IN THE SUPREME COURT OF THE STATE OF NEVADA

CLARK COUNTY SCHOOL DISTRICT, Appellant,

vs.

EVELYN BARRANCO,

Respondent.

No. 50715

FILED

MAY 29 2009

ORDER OF REVERSAL AND REMAND

This is an appeal from a district court order granting respondent's motion for good-faith settlement and dismissing appellant's cross-claims against respondent, certified as final pursuant to NRCP 54(b). Eighth Judicial District Court, Clark County; Jackie Glass, Judge.

This case arises out of a motor vehicle accident. Respondent Evelyn Barranco was involved in a collision with Gene Edward Johnson, an employee of appellant Clark County School District (CCSD), who was driving a CCSD-owned vehicle. Barranco's husband, Salvatore Barranco, was seriously injured in the accident and died a few days later. Salvatore's estate and heirs initiated this suit against Barranco, Johnson, and CCSD. CCSD filed a cross-complaint against Barranco, arguing that Barranco was entirely at fault for the collision and seeking damages, indemnity, and contribution.

Barranco's vehicle was registered and insured in New York. Barranco's insurance company disputed her policy coverage and instituted a declaratory judgment action in New York, seeking confirmation of its determination that there was no liability coverage for a suit brought against Barranco by the estate and heirs. The

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insurance company, Barranco, and the heirs reached a settlement agreement wherein the insurance company would pay the estate and heirs Nevada's minimum policy limit of \$15,000 and the estate and heirs would release Barranco, assuming a final good-faith-settlement determination by the district court.

Thereafter, Barranco filed a motion for good-faith settlement pursuant to NRS 17.245 and determination of final judgment pursuant to NRCP 54(b). CCSD opposed the motion, arguing that the settlement was not a good-faith settlement, relying on the factors set forth in <u>Doctors Company v. Vincent</u>, 120 Nev. 644, 98 P.3d 681 (2004).

The district court reviewed the pleadings on the matter; a hearing on the record was not held. Barranco submitted a prepared order, which the district court signed. In its order, the district court summarily granted Barranco's motion for good-faith settlement and certified the matter as final pursuant to NRCP 54(b) without providing any reasoning or analysis regarding the good-faith settlement. In addition, the district court dismissed "any and all claims arising from the incident," thereby eliminating CCSD's cross-claim.

CCSD appeals the district court's order, arguing that the district court abused its discretion by determining that the settlement was entered in good faith, without considering any of the factors set forth in <u>Doctors Company</u>, and that the district court improperly dismissed CCSD's cross-claim, sua sponte, without any briefing or argument regarding this issue. We agree.

Good-faith settlement

CCSD argues that the district court should have considered all factors relevant to a determination of whether the parties entered a settlement in good faith, specifically those factors set forth in <u>Doctors Company</u>.

This court has previously held that the "determination of good faith should be left to the discretion of the trial court based upon all relevant facts available, and that, in the absence of an abuse of that discretion, the trial court's findings should not be disturbed." Velsicol Chemical v. Davidson, 107 Nev. 356, 360, 811 P.2d 561, 563 (1991). In analyzing whether a settlement was made in good faith, "a district court may, in addition to the specifically articulated MGM factors, assess the relative liability permutations of the particular contribution or indemnity action known to it, including the strengths and weaknesses of the contribution or indemnity claims. This standard of review vests the district court with considerable Doctors Company, 120 Nev. at 652, 98 P.3d at 687 discretion." (declining to adopt the <u>In Re MGM Grand Hotel Fire Litigation</u>, 570 F. Supp. 913, 927 (D. Nev. 1983) factors as exclusive criteria for determinations of good faith, and concluding that the court may also evaluate, among other things, the relative culpability of the parties to an implied indemnity action).

Our review of the record reveals that the district court failed to articulate its reasoning regarding what factors were considered in reaching its conclusion. While the district court did not have to hold a hearing regarding the motion for good-faith settlement, the district court gave no indication what factors it considered in its

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written order, and otherwise failed to make an adequate record for appellate review. <u>Velsicol Chemical</u>, 107 Nev. at 360, 811 P.2d at 563. Given the absence of any record of what factors, if any, the district court considered, we conclude the district court abused its discretion. Therefore, the district court's order is reversed and remanded so that the district court can place its reasoning on the record.

Dismissal of cross-claim

In addition to granting the motion for good-faith settlement, the district court also dismissed CCSD's remaining claims against Barranco, including its cross-claim for damages. CCSD argues that the district court was without authority to dismiss CCSD's cross-claim. We agree.

The district court is not authorized to enter judgment on a claim which has not been presented to the court for resolution and has not been briefed or argued. <u>Idaho Resources v. Freeport-McMoran Gold</u>, 110 Nev. 459, 461, 874 P.2d 742, 743 (1994). "[A] trial court has no authority to render a decision on issues not presented for determination. Any findings rendered outside the issues are a nullity." <u>Id.</u> (quoting <u>Combe v. Warren's Family Drive-Inns, Inc.</u>, 680 P.2d 733, 736 (Utah 1984).

The only issue presented to the district court and briefed by the parties was Barranco's motion for good-faith determination. Barranco also requested that the court certify the decision as final pursuant to NRCP 54(b), but this merely rendered the order regarding good-faith settlement final. Nothing in Barranco's motion addressed CCSD's cross-claim and neither party addressed CCSD's cross-claim.

The district court had no authority to dismiss CCSD's cross-claim.¹ Accordingly, we

ORDER the judgment of the district court REVERSED AND REMAND this matter to the district court for proceedings consistent with this order.

Parraguirre

Jouglas

J.

Pickering

cc: Hon. Jackie Glass, District Judge
Janet Trost, Settlement Judge
Clark County School District Legal Department
Law Office of William R. Brenske
Mills & Associates
Eighth District Court Clerk

¹We note that the district court dismissed the cross-claim in its order, which was certified as final pursuant to NRCP 54(b). Therefore, even though the district court did not have authority to dismiss the cross-claim, this court does have jurisdiction over this issue because it was included in an appealable order.