



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: October 28, 2021	ITEM NO.	SUBJECT:
Presented by: Town Administrator /Clerk		Consideration of Colorado Opioid Settlement MOU

Background

Town staff received request to participate in the following.

Department of Law has come to an agreement with Colorado’s local governments for distributing opioid settlement and recovery funds to local counties and municipalities. The enclosed Memorandum of Understanding (“MOU”) is the product of a lengthy and complex negotiation between the Attorney General’s Office, Colorado Counties, Inc. (“CCI”), Colorado Municipal League (“CML”), and many negotiating local governments detailing that distribution process.

As you may know, the State, as well as several Colorado local governments, have pursued litigation against various pharmaceutical companies for their role in causing the opioid epidemic in Colorado. That litigation recently resulted in settlements with Purdue Pharma, McKinsey & Co., Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, resulting in up to approximately \$400 million in settlement funds for both the State and Colorado local governments to abate the opioid crisis. To maximize the settlement funds within Colorado, it is important that all Colorado counties and municipalities participate in these settlements and the distribution process by executing four documents:

1. The MOU that lays out the allocation of Opioid recoveries in the State of Colorado;
2. The Subdivision Settlement Participation Form that releases subdivisions’ legal claims against Johnson & Johnson;
3. The Subdivision Settlement Participation Form that releases subdivisions’ legal claims against AmerisourceBergen, Cardinal Health, and McKesson; and
4. The Colorado Subdivision Escrow Agreement that ensures subdivisions’ legal claims are released only when 95% participation by certain local governments has been reached. That 95% participation threshold is important because it triggers certain amounts of incentive payments under the settlements and signals to the settling pharmaceutical companies that the settlements have wide acceptance.

We are asked to present the MOU, Subdivision Settlement Participation Forms, and Colorado Subdivision Escrow Agreement to the Town Board to approve and direct execution of the documents on behalf of the Town of Palmer Lake. With prompt execution and return, Colorado and local government will be in a position to maximize the share of the settlements and begin putting the settlement funds to use abating the crisis in our communities.

PD is supportive of this effort to fund training and stocking the Naloxone shot with your support.