

RESOLUTION NO. 2022-03

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEWITT, TX OPTING INTO THE GLOBAL OPIOID SETTLEMENT; ADOPTING THE TEXAS OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET AND AUTHORIZING THE MAYOR TO EXECUTE SETTLEMENT PARTICIPATION FORMS ON BEHALF OF THE CITY OF HEWITT, TX

WHEREAS, the city of Hewitt learned that certain drug companies and their corporate affiliates have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

WHEREAS, these actions, conduct and misconduct have resulted in significant financial costs to the city of Hewitt; and

WHEREAS, on December 6, 2021, by **Resolution No. 2021-13**, the Council adopted the Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (the "Texas Term Sheet") and approved participation in the State of Texas' settlements with opioid distributors Johnson & Johnson and Pharmaceutical Distributors AmerisourceBergen, Cardinal Health and McKesson, and

WHEREAS, the State of Texas has reached final agreements with the following companies to resolve legal claims against them for their role in the opioid crises, and

WHEREAS, the State of Texas recently has reached a settlement with pharmaceutical manufacturers Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Endo International plc, Par Pharmaceutical, Inc., and Par Pharmaceutical Companies, Inc. (collectively "Endo"); and

WHEREAS, the settlement is governed by the Texas Term Sheet and requires Endo to pay \$63 million (the "Settlement Amount") to Texas and its political subdivisions. Of the Settlement Amount, approximately \$56 million is earmarked for use by Texas and its subdivisions to remediate and abate the impacts of the opioid crisis; and

WHEREAS, the State of Texas also recently reached a settlement with pharmaceutical manufacturers Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Cupric Holding Co., Inc., Teva Pharmaceutical Holdings Cooperative U.A., Teva Pharmaceuticals Europe B.V. Cephalon, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., Warner Chilcott Co., LLC, Actavis South Atlantic LLC, Actavis Elizabeth LLC, Actavis Mid Atlantic LLC, Actavis Totowa LLC, Actavis Kadian LLC, Actavis Laboratories UT, Inc. f/k/a Watson Laboratories Inc.-Salt Lake City, Actavis Laboratories FL, Inc. f/k/a Watson Laboratories, Inc.-Florida, and Anda, Inc. (collectively "Teva"); and

WHEREAS, the settlement is governed by the Texas Term Sheet and requires Teva to pay \$225 million (the “Settlement Amount”) to Texas and its political subdivisions; and

WHEREAS, these settlement agreements will allow the city of Hewitt to participate in the settlement distributions, and

WHEREAS, the city of Hewitt desires to participate in the settlement resolutions and avoid costly bankruptcy litigation and the need to file claims.

NOW, THEREFORE, BE RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEWITT:

That the settlement with pharmaceutical manufacturers Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Endo International plc, Par Pharmaceutical, Inc., and Par Pharmaceutical Companies, Inc., is approved.

That the settlement with pharmaceutical manufacturers Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Cupric Holding Co., Inc., Teva Pharmaceutical Holdings Cooperative U.A., Teva Pharmaceuticals Europe B.V. Cephalon, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., Warner Chilcott Co., LLC, Actavis South Atlantic LLC, Actavis Elizabeth LLC, Actavis Mid Atlantic LLC, Actavis Totowa LLC, Actavis Kadian LLC, Actavis Laboratories UT, Inc. f/k/a Watson Laboratories Inc.-Salt Lake City, Actavis Laboratories FL, Inc. f/k/a Watson Laboratories, Inc.-Florida, and Andia, Inc., is also approved.

That the Mayor is hereby authorized to execute all necessary documents on behalf of the City of Hewitt.

PASSED AND APPROVED this 7th day of March, 2022.

CITY OF HEWITT, TEXAS

Steve Fortenberry, Mayor

ATTEST:

Lydia Lopez, City Secretary

APPROVED AS TO FORM & LEGALITY:

Michael W. Dixon, City Attorney