



MEMORANDUM

To: Mayor and City Council

From: Vicki Chiavetta, Deputy City Manager

Date: November 9, 2021

Reference: Consider approval of a Resolution adopting the Texas Term Sheet and its Intrastate Allocation Schedule regarding the Global Opioid Settlement; providing an effective date; and authorizing the Mayor to sign all necessary documents.

Introduction:

The Texas Attorney General's Office sued Johnson & Johnson, AmerisourceBergen, Cardinal Health and McKesson in connection with their manufacturing and distribution of opioids. They have reached a settlement that provides for payments to the city for opioid abatement. The City of Coppel has been allocated \$86,593, which must be used to support a wide variety of strategies to fight the opioid crisis.

To join the settlement, the City must sign the Subdivision Settlement Participation Forms for both the Distributor Settlement and the Janssen Settlement (Exhibit K) and adopt the Texas Term Sheet (see separate document) by passing the aforementioned resolution. Once passed, the City must send a copy of the Signed Resolution and the Settlement Participation Forms to the Attorney General's office.

The funds that are received by the City must be used for opioid abatement as noted in the List of Opioid Remediation Uses (Exhibit E). Should the resolution be passed, City Staff will research various abatement options to present to Council for discussion.

Approval of the Resolution indicates that the City of Coppel supports in its entirety the allocation method for opioid settlement proceeds as set forth in the Texas Term Sheet and that the City of Coppel understands that the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and Political Subdivisions to explore and potentially effectuate resolution of the Opioid Litigation against Pharmaceutical Supply Chain Participants as defined in the document. It also signifies that the City of Coppel understands that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State

of Texas and Political Subdivisions in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic in this City and throughout Texas.

Included in the agenda packet is Exhibit A: Opioid Abatement Fund (Texas) Settlement, Opioid Council, that describes the framework of the Texas Opioid Council, and Exhibit B: Municipal Area Allocations, a list of the allocations to be made to cities. Also included is Exhibit C: Texas Opioid Council & Health Care Region Allocations.

Legal Review:

The City Attorney has reviewed the resolution.

Fiscal Impact:

The Resolution will initiate the allocation of the settlement to the City of Coppell in the amount of \$86,593.

Recommendation:

Staff recommends approval of the resolution.