

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

**RESOLUTION APPROVING OPTING-IN TO THE NATIONAL OPIOID LITIGATION
SETTLEMENTS WITH CVS, WALMART, TEVA AND ALLEGAN**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland,
Michigan, held in the City Hall of said City on _____, 2023, at 7:00 P.M. Prevailing
Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember
_____ and supported by Councilmember _____.

RECITALS:

WHEREAS, After several years of negotiation, nationwide settlements relating to the distribution and sale of opioids, have been reached against two national pharmacies, CVS and Walmart and against two pharmaceutical companies, Teva Pharmaceutical Industries and AbbVie/Allergan. These settlements are in addition to the settlements previously approved in 2021 with distributors, McKesson, Cardinal Health and AmerisourceBergen and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson. The settlements require the companies to pay up to \$16.5 billion dollars over 13 years. The settlement payments are primarily earmarked for participating states and state subdivisions to remediate and abate the impacts of the opioid crisis and also include the payment of attorney fees for subdivisions that hired counsel to sue these companies on their behalf. ("Litigating Subdivisions")

WHEREAS, The settlements place numerous requirements on the companies to implement safeguards to prevent the over distribution and sale of opioids. Michigan has chosen to participate in each of these settlements and has negotiated a settlement agreement with the Litigating Subdivisions that will provide a higher payment to local subdivisions than what was proposed in the national settlements.

WHEREAS, The City has received notice that it is eligible to participate in the settlements. The Michigan Attorney General's Office has estimated that Novi will receive approximately \$42,515.89 over 13 years from the Teva settlement, \$25,328.94 over 7 years from the Allergan settlement, \$56,238.68 over 10 years from the CVS settlement and

\$31,847.09 over 1 to 6 years from the Walmart settlement. The total estimated amount from the four settlements is \$155,930.60. The actual amounts received may vary.

WHEREAS, Any funds received from the settlements must be spent on opioid remediation, which is defined in the settlement agreements. However, if a majority of governments that sued the companies do not accept the settlements, the proposed deals will fail, and litigation will continue.

WHEREAS, The four proposed settlements require the participating subdivisions to agree to the settlement terms. The settlements require: i) an agreement to the terms of the settlements; ii) a release of claims; iii) an agreement that monies received can only be spent on opioid remediation and; iv) a consent to the jurisdiction of the Court where the Settlement Judgment is filed.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City of Novi elects to participate in the proposed settlements with two national pharmacies, CVS and Walmart and against two pharmaceutical companies, Teva Pharmaceutical Industries and AbbVie/Allergan.
2. The City of Novi agrees to the terms of the settlements, a Release of Claims against the companies named in the litigation, the funds received from the settlements to be spent on opioid remediation, as defined in the settlements, and consents to the jurisdiction of the Court where the Settlement Judgments are filed.
3. The City of Novi authorizes the Interim City Manager to opt-in to the settlements, consent to the terms of the settlements and take such further action as is necessary to receive the settlement funds.
4. The election, agreement, and authorization in this Resolution are subject to completion of all other necessary actions by the Court and the other parties required to finalize the settlements as described herein.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this _____ day of _____, 2023, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi