

RESOLUTION NO. RES-2023-060

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THE CITY OF SANTA ROSA TO ENTER INTO SETTLEMENT AGREEMENTS AS PART OF THE NATIONAL OPIOID PROPOSED SETTLEMENTS WITH TEVA, ALLERGAN, CVS, WALGREENS AND WALMART; AUTHORIZING THE CITY MANAGER TO ENTER INTO ANY NEW SETTLEMENTS WITH ADDITIONAL SETTLING DEFENDANTS AND /OR BANKRUPTCY PLANS RELATED TO THE NATIONAL OPIOID SETTLEMENT; EXECUTE ALL DOCUMENTS NECESSARY; AND DIRECTING USE OF ALL SETTLEMENT PROCEEDS WITHIN ANY PERMISSIBLE USE AS PROVIDED FOR IN THE SETTLEMENT AGREEMENTS

WHEREAS, the United States is facing an ongoing public health crisis of opioid abuse, addiction, overdose, and death. The State of California and California local governments spend billions of dollars each year to address the direct consequences of this crisis; and

WHEREAS, since 2017, state and local governments in California and around the United States have been pursuing litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the “Opioid Defendants”) in an effort to hold the Opioid Defendants financially responsible for the impact on of the Opioid Epidemic on the City of Santa Rosa (“the City”) and resources necessary to combat the opioid epidemic; and

WHEREAS, negotiations to settle claims against several of the Opioid Defendants, specifically Teva, Allergan, CVS, Walgreens, and Walmart (the “Settling Defendants”) have been ongoing for several years; and

WHEREAS, negotiations with the Settling Defendants have resulted in proposed nationwide settlements of state and local government claims to settle the Litigation; and

WHEREAS, the proposed settlements are conditioned on a sufficient number of cities and counties opting in to participate in the agreements; and

WHEREAS, on December 14, 2021, the City of Santa Rosa opted in to Settlement Agreements with Janssen and various other Distributors; and

WHEREAS, copies of the Settlement Agreements as well as summary of the main terms of the Settlement Agreements, the deadlines for submitting the Participation Agreements to the Settlement Agreements have been provided to the Council with this resolution; and

WHEREAS, the Settlement Agreements provide, among other things, for the payment of a certain sum to settling government entities in California including to the State of California and Participating Subdivisions upon occurrence of certain events as defined in the Settlement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa authorizes the City Manager to execute the following settlement agreements, subject to approval as to form by the City Attorney:

- Settlement Participation Forms with each Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart), attached to this resolution as Exhibit A.
- Proposed California State-Subdivision Agreement regarding Distribution and Use of Settlement Funds with each Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart), attached to this resolution as Exhibit B.
- Any documents necessary in order to facilitate the receipt of funds under the settlement with each of these Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart).

BE IT FURTHER RESOLVED that the Council authorizes the Chief Financial Officer to appropriate the settlement funds from the Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart) as they are received and apply as necessary to implement the allowable uses of these funds.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to enter into any further settlement agreements with additional settling defendants under the National Opioid Settlement, subject to approval as to form by the City Attorney, and authorizes the Chief Financial Officer to appropriate such future settlement funds.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to direct proceeds received from the settlements to be used as permitted under the agreements.

IN IN COUNCIL DULY PASSED this 11th day of April, 2023.

AYES: (7) Mayor N. Rogers, Vice Mayor MacDonald, Council Members Alvarez, Fleming, Okrepkie, C. Rogers, Stapp

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney

Exhibit A – Settlement Participation Forms with each Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart)

Exhibit B – Proposed California State-Subdivision Agreement regarding Distribution and Use of Settlement Funds with each Settling Defendants (Teva, Allergan, CVS, Walgreens, and Walmart)