



CITY OF LAKE FOREST PARK

CITY COUNCIL

AGENDA COVER SHEET

Meeting Date	March 23, 2023
Originating Department	Executive
Contact Person	Phillip Hill, City Administrator
Title	Approval of Resolutions 23-1888 and 23-1889 authorizing the Mayor to execute the State Allocation Form and Distributors Washington Settlement Participation Forms related to the nationwide opioid litigation

Legislative History

- First Presentation/Action – April 28, 2022, Resolution 1845 executing the One Washington Memorandum of Understanding
 - Second Presentation/Action – September 8, 2022, Resolutions 1854 and 1855 executing the Allocation Agreement and Participation Forms
 - Third Presentation/Action – March 23, 2023, Resolution 23-1888 and 23-1889 executing the second Allocation Agreement and Participation Forms
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Attachments:

1. One Washington Memorandum of Understanding between Washington Municipalities
 2. Resolution 23-1888 Authorizing Execution of Allocation Agreements
 3. Resolution 23-1889 Authorizing Execution of the Participation Forms
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Executive Summary

This agenda item seeks City Council authorization for the Mayor to execute the Allocation Agreement with the State of Washington related to the allocation and use of opioid litigation settlement proceeds between the State and eligible cities and counties and the Participation Forms between certain settling opioid manufacturers and pharmacies. The deadline for signing the required documents is Tuesday, April 18, 2023. The allocation of funds between the State and local governments remains a 50/50 split as previously agreed in the One Washington Memorandum of Understanding.

Background

Multiple states, counties, and cities throughout the nation have brought lawsuits over the last few years against various entities within the pharmaceutical supply chain who manufacture, distribute, and dispense prescription opioids (the “Opioid Distributors”). The State of Washington has now reached a settlement with the Opioid Distributors. This Opioid Distributors settlement includes six separate agreements:

1. Allocation Agreement (this agreement covers the split between the State and local jurisdictions).
2. Participation Forms with Walmart, Teva Public Global, Allergan Public Global, CVS and Walgreens.

Washington cities and counties with populations over 10,000 can join this settlement, and if a sufficient number join, they will receive funds that must be spent on efforts to combat the opioid epidemic. The proceeds can only be used for approved purposes as outlined in the agreement, such as treatment for opioid use disorder (“OUD”), support for people in treatment and recovery, providing connections to care for people who have—or are at risk of developing—OUD, addressing the needs of persons with OUD in the criminal justice system, training, and research. Local governments can spend the money directly or pool the money with other local governments on a regional basis.

The Allocation Agreement outlines how funds will be split between the State and eligible cities and counties and makes a few amendments to the related One Washington MOU for the Distributors Washington Settlement. While the City could choose not to sign the Allocation Agreement, doing so may result in the City not receiving any of the settlement proceeds.

Fiscal & Policy Implications

Execution of the Allocation Agreement would have no negative impact on the City’s budget and would help ensure that the State is able to meet the participation threshold to effectuate the settlement with the Opioid Distributors. The City’s additional execution Allocation and Participation Forms will guarantee that the City receives a portion of the settlement proceeds from the Opioid Distributors; however, the amount is dependent on how many other jurisdictions decide to sign on and the ultimate settlement, and is therefore not known at this time.

Staff Recommendation

Adopt Resolution 23-1888 authorizing the Mayor to execute the Allocation Agreement related to the allocation and use of opioid litigation settlement proceeds between the State and eligible cities and counties.

Adopt Resolution 23-1889 authorizing the Mayor to execute the Participation Forms related to the allocation and use of opioid litigation settlement proceeds between the State and eligible cities and counties.