

TO: City Council
FROM: Karen Kirkpatrick, City Attorney
DATE: March 7, 2023
SUBJECT: National Opioid Settlement Allocation Agreement II

1) Recommended Action:

Approve and authorize the Mayor to sign the Allocation Agreement, the five Participation Forms, and all future documents related to opioid settlements.

2) Background:

The abuse of prescription opioids is a growing problem, not just in Tumwater, but in the State of Washington and nationwide. Individuals have been harmed by entities within the Pharmaceutical Supply Chain who manufacture, distribute, and dispense prescription opioids and the toll opioid abuse and overuse causes on our resources is significant.

In April 2022, the City authorized the Mayor to sign the [One Washington Memorandum of Understanding](#), which outlined how the funds the State of Washington receives from the National Distributor Settlement would be divided between participating jurisdictions. The City of Tumwater is included in the Cascade Pacific Action Alliance Region, which is comprised of Cowlitz, Grays Harbor, Lewis, Mason, Pacific, Thurston, and Wahkiakum Counties, and will receive 0.2065982350% of any settlement funds received. The distributor settlement resulted in \$215 million to local jurisdictions over 17 years.

This latest Allocation Agreement II incorporates settlements reached with the following manufacturers and pharmacies: Walmart, Teva, Allergan, CVS, and Walgreens. Each of these settlements can be accessed at <https://nationalopioidsettlement.com/>. The Allocation Agreement II and five Participation Forms must be signed prior to Tumwater receiving its share of the settlement funds. This settlement with manufacturers and pharmacies will result in an additional \$217 million to local jurisdictions over 15 years.

We anticipate there may be more allocation agreements based on the One Washington Memorandum of Understanding distributed for signature. In addition to the request that the Mayor be authorized to sign this latest allocation agreement, we are requesting that she be given authorization to sign all future settlement documents related to the opioid settlements.

3) Policy Support:

Funds would be utilized to help provide social and health services for those impacted by opioid use and addiction. They would also assist with the prevention of overuse and abuse, which supports our policy to provide and sustain quality public safety services and our commitment to explore regional partnerships to provide social and health services.

4) Alternatives:

☐ Not authorize the signing of the Allocation Agreement, the five Participation Forms,

and all future settlement documents related to the opioid settlements.

5) Fiscal Notes:

Tumwater would receive 0.2065982350% of any settlement funds received.

6) Attachments:

A. Allocation Agreement II and five Participation Forms, for Teva, Allergan, CVS, Walgreens, and Walmart.