

SUBMITTED BY: Luis Pedroza, Management Services Director/City Treasurer

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Advanced Infrastructure Development and Improvement

ORGANIZATIONAL IMPROVEMENTS: EnterTextHere

SUBJECT: **RESOLUTION NO. 21-1481**, A Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, AUTHORIZING the CITY of DOUGLAS, a Municipal Corporation to participate in the ONE ARIZONA DISTRIBUTION of OPIOID SETTLEMENT FUNDS AGREEMENT to provide financial relief to communities as a result of the effects of the OPIOID PANDEMIC.

EXECUTIVE SUMMARY:

A settlement agreement has been reached regarding opioid litigation brought by states and local political subdivisions against pharmaceutical distributors, McKesson, Cardinal Health, AmerisourceBergen and Janssen Pharmaceuticals Inc. The City can participate in this settlement and be entitled to part of the cash settlement as a result of the opioid epidemic affects to communities.

BACKGROUND:

There is approximately \$22.7 billion of the settlement earmarked for use by participating states and subdivisions to remediate and abate the impacts of the opioid crisis. By the city participating in this settlement agreement it is estimated that the City could receive approximately \$363,288 depending on other Arizona cities' and counties' participation in the settlement. The more participation from Arizona cities, the more money that would be allocated in Arizona.

The use of funding must be utilized to respond to the opioid epidemic crisis and we have determined possible eligible uses for the funding that include the use of Narcan and training for officers and EMTs. We are also exploring other possibilities for our public safety services as well as partnering with outside agencies that provide support services that may benefit our community to provide them support funding for their programs.

DISCUSSION:

It is in the best interest for the City to participate in this settlement agreement that otherwise if we wanted to receive compensation we would need to take on litigation on our own. By participating we are eligible to receive the funding described above that would assist our existing services or partner with other agencies to provide response or preventive services. Staff recommends approval to provide the City Manager authority to enter into the settlement agreement.

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE RESOLUTION NO. 21-1481.”

FISCAL IMPACT:

Estimated to be \$363,288 in revenue that would be earmarked for opioid crisis response. However, the amount is only an estimate and subject to change as it is determined based on other cities' and counties participation.

Fiscal Year: 2021/2022

Amount Requested: \$

Budgeted: Y / N

Account (s):