversight financial committee quarterly to (i) review year to date budget and financial reports, including but not limited to the Statement of Net Position, Statement of Revenues,

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Expenses, and Changes in Net Position, Statement of Cash Flows, actual to budget results, sources of revenues by payor mix, bad debt write offs, collection efforts, and average bed days; (ii) identify potential budget overruns; and (iii) act as a resource to help resolve financial challenges that may arise. All supporting documents will be made available to the COUNTY upon request for review. The Financial Oversight Committee (“FOC”) may request additional participation or action from UMC staff to address intake and discharge policies that could have a direct and material financial impact to operations.

- B. UMC and COUNTY shall develop joint processes and comply with any respective requirements to ensure maximization of funding through Medicaid. Additionally, each party agrees to re-evaluate the fiscal amount attached to the contract if there should be any unpredicted fiscal changes in Medicaid eligibility requirements or reimbursements.

RESPONSIBILITIES OF THE COUNTY

In addition to responsibilities as LESSOR, the County agrees to subsidize patient care as the payor of last resort at an annual amount not to exceed five million dollars (\$5,000,000) for crisis stabilization Services provided in accordance with this Agreement. UMC will bill COUNTY Finance for patient care once UMC has demonstrated insurance billings have been denied or the patient is uninsured, and collection efforts have been unsuccessful. If additional operating subsidies are required outside of patient billings, UMC may bring a request to the FOC. The FOC shall not approve any request that would increase the total County subsidy, inclusive of patient billings, in an annual amount not to exceed five million dollars (\$5,000,000) annually.

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EXHIBIT “D”

County-owned Equipment Inventory List

UPDATED WITHIN 90 DAYS OF EXECUTION OF AGREEMENT